

In the opinion of Co-Bond Counsel, under existing statutes, regulations, rulings and court decisions, and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2012A Bonds (as hereinafter defined) is excluded from gross income of the holders of such Series 2012A Bonds for federal income tax purposes, except that such exclusion shall not apply during any period such Series 2012A Bonds are held by a "substantial user" of the facilities financed or refinanced with proceeds of the Series 2012A Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended. Interest on the Series 2012A Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such interest may be subject to other federal income tax consequences referred to herein under "TAX MATTERS."



\$37,065,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REFUNDING REVENUE BONDS,
SERIES 2012A (AMT)
OF THE CITY OF ORLANDO, FLORIDA

Dated: Date of Delivery

Due: October 1, as shown on inside cover

The \$37,065,000 Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Series 2012A Bonds") are revenue bonds issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City of Orlando, Florida (the "City"), under and pursuant to the Constitution and laws of Florida, including particularly, the Act, and other applicable provisions of law, and pursuant to the Airport Facilities Revenue Bond Resolution, the codified version of which was adopted by the Authority on September 17, 2008, as amended and supplemented from time to time (the "Airport Facilities Revenue Bond Resolution"), and as specifically supplemented by that certain Supplemental Airport Facilities Revenue Bond Resolution, authorizing the issuance of the Series 2012A Bonds, adopted by the Authority on March 21, 2012 (the "2012 Supplemental Resolution," and together with the Airport Facilities Revenue Bond Resolution, the "Bond Resolution"). Unless otherwise defined herein, capitalized terms used in this Official Statement shall have the meanings set forth in the Bond Resolution, as defined herein. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto as APPENDIX A.

The Series 2012A Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority, to: (a) currently refund and redeem a portion of the Greater Orlando Aviation Authority's Airport Facilities Revenue Bonds, Series 2002B of the City of Orlando, Florida (the "Refunded Bonds"), and (b) pay certain costs of issuance of the Series 2012A Bonds. See "THE REFUNDING PROGRAM" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2012A Bonds are being issued as fully registered bonds and will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial interests in the Series 2012A Bonds will be made in book-entry only form, in the principal amount of \$5,000 and any integral multiple of \$5,000. Interest on the Series 2012A Bonds will accrue from their dated date and will be payable on April 1 and October 1 of each year commencing on October 1, 2012. Purchasers of beneficial interests in the Series 2012A Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2012A Bonds will be effected through the DTC book-entry system as described herein. The Series 2012A Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. Principal, interest, and the redemption price, if any, with respect to the Series 2012A Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as paying agent for the Series 2012A Bonds to Cede & Co., as nominee of DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Series 2012A Bonds are subject to redemption prior to maturity as more fully described herein. See "DESCRIPTION OF SERIES 2012A BONDS" herein.

The Series 2012A Bonds are limited obligations, payable solely from and secured by a pledge of certain Revenues derived by the Authority from the operation of the Airport System and other funds as described herein. The pledge of and lien on the Series 2012A Bonds upon the Revenues is on a parity as to payment with the Outstanding Airport Facilities Revenue Bonds and any Additional Bonds and Refunding Bonds hereafter issued under the Bond Resolution. See "SECURITY FOR THE SERIES 2012A BONDS" herein. The Authority has entered into Lease and Use Agreements with certain airlines serving the Orlando International Airport that provide for the payment of fees and charges by such airlines as more fully described herein. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES" herein.

