

January 19, 2023

Legacy Airways, LLC
10021 Military Drive, Hanger 22
Conroe TX, 77303
Attention: Stephen Geldmacher, Chief Financial Officer and Vice President
Email: sgeldmacher@airtransportnetwork.us

Re: Amendment to Loan and Guarantee Agreement

Reference is made to the Loan and Guarantee Agreement, dated as of October 20, 2020 (as amended, supplemented, restated or otherwise modified, the “Loan and Guarantee Agreement”), between LEGACY AIRWAYS, LLC, a limited liability company organized under the laws of the State of Florida (the “Borrower”), the Guarantors party hereto from time to time, and the UNITED STATES DEPARTMENT OF THE TREASURY (the “Lender”) (collectively, the “Parties”), and to the promissory note (the “Note”), dated as of October 20, 2020, executed and delivered by the Borrower and made payable to the Lender in accordance with Section 2.06 of the Loan and Guarantee Agreement. Capitalized terms used but not defined herein have the meanings ascribed to them in the Loan and Guarantee Agreement and in the Note.

WHEREAS, pursuant to Subsection 2.05(a) of the Loan and Guarantee Agreement and Section I of the Note, the Loan bears interest payable on the Principal Amount outstanding from time to time at a rate per annum equal to the Adjusted LIBO Rate plus the Applicable Rate plus the Additional Tax Payer Protection Rate;

WHEREAS, pursuant to Section I of the Note, the Principal Amount of the Loan also shall be increased on each Interest Payment Date by the PIK Interest Amount with respect to such Interest Payment Date, unless the Borrower pays such PIK Interest Amount in cash pursuant to an election made in accordance with Section I of the Note;

WHEREAS, pursuant to Section III of the Note, the PIK Interest Rate in respect of any Interest Period ending after the first anniversary of the date of the Loan and Guarantee Agreement equals the Additional Tax Payer Protection Rate;

WHEREAS, due to an administrative oversight, on each Interest Payment Date beginning on December 15, 2021, and ending on September 15, 2022, the Principal Amount of the Loan was increased by an amount equal to all accrued interest with respect to the relevant Interest Period, and the Borrower paid no accrued interest on the Loan in cash; and

WHEREAS, on November 14, 2022, The Bank of New York Mellon, in its capacity as Financial Agent for the Lender (the “Financial Agent”), notified the Borrower of the aforementioned administrative oversight; and

WHEREAS, the Borrower has requested an amendment to the Loan and Guarantee Agreement and to the Note to (1) permit the Borrower to pay accrued interest on the December 15, 2022, Interest Payment Date solely by increasing the Principal Amount of the Loan in an amount equal to all accrued interest with respect to the relevant Interest Period; and (2) confirm and ratify all prior interest payments paid by the Borrower in the form of

increases in the Principal Amount of the Loan on the Interest Payment Dates from December 15, 2021, to September 15, 2022, and the Lender agrees to amend the Loan and Guarantee Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Effective as of the date hereof, Section III of the Note is hereby amended by striking the definition of “PIK Interest Rate” in its entirety and replacing it with the following:

“PIK Interest Rate” means (a) in respect of any Interest Period, the Additional Tax Payer Protection Rate plus (b) in respect of any Interest Period ending on or prior to December 15, 2022, the Adjusted LIBO Rate plus the Applicable Rate.

2. This letter agreement shall be limited as written and nothing herein shall be deemed to constitute an amendment or waiver of any other term, provision or condition of the Loan and Guarantee Agreement or any of the other Loan Documents in any other instance than as expressly set forth herein or prejudice any right or remedy that any Lender may now have or may in the future have under the Loan and Guarantee Agreement or any of the other Loan Documents. For the avoidance of doubt, this letter agreement is hereby deemed to be a Loan Document under the Loan and Guarantee Agreement. Except as herein provided, the Loan and Guarantee Agreement and the other Loan Documents remain unchanged and in full force and effect. This letter agreement shall not constitute a novation of the Loan and Guarantee Agreement or any other Loan Documents.

3. The Financial Agent assumes no responsibility for, and shall be entitled to rely on, without any obligation to ascertain or investigate, the correctness of the recitals and statements contained herein. The Financial Agent shall not be liable or responsible in any manner whatsoever for, or in respect of, the validity or sufficiency of the amendments contained in this letter agreement.

4. Sections 9.05 (*Counterparts; Integration; Effectiveness; Electronic Execution*) and 9.08 (*Governing Law; Jurisdiction; Etc.*) of the Loan and Guarantee Agreement shall apply *mutatis mutandis* to this letter agreement as if set out herein.

5. This letter agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this letter agreement in electronic (e.g., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this letter agreement.


[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned have caused this letter agreement to be duly executed by each of their respective authorized representatives as of the date first above written.

LEGACY AIRWAYS, LLC,
as the Borrower

By: Eddie Lindsey
Name: Eddie Lindsey
Title: President and CEO

UNITED STATES DEPARTMENT OF THE
TREASURY, as Lender

By: **Victoria
Collin**  Digitally signed by Victoria
Collin
Date: 2023.01.19
09:24:39 -05'00'

Name: Victoria Collin
Title: Chief Compliance and Finance Officer

LOAN AND GUARANTEE AGREEMENT dated as of October 20, 2020 (this “Agreement”), between LEGACY AIRWAYS, LLC, a limited liability company organized under the laws of Florida (the “Borrower” or the “Parent”), the Guarantors party hereto from time to time and the UNITED STATES DEPARTMENT OF THE TREASURY (“Treasury”).

RECITALS:

1. The Borrower has requested that the Lender (as defined below) extend credit as is permissible under the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. 116-136 (Mar. 27, 2020), as the same may be amended from time to time (the “CARES Act”) to the Borrower, and the Lender is willing to do so on the terms and conditions set forth herein.
2. Pursuant to Section 4003(h)(1) of the CARES Act, for purposes of the Code (as defined below) the Loan (as defined below) shall be treated for U.S. federal income tax purposes as indebtedness and as having been issued for its stated principal amount, and the interest payable pursuant to Section 2.05 shall be treated as qualified stated interest for U.S. federal income tax purposes.
3. Therefore, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with that Person.

“Agreement” has the meaning specified in the preamble to this Agreement.

“AML Laws” means each of (a) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56 (commonly known as the USA Patriot Act); (b) The Money Laundering Control Act of 1986, Public Law 99-570, (c) any similar law enacted in the United States of America subsequent to the date of this Agreement and (d) any other applicable anti-money laundering laws and any applicable financial recordkeeping and reporting requirements, rules, regulations and binding guidelines.

“Anticorruption Laws” has the meaning specified in Annex A.

“Beneficial Owner” has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time.

“Borrower” has the meaning specified in the preamble to this Agreement.

“Borrowing” means the borrowing of the Loan made by the Lender on the Closing Date.

“Borrowing Request” means a request for a Borrowing in substantially the form of Exhibit F hereto or any other form approved by the Lender.

“Business Day” means any day (other than a Saturday, Sunday or other day that is a legal holiday under the laws of the State of New York or is a day on which banking institutions in such state are authorized or required by Law to close) on which Treasury and the Federal Reserve Bank of New York are both open for business; provided that, when used in connection with any Loan that bears interest by reference to the Adjusted LIBO Rate, the term “Business Day” means any such day that is also a day on which dealings in Dollar deposits are conducted by and between banks in the London interbank market.

“Capitalized Lease Obligations” of any Person means the obligations of that Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination, which are required to be classified and accounted for as capital leases on a balance sheet of that Person under GAAP, and the amount of those obligations shall be the amount capitalized in accordance with GAAP.

“CARES Act” has the meaning specified in the Recitals to this Agreement.

“Change of Control” means the occurrence of any of the following: (a) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Borrower and its Subsidiaries, or if the Borrower is a direct or indirect Subsidiary of the Parent, the Parent and its Subsidiaries, taken as a whole to any Person (including any “person” (as that term is used in Section 13(d)(3) of the Exchange Act)); (b) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any “person” (as defined above)) becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the Borrower or the Parent, as applicable, (measured by voting power rather than number of shares), other than (i) any such transaction where the Voting Stock of the Borrower or the Parent, as applicable, (measured by voting power rather than number of shares) outstanding immediately prior to such transaction constitutes or is converted into or exchanged for at least a majority of the outstanding shares of the Voting Stock of such Beneficial Owner (measured by voting power rather than number of shares), or (ii) the consummation of any merger or consolidation of the Borrower or the Parent, as applicable, with or into any Permitted Person or a Subsidiary of a Permitted Person, in each case, if immediately after such transaction no Person (including any “person” (as defined above)) is the Beneficial Owner, directly or indirectly, of more than 50% of the total Voting Stock of such Permitted Person (measured by voting power rather than number of shares); (c) if the Borrower is a direct or indirect Subsidiary of the Parent, the Parent ceasing to own, directly or indirectly, 100% of the Equity Interests of the Borrower; (d) the adoption of a plan relating to the liquidation or dissolution of the Borrower or the Parent or (e) the occurrence of a “change of control”, “change in control” or similar event under the terms of any Material Indebtedness of the Borrower, the Parent or any parent entity of the foregoing.

“Closing Date” means the date set forth on the Lender’s signature page to this Agreement.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Credit Parties” means the Borrower and the Guarantors.

“Debtor Relief Laws” means the Bankruptcy Code of the United States of America and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default” means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” means an interest rate (before as well as after judgment) equal to the applicable interest rate on the Loan plus 2.00% per annum.

“Dollar” and “\$” mean lawful money of the United States.

“DOT” means the U.S. Department of Transportation.

“EBITDA” means, for any period, the consolidated net income of the Parent and its Subsidiaries for such period plus (i) to the extent deducted in computing such consolidated net income for such period, the sum (without duplication) of (a) income tax expense, (b) Interest Expense, (c) depreciation and amortization expense, (d) extraordinary, unusual or non-recurring charges or losses and (e) non-cash charges and minus, (ii) to the extent added in computing such consolidated net income for such period, the sum (without duplication) of (a) non-cash gains and (b) extraordinary, unusual or non-recurring gains.

“Eligible Business” means an “air carrier” within the meaning of Section 40102 of Title 49 that holds a certificate under Section 41102 of Title 49.

“Environmental Laws” means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions, including all common law, relating to pollution or the protection of health, safety or the environment or the release of any materials into the environment, including those related to hazardous or toxic materials, air emissions, discharges to waste or public systems and health and safety matters.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and the rulings issued thereunder.

“Event of Default” has the meaning specified in Article VII.

“Exchange Act” means the Securities Exchange Act of 1934 and the rules and regulations of the SEC promulgated thereunder.

“Excluded Subsidiary” means any Subsidiary of the Parent that is not an obligor in respect of any unsecured Material Indebtedness of the Parent or any of its Subsidiaries, unless such Subsidiary is required to be an obligor under any agreement, instrument or other document relating to any unsecured Material Indebtedness of the Parent or any of its Subsidiaries.

“FCPA” has the meaning specified in Annex A.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System of the United States.

“Financial Officer” means, as to any Person, the chief financial officer, principal accounting officer, treasurer or controller of such Person.

“Financial Statement Report” has the meaning specified in Section 1.02(d).

“GAAP” means generally accepted accounting principles in the U.S.

“Guarantee” means, collectively, (a) the guarantee of each Guarantor party hereto contained in Annex E hereto and (b) each other guarantee, pursuant to customary documentation reasonably acceptable to the Lender and on the terms and conditions set forth in Annex E, made by any other Guarantor in favor of the Lender guaranteeing all or part of the Obligations.

“Guaranteed Obligations” has the meaning specified in Annex E.

“Guarantor” means each Guarantor listed on the signature page to this Note and any other Person that becomes a Guarantor pursuant to Section 7.01.

“Hedging Agreement” means any interest rate protection agreement, foreign currency exchange agreement, commodity price protection agreement or other interest or currency exchange rate or commodity price hedging arrangement.

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP: (a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments; (b) attributable indebtedness in respect of any Capitalized Lease Obligation and any synthetic lease obligation of any Person and (c) all guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person.

“Indemnatee” has the meaning specified in Section 9.03(b).

“Interest Coverage Ratio” means, for any period, the ratio of (a) EBITDA for such period to (b) Interest Expense for such period.

