

Kelly Bert V. Jr.

From: Ken Spirito <KSpirito@flyphf.com>
Sent: Wednesday, May 28, 2014 9:12 PM
To: Kelly Bert V. Jr.
Subject: Conditions in Guarantee Agreement with PEx

Here are a few thoughts I had to be included:

Debt curtailment minimum of 25% of all equity investment and profit guarantees provided to PEx

Headquarters to remain at the Newport News/Williamsburg International Airport

Level of service remains in effect at a minimum daily Boston and Newark flights as agreed upon in the Small Community Air Service Development agreement between Vision Airlines and the PAC

All payables with the PAC must remain in good standing

Previous grant incentive of \$565,000 to be refunded to the PAC on or before 6/10/14

All Route development and route announcements must be reviewed with Executive Director of PHF prior to agreement and announcement

All marketing and advertising must be reviewed by the Executive Director of PHF or his/her designee prior to agreement and placement

All management of PEx shall be fiscally responsible and shall not commit to expenses that are considered unreasonable without the consent of the Executive Director of PHF

PAC shall reserve the right to inspect financials and shall be provided a detailed monthly report of all expenses

PAC reserves the right to audit PEx's financials at any time

Your input would be greatly appreciated...Ken

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