THE SERIES 2012A BONDS ARE NOT OBLIGATIONS OF THE STATE OF FLORIDA OR GENERAL OBLIGATIONS OF THE AUTHORITY, THE CITY OR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE SERIES 2012A BONDS, OR THE INTEREST OR PREMIUM, IF ANY, THEREON. THE AUTHORITY HAS NO TAXING POWER. THE PRINCIPAL OF AND INTEREST ON THE SERIES 2012A BONDS SHALL NOT BE PAYABLE FROM OR BE A CHARGE OR LIEN ON ANY FUNDS OF THE CITY OR THE AUTHORITY OTHER THAN THOSE PLEDGED UNDER THE BOND RESOLUTION TO THE PAYMENT THEREOF.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2012A Bonds. Investors should read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2012A Bonds are offered when, as and if issued at the Delayed Delivery Closing Date (as defined herein), and subject to the approval of legality by Nabors, Giblin & Nickerson, P.A., Tampa, Florida and Ruye H. Hawkins, P.A., Orlando, Florida as Co-Bond Counsel. Certain legal matters will be passed on for the Authority by Broad and Cassel, Orlando, Florida as Issuer's Counsel to the Authority. Greenberg Traurig, P.A., Orlando, Florida, and KnoxSeaton, Orlando, Florida have served as Co-Disclosure Counsel. Certain legal matters in connection with the Series 2012A Bonds will be passed upon for the Underwriters by Bryant Miller Olive P.A. Orlando, Florida, counsel to the Underwriters. Morgan Keegan & Company, Inc., Winter Park, Florida and National Minority Consultants, Inc., Winter Park, Florida are Co-Financial Advisors to the Authority. It is expected that the Series 2012A Bonds in definitive form will be available for delivery through DTC on or about July 3, 2012. See "DELAYED DELIVERY RISKS" herein.



BofA MERRILL LYNCH

CITIGROUP

J.P. MORGAN

LOOP CAPITAL MARKETS

Dated: March 30, 2012

\$37,065,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REFUNDING REVENUE BONDS, SERIES 2012A (AMT)
OF THE CITY OF ORLANDO, FLORIDA

Maturity (October 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP No.[†]
2021	\$27,685,000	5.000%	3.310%	113.359	392274E69
2025	980,000	5.000%	3.950% ^C	108.770 ^C	392274E77
2026	1,030,000	5.000%	4.050% ^C	107.895 ^C	392274E85
2027	1,080,000	5.000%	4.140% ^C	107.114 ^C	392274E93
2028	1,135,000	5.000%	4.220% ^C	106.426 ^C	392274F27
2029	1,195,000	5.000%	4.290% ^C	105.829 ^C	392274F35
2030	1,255,000	5.000%	4.360% ^C	105.235 ^C	392274F43
2031	1,320,000	5.000%	4.420% ^C	104.730 ^C	392274F50
2032	1,385,000	5.000%	4.480% ^C	104.227 ^C	392274F68

[†] CUSIP numbers are included solely for the convenience of the readers of this Official Statement. The Authority takes no responsibility for the accuracy or use of the CUSIP numbers in this Official Statement.

^C Calculated to first call date of October 1, 2022 at par.

Greater Orlando Aviation Authority
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4399
(407) 825-2001

Authority Board Members

Cesar E. Calvet, Chairman
The Honorable Buddy Dyer, Mayor, City of Orlando, Vice-Chairman
Jose Colon, Treasurer
The Honorable Teresa Jacobs, Mayor, Orange County
Frank Kruppenbacher, Member
James Palmer, Member
Dr. Jason Pirozzolo, Member

City Council Commissioners

Buddy Dyer, Mayor
Phil Diamond^{*}
Daisy W. Lynum
Tony Ortiz
Patty Sheehan
Robert F. Stuart
Samuel B. Ings

Authority Management

Phillip N. Brown, Executive Director
Brigitte Goersch, Deputy Executive Director-Administration
James E. Rose, Deputy Executive Director-Business Services/Facilities
Ronald N. Lewis, Deputy Executive Director-Airport Operations
Dayci S. Burnette-Snyder, Assistant Secretary and Manager of Board Services
Jacki M. Churchill, Chief Financial Officer

Issuer's Counsel

BROAD AND CASSEL
Orlando, Florida

Co-Bond Counsel

NABORS, GIBLIN AND NICKERSON, P.A.
Tampa, Florida

RUYE H. HAWKINS, P.A.
Orlando, Florida

Co-Disclosure Counsel

GREENBERG TRAURIG, P.A.
Orlando, Florida

KNOXSEATION
Orlando, Florida

Co-Financial Advisors

MORGAN KEEGAN & COMPANY, INC.
Winter Park, Florida

NATIONAL MINORITY CONSULTANTS, INC.
Winter Park, Florida

Independent Auditors

MOORE STEPHENS LOVELACE, P.A.
Winter Park, Florida

^{*} Pursuant to Section 99.012, Florida Statutes, Mr. Diamond has resigned from office, effective May 31, 2012, in order to run for election as Mayor. His successor will be selected in an election to be held on April 3, 2012.