“Interest Expense” means, for any period, (a) the interest expense of the Parent and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP and including (i) the amortization of debt discounts to the extent included in interest expense in accordance with GAAP, (ii) the amortization of all fees payable in connection with the incurrence of Indebtedness to the extent included in interest expense in accordance with GAAP and (iii) the portion of any rents payable in respect of Capitalized Lease Obligations allocable to interest expense in accordance with GAAP minus (b) the interest income of the Parent and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

“IRS” means the United States Internal Revenue Service.

“Lender” means the United States Department of the Treasury or its designees or any other Person that shall have rights pursuant to an assignment hereunder.

“Lender’s Office” means the Lender’s address and, as appropriate, account as set forth on Schedule 9.01, or such other address or account as the Lender may from time to time notify the Borrower in writing.

“Leverage Ratio” means the ratio, as of any date of determination, of (a) the Total Debt on such date to (b) EBITDA for the Test Period applicable as of such date.

“Lien” means any mortgage, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” means the loan made by the Lender to the Borrower pursuant to Section 2.01.

“Loan Amount” has the meaning specified in Section 2.01.

“Loan Application” means the application form and any related materials submitted by the Borrower to the Lender in connection with an application for the Loan under Division A, Title IV, Subtitle A of the CARES Act.

“Loan Documents” means, collectively, this Agreement, the Note and any other documents entered into in connection herewith.

“Material Adverse Effect” means (a) a material adverse effect on the business, assets, operations, prospects or condition, financial or otherwise, of the Parent and its Subsidiaries taken as a whole; or (b) a material adverse effect on (i) the ability of the Borrower or any Credit Party to perform its Obligations, (ii) the legality, validity, binding effect or enforceability against the Borrower or any Credit Party of any Loan Document to which it is a party or (iii) the rights, remedies and benefits available to, or conferred upon, the Lender under any Loan Documents; provided that any adverse effect resulting from the impacts of the COVID-19 disease outbreak will be disregarded for purposes of clause (a) of this definition to the extent (i) publicly disclosed in any SEC filing or otherwise provided to the Lender prior to the Closing Date and (ii) the scope of such adverse effect is no greater than that which has been disclosed as of the Closing Date.

“Material Indebtedness” means Indebtedness (or commitments in respect thereof) (other than Indebtedness under this Agreement) having an aggregate principal amount equal to or greater than the Threshold Amount.

“Maturity Date” means the date that is five years after the Closing Date (except that, if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day).

“Note” has the meaning specified in Section 2.06.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, each Credit Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrower or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, charges, expenses, fees, indemnities and other amounts payable by the Borrower under any Loan Document and (b) the obligation of any Credit Party to reimburse any amount in respect of any of the foregoing that the Lender, in each case in its sole discretion, may elect to pay or advance on behalf of any Credit Party.

“Obligee Guarantor” has the meaning specified in Annex E.

“Parent” has the meaning specified in the preamble to this Agreement.

“Permitted Business” means any business that is the same as, or reasonably related, ancillary, supportive or complementary to, the business in which the Parent and its Subsidiaries are engaged on the date of this Agreement.

“Permitted Person” means any Person (including any “person” (as that term is used in Section 13(d)(3) of the Exchange Act)) which owns or operates (directly or indirectly through a contractual arrangement) a Permitted Business.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

“Plan” means an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and (a) is either (i) maintained by the Parent or any Subsidiary for employees of the Parent and/or any Subsidiary or (ii) maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which the Parent or any Subsidiary is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions, or (b) for which the Parent or any Subsidiary has any obligations, whether direct or indirect by way of an affiliate.

“Prepayment Notice” means a notice by the Borrower to prepay Loans, which shall be in such form as the Lender may approve.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the agents, advisors and representatives of such Person and of such Person’s Affiliates .

“Sanctioned Country” has the meaning specified in Annex A.

“Sanctioned Person” has the meaning specified in Annex A.

“Sanctions” has the meaning specified in Annex A.

“SEC” means the Securities and Exchange Commission, or any governmental authority succeeding to any of its principal functions.

“Solvent” means, as to any Person as of any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person’s property would constitute an unreasonably small capital. The amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Subsidiary” of a Person means an entity of which such Person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital stock, equity or similar rights of ownership, or whose accounts would be consolidated with those of that Person in accordance with GAAP. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Parent.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any governmental authority, including any interest, additions to tax or penalties applicable thereto.

“Test Period” means, as of any date, the period of four (4) consecutive fiscal quarters of the Parent then most recently ended.

“Threshold Amount” means an amount equal to 15% of the Loan Amount.

“Total Debt” means, at any date, all Indebtedness of the Parent and its Subsidiaries, on a consolidated basis, at such date to the extent such items should be reflected on the consolidated balance sheet of the Parent (excluding any such items which appear only in the notes to such consolidated balance sheet) at such date in accordance with GAAP.

“Treasury” has the meaning specified in the preamble to this Agreement.

“United States” and “U.S.” mean the United States of America.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“Voting Stock” of any specified Person as of any date means the equity interests of such Person that are at the time entitled to vote in the election of the board of directors of such Person.

“Withholding Agent” means the Borrower and an agent or other person making or transferring to the Lender any payment on behalf of the Borrower.

SECTION 1.02. Construction.

(a) In this Agreement, (i) “includes” and “including” are not limiting; (ii) “or” is not exclusive and (iii) headings are for convenience only, are not a part of this Agreement and shall not be used in construing it.

(b) In this Agreement, unless the contrary intention appears, a reference to (i) an “amendment” includes a supplement, modification, waiver, novation, restatement or re-enactment, and “amended” will be construed accordingly; (ii) an “authorization” includes an authorization, consent, approval, resolution, license, franchise, exemption, filing, registration or notarization; (iii) an Article, a Section, an Annex, a

paragraph, a subparagraph, an Exhibit or a Schedule is a reference to an Article, a Section, an Annex, a paragraph or subparagraph of, or an exhibit or a schedule to, this Agreement; (iv) “disposal” means a sale, transfer, grant, conveyance, lease or other disposal, whether voluntary or involuntary, and “dispose” will be construed accordingly; and (v) a Loan Document or another document or agreement is a reference to that Loan Document or other document or agreement as amended, modified, supplemented, restated or novated.

(c) Except as expressly provided to the contrary, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time.

(d) All annual financial statements of the Parent and its Subsidiaries referred to in clause (5) of Annex A, clause (6) of Annex B and clause (1) of Part I of Annex C shall be audited and accompanied by a report and opinion of independent public accountants of nationally recognized standing, prepared in accordance with GAAP (and (A) in the case of clause (5) of Annex A and clause (1) of Part I of Annex C, shall not be subject to any “going concern” or like qualification (other than a qualification solely resulting from (x) the impending maturity of any Indebtedness or (y) any prospective or actual default under any financial covenant), exception or explanatory paragraph or any qualification, exception or explanatory paragraph as to the scope of such audit and (B) in the case of clause (6) of Annex B, shall not be subject to a “going concern” or scope of audit qualification or exception) and stating that such consolidated financial statements present fairly in all material respects the financial condition, results of operations, shareholders’ equity and cash flows of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied; provided that, solely to the extent the Parent has not and does not retain independent public accountants for the review of its annual financial statements (including for delivery to other holders of the Parent’s Indebtedness or equity interests), the obligations to furnish the applicable audited annual financial statements of the Parent and its Subsidiaries referred to in clause (5) of Annex A, clause (6) of Annex B and clause (1) of Part I of Annex C shall instead be satisfied by furnishing (x) annual financial statements of the Parent and its Subsidiaries certified by a Financial Officer stating that such consolidated financial statements present fairly in all material respects the financial condition, results of operations, shareholders’ equity and cash flows of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied and (y) the tax returns of the Parent for the corresponding calendar years (any such audit report or certification of annual financial statements referred to in this Section, a “Financial Statement Report”). Financial statements and other information required to be delivered by the Parent to the Lenders pursuant to clause (5) of Annex A, clause (6) of Annex B and clause (1) of Part I of Annex C shall be prepared in accordance with GAAP as in effect at the time of such preparation. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Parent and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

(e) If the Borrower notifies the Lender that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Lender notifies the Borrower it requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn, the Lender shall have notified the Borrower of its objection to such amendment or such provision shall have been amended in accordance herewith.

ARTICLE II. LOAN AND BORROWINGS

SECTION 2.01. The Loan. Subject to the terms and conditions set forth herein, the Lender agrees to make a loan to the Borrower on the Closing Date in a principal amount not to exceed the amount set forth opposite the Lender’s name on Schedule 2.01 (the “Loan Amount”). Amounts borrowed and repaid or prepaid may not be reborrowed. In accordance with the Note, the principal amount of the Loan shall be increased on each Interest Payment Date (as defined in the Note) by the PIK Interest Amount (as defined in the Note) with respect to such Interest Payment Date unless the Borrower pays such PIK Interest Amount in cash on such Interest Payment Date pursuant to an election to do so in accordance with the Note.

SECTION 2.02. Borrowing Request. The Borrowing shall be made upon the Borrower’s irrevocable notice to the Lender and such notice shall be in the form of a written Borrowing Request, appropriately completed and signed by an officer of the Borrower and must be received by the Lender not later than 11:00 a.m. (New York City time) three (3) Business Days prior to the date of the requested Borrowing (which delivery may initially be by electronic communication including fax or email and shall be followed by an original authentic counterpart thereof). Each Borrowing Request for a Borrowing pursuant to this Section shall specify the following information: (i) the aggregate amount of the requested Borrowing; (ii) the date of such Borrowing (which shall be a Business Day); and (iii) the location and number of the Borrower’s account to which funds are to be disbursed.

SECTION 2.03. Prepayments.

(a) Optional Prepayments. The Borrower may, upon written notice to the Lender, at any time and from time to time prepay the Loan in whole or in part without premium or penalty, but together with accrued and unpaid interest on the amount so prepaid to the extent required by Section 2.05 and the Note.

(b) Notices. Each such notice pursuant to this Section shall be in the form of a written Prepayment Notice, appropriately completed and signed by an officer of the Borrower and must be received by the Lender not later than 11:00 a.m. (New York City time) five (5) Business Days

before the date of prepayment (which delivery may initially be by electronic communication including fax or email and shall be followed by an original authentic counterpart thereof). Each Prepayment Notice shall specify (x) the prepayment date and (y) the principal amount of the Loan or portion thereof to be prepaid. Each Prepayment Notice shall be irrevocable.

SECTION 2.04. Repayment of Loan. The Borrower shall repay the Loan in full to the Lender on the Maturity Date in an amount equal to the aggregate principal amount of the Loan outstanding on the Maturity Date (which amount shall be reduced as a result of prepayments made in accordance with Section 2.03).

SECTION 2.05. Interest.

(a) Interest Rates. Subject to paragraph (b) of this Section, the Loan shall bear interest payable on the aggregate principal amount of the Loan in the manner and as set forth in the Note.

(b) Default Interest. If any amount payable by the Borrower under this Agreement or any other Loan Document (including principal of the Loan, interest, fees and other amount) is not paid when due, whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a rate per annum equal to the applicable Default Rate. Upon the request of the Lender, while any Event of Default exists, the Borrower shall pay interest on the principal amount of all Loans outstanding hereunder at a rate per annum equal to the applicable Default Rate.

SECTION 2.06. Promissory Note. As of the Closing Date, the Borrower shall prepare, execute and deliver to the Lender a promissory note (the "Note") of the Borrower payable to the Lender in the form attached as Exhibit A hereto, which shall evidence the Lender's Loan in addition to the Lender's records.

SECTION 2.07. Payments Generally.

(a) Payments by Borrower. All payments to be made by the Borrower hereunder and the other Loan Documents shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, each payment shall be paid in Dollars in immediately available funds by electronic funds transfer to the Lender's Office, in each case not later than 12:00 noon (New York City time) on the date specified herein. All amounts received by the Lender after such time on any date shall be deemed to have been received on the next succeeding Business Day and any applicable interest or fees shall continue to accrue. If any payment to be made by the Borrower shall fall due on a day that is not a Business Day, payment shall be made on the next succeeding Business Day and such extension of time shall be reflected in computing interest or fees, as the case may be; provided that, if such next succeeding Business Day would fall after the Maturity Date, payment shall be made on the immediately preceding Business Day. Except as otherwise expressly provided herein, all payments hereunder or under any other Loan Document shall be made in Dollars.