NO DEALER, BROKER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED BY THE AUTHORITY, THE CITY OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, IN CONNECTION WITH THE OFFERING OF THE SERIES 2012A BONDS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2012A BONDS AND THERE SHALL BE NO SALE OF THE SERIES 2012A BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED IN THIS OFFICIAL STATEMENT ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE THE IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE AUTHORITY SINCE THE DATE HEREOF OR THE EARLIEST DATE AS OF WHICH SUCH INFORMATION IS GIVEN.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING STATEMENT FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT WITH THE PURCHASERS OF THE SERIES 2012A BONDS. STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT WHICH INVOLVE ESTIMATES, FORECASTS OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED IN THIS OFFICIAL STATEMENT, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACTS.

ALL SUMMARIES HEREIN OF DOCUMENTS AND AGREEMENTS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH DOCUMENTS AND AGREEMENTS, AND ALL SUMMARIES HEREIN OF THE SERIES 2012A BONDS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE FORM THEREOF INCLUDED IN THE AFORESAID DOCUMENTS AND AGREEMENTS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2012A BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2012A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2012A BONDS TO CERTAIN

DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THE SERIES 2012A BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2012A BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2012A BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2012A BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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OFFICIAL STATEMENT

relating to

\$37,065,000

GREATER ORLANDO AVIATION AUTHORITY AIRPORT FACILITIES REFUNDING REVENUE BONDS, SERIES 2012A (AMT) OF THE CITY OF ORLANDO, FLORIDA

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the inside cover and Appendices attached hereto, is to set forth information concerning the Greater Orlando Aviation Authority (the "Authority"), the Airport System (as defined herein), the City of Orlando, Florida ("City"), and certain other information in connection with the sale of the \$37,065,000 Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Series 2012A Bonds"). Unless otherwise defined herein, capitalized terms used in this Official Statement shall have the meanings set forth in the Bond Resolution (as defined herein). See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto as APPENDIX A.

General

The Series 2012A Bonds are being issued by the Authority for the purpose of providing funds sufficient, together with other available funds of the Authority, to: (a) currently refund and redeem a portion of the Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2002B of the City of Orlando, Florida (the "Refunded Bonds"), and (b) pay certain costs of issuance of the Series 2012A Bonds. See "THE REFUNDING PROGRAM," "ESTIMATED SOURCES AND USES OF FUNDS" and "SECURITY FOR THE SERIES 2012A BONDS" herein.

The Authority has received approval from the Federal Aviation Administration ("FAA") to collect and use certain passenger facility charges to fund a portion of the Debt Service payable in connection with the Series 2012A Bonds allocated by the Authority to PFC Projects. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Passenger Facility Charges" herein.

The Authority has previously issued various series of Airport Facilities Revenue Bonds pursuant to the Bond Resolution, \$1,006,439,336 aggregate principal amount of which were outstanding as of March 1, 2012 (the "Outstanding Airport Facilities Revenue Bonds"). The Series 2012A Bonds are being issued pursuant to the Bond Resolution and will be secured on a parity with the Outstanding Airport Facilities Revenue Bonds as to the pledge of, lien on and source of payment from Revenues. Subject to certain conditions as set forth in the Bond Resolution, Additional Bonds and Refunding Bonds may be issued under the Bond Resolution on a parity with the Outstanding Airport Facilities Revenue Bonds and the Series 2012A Bonds.