(b) Application of Insufficient Payments. If at any time insufficient funds are received by and available to the Lender to pay fully all amounts of principal, interest, fees and other amounts then due hereunder, such funds shall be applied (i) first, to pay interest, fees and other amounts then due hereunder, and (ii) second, to pay principal then due hereunder.

ARTICLE III. REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties. As of the Closing Date, each Credit Party represents and warrants to the Lender that the representations and warranties set forth on Annex A hereto are true and correct in all respects.

SECTION 4.01. Conditions Precedent to Closing Date. The effectiveness of this Agreement and the funding of the Borrowing hereunder on the Closing Date are subject to the satisfaction (or waiver in accordance with Section 9.02) of the conditions set forth in Annex B (and, in the case of each document specified in Annex B to be received by the Lender, such document shall be in form and substance satisfactory to the Lender). Each Borrowing Request by the Borrower hereunder and each Borrowing shall be deemed to constitute a representation and warranty by the Borrower on and as of the date of the applicable Borrowing as to the matters specified in clause (8) of Annex B.

ARTICLE V. AFFIRMATIVE COVENANTS

SECTION 5.01. Affirmative Covenants. Until all Obligations shall have been paid in full or until any later date as provided for in this Agreement, each Credit Party covenants and agrees with the Lender to comply with (and, if applicable, to cause its Subsidiaries to comply with) the applicable affirmative covenants set forth in Part I of Annex C.

¹ NTD: Treasury intends to countersign the loan documentation concurrently with funding after satisfaction of all conditions precedent.

ARTICLE VI. NEGATIVE COVENANTS

SECTION 6.01. Negative Covenants. Until all Obligations have been paid in full or until any later date as provided for in this Agreement, each Credit Party covenants and agrees with the Lender to comply with (and, if applicable, to cause its Subsidiaries to comply with) the applicable negative covenants (including financial covenants) set forth in Part II of Annex C.

ARTICLE VII. GUARANTEES

SECTION 7.01. Guarantees. The Guarantors listed on the signature page to this Agreement hereby guarantee the Guaranteed Obligations as set forth in Annex E. If any Subsidiary (other than an Excluded Subsidiary) is formed or acquired after the Closing Date or if any Subsidiary ceases to be an Excluded Subsidiary, then the Borrower will cause such Subsidiary to become a Guarantor within 30 days of such Subsidiary being formed or acquired or of such Subsidiary ceasing to be an Excluded Subsidiary pursuant to customary documentation reasonably acceptable to the Lender and on the terms and conditions set forth in Annex E.

ARTICLE VIII. EVENTS OF DEFAULT

SECTION 8.01. Events of Default. If any of the following events (each, an “Event of Default”) shall occur:

- (a) the Borrower shall fail to pay any principal of any Loan when and as the same shall become due and payable;
- (b) the Borrower shall fail to pay any interest on any Loan, or any fee or any other amount (other than an amount referred to in clause (a) of this Section) payable under this Agreement or under any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of two (2) or more Business Days;
- (c) any representation or warranty made or deemed made by or on behalf of any Credit Party, including those made prior to the Closing Date, in or in connection with the Loan Application or any Loan Document or in any report, certificate, financial statement or other document furnished pursuant to or in connection with the Loan Application or any Loan Document shall prove to have been incorrect in any material respect when made or deemed made;
- (d) any Credit Party shall fail to observe or perform any covenant, condition or agreement contained in clause (3)(a) of Part I of Annex C, clause (4) of Part I of Annex C (with respect to the Borrower’s existence), Article VI or Article X;
- (e) any Credit Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement or any other Loan Document (other than those specified in clause (a), (b) or (d) of this Section) and such failure shall continue unremedied for a period of 30 or more days after notice thereof by the Lender to the Parent;
- (f) any Material Indebtedness of any Credit Party or any Subsidiary thereof (i) is not paid when due (after the expiry of any originally applicable grace period) or (ii) (w) becomes prematurely due and payable; (x) is placed on demand; (y) is required to be repurchased, redeemed or defeased or (z) is capable of being declared by a creditor to be prematurely due and payable, being placed on demand or being required to be repurchased, redeemed or defeased, in each case, as a result of a breach, default or event of default (howsoever described);
- (g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Credit Party or any Subsidiary thereof or its debts, or of a substantial part of its assets, under any Debtor Relief Law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Credit Party or any Subsidiary thereof or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for a period of 60 or more days or an order or decree approving or ordering any of the foregoing shall be entered;
- (h) any Credit Party or any Subsidiary thereof shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Debtor Relief Law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (g) of this Section, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Parent or any of its Subsidiaries or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) take any action for the purpose of effecting any of the foregoing;
- (i) there is entered against any Credit Party or any Subsidiary thereof one or more judgments for the payment of money in an aggregate amount in excess of the Threshold Amount and the same shall remain undischarged for a period of thirty (30) days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Credit Party or any Subsidiary to enforce any such judgment;
- (j) any event or series of events occurs which, in the opinion of the Lender, is reasonably likely to have a Material Adverse Effect;

(k) any material provision of any Loan Document shall cease to be in full force and effect (other than in accordance with the terms thereof);

(l) a Change of Control shall occur;

then, and in every such event, and at any time thereafter during the continuance of such event, the Lender may, by notice to the Borrower, take any or all of the following actions, at the same or different times:

(i) declare the Loans then outstanding to be due and payable in whole or in part, and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other Obligations of the Credit Parties accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and the other Credit Parties; and

(ii) exercise all rights and remedies available to it under the Loan Documents and applicable law;

provided that, in the case of any event described in clause (g) or (h) of this Section, the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other Obligations accrued hereunder, shall automatically become due and payable, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Credit Parties.

ARTICLE IX. MISCELLANEOUS

SECTION 9.01. Notices. Except as otherwise expressly provided in a Loan Document, any communication in connection with any Loan Document shall be in writing and shall be given in person (by courier service or otherwise), by fax or via electronic communication (including e-mail, FpML, and Internet or intranet websites) as follows:

(i) if to a Credit Party, to Legacy Airways LLC at 10021 Military Drive, Hanger 22, Conroe TX, 77303, Attention of Stephen Geldmacher, Chief Financial Officer and Vice President (Telephone No. 479-220-5028; Email: sgeldmacher@airtransportnetwork.us);

(ii) if to the Lender, to the address, facsimile number, electronic mail address or telephone number specified for the Lender on Schedule 9.01.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received and notices sent by fax or through electronic communications shall be deemed to have been given when receipt is confirmed; provided that, a notice or other communication given above but received on a non-Business Day or after business hours in the place of receipt will only be deemed to be given on the next Business Day in that place.

SECTION 9.02. Waivers; Amendments.

(a) No Waiver; Remedies Cumulative; Enforcement. The rights of the Lender under this Agreement (i) may be exercised as often as necessary; (ii) are cumulative and not exclusive of its rights under the general law and (iii) may be waived only in writing and specifically. Delay in exercising or non-exercise of any right is not a waiver of that right. Any waiver, consent or amendment shall be affective only in the specific instance and for the specific purpose for which it was given and shall not entitle the Borrower or any other Credit Party to any further or subsequent waiver, consent or amendment.

(b) Amendments, Etc. Except as otherwise expressly set forth in this Agreement, no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Credit Party therefrom, shall be effective unless in writing executed by the Borrower and the Lender, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 9.03. Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrower shall pay to the Lender (i) the amount of all costs and expenses (including legal fees and expenses) reasonably incurred by the Lender in connection with (a) the negotiation, preparation, printing and execution of any Loan Document and (b) any amendment, waiver or consent requested by or on behalf of the Borrower or specifically allowed by this Agreement, or any workout or restructuring, or any requested or proposed workout or restructuring, of the obligations under this Agreement and (ii) the amount of all costs and expenses (including legal fees and expenses) incurred by the Lender in connection with the enforcement of, or the preservation of any rights under, any Loan Document.

(b) Indemnification by the Borrower. The Borrower shall indemnify the Lender and each of its Related Parties (each such Person being called an "Indemnitee") from and against all claims, litigation, liabilities, obligation, losses, damages, penalties, judgments, costs and expenses

of any kind (including attorney's fees and expenses) which may be imposed on, incurred by or asserted against any of them by any Person (including the Borrower) in any way relating to or arising out of (i) the execution, delivery or performance of the Loan Documents; (ii) the funding or use of any Loan; (iii) any Default or (iv) any action taken or omitted by the Lender under this Agreement or any exercise or enforcement of rights or remedies under this Agreement.

(c) Waiver of Consequential Damages, Etc. To the extent permitted by applicable law, no Credit Party shall assert, and each Credit Party hereby waives, any claim against the Lender, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as result of, the Loan Documents or any agreement, instrument or transaction contemplated by the Loan Documents, the funding or failure to fund any Loan or the use of the proceeds of any Loan.

(d) Payments. All amounts due under this Section shall be payable not later than five (5) days after demand therefor.

(e) Survival. Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the obligations hereunder.

SECTION 9.04. Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender and the Lender may assign or otherwise transfer its rights or obligations only in accordance with clause (b) of this Section 9.04 (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of the Lender) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lender. The Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loan at the time owing to it). From and after the effective date of any such assignment, the assigning Lender shall be released from its obligations under this Agreement (and, in the case of an assignment covering all of the assigning Lender's rights and obligations under this Agreement, the Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Section 9.03 with respect to facts and circumstances occurring prior to the effective date of such assignment.

SECTION 9.05. Counterparts; Integration; Effectiveness; Electronic Execution. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement constitutes the entire contract between the Borrower, each Guarantor and the Lender with respect to the subject matter hereof and supersedes all previous agreements and understandings, oral or written, with respect thereto. Notwithstanding anything herein to the contrary, delivery of an executed counterpart of a signature page of this Agreement by electronic means shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 9.06. Severability. If a term of a Loan Document is or becomes illegal, invalid or unenforceable in any jurisdiction, that will not affect (a) the legality, validity or enforceability in that jurisdiction of any other term of the Loan Documents or (b) the legality, validity or enforceability in other jurisdictions of that or any other term of the Loan Documents.

SECTION 9.07. Right of Setoff. The Lender may, without notice or demand (both of which are expressly and irrevocably waived by each Credit Party to the extent permissible under applicable law), set off any matured obligation owed to it by the Borrower under the Loan Documents against any obligation (including all deposits, general or special, time or demand, provisional or final, and all credits, indebtedness or claims) owed by the Lender to the Borrower, regardless of whether or not the obligation is matured and regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. The rights of the Lender under this Section are in addition to any other rights and remedies (including any banker's lien or other rights of set-off) which the Lender may have by contract, under applicable law or otherwise.

SECTION 9.08. Governing Law; Jurisdiction; Etc. This Agreement and the other Loan Documents will be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. Each of the Credit Parties and the Lender agrees (a) to submit to the exclusive jurisdiction and venue of the United States District Court for the District of Columbia for any civil action, suit or proceeding arising out of or relating to this Agreement, the Loan Documents, or the transactions contemplated hereby or thereby, and (b) that notice may be served upon any Credit Party or the Lender at the applicable address in Section 9.01 hereof (or upon any Lender that is not Treasury at an address provided by such Lender to the Borrower in writing). To the extent permitted by applicable law, each Credit Party and the Lender hereby unconditionally waives trial by jury in any civil legal action or proceeding relating to this Agreement, the Loan Documents or the transactions contemplated hereby or thereby.

SECTION 9.09. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.10. USA Patriot Act. The Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow the Lender to identify each Credit Party in accordance with the USA Patriot Act. The Borrower agrees that it will provide the Lender with such information as it may request in order for the Lender to satisfy the requirements of the USA Patriot Act.

SECTION 9.11. Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to the Lender, or the Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

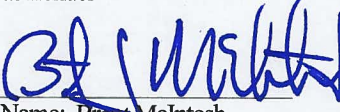
ARTICLE X. CARES ACT REQUIREMENTS

SECTION 10.01. CARES Act Requirements. Notwithstanding anything in this Agreement to the contrary, the Credit Parties, on behalf of themselves and their Affiliates, agree with the Lender to comply with the requirements set forth in Annex D. The Borrower represents and warrants to the Lender that the representations and warranties set forth in Annex D are true and correct in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year written below.