See "SECURITY FOR THE SERIES 2012A BONDS - Additional Debt" herein. The Outstanding Airport Facilities Revenue Bonds, the Series 2012A Bonds and any Additional Bonds and Refunding Bonds hereafter issued are collectively referred to as the "Bonds."

The Authority also has incurred, and may continue to incur, indebtedness and other obligations that are junior and subordinate to the Series 2012A Bonds. See "OTHER INDEBTEDNESS AND INTEREST RATE SWAPS" herein.

DELAYED DELIVERY OF THE SERIES 2012A BONDS

The following is a summary description of certain provisions of the Forward Delivery Bond Purchase Contract between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Representative") on behalf of itself and the underwriters named therein (the "Bond Purchase Contract"), and the conditions therein. This description is not to be considered a full statement of the terms of the Bond Purchase Contract and accordingly is qualified by reference thereto and is subject to the full text thereof. See "FORM OF FORWARD DELIVERY BOND PURCHASE CONTRACT" attached hereto as APPENDIX B.

Forward Delivery Bond Purchase Contract Signing and Delayed Delivery Pre-Closing

Pursuant to the Bond Purchase Contract, the Underwriters will agree to purchase the Series 2012A Bonds on the Delayed Delivery Closing Date defined below. A delayed delivery pre-closing will be held with respect to the Series 2012A Bonds on or about April 17, 2012 (the "Delayed Delivery Pre-Closing Date"). At that time, the conditions for the issuance and delayed delivery of the Series 2012A Bonds and payment therefor by the Underwriters will be met, except for the confirmation of certain facts and delivery of certain certificates and opinions, including an opinion of Co-Bond Counsel substantially in the form set forth in APPENDIX E hereto (collectively, the "Delayed Delivery Date Closing Conditions"), which are to be delivered on the date the Series 2012A Bonds are issued (receipt thereof is a condition to the issuance of the Series 2012A Bonds). Upon satisfaction of the conditions to the Delayed Delivery Pre-Closing and performance of the covenants and agreements required at or prior to the Delayed Delivery Pre-Closing Date, subject to compliance with the Delayed Delivery Closing Conditions, described below and in the Bond Purchase Contract, the Authority will be obligated to issue the Series 2012A Bonds, and the Underwriters will be obligated to take delivery of and pay for the Series 2012A Bonds on the Delayed Delivery Closing Date. However, there will be no delivery of the Series 2012A Bonds nor any payment therefor on the Delayed Delivery Pre-Closing Date.

Subsequent to the consummation of the Delayed Delivery Pre-Closing, the Authority is not obligated as a condition to the delivery of the Series 2012A Bonds on the Delayed Delivery Closing Date to (i) enter into or execute any amendment or supplement to the Bond Resolution, (ii) except for the delivery of the Supplemented Final Official Statement (as hereinafter defined), the Escrow Agreement and the Disclosure Agreement and the certificates, opinions and reports required by the Bond Purchase Contract as a condition to the Delayed Delivery Closing, deliver any additional documentation, (iii) agree to, or undertake, any additional material obligations, or (iv) make any changes to its organization, activities or operations.

Delayed Delivery Closing

On July 3, 2012, or at such other time or on such other date as will have been mutually agreed upon by the Authority and the Representative (the "Delayed Delivery Closing Date"), the Authority will, subject to the terms and conditions of the Bond Purchase Contract, deliver the Series 2012A Bonds to The Depository Trust Company ("DTC") on behalf of the Underwriters and deliver or cause to be delivered to the Underwriters the other documents, opinions, certificates and instruments required by the Bond Purchase Contract to be delivered, as more fully discussed below (the "Delayed Delivery Closing Documents"). Subject to the terms and conditions of the Bond Purchase Contract, the Underwriters will be obligated to accept such delivery and pay the purchase price for the Series 2012A Bonds. All of the foregoing described transactions are referred to herein as the "Delayed Delivery Closing."