LENDER

THE UNITED STATES DEPARTMENT OF THE
TREASURY,
as Lender

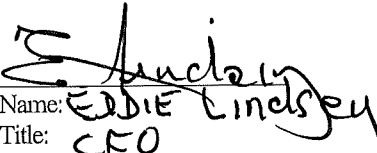
By 

Name: Brent McIntosh

Title: Under Secretary for International Affairs

Date:

LEGACY AIRWAYS, LLC

By 
Name: Eddie Lindsey
Title: CEO

Loan Amount

\$1,817,306.00

Lender's Office

The Department of the Treasury of the United States
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220
Attention of Assistant General Counsel (Banking and Finance)
Telephone No. 202-622-0283
Email: eric.froman@treasury.gov

FORM OF NOTE

PROMISSORY NOTE

October 20, 2020

Reference is made to that certain Loan and Guarantee Agreement, dated as of October 20, 2020 (the “Loan Agreement”), between LEGACY AIRWAYS, LLC, a limited liability company organized under the laws of Florida (the “Borrower” or the “Parent”), the Guarantors party thereto from time to time and the United States Department of the Treasury (“Treasury”). Capitalized terms used but not defined herein have the respective meanings assigned to them in the Loan Agreement.

FOR VALUE RECEIVED, the Borrower hereby unconditionally promises to pay to the Lender, the principal sum of ONE MILLION EIGHT HUNDRED SEVENTEEN THOUSAND THREE HUNDRED AND SIX DOLLARS (\$1,817,306.00), subject to increases and/or decreases as a result of Sections 2.01, 2.03 and 2.04 of the Loan Agreement and as otherwise provided for herein with respect to PIK Interest Amounts, in each case as noted by the Lender in Schedule I (the “Principal Amount”), outstanding hereunder, together with all accrued interest thereon on the Maturity Date as provided in the Loan Agreement and below. Notations made by the Lender in Schedule I shall be final and conclusive absent manifest error; provided, however, that any failure by the Lender to make such notations or any error by omission by the Lender in this regard shall not affect the obligation of the Borrower to pay the full amount of the principal of and interest on the Loan or any other amount owing hereunder or under the Loan Agreement.

SECTION I. Interest Rate

Subject to Section 2.05(b) of the Loan Agreement, the Loan shall bear interest payable on the Principal Amount outstanding from time to time at a rate per annum equal to the sum of (i) the Adjusted LIBO Rate; plus (ii) the Applicable Rate; plus (iii) the Additional Tax Payer Protection Rate. To the extent the Principal Amount is increased pursuant to Section 2.01 of the Loan Agreement, the Loan will bear interest on such increased Principal Amount from and after the date of such increase. Accrued interest on each Loan shall be payable in cash in arrears on each Interest Payment Date, beginning with December 15, 2020 and at such other times as may be specified in the Loan Agreement; provided that (x) interest accrued pursuant to Section 2.05(b) of the Loan Agreement shall be payable on demand, (y) in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (z) any PIK Interest Amount may be paid in kind in accordance with the following paragraph. All interest hereunder and under the Loan Agreement shall be computed on the basis of a year of 360 days and in each case shall be payable for the actual number of days elapsed in the applicable period (including the first day but excluding the last day of such period). The Adjusted LIBO Rate shall be determined by the Lender, and such determination shall be conclusive absent manifest error.

By written notice to the Lender at least thirty (30) days prior to each Interest Payment Date, the Borrower may elect to pay all of the PIK Interest Amount in respect of such Interest Payment Date in cash on such Interest Payment Date. If the Borrower does not elect to pay any such PIK Interest Amount in cash as set forth in this clause, such PIK Interest Amount shall be paid by increasing the Principal Amount of the Loan by an amount equal to such PIK Interest Amount as of the applicable Interest Payment Date.

SECTION II. Benchmark Replacement

A. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Note or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Borrower without any amendment to, or further action or consent of any other party to, this Note or any other Loan Document.

B. In connection with the implementation of a Benchmark Replacement, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Note or any other Loan Document.

C. The Lender will promptly notify the Borrower of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the

effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (D) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Lender pursuant to this Section II including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Note or any other Loan Document, except, in each case, as expressly required pursuant to this Section II.

D. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or the USD LIBO Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Lender may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Lender may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

E. During any Benchmark Unavailability Period, all calculations of interest by reference to a LIBO Rate hereunder shall instead be made by reference to the Alternate Base Rate.

SECTION III. Definitions

As used herein and in any other Loan Document, the following terms have the meanings specified below:

"Additional Tax Payer Protection Rate" means 3.00%.

"Adjusted LIBO Rate" means, as to any Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/100 of 1%) equal to (a) the LIBO Rate for such Interest Period divided by (b) one minus the Eurodollar Reserve Percentage.

"Alternate Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 0.50% and (c) the Adjusted LIBO Rate for a one-month term in effect on such day (taking into account any LIBO Rate floor under the definition of "Adjusted LIBO Rate") plus 1.00%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or such Adjusted LIBO Rate, respectively.

"Applicable Rate" means 5.50%.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (D) of Section II of this Note.

"Benchmark" means, initially, the USD LIBO Rate; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the USD LIBO Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (A) of Section II of this Note.

"Benchmark Replacement" means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Lender for the applicable Benchmark Replacement Date:

- (1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;
- (2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Lender as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion. If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Note and the other Loan Documents; provided further that any such Benchmark Replacement shall be administratively feasible as determined by the Lender in its reasonable discretion.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of “Benchmark Replacement,” the first alternative set forth in the order below that can be determined by the Lender:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar- denominated syndicated credit facilities;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Lender in its reasonable discretion; provided that, any such Benchmark Replacement Adjustment shall be administratively feasible as determined by the Lender in its reasonable discretion.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Note and the other Loan Documents).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or

the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein; or

(3) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Borrower.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section II of this Note and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section II of this Note.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Lender in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided, that if the Lender decides that any such convention is not administratively feasible for the Lender, then the Lender may establish another convention in its reasonable discretion.

“Early Opt-in Election” means, if the then-current Benchmark is the USD LIBO Rate, the occurrence of:

(1) the Lender notifying the Borrower that the Lender has determined that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-

based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the election by the Lender to trigger a fallback from the USD LIBO Rate and the provision to the Borrower of written notice of such election.

“Eurodollar Reserve Percentage” means, for any day during any Interest Period, the reserve percentage in effect on such day, whether or not applicable to the Lender, under regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D). The Adjusted LIBO Rate for each outstanding Loan shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

“Federal Funds Effective Rate” means, for any day, the greater of (a) the rate calculated by the Federal Reserve Bank of New York based on such day’s Federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the Federal funds effective rate and (b) 0%.

“Floor” means the benchmark rate floor, if any, provided in this Note and the Loan Agreement initially (as of the execution of this Note and the Loan Agreement, the modification, amendment or renewal of this Note or the Loan Agreement or otherwise) with respect to the USD LIBO Rate. As of the Closing Date, the Floor shall be 0%.

“Interest Payment Date” means the first Business Day following the 14th day of each March, June, September and December and the Maturity Date.

“Interest Period” means (a) for the initial Interest Period, the period commencing on the Closing Date and ending on the next succeeding Interest Payment Date and (b) for each Interest Period thereafter, the period commencing on the last day of the next preceding Interest Period and ending on the next succeeding Interest Payment Date.

“Interpolated Rate” means, at any time and for any Interest Period, the rate per annum determined by the Lender (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the rate as displayed on the Bloomberg “LIBOR01” screen page (or any successor or replacement screen on such service; in each case the “Screen Rate”) for the longest period (for which that Screen Rate is available) that is shorter than three (3) months and (b) the Screen Rate for the shortest period (for which that Screen Rate is available) that is equal to or exceeds three (3) months, in each case, at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“LIBO Rate” means, for any Interest Period, the greater of (a) the rate appearing on the Bloomberg “LIBOR01” screen page (or any successor or replacement screen on such service) at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity of three (3) months; provided that (i) if such rate is not available at such time for any reason, then the “LIBO Rate” shall be the Interpolated Rate, and (ii) if the Interpolated Rate is not available (except as set forth in Section II of this Note), the “LIBO Rate” shall be the LIBO Rate for the immediately preceding Interest Period, two (2) Business Days prior to the commencement of such Interest Period and (b) 0%.

“PIK Interest Amount” means, in respect of any Interest Payment Date, the amount of interest accrued during an Interest Period calculated based on the PIK Interest Rate applicable during such Interest Period.

“PIK Interest Rate” means (a) in respect of any Interest Period, the Additional Tax Payer Protection Rate plus (b) in respect of any Interest Period ending on or prior to the first anniversary of the date hereof, the Adjusted LIBO Rate plus the Applicable Rate.

“Prime Rate” means the rate of interest per annum last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Lender) or any similar release by the Federal Reserve Board (as

determined by the Lender). Any change in the Prime Rate shall take effect at the opening of business on the day such change is publicly announced or quoted as being effective.

“Reference Time” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the USD LIBO Rate, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not the USD LIBO Rate, the time determined by the Lender in its reasonable discretion.

“Relevant Governmental Body” means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto.

“Screen Rate” has the meaning specified in the definition of the term “Interpolated Rate”.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website at approximately 8:00 a.m. (New York City time) on the immediately succeeding Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“Term SOFR” means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“USD LIBO Rate” means the LIBO Rate for U.S. dollars.

SECTION IV. Miscellaneous

This promissory note is the Note referred to in the Loan Agreement and evidences the Loan made thereunder by the Lender to the Borrower.

The Loan Agreement provides for the acceleration of the maturity of this promissory note upon the occurrence of certain events and for prepayments of the Loan upon the terms and conditions specified therein.

This promissory note may be assigned by the Lender to any other Person pursuant to Section 9.04 of the Loan Agreement.

This promissory note will be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

IN WITNESS WHEREOF, the Borrower has caused this promissory note to be duly executed by its authorized officer as of the day and year first above written.

LEGACY AIRWAYS, LLC

By: _____
Name:
Title:

Schedule I

Date	Current Outstanding Principal Amount	Increase or Decrease in Outstanding Principal Amount	Resulting Outstanding Principal Amount	Notation Made By

FORM OF SECRETARY'S CERTIFICATE

Omnibus Secretary's Certificate
[•], 2020

Each of the undersigned, hereby certifies that he or she is the duly elected, qualified and acting Secretary of the Credit Party specified opposite such Secretary's signature set forth in **Exhibit E** hereto, (each, a **Company** and together, the **Companies**). As such, each of the undersigned is duly authorized to execute and deliver this secretary's certificate on behalf of the applicable Company (the **Certificate**). Each of the undersigned hereby further certifies on behalf of the applicable Company, pursuant to clause 2 of Annex B of the Loan and Guarantee Agreement, dated as of the date hereof by and among the Companies and the United States Department of the Treasury, as Lender (the **Loan Agreement**; terms defined therein, unless otherwise defined herein, being used herein as therein defined), that:

1. Attached as **Exhibit A** is a true, correct and complete copy of the certificate of formation, certificate of incorporation or equivalent document of formation of each Company as currently in effect (the **Formation Documents**). There have been no amendments to the Formation Documents other than those contained or reflected in Exhibit A.
2. Attached as **Exhibit B** is a true, correct and complete copy of the bylaws, limited liability company agreement or operating agreement or equivalent governing documents of each Company (the **Governing Documents**). There have been no amendments to the Governing Documents other than those contained or reflected in Exhibit B.
3. Attached as **Exhibit C** is a true, correct and complete copy of the resolutions (the **Resolutions**) duly adopted by the members of the Board of Directors, the sole member, the managing member, the managers or the equivalent governing body of each Company (each, a **Governing Body**) authorizing the transactions contemplated by the Loan Agreement, the other Loan Documents and other transaction documents and authorizing the execution, delivery and performance by the Company of the Loan Agreement, the other Loan Documents and other transaction documents to which it is a party. The Resolutions have not been modified, amended, altered, rescinded or revoked and are in full force and effect in the form adopted, and there are no inconsistent or conflicting resolutions that have been adopted by any Governing Body, and no other consent or approval is required in connection with the transactions contemplated by the Loan Documents.
4. Attached hereto as **Exhibit D** is a true, complete and correct copy of the certificate as to the good standing (or the equivalent certificate) of each Company, as issued by the Secretary of State (or equivalent governmental authority) of its jurisdiction of organization, as of the date set forth on such certificate.
5. Attached as **Exhibit E** is a list of duly elected or appointed and qualified and acting officers or directors of each Company holding the position indicated next to their respective names and accompanied by a true and genuine specimen signature of such officer or director. Each such officer or director is duly authorized to sign, execute and deliver on behalf of the applicable Company, as set forth on Exhibit E, each Loan Document and any other documents, agreements or certificates related thereto that such Company is a party or is to be a party to.