Conditions to Delayed Delivery Closing

General. The Authority is required by the Bond Purchase Contract, as a condition to the Delayed Delivery Closing, to provide to the Underwriters a Final Official Statement, as supplemented for the Delayed Delivery Closing (the "Supplemented Final Official Statement") no later than eleven days prior to the Delayed Delivery Closing Date. The Authority's obligation to issue and deliver the Series 2012A Bonds to the Underwriters, and the Underwriters' obligation to accept delivery of and pay for, the Series 2012A Bonds, on the Delayed Delivery Closing Date, are subject to certain conditions precedent, as set forth in the Bond Purchase Contract; these conditions include, in particular and among other conditions detailed in the Bond Purchase Contract, the following:

- (1) there shall have been no "Change in Law," as hereinafter described; and
- (2) Ratings on the 2012A Bonds shall have been received from Standard & Poor's, a division of McGraw-Hill Companies, Inc. ("S&P"), Fitch Inc. ("Fitch"), and Moody's Investors Service, Inc. ("Moody's") (see "RATINGS" herein); provided, however, if one or more of such rating agencies are no longer in business and no longer provide any ratings as of the Delayed Delivery Closing Date, then the requirement to provide a rating by such rating agency shall be waived at the Delayed Delivery Closing by the Underwriters; and provided, further, that such ratings are not required to be the same as the ratings assigned as of the Delayed Delivery Pre-Closing Date; and
- (3) Co-Bond Counsel shall render its approving opinion in substantially the form attached hereto as APPENDIX E.

Although the Authority is not aware, as of the date of this Official Statement, of any information that would lead it to believe that it will be unable to satisfy its obligations under the Bond Purchase Contract on the Delayed Delivery Closing Date, no assurances can be made that, as of the Delayed Delivery Closing Date: (i) there will have been no Change in Law, as hereinafter defined; (ii) the facts and circumstances that are material to one or more of the required legal opinions will not differ from the facts and circumstances as of the Delayed Delivery Pre-Closing Date, or (iii) that all necessary certifications and representations can or will be delivered and made in connection with the proposed issuance and delivery of the Series

2012A Bonds on the Delayed Delivery Closing Date. As a consequence of any of the foregoing, one or more of the required legal opinions may not be rendered, with the possible result that the Delayed Delivery Closing will not occur.

THE BOND PURCHASE CONTRACT REQUIRES THE UNDERWRITERS TO ACCEPT DELIVERY OF AND PAY FOR THE SERIES 2012A BONDS ON THE DELAYED DELIVERY CLOSING DATE NOTWITHSTANDING ANY SUBSEQUENT ADVERSE CHANGE IN THE FINANCIAL POSITION, BUSINESS OR AFFAIRS OF THE AUTHORITY.

FAILURE TO SATISFY THE REQUIREMENTS OF THE DELAYED DELIVERY CLOSING, INCLUDING FAILURE OF ANY PARTY TO DELIVER ANY OF THE DELAYED DELIVERY CLOSING DOCUMENTS IN THE FORM AND SUBSTANCE PROVIDED FOR IN THE BOND PURCHASE CONTRACT (UNLESS SUCH FAILURE IS WAIVED BY THE REPRESENTATIVE), WILL MEAN THAT THE SERIES 2012A BONDS WILL NOT BE ISSUED AND DELIVERED. THE REPRESENTATIVE HAS THE RIGHT, BUT IS UNDER NO OBLIGATION, TO WAIVE ANY SUCH FAILURE.

Change in Law. The Underwriters may terminate the Bond Purchase Contract, without liability, by notification to the Authority if, at any time on or after the Delayed Delivery Pre-Closing Date and on or prior to the Delayed Delivery Closing Date there is a Change in Law.