IN WITNESS WHEREOF, I have executed and delivered this Certificate as of the date first set forth above, and all matters I have certified are true, correct and complete on this date.

By: _____

Name: [•]

Title: Secretary

I, [Name of Officer other than Secretary], am the duly elected, qualified and acting [] of [], and I certify that [•] is the duly elected, qualified and acting Secretary of [] and that the signature above is his genuine signature.

I have executed and delivered this Certificate as of the date first set forth above, and all matters I have certified are true, correct and complete on this date.¹

By: _____

Name: [of Officer other than Secretary]:

Title:

¹ Note that the Borrower and each Guarantor should have separate certifications on this signature page prepared and executed for such Credit Party.

Exhibit A
Formation Documents

Exhibit B
Governing Documents

Exhibit C
Resolutions

Exhibit D

Certificate of Good Standing

Exhibit E
Incumbency Certificate

FORM OF RESOLUTIONS

[UNANIMOUS WRITTEN CONSENT IN LIEU OF A MEETING]

[BORROWER]

(the Company)

[•], 2020

The undersigned, being the members of the Board of Directors, the sole member, the managing member, the managers or the equivalent governing body (the **Governing Body**), as applicable, of the Company hereby adopt, by unanimous written resolutions, the below resolutions with respect to the Company with the same force and effect as if they had been unanimously adopted at a duly convened meeting of the applicable Governing Body with respect to such Company. Capitalized terms used herein shall have the meaning ascribed to it in the Loan Agreement (as defined below).

WHEREAS, the Company desires to enter into that certain Loan and Guarantee Agreement (the **Loan Agreement**) with the United States Department of the Treasury (the **Lender**), to be dated on or about the date hereof, pursuant to which the Lender will make available to the Company that certain term loan in an aggregate principal amount of up to USD [•] to be evidenced by that certain promissory note to be dated on or about the date hereof (the **Note**), for use by Company;

WHEREAS, in connection with the Loan Agreement, the Company will enter into the other Loan Documents and certain agreements, instruments and documents related to the Loan Agreement (all such agreements, instruments and documents, together with the Loan Agreement, collectively, the **Finance Documents**); and

WHEREAS, the Governing Body has reviewed the Loan Agreement and the other Finance Documents.

NOW, THEREFORE, BE IT HEREBY:

RESOLVED, that the Company be, and it hereby is, authorized to borrow from the Lender pursuant to the Loan Agreement and to issue the Note to evidence such borrowings in such form and having such terms and conditions as are approved or deemed necessary, appropriate or desirable by any Responsible Officer (as defined herein), the execution thereof by the Responsible Officer to be conclusive evidence of such approval and determination; and it is further

RESOLVED, that the form, terms and provisions of the Finance Documents substantially in the forms presented to the Governing Body of the Company or otherwise reviewed by a Responsible Officer, and the transactions contemplated thereby, together with such changes therein or additions thereto as any Responsible Officer (as defined herein) determines to be necessary or desirable (such determination to be conclusively evidenced by such Responsible Officer's execution thereof), are hereby approved and adopted; and it is further

RESOLVED, that the Company be, and hereby is, authorized and directed to execute,

deliver and perform its obligations and undertakings under the Finance Documents to which it is a party; and it is further

RESOLVED, that each of the director, manager, secretary or any other officer or authorized signer of the Company, and their respective successors in office (each a **Responsible Officer**) is hereby authorized and directed, in the name and on behalf of the Company, to execute, deliver and perform the Finance Documents to which the Company is a party, each with such changes therein or additions thereto, together with any present or future amendments, extensions, supplements, renewals, waivers or consents or other modifications related to the Finance Documents to which the Company is a party, in each case, which the Responsible Officer executing the same may deem appropriate or proper; and it is further

RESOLVED, that for the purposes aforesaid, any Responsible Officer be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of the Company, to take all such other actions, to cause to be prepared and filed all such other documents, to make all expenditures and incur and pay all required fees, expenses and taxes (including filing fees) and to execute and deliver all instruments deemed to be necessary, appropriate or desirable for carrying out the intents and purposes of each and all of the foregoing resolutions, and that the performance of such acts by such Responsible Officers shall be conclusive evidence of the approval thereof and the authority therefor; and it is further

RESOLVED, that all documents, agreements and instruments previously executed and delivered, and any and all actions taken by any Responsible Officer on or prior to the date of these resolutions that are within the authority conferred by any of the foregoing resolutions be, and each of them hereby is, ratified, confirmed and approved in all respects as the acts and deeds of the Company; and it is further

RESOLVED, that this [Consent] of the Governing Body of the Company may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same instrument, and may be executed by electronic signature (including in .pdf format).

SIGNATURES APPEARS ON FOLLOWING PAGE

IN WITNESS WHEREOF, the undersigned have executed this [Consent] as of the date first written above.

[BORROWER]

By: _____

Name:

Title:

[By: _____

Name:

Title:]¹

¹ Insert additional signatory blocks as applicable

[UNANIMOUS WRITTEN CONSENT IN LIEU OF A MEETING]

[GUARANTORS]

(each, a Company)

[•], 2020

The undersigned, being the members of the Board of Directors, the sole member, the managing member, the managers or the equivalent governing body (the **Governing Body**), as applicable, of each Company hereby adopt, by unanimous written resolutions, the below resolutions with respect to such Company with the same force and effect as if they had been unanimously adopted at a duly convened meeting of the applicable Governing Body with respect to such Company. Capitalized terms used herein shall have the meaning ascribed to it in the Loan Agreement (as defined below).

WHEREAS, the Borrower desires to enter into that certain Loan and Guarantee Agreement (the **Loan_Agreement**) with the United States Department of the Treasury (the **Lender**), to be dated on or about the date hereof, pursuant to which the Lender will make available to the Borrower that certain term loan in an aggregate principal amount of up to USD [•] to be evidenced by that certain promissory note to be dated on or about the date hereof (the **Note**), for use by Borrower;

WHEREAS, as a condition to the Lender's obligations under the Loan Agreement, including to extend credit to the Borrower, each Company will be required to enter into the Loan Agreement pursuant to which each Company will guarantee the obligations of the Borrower and the other Companies under the Loan Agreement;

WHEREAS, in connection with the Loan Agreement, the Guarantor will enter into the certain other Loan Documents and certain agreements, instruments and documents related to the Loan Agreement (all such agreements, instruments and documents, together with the Loan Agreement, collectively, the **Finance Documents**); and

WHEREAS, each Governing Body has reviewed the Loan Agreement and the other Finance Documents.

NOW, THEREFORE, BE IT HEREBY:

RESOLVED, that each Company be, and it hereby is, authorized to guarantee the obligations of the Borrower and the other Companies pursuant to the Loan Agreement; and it is further

RESOLVED, that the form, terms and provisions of the Finance Documents substantially in the forms presented to the Governing Body of each Company, and the transactions contemplated thereby, together with such changes therein or additions thereto as any Responsible Officer (as defined herein) of such Company determines to be necessary or desirable (such determination to be conclusively evidenced by such Responsible Officer's execution thereof), are hereby approved

and adopted; and it is further

RESOLVED, that each Company be, and hereby is, authorized and directed to execute, deliver and perform its obligations and undertakings under the Finance Documents to which it is a party; and it is further

RESOLVED, that each of the director, manager, secretary or any other officer or authorized signer of each Company, and their respective successors in office (each a **Responsible Officer**) is hereby authorized and directed, in the name and on behalf of such Company, to execute, deliver and perform the Finance Documents to which such Company is a party, each with such changes therein or additions thereto, together with any present or future amendments, extensions, supplements, renewals, waivers or consents or other modifications related to the Finance Documents to which such Company is a party, in each case, which the Responsible Officer executing the same may deem appropriate or proper; and it is further

RESOLVED, that for the purposes aforesaid, any Responsible Officer of any Company be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of such Company, to take all such other actions, to cause to be prepared and filed all such other documents, to make all expenditures and incur and pay all required fees, expenses and taxes (including filing fees) and to execute and deliver all instruments deemed to be necessary, appropriate or desirable for carrying out the intents and purposes of each and all of the foregoing resolutions, and that the performance of such acts by such Responsible Officers shall be conclusive evidence of the approval thereof and the authority therefor; and it is further

RESOLVED, that all documents, agreements and instruments of any Company previously executed and delivered, and any and all actions taken by any Responsible Officer on or prior to the date of these resolutions that are within the authority conferred by any of the foregoing resolutions be, and each of them hereby is, ratified, confirmed and approved in all respects as the acts and deeds of such Company; and it is further

RESOLVED, that this [Consent] of the Governing Body of each Company may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same instrument, and may be executed by electronic signature (including in .pdf format).

SIGNATURES APPEARS ON FOLLOWING PAGE

IN WITNESS WHEREOF, the undersigned have executed this [Consent] as of the date first written above.

[GUARANTOR]¹

By: _____

Name:

Title:

[By: _____

Name:

Title:]²

¹ Each Guarantor's Governing Body will need to sign separately

² Insert additional signatory blocks as applicable

CUSTOMARY LEGAL OPINIONS

CUSTOMARY LEGAL OPINIONS

The following is a list of customary opinions to be delivered to the Lender pursuant to clause (3) of Annex B of the Agreement. Each opinion must reference this Agreement, be dated as of the Closing Date and addressed to the Lender, in form, scope and substance satisfactory to the Lender. Unless otherwise defined below, capitalized terms used below have the meanings given to them in this Agreement. "Opinion Documents" for purposes below shall refer to this Agreement and the Note.

1. Each Credit Party is validly existing as a [corporation / limited liability company] and in good standing under the laws of its jurisdiction of [incorporation / formation].
2. Each Credit Party:
 - (i) has the [corporate / limited liability company] power to execute, deliver and perform its obligations under each Opinion Document to which it is a party;
 - (ii) has taken all necessary [corporate / limited liability company] action necessary to authorize the execution and delivery of, and the performance of its obligations under, each Opinion Document to which it is a party; and
 - (iii) has duly executed and delivered each Opinion Document to which it is a party.
3. Each Opinion Document constitutes a legal, valid and binding obligation of each Credit Party party thereto and enforceable against such Credit Party in accordance with its terms.
4. The execution and delivery by each Credit Party of each Opinion Document to which it is a party do not, and the performance by each Credit Party of its obligations under each Opinion Document to which it is a party will not (a) result in a violation of (i) any of its organizational documents or (ii) any applicable law, rule or regulation of the applicable opinion jurisdiction(s); (b) breach or result in a default under any agreement, instrument or other document relating to Material Indebtedness of any Credit Party or any Subsidiary thereof; or (c) contravene or result in any violation of any judgment, order or decree of any court or governmental agency or body having jurisdiction over or otherwise applicable to such Credit Party or any of its properties, revenues or assets.
5. Each Credit Party is not required to be registered as an investment company under the '40 Act, and will not be required to do so after the application of the proceeds in accordance with the Note.
6. No authorization, consent or approval of, or notice to or filing or registration with, or notarization before, any governmental authority of the opining jurisdiction(s) has been, is or will be required to be obtained or made for the due execution or delivery of, or performance by, any Credit Party of any of the Opinion Documents to which it is a party or any transaction contemplated by such Opinion Documents.

FORM OF OFFICER'S CERTIFICATE

RESPONSIBLE OFFICER'S CERTIFICATE¹

[●], 2020

Reference is made to the Loan and Guarantee Agreement, dated as of [____], 2020 (the “Agreement”), among [NAME OF BORROWER], a [____] organized under the laws of [____] (the “Company”), [[NAME OF PARENT], a [____] organized under the laws of [____] (the “Parent”)]², the Guarantors party thereto from time to time and the United States Department of the Treasury as Lender. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Agreement.

The undersigned is a duly authorized Responsible Officer of the Company.

I hereby certify, solely in my capacity as a Responsible Officer of the Company, and not in my individual capacity, on the date hereof that (i) the representations and warranties contained in Annex A to the Agreement are true and correct on and as of the date hereof, (ii) that the information provided in the Loan Application submitted by the Borrower was true and correct on and as of the date of delivery thereof, (iii) no Default or Event of Default exists or will result from the borrowing of the Loans on the Closing Date and (iv) the conditions set forth in Annex B to the Agreement in the form of Exhibit E have been satisfied.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

¹ As used herein, a “Responsible Officer” is any of the following: Chief Executive Officer, Financial Officer (i.e., Chief Financial Officer, principal accounting officer, treasurer or controller), President, or Executive Vice President.