A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States or introduced therein or recommended for passage by the President of the United States (if such enacted, introduced or recommended legislation has a proposed effective date which is on or before the Delayed Delivery Closing Date); (iii) any law, rule or regulation proposed or enacted by any governmental body, department or agency (if such proposed or enacted law, rule or regulation has a proposed effective date which is on or before the Delayed Delivery Closing Date); or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case (as provided in (i) - (iv) herein), would (A) as to the Underwriters, legally prohibit (or have the retroactive effect of prohibiting, if enacted, adopted, passed or finalized) the Underwriters from (1) accepting delivery of and paying for the Series 2012A Bonds in accordance with the provisions of the Bond Purchase Contract or (2) selling the Series 2012A Bonds or beneficial ownership interests therein to bona fide purchasers, or, (B) as to the Authority, would make the sale or issuance and delivery of the Series 2012A Bonds illegal (or have the retroactive effect of making such sale, issuance, or delivery illegal, if enacted, adopted, passed or finalized), (C) eliminate the exclusion from gross income of interest on the Series 2012A Bonds (or have the retroactive effect of eliminating such exclusion if enacted, adopted, passed, or finalized); or (D) require the Series 2012A Bonds to be registered under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, or require the Bond Resolution to be qualified under the Trust Indenture Act of 1939, as amended (or have the retroactive effect of requiring such registration or qualification if enacted, passed, finalized or adopted); provided, however, that such change in or addition to law, legislation, rule or

regulation, or judgment, ruling or order described in (i) - (iv) above shall have become effective, been enacted, introduced or recommended, or been proposed or been issued, as the case may be, subsequent to the date of execution of the Bond Purchase Contract; or (v) a stop order, ruling, regulation, or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering, or sale of the Series 2012A Bonds, or the delivery of the Bond Resolution is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended.

The enactment of legislation which only diminishes the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes, interest payable on "state or local bonds" would not constitute a "Change in Law" under the foregoing definition and would not give the Underwriters the right to terminate their obligations under the Bond Purchase Contract. In such event, the Underwriters would still be required to accept delivery of the Series 2012A Bonds.

Issuance of Legal Opinions. It is a condition to the issuance of the Series 2012A Bonds on the Delayed Delivery Closing Date that Co-Bond Counsel deliver their final approving opinions in substantially the form attached hereto as APPENDIX E. The ability of Co-Bond Counsel to deliver such an opinion on the Delayed Delivery Closing Date is subject to its review and analysis as of the Delayed Delivery Closing Date of certain matters, including, among others, pertinent provisions of statutes, regulations, rulings and court decisions, including, but not necessarily limited to, Florida law and federal income tax law then in effect or proposed to be in effect. Co-Bond Counsel have advised the Authority and the Underwriters that, subject to such review and analysis and certain assumptions, they expect to be able to issue on the Delayed Delivery Closing Date an opinion substantially in the form attached hereto as APPENDIX E. Issuance of the Series 2012A Bonds on the Delayed Delivery Closing Date is further conditioned upon the receipt of the other opinions of Co-Bond Counsel, Co-Disclosure Counsel, Underwriters' Counsel and the Issuer's Counsel, and Counsel to the City as to the continued accuracy of their opinions as to certain additional legal matters, and relating to the continued accuracy or adequacy of the Official Statement, as supplemented in the Supplemented Final Official Statement initially addressed in the respective opinions delivered by such counsel in connection with the Delayed Delivery Pre-Closing.

DELAYED DELIVERY RISKS

The Authority anticipates that the Series 2012A Bonds will be issued and delivered on the Delayed Delivery Closing Date. Delivery of the Series 2012A Bonds is, however, contingent upon delivery of certain certificates, reports, documents and legal opinions and the satisfaction of certain other conditions as of the Delayed Delivery Closing Date, as provided in the Bond Purchase Contract and described under the heading "DELAYED DELIVERY OF SERIES 2012A BONDS" herein. See "FORM OF FORWARD DELIVERY BOND PURCHASE CONTRACT" attached hereto as APPENDIX B.

During the period of time between the date hereof and the Delayed Delivery Closing Date (the "Delayed Delivery Period"), certain information contained in this Official Statement could change in one or more material respects. The Authority has agreed to provide to purchasers of the Series 2012A Bonds the Supplemented Final Official Statement, updating this Official Statement at least 11 days prior to the Delayed Delivery Closing Date. Purchasers of the Series 2012A Bonds will be subject to the risk of material changes in the information provided in the Supplemented Final Official Statement from that provided in this Official Statement and other risks, some of which are described below, and which will not constitute grounds for purchasers to refuse to accept delivery of and pay for the Series 2012A Bonds.