² Note to Form: Include if the Borrower is not the parent company.

The undersigned hereby certifies, in his or her capacity as a Responsible Officer of the Company and not in his or her individual capacity, each and every matter contained herein to be true and correct as of the date first written above.

[NAME OF COMPANY]

Name:

Title:

[Signature Page to Responsible Officer's Certificate]

FORM OF BORROWING REQUEST

FORM OF BORROWING REQUEST

The Department of the Treasury of the United States
 Attention: Assistant General Counsel (Banking and Finance)
 1500 Pennsylvania Avenue, NW
 Washington, D.C. 20220
 Telephone: 202-622-0283
 Email: eric.froman@treasury.gov

[●], 202[●]

Ladies and Gentlemen:

The undersigned, [NAME OF BORROWER], a [] organized under the laws of [] (the “Borrower” [or the “Parent”]¹), refers to the Loan and Guarantee Agreement dated as of [], 2020 (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”), among Borrower, [NAME OF PARENT], a [] organized under the laws of [] (the “Parent”)², the Guarantors party thereto from time to time and the United States Department of the Treasury as the Initial Lender. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Agreement. This notice constitutes a Borrowing Request pursuant to the Agreement, and the Borrower hereby gives you notice pursuant to Section 2.02 of the Agreement that it requests a Borrowing under the Agreement, and in connection therewith specifies the following information with respect to the Borrowing requested hereby:

- (A) The Borrowing shall be denominated in dollars and shall be in an aggregate principal amount equal to: \$[●]
- (B) Date of Borrowing (which is a Business Day): [●], 2020
- (C) Location and number of Borrower’s account to which funds of the requested Borrowing are to be disbursed:

Bank Name:	[●]
Account Name:	[●]
Account Number:	[●]
ABA Number:	[●]

The undersigned hereby certifies that (a) on and as of the date of the Borrowing requested hereby (or, in the case of any such representation or warranty expressly stated to have been made as of a specific date, as of such specific date), the representations and warranties of the Credit Parties set forth in the Agreement and in any other Loan Document are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects), (b) on and as of the

¹ Note to Form: Include if the Borrower is the parent company.

² Note to Form: Include if the Borrower is not the parent company.

date of the Borrowing requested hereby, no Default has occurred or is continuing or will result from the proposed Borrowing or from the application of proceeds thereof and (c) this Borrowing Request is made in compliance with the requirements of Section 2.02 of the Agreement.

Delivery of this Borrowing Request may initially be made by electronic communication including fax or email and shall be followed by an original authentic counterpart thereof.

[Remainder of Page Intentionally Left Blank]

Very truly yours,

[NAME OF BORROWER]

By³: _____
Name:
Title:

³ This Borrowing Request must be signed by a Responsible Officer of the Borrower. As used herein, a Responsible Officer is any of the following: Chief Executive Officer, Financial Officer (i.e., Chief Financial Officer, principal accounting officer, treasurer or controller), President, or Executive Vice President, as well as any other officer or employee of the Borrower so designated from time to time by one of the aforementioned officers in a notice to the Lender (together with evidence of the authority and capacity of each such Person to so act in form and substance satisfactory to the Lender).

Representations and Warranties

1. Existence, Qualification, Power and Authorization. Each of the Credit Parties (a) is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization; (b) has the power to own its assets and carry on its business as it is being conducted and (c) is qualified to do business and in good standing in each jurisdiction where qualification is required, except, in each case referred to in clause (b) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect. Each Credit Party has the power to enter into and perform, and has taken all necessary actions to authorize the entry into and performance of, the Loan Documents to which it is or will be a party and the transactions contemplated by those Loan Documents.
2. No Contravention. The entry into and performance by each Credit Party of, and the transactions contemplated by, the Loan Documents to which it is a party do not conflict with or violate (a) any law or regulation applicable to it, (b) its constitutional documents or (c) any agreement or document which is binding upon it or any of its assets, except in the case of clauses (a) and (c), to the extent such conflict or violation could not reasonably be expected to have a Material Adverse Effect.
3. Governmental Authorization; Other Consents. All authorizations and filings required to be obtained or made by any Credit Party in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, the Loan Documents have been obtained or made (as appropriate) and are in full force and effect.
4. Execution and Delivery; Binding Effect. Each Loan Document to which a Credit Party is a party has been duly executed and delivered by it and is its legally binding, valid and enforceable obligation.
5. Financial Statements; No Material Adverse Effect.
 - i. Financial Statements. The financial statements delivered pursuant to clause (6) of Annex B to the Agreement were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and fairly present in all material respects the financial condition of the Parent and its Subsidiaries as of the date thereof and their results of operations and cash flows for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein and subject, in the case of unaudited quarterly financial statements, to the absence of notes and to normal year-end audit adjustments.
 - ii. No Material Adverse Change. Since the date of the consolidated balance sheet delivered for its most recent fiscal year end referred to in clause 5(i) above, there has been no event or circumstance that, either individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect, other than those resulting from the coronavirus disease outbreak or related governmental restrictions on air travel.
6. Litigation. No litigation, arbitration or administrative proceedings are current or pending or, to its knowledge, threatened by or against any Credit Party which, if adversely determined, are reasonably likely to have a Material Adverse Effect.
7. No Default. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by the Agreement or any other Loan Document.
8. Property.
 - i. Ownership of Properties. Each of the Credit Parties has good title to, or valid leasehold interests in, all its real and personal property material to its business except for such defects in title that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.
 - ii. Intellectual Property. Each of the Credit Parties owns, or is licensed to use, all trademarks, trade names, copyrights, patents and other intellectual property material to its business, and that use by it does not infringe upon the rights of any other Person, except for infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.
9. Taxes. Each Credit Party has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate

proceedings and for which the affected Person has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

10. Disclosure. The Credit Parties and their respective Subsidiaries have disclosed to the Lender all agreements, instruments and corporate or other restrictions to which they are subject and all matters known to them, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. Neither the Loan Application nor any report, financial statement, certificate or other information furnished by or on behalf of the Credit Parties to the Lender in connection with the negotiation, performance or administration of the Loan Documents contains any material misstatement of fact or omits to state any material fact necessary to make the statements in that information, in the light of the circumstances under which they were made, not misleading, except that, with respect to projected financial information, the Credit Parties represent only that this information was prepared in good faith based upon assumptions believed to be reasonable at the time.
11. Compliance with Laws. Each Credit Party is in compliance with all laws (including Environmental Laws and the applicable provisions of ERISA) and regulations applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.
12. Environmental Matters. No Credit Party is subject to any liability under any Environmental Law except such liabilities as are not likely to have a Material Adverse Effect.
13. Sanctions; Anti-Corruption; AML Laws.
 - i. None of the Credit Parties and their respective Subsidiaries and no director, officer, or Affiliate of any of the foregoing is a Person that is: (i) the subject of any sanctions administered or enforced by the United States (including, but not limited to, those administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, and the U.S. Department of Commerce's Bureau of Industry and Security), the United Nations Security Council, the European Union, or Her Majesty's Treasury (collectively, "Sanctions"), (ii) organized or resident in a country or territory that is the subject of country-wide or region-wide Sanctions (including, currently, Crimea, Cuba, Iran, North Korea, and Syria) (each a "Sanctioned Country") or located in a Sanctioned Country except to the extent authorized under Sanctions or (iii) a Person with whom dealings are restricted or prohibited by Sanctions as a result of a relationship of ownership or control with a Person listed in (i) or (ii) (each of (i), (ii) and (iii) is a "Sanctioned Person").
 - ii. For the period beginning eight (8) years prior to the date hereof, each of the Credit Parties and their respective Subsidiaries and their respective directors, officers and employees and, to the knowledge of the Credit Parties, their respective Affiliates, have been, in all material respects, in compliance with the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA") and any other applicable anti-bribery or anti-corruption laws and regulations (collectively with the FCPA, the "Anticorruption Laws") and all applicable Sanctions and AML Laws.
14. Solvency. The Borrower and its Subsidiaries are Solvent on a consolidated basis after giving effect to the borrowing of the Loan.
15. Senior Indebtedness. The Loans and the Obligations constitute "Senior Indebtedness" (or any other comparable term) under and as defined in the documentation governing any other Indebtedness of the Credit Parties, and are pari passu in right of payment with all other senior unsecured Indebtedness of the Credit Parties.
16. Insolvency Proceedings. None of the Credit Parties has taken, and none of the Credit Parties is currently evaluating taking, any action to seek relief or commence proceedings under any Debtor Relief Law in any applicable jurisdiction.
17. US Citizenship. The Borrower is a "citizen of the United States" as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies.
18. Eligible Business. The Borrower is an Eligible Business and, during the time period from April 1, 2019 to September 30, 2019, derived more than 50% of its air transportation revenue from the transportation of property or mail, or both. The Borrower possesses all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted, except where failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The Borrower holds an air carrier operating certificate issued pursuant to Chapter 447 of Title 49.

Conditions Precedent to Closing Date

1. Executed Counterparts. The Lender shall have received from each party to the Agreement and the Note, a counterpart of the Agreement and the Note, each signed on behalf of such party.
2. Certificates; Constitutional Documents. The Lender shall have received a customary secretary's certificate in the form of Exhibit B to the Agreement (which shall include, as attachments thereto, customary resolutions or evidence of corporate authorization in the form of Exhibit C to the Agreement and customary incumbency certificates and such other documents and certificates (including constitutional documents and good standing certificates) as the Lender may reasonably request relating to the organization, existence and good standing of each Credit Party, the identity, authority and capacity of each officer thereof authorized to act as an officer in connection with the Loan Documents and any other legal matters relating to the Credit Parties, the Loan Documents or the transactions contemplated thereby).
3. Opinion of Counsel to Credit Parties. The Lender shall have received an opinion of counsel to the Credit Parties that is acceptable to the Lender, addressed to the Lender and dated the Closing Date, in form and substance satisfactory to the Lender and covering the matters set forth in Exhibit D to the Agreement (and the Borrower hereby instructs such counsel to deliver such opinion to such Persons).
4. Expenses. The Borrower shall have paid all reasonable expenses of the Lender (to the extent that statements for such expenses shall have been delivered to the Borrower on or prior to the Closing Date), and such expenses payable by the Borrower may be offset against the proceeds of the Loan funded on the Closing Date.
5. Officer's Certificate. The Lender shall have received a certificate executed by a secretary (or equivalent officer) of the Borrower confirming the satisfaction of the conditions set forth in this Annex B in the form of Exhibit E to the Agreement.
6. Financial Statements. The Lender shall have received (i) the consolidated balance sheet of the Parent and its Subsidiaries as at the end of the fiscal year ended December 31, 2019 and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year, all with a related Financial Statement Report (which Financial Statement Report, for the avoidance of doubt, shall not be subject to a "going concern" or scope of audit qualification or exception) and (ii) the unaudited consolidated balance sheet of the Parent and its Subsidiaries as at the end of the fiscal quarters ended March 31, 2020 and June 30, 2020, and the related unaudited consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal quarters.
7. Borrowing Request. The Lender shall have received a written Borrowing Request in accordance with the requirements hereof.
8. Representations and Warranties; No Default.
 - a. The representations and warranties of the Credit Parties set forth in the Agreement and in the other Loan Documents shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the date of such Borrowing (or, in the case of any such representation or warranty expressly stated to have been made as of a specific date, as of such specific date);
 - b. that the information provided in the Loan Application submitted by the Borrower was true and correct on and as of the date of delivery thereof; and
 - c. no Default shall have occurred and be continuing or would result from such Borrowing or from the application of proceeds thereof.
9. Other Documents. The Lender shall have received such other documents and information as it may reasonably request.