Ratings Risk. The Series 2012A Bonds are currently rated "A+" by S&P, "AA-" by Fitch and "Aa3" by Moody's. See "RATINGS" herein. No assurance can be given that the ratings assigned to the Series 2012A Bonds on the Delayed Delivery Closing Date will not be different from those currently assigned to the Series 2012A Bonds. If one or more of such rating agencies are no longer in business or no longer provide any ratings for airports as of the Delayed Delivery Closing Date, then the requirement to provide a rating by such rating agency shall be waived by the Underwriters at the Delayed Delivery Closing. A rating downgrade does not terminate the Bond Purchase Contract or release the Underwriters from their obligations to purchase the Series 2012A Bonds.

Secondary Market Risk. While the Underwriters may make a secondary market in the Series 2012A Bonds during the Delayed Delivery Period, there can be no guarantee that the Underwriters will be successful in establishing such a secondary market, or, if a secondary market is established, that it will be maintained or that the Series 2012A Bonds can be sold for any particular price. Prospective purchasers of the Series 2012A Bonds should assume that the Series 2012A Bonds will be illiquid throughout the Delayed Delivery Period.

Market Value Risk. The market value of the Series 2012A Bonds as of the delivery date thereof may be affected by a variety of factors including, without limitation, general market conditions, the ratings on the Series 2012A Bonds, the financial condition and business operations of the Authority, and federal and state income tax and other laws. The market value of the Series 2012A Bonds on the Delayed Delivery Closing Date, therefore, could be greater or less than the purchase price agreed to be paid by the initial purchasers thereof, and the difference could be substantial. The Underwriters will, nevertheless, be obligated to take delivery of and pay for the Series 2012A Bonds if the Conditions to Delayed Delivery Closing described above are satisfied. Neither the Authority nor the Underwriters make any representation as to the market price of the Series 2012A Bonds as of the delivery date thereof.

Federal Tax Proposals. The Bond Purchase Contract obligates the Authority to deliver and the Underwriters to purchase the Series 2012A Bonds if the Authority receives an opinion of Co-Bond Counsel substantially in the form set forth in APPENDIX E to the effect that the interest on the Series 2012A Bonds is not included in the gross income of the holders thereof for federal income tax purposes as of the Delayed Delivery Closing Date. Legislation could be introduced in the U.S. Congress that, if adopted, would reform the system of federal taxation generally or the tax consequences of ownership and/or transfer of obligations of the character of the Series 2012A Bonds. That legislation could either (a) eliminate the exclusion from gross income for federal income tax purposes of interest payable on "state or local bonds,"

such as the Series 2012A Bonds, or (b) diminish the value of such exclusion. If legislation is enacted which eliminates the exclusion for federal income tax purposes of interest payable on "state and local bonds" such as the Series 2012A Bonds, it is expected that Co-Bond Counsel will not deliver their approving opinions in the form attached hereto as APPENDIX E and, therefore, that the Series 2012A Bonds will not be issued and delivered to the Underwriters and will not be available for delivery to the purchasers. If the enactment of legislation only diminishes the value, as opposed to eliminating the exclusion from gross income for federal income tax purposes of interest payable on "state or local bonds," the Underwriters would not have the right to terminate their obligations under the Bond Purchase Contract, and in such event, the purchasers would be required to accept delivery of the Series 2012A Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood that legislation affecting the treatment of interest on the Series 2012A Bonds may be enacted and the consequences of such enactment for the purchasers.