Part I – Affirmative Covenants

1. **Financial Statements.** The Borrower will furnish to the Lender:
 - a. as soon as available, and in any event within 90 days after the end of each fiscal year of the Parent (or, if earlier, 5 days after the date required to be filed with the SEC) (commencing with the fiscal year ended December 31, 2020), a consolidated balance sheet of the Parent and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year and accompanied by a Financial Statement Report; and
 - b. as soon as available, but in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Parent (or, if earlier, 5 days after the date required to be filed with the SEC) (commencing with the fiscal quarter ended September 30, 2020), a consolidated balance sheet of the Parent and its Subsidiaries as at the end of such fiscal quarter, the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal quarter and for the portion of the Parent's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, certified by a Financial Officer of the Parent as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject only to normal year-end audit adjustments and the absence of notes.
2. **Other Information.** The Parent will deliver to the Lender, promptly following any request therefor, (i) such other information regarding the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Borrower, any Credit Party or any Subsidiary, or compliance with the terms of the Loan Documents (including clause (5) of Part II of this Annex C), as the Lender may from time to time reasonably request; and (ii) beneficial ownership information and documentation reasonably requested by the Lender from time to time for purposes of ensuring compliance with Sanctions and AML Laws. For purposes of determining whether or not a representation with respect to any indirect ownership is true or a covenant is being complied with under this paragraph, the Parent shall not be required to make any investigation into (i) the ownership of publicly traded stock or other publicly traded securities or (ii) the ownership of assets by a collective investment fund that holds assets for employee benefit plans or retirement arrangements.
3. **Notices.** The Parent will promptly notify the Lender of:
 - a. the occurrence of any Default; and
 - b. any matter or development (including any litigation, arbitration or administrative proceedings which are current or pending or, to its knowledge, threatened) that has had or could reasonably be expected to have a Material Adverse Effect.

Each notice delivered under this clause (3) of Part I shall be accompanied by a statement of an officer of the Parent setting forth the details of the occurrence requiring such notice and stating what action the Borrower has taken and proposes to take with respect thereto.
4. **Preservation of Existence, Etc.** Each Credit Party shall maintain its legal existence and, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect, all rights, licenses and franchises material to the conduct of its business.
5. **Maintenance of Properties.** Each Credit Party shall keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted.
6. **Maintenance of Insurance.** Each Credit Party shall maintain, with financially sound and reliable insurance companies, insurance in such amounts and against such risks as companies engaged in the same or similar businesses and operating in the same or similar locations normally maintain.
7. **Payment of Obligations.** Each Credit Party will pay its obligations, including Tax liabilities, that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount of the obligation is being contested in good faith by appropriate proceedings; (b) the Parent or such Credit Party has set aside on its books adequate reserves with respect to the obligations in accordance with GAAP and (c) the failure to make payment pending the contest could not reasonably be expected to result in a Material Adverse Effect.

8. Compliance with Laws. Each Credit Party shall comply in all respects with all laws to which it is subject (including Environmental Laws and the applicable provisions of ERISA) where failure to do so is reasonably likely to have a Material Adverse Effect.
9. Environmental Matters. Except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect, each Credit Party will conduct and complete any corrective, cleanup, removal, response, remedial or other action with respect to any hazardous or toxic materials present or released at, on, in, under or from any of the facilities or real properties of any Credit Party in accordance with all Environmental Law.
10. Books and Records. Each Credit Party shall keep proper books, records and accounts in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities.
11. Sanctions; Anti-Corruption Laws and AML Laws. Each Credit Party and its Subsidiaries will remain in compliance in all material respects with applicable Sanctions, Anticorruption Laws, and AML Laws. Until all Obligations have been paid in full, none of any Credit Party; any Subsidiary of a Credit Party; or any shareholder, beneficial owner, director or officer of any Credit Party or any Subsidiary of a Credit Party shall become a Sanctioned Person or a Person that is organized or resident in a Sanctioned Country or located in a Sanctioned Country except to the extent authorized under Sanctions.
12. Compliance with Regulations. The Parent shall, and shall cause its Subsidiaries to, comply with the provisions of 31 U.S.C. 1352, as amended, and with the regulations at 31 CFR Part 21.
13. Terms MFN. The Parent shall, and shall cause its Subsidiaries to, comply with (a) all affirmative covenants set forth in any agreement, instrument or other document relating to Indebtedness (if any) of the Parent or any of its Subsidiaries, in each case as in effect on the Closing Date and without giving effect to any amendment, modification or waiver and (b) all affirmative covenants set forth in any agreement, instrument or other document relating to Indebtedness (if any) of the Parent or any of its Subsidiaries that may be entered into after the Closing Date.
14. Regulatory Matters.
 - a. US Citizenship. The Borrower will at all times maintain its status as a “citizen of the United States” as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies.
 - b. Eligible Business Status; Authorizations. The Borrower will at all times maintain its status as an Eligible Business. The Borrower will at all times possess all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted, except where failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The Borrower will at all times possess an air carrier operating certificate issued pursuant to Chapter 447 of Title 49.

Part II – Negative Covenants

1. Indebtedness. Each Credit Party will not, nor will it permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness, except:
 - a. Indebtedness under the Loan Documents;
 - b. Indebtedness incurred in the ordinary course of business and consistent with past practice in the form of any equipment financing, synthetic lease obligation or Capitalized Lease Obligation, in an aggregate amount not to exceed \$300,000.00 for all such Indebtedness, and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder; and
 - c. Indebtedness outstanding on the Closing Date and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder.
2. Liens. Each Credit Party will not, nor will it permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, in each case securing Indebtedness, other than Liens

existing on the Closing Date and any renewals or extensions thereof, provided that (i) the property covered thereby is not changed (except to include (A) after-acquired property that is already subject to such Lien or that is affixed or incorporated into the property covered by such Lien or financed by Indebtedness permitted by clause (1)(b) of this Part II above or (B) the proceeds of any such property), (ii) the amount secured or benefited thereby is not increased except as contemplated by clause (1)(b) of this Part II above, (iii) the direct or any contingent obligor with respect thereto is not changed and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by clause (1)(b) of this Part II.

3. Fundamental Changes. Each Credit Party will not, nor will it permit any of its Subsidiaries to, merge, dissolve, liquidate, consolidate with or into another Person, or dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default exists or would result therefrom:
 - a. any Subsidiary may merge with (i) the Borrower, provided that the Borrower shall be the continuing or surviving Person, or (ii) any one or more other Subsidiaries;
 - b. any Subsidiary may dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Parent or to another Subsidiary; and
 - c. any Subsidiary may dissolve, liquidate or wind up its affairs if it owns no material assets, engages in no business and otherwise has no activities other than activities related to the maintenance of its existence and good standing.
4. Transactions with Affiliates. Each Credit Party will not, and will not permit any of its Subsidiaries to, enter into any transaction of any kind with any Affiliate of such Credit Party, whether or not in the ordinary course of business, other than on fair and reasonable terms substantially as favorable to such Credit Party as would be obtainable by such Credit Party at the time in a comparable arm's-length transaction with a Person other than an Affiliate; provided that the foregoing restriction shall not apply to transactions between or among the Parent and its Subsidiaries.
5. Sanctions; Use of Proceeds.
 - a. The Parent will not, and will not permit any of its Subsidiaries to, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person to fund any activities or business of or with any Person (i) for the purpose of financing the activity of any person currently subject to Sanctions; (ii) for the benefit of any country currently subject to Sanctions; or (iii) for the benefit of any person in any country currently subject to Sanctions, in all cases, except to the extent permitted for a person required to comply with Sanctions.
 - b. The Parent will not, and will not permit any of its Subsidiaries to, use the proceeds of the Loans for any purpose other than for general corporate purposes and operating expenses (including payroll, rent, utilities, materials and supplies, repair and maintenance, and scheduled interest payments on other Indebtedness incurred before February 15, 2020), in each case in compliance with all applicable law to the extent permitted by the CARES Act; provided, however, that the proceeds of the Loans shall not be used for any non-operating expenses (including capital expenses, delinquent taxes and payments of principal on other Indebtedness), unless the Parent can demonstrate, to the satisfaction of the Lender, that payment of any such non-operating expense is necessary to optimize the continued operations of the Parent's business and does not merely constitute a transfer of risk from an existing creditor or investor to the Federal taxpayer.
6. Prepayments of Junior Indebtedness. The Parent will not, and will not permit any of its Subsidiaries to, make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case prior to any scheduled repayment, sinking fund payment or maturity, any Indebtedness that is subordinated in right of payment to the Obligations, in each case other than in connection with any refinancings, renewals, or extensions of such Indebtedness but only so long as: (a) such refinancings, renewals, or extensions do not result in an increase in the principal amount of the Indebtedness so refinanced, renewed, or extended, other than by the amount of premiums paid thereon and the fees and expenses incurred in connection therewith and by the amount of unfunded commitments with respect thereto; (b) such refinancings, renewals, or extensions do not result in a shortening of the average weighted maturity (measured as of the refinancing, renewal, or extension) of the Indebtedness so refinanced, renewed, or extended, nor are they on terms or conditions that, taken as a whole, are or could reasonably be expected to be materially adverse to the interests of the Lender; (c) if the Indebtedness that is refinanced, renewed, or extended was subordinated in right of payment to the Obligations, then the terms and conditions of the refinancing, renewal, or extension must include subordination terms and conditions that are at least as favorable to the Lender as those that were applicable to the refinanced, renewed, or extended Indebtedness; (d) the Indebtedness that is refinanced, renewed, or extended is not recourse to any Person that is liable on account of the Obligations other than those Persons which were obligated with respect to the Indebtedness that was refinanced, renewed, or extended and (e) to the extent the Indebtedness that is

refinanced, renewed, or extended is unsecured, the Indebtedness resulting from such refinancing, renewal or extension must be unsecured.

7. Lobbying. The Parent will not, and will not permit any of its Subsidiaries to, directly, or to the Parent or such Subsidiary's knowledge, indirectly, use the proceeds of the Loans, or lend, contribute, or otherwise make available such proceeds to any other Person (i) for publicity or propaganda purposes designated to support or defeat legislation pending before the U.S. Congress or (ii) to fund any activities that would constitute "lobbying activities" as defined under 2 U.S.C. § 1602. The Parent shall, and shall cause its subsidiaries to, comply with the provisions of 31 U.S.C. § 1352, as amended, and with the regulations at 31 C.F.R. Part 21.
8. Financial Covenants. The Parent shall not permit:
 - a. the Interest Coverage Ratio on the last day of Test Period (commencing with last day of the Test Period ending on or after September 30, 2022) to be less than (x) with respect to any Test Period ending on or after September 30, 2022 but prior to December 31, 2023, 1.00 to 1.00 and (y) with respect to any Test Period ending on or after December 31, 2023, 1.50 to 1.00; and
 - b. the Leverage Ratio to be greater than 6.00 to 1.00 on the last day of any Test Period (commencing with the end of the first Test Period ending on or after the date that is 12 months prior to the Maturity Date).
9. Terms MFN. The Parent shall, and shall cause its Subsidiaries to, comply with (a) all negative covenants (including financial covenants) set forth in any agreement, instrument or other document relating to Indebtedness (if any) of the Parent or any of its Subsidiaries, in each case as in effect on the Closing Date and without giving effect to any amendment, modification or waiver and (b) all negative covenants set forth in any agreement, instrument or other document relating to Indebtedness (if any) of the Parent or any of its Subsidiaries that may be entered into after the Closing Date.

CARES Act Requirements

1. **CARES Act Compliance.** Each Credit Party and its Subsidiaries are in compliance, and will at all times comply, with all applicable requirements under Title IV of the CARES Act, including any applicable requirements pertaining to the Borrower's eligibility to receive the Loan. The Parent, the Borrower and their Subsidiaries will provide any information requested by the Lender to assess the Borrower's compliance with applicable requirements under Title IV of the CARES Act, its obligations under Article X of the Agreement (including this Annex D) or its eligibility to receive the Loan under the CARES Act. The Borrower is not a "covered entity" as defined in Section 4019 of the CARES Act.
2. **Dividends and Buybacks.**
 - a. Until the date that is twelve (12) months after the date on which the Loan is no longer outstanding, neither any Borrower Eligible Business nor any of its Affiliates (other than an Affiliate that is a natural person) shall, in any transaction, purchase an equity security of any Borrower Eligible Business or of any direct or indirect parent company of a Borrower Eligible Business or of any Subsidiary of the Parent that, in each case, is listed on a national securities exchange, except to the extent required under a contractual obligation in effect as of the date of enactment of the CARES Act.
 - b. Until the date that is twelve (12) months after the date on which the Loan is no longer outstanding, no Borrower Eligible Business shall pay dividends, or make any other capital distributions, with respect to the common stock of any Borrower Eligible Business, except that an S corporation or other tax pass-through entity that is a Borrower Eligible Business may make distributions to the extent reasonably required to cover its owners' tax obligations in respect of the Borrower Eligible Business's earnings.
3. **Maintenance of Employment Levels.** Until September 30, 2020, each Borrower Eligible Business shall maintain its employment levels as of March 24, 2020, to the extent practicable, and in any case shall not reduce its employment levels by more than ten percent (10%) from the levels on March 24, 2020.
4. **United States Business.** Each Borrower Eligible Business is created or organized in the United States or under the laws of the United States and has significant operations in and a majority of its employees based in the United States.
5. **Limitations on Certain Compensation.**
 - a. Beginning on the Closing Date, and ending on the date that is one (1) year after the date on which the Loan is no longer outstanding, each Borrower Eligible Business and its Affiliates shall not pay any of each Borrower Eligible Business's Corporate Officers or Employees whose Total Compensation exceeded \$425,000 in calendar year 2019 or the Subsequent Reference Period (other than an Employee whose compensation is determined through an existing collective bargaining agreement entered into before March 1, 2020):
 - i. Total Compensation which exceeds, during any twelve (12) consecutive months of the period beginning on the Closing Date and ending on the date that is one (1) year after the date on which the Loan is no longer outstanding, the Total Compensation the Corporate Officer or Employee received in calendar year 2019 or the Subsequent Reference Period; or
 - ii. Severance Pay or Other Benefits in connection with a termination of employment with any Borrower Eligible Business which exceed twice the maximum Total Compensation received by such Corporate Officer or Employee in calendar year 2019 or the Subsequent Reference Period.
 - b. Beginning on the Closing Date, and ending on the date that is one (1) year after the date on which the Loan is no longer outstanding, each Borrower Eligible Business and its Affiliates shall not pay any of each Borrower Eligible Business's Corporate Officers or Employees whose Total Compensation exceeded \$3,000,000 in calendar year 2019 or the Subsequent Reference Period Total Compensation which exceeds, during any twelve (12) consecutive months of such period, in excess of the sum of:
 - i. \$3,000,000; and

- ii. fifty percent (50%) of the excess over \$3,000,000 of the Total Compensation received by such Corporate Officer or Employee in calendar year 2019 or the Subsequent Reference Period.
- c. For purposes of determining applicable amounts under this clause (5) with respect to any Corporate Officer or Employee who was employed by any Borrower Eligible Business or any of their Affiliates for less than all of calendar year 2019, the amount of Total Compensation in calendar year 2019 shall mean such Corporate Officer's or Employee's Total Compensation on an annualized basis.
- 6. Continuation of Certain Air Service. Until March 1, 2022, each Borrower Eligible Business shall comply with any applicable requirement issued by the Secretary of Transportation under section 4005 of the CARES Act to maintain scheduled air transportation service to any point served by any Borrower Eligible Business before March 1, 2020. The Borrower acknowledges that neither Treasury, nor any other actor, department, or agency of the Federal Government, shall condition the issuance of any Loan under this Agreement on the Borrower's implementation of measures to enter into negotiations with the certified bargaining representative of a craft or class of employees of the Borrower Eligible Business under the Railway Labor Act (45 U.S.C. 151 et seq.) or the National Labor Relations Act (29 U.S.C. 151 et seq.), regarding pay or other terms and conditions of employment.
- 7. Treasury Access. The Borrower Eligible Business and its Affiliates will provide Treasury, the Treasury Inspector General, the Special Inspector General for Pandemic Recovery, and such other entities as are authorized by Treasury timely and unrestricted access to all documents, papers, or other records, including electronic records, of the Borrower related to the Loan, to enable Treasury, the Treasury Inspector General, and the Special Inspector General for Pandemic Recovery to make audits, examinations, and otherwise evaluate the Borrower's compliance with the terms of the Agreement. This right also includes timely and reasonable access to the Borrower's and its Affiliates' personnel for the purpose of interview and discussion related to such documents.
- 8. Additional Defined Terms. As used in this Annex D, the following terms have the meanings specified below:

"Borrower Eligible Business" means, collectively, the Borrower, its Affiliates that are Eligible Businesses, and their respective heirs, executors, administrators, successors, and assigns. Notwithstanding anything to the contrary herein, for purposes of this Annex D, an "Affiliate" of the Borrower shall not include any Person(s) that become affiliated with the Borrower solely by virtue of the consummation of a Change of Control transaction resulting in repayment of the Loans in full.

"Corporate Officer" means, with respect to any Borrower Eligible Business, its president; any vice president in charge of a principal business unit, division, or function (such as sales, administration or finance); any other officer who performs a policy-making function; or any other person who performs similar policy making functions for the Borrower Eligible Business. Executive officers of subsidiaries or parents of any Borrower Eligible Business may be deemed Corporate Officers of the Borrower Eligible Business if they perform such policy-making functions for the Borrower Eligible Business.

"Employee" has the meaning given to the term in section 2 of the National Labor Relations Act (29 U.S.C. 152 and includes any individual employed by an employer subject to the Railway Labor Act (45 U.S.C. 151 et seq.), and for the avoidance of doubt includes all individuals who are employed by the Borrower Eligible Business who are not Corporate Officers.

"Severance Pay or Other Benefits" means any severance payment or other similar benefits, including cash payments, health care benefits, perquisites, the enhancement or acceleration of the payment or vesting of any payment or benefit or any other in-kind benefit payable (whether in lump sum or over time, including after March 24, 2022) by any Borrower Eligible Business or its Affiliates to a Corporate Officer or Employee in connection with any termination of such Corporate Officer's or Employee's employment (including, without limitation, resignation, severance, retirement, or constructive termination), which shall be determined and calculated in respect of any Employee or Corporate Officer of the Borrower Eligible Business in the manner prescribed in 17 C.F.R. 229.402(j) (without regard to its limitation to the five (5) most highly compensated executives and using the actual date of termination of employment rather than the last business day of the Borrower Eligible Business's last completed fiscal year as the trigger event).

"Subsequent Reference Period" means (i) for a Corporate Officer or Employee whose employment with the Borrower Eligible Business or an Affiliate started during 2019 or later, the twelve (12) month period starting from the end of the month in which the officer or employee commenced employment, if such officer's or employee's total compensation exceeds \$425,000 (or \$3,000,000) during such period and (ii) for a Corporate Officer or Employee whose Total Compensation first exceeds \$425,000 during a 12-month period ending after 2019, the 12-month period starting from the end of the month in which the Corporate Officer's or Employee's Total Compensation first exceeded \$425,000 (or \$3,000,000).

"Total Compensation" means compensation including salary, wages, bonuses, awards of stock, and any other financial benefits provided by the Borrower Eligible Business or an Affiliate, as applicable, which shall be determined and calculated for the 2019 calendar year or any applicable twelve (12)-month period in respect of any Employee or Corporate Officer of the Borrower Eligible Business in the manner

prescribed under paragraph e.5 of the award term in 2 C.F.R. part 170, App. A, but excluding any Severance Pay or Other Benefits in connection with a termination of employment.

GUARANTEE

1. Guarantee of the Obligations. Each Guarantor jointly and severally hereby irrevocably and unconditionally guarantees to the Lender the due and punctual payment in full of all Obligations (or such lesser amount as agreed by the Lender in its sole discretion) when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)) (collectively, the “Guaranteed Obligations”).

2. Payment by a Guarantor. Each Guarantor hereby jointly and severally agrees, in furtherance of the foregoing and not in limitation of any other right which the Lender may have at law or in equity against any Guarantor by virtue hereof, that upon the failure of the Borrower to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)), such Guarantor will upon demand pay, or cause to be paid, in cash, to the Borrower an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for the Borrower’s becoming the subject of a case under the Bankruptcy Code, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against the Borrower for such interest in the related bankruptcy case) and all other Guaranteed Obligations then owed to the Lender as aforesaid.

3. Liability of Guarantors Absolute. Each Guarantor agrees that its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than payment in full of the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:
 - (a) this Guarantee is a guarantee of payment when due and not of collectability;
 - (b) the Lender may enforce this Guarantee upon the occurrence of an Event of Default notwithstanding the existence of any dispute between the Borrower and the Lender with respect to the existence of such Event of Default;
 - (c) a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against the Borrower or any other Guarantors and whether or not the Borrower or such Guarantors are joined in any such action or actions;
 - (d) payment by any Guarantor of a portion, but not all, of the Guaranteed Obligations shall in no way limit, affect, modify or abridge any other Guarantor’s liability for any portion of the Guaranteed Obligations which has not been paid;
 - (e) the Lender, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor’s liability hereunder, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or subordinate the payment of the same to the payment of any other obligations; (iii) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guarantees of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; and (iv) enforce its rights and remedies even though such action may operate to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against the Borrower or any security for the Guaranteed Obligations; and
 - (f) this Guarantee and the obligations of each Guarantor hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than payment in full of the Guaranteed Obligations), including the occurrence of any of the following: (i) any failure, delay or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy with respect to the Guaranteed Obligations, or with respect to any security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions hereof; (iii) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the Lender’s consent to the change, reorganization or termination of the corporate structure or existence of the Borrower or any of its Subsidiaries and to any corresponding restructuring of the Guaranteed Obligations; (v) any defenses, set-offs or counterclaims which the Borrower or any Guarantor may allege or assert against the Lender in respect of the Guaranteed Obligations, including failure of consideration, lack of authority, validity or enforceability, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (vi) any other event or circumstance that might in any manner vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

4. Waivers by Guarantors. Each Guarantor hereby waives, for the benefit of the Lender: (a) any right to require the Lender, as a condition of payment or performance by such Guarantor, to (i) proceed against the Borrower, any Guarantor or any other Person; (ii) proceed against or exhaust any security in favor of the Lender; or (iii) pursue any other remedy in the power of the Lender whatsoever or (b) presentment to, demand for payment from and protest to the Borrower or any Guarantor or notice of acceptance; and (c) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.
5. Guarantors' Rights of Subrogation, Contribution, etc. Until the Guaranteed Obligations shall have been paid in full, each Guarantor hereby waives any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against the Borrower or any other Guarantor or any of its assets in connection with this Guarantee or the performance by such Guarantor of its obligations hereunder, including without limitation (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against the Borrower with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that the Lender now has or may hereafter have against the Borrower, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by the Lender. In addition, until the Guaranteed Obligations shall have been paid in full, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the Guaranteed Obligations. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time when all Guaranteed Obligations shall not have been finally and paid in full, such amount shall be held in trust for the Lender and shall forthwith be paid over to the Lender to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.
6. Subordination. Any indebtedness of the Borrower or any Guarantor now or hereafter held by any Guarantor (the "Obligee Guarantor") is hereby subordinated in right of payment to the Guaranteed Obligations, and any such indebtedness collected or received by the Obligee Guarantor after an Event of Default has occurred and is continuing shall be held in trust for the Lender and shall forthwith be paid over to the Lender to be credited and applied against the Guaranteed Obligations but without affecting, impairing or limiting in any manner the liability of the Obligee Guarantor under any other provision hereof.
7. Continuing Guarantee. This Guarantee is a continuing guarantee and shall remain in effect until all of the Guaranteed Obligations shall have been paid in full. Each Guarantor hereby irrevocably waives any right to revoke this Guarantee as to future transactions giving rise to any Guaranteed Obligations.
8. Financial Condition of the Issuer. The Loan may be made to the Borrower without notice to or authorization from any Guarantor regardless of the financial or other condition of the Borrower at the time of such grant. Each Guarantor has adequate means to obtain information from the Borrower on a continuing basis concerning the financial condition of the Borrower and its ability to perform its obligations under the Agreement, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of the Borrower and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations.
9. Reinstatement. In the event that all or any portion of the Guaranteed Obligations are paid by the Borrower or any Guarantor, the obligations of any other Guarantor hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from the Lender as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.
10. Discharge of Guarantee Upon Sale of the Guarantor. If, in compliance with the terms and provisions of the Agreement, all of the capital stock of any Guarantor that is a Subsidiary of the Borrower or any of its successors in interest hereunder shall be sold or otherwise disposed of (including by merger or consolidation) to any Person (other than to the Borrower or to any other Guarantor), the Guarantee of such Guarantor or such successor in interest, as the case may be, hereunder shall automatically be discharged and released without any further action by any beneficiary or any other Person effective as of the time of such asset sale.