THE AUTHORITY

The Authority was established as an agency of the City pursuant to Chapter 57-1658, Special Laws of Florida 1957 which was subsequently repealed, recodified and amended by Chapter 98-492, Special Laws of Florida 1998, as amended (the "Act"). The Airport is owned by the City. Pursuant to an Operation and Use Agreement dated September 27, 1976, by and between the City and the Authority, as amended (the "Transfer Agreement"), the City transferred to the Authority custody, control and management of the Airport for a term that will expire on September 30, 2026, subject to certain conditions, unless extended by the City and the Authority. Under the Transfer Agreement, the Authority pays the City for specific services rendered by the City in accordance with schedules negotiated with the City. Upon the expiration of the term of the Transfer Agreement, the custody, control and management of the Airport will revert to the City and the City shall automatically assume all of the Authority's obligations under the Bond Resolution and all of the liabilities of the Authority with respect to the Airport, but all such obligations or liabilities, including debt service on any Bonds, which are outstanding on and after the expiration of the Transfer Agreement, shall continue to be payable solely from their respective identified sources. Any such obligations or liabilities of the Authority which extend beyond the term of the Transfer Agreement will not be a general obligation of the City and neither the faith and credit nor the taxing power of the City will be pledged for the payment of any such obligations or liabilities, including the payment of principal, interest or premium on any Bonds.

The Authority operates the facilities of the Airport (the "Airport System" as such term is further defined in the Bond Resolution) for the accommodation of air commerce and transportation. The Authority also operates the Orlando Executive Airport, as a general aviation airport. The Orlando Executive Airport does not constitute a part of the Airport System and revenues derived from the operation of the Orlando Executive Airport are not pledged to payment of the Bonds or the interest or the premium, if any, thereon. However, the Authority may include the Orlando Executive Airport within the definition of the Airport System by future Supplemental Resolution upon (a) delivery to The Bank of New York Mellon Trust Company, N.A., or its successor, in its capacity as trustee under the Bond Resolution (the "Trustee"), of an opinion of counsel that such inclusion will not violate or cause a breach or default under the

Lease and Use Agreements (as defined herein), (b) confirmation from each Rating Agency that such action will not result in a reduction or withdrawal of current ratings on the Series 2012A Bonds or the Outstanding Airport Facilities Revenue Bonds, and (c) written consent of any applicable bond insurer or credit enhancer. The Authority has no current plans to include the Orlando Executive Airport within the Airport System. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto as APPENDIX A.

The Authority is governed by a seven-member board (the "Board"). Five members are appointed by the Governor of the State of Florida, subject to confirmation by the State Senate, one member is the Mayor of the City and one member is the Mayor of Orange County, Florida. One of the five members of the Board appointed by the Governor must be a resident of Osceola County. Members appointed by the Governor are appointed for four-year terms and the elected government officials serving as Board members are elected for two-year terms. All Authority Board members may be reappointed, provided that the maximum consecutive service for appointed members may not exceed eight years or two consecutive four year terms, whichever is longer. The Authority elects its own officers and appoints the Executive Director. The Authority management serves at the pleasure of the Executive Director.

AUTHORIZATION OF THE SERIES 2012A BONDS

Under the Act, the Authority is authorized to issue revenue bonds to finance airport facilities and to refund outstanding bonds or other indebtedness of the Authority. The Series 2012A Bonds are being authorized and issued under and pursuant to the Act and the Airport Facilities Revenue Bond Resolution, the codified version of which was adopted by the Authority on September 17, 2008, as amended and supplemented from time to time (the "Airport Facilities Revenue Bond Resolution") and as specifically supplemented by that certain Supplemental Airport Facilities Revenue Bond Resolution, adopted by the Authority on March 21, 2012 (the "2012 Supplemental Resolution," and together with the Airport Facilities Revenue Bond Resolution, the "Bond Resolution"). A summary of certain provisions of the Bond Resolution is set forth under the caption "SECURITY FOR THE SERIES 2012A BONDS" herein and in "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto as APPENDIX A.

THE REFUNDING PROGRAM

The Refunded Bonds will be called for redemption on or about October 1, 2012 at a redemption price equal to 100 percent of the principal amount thereof, plus accrued interest to the redemption date thereof. To effect the refunding and redemption of the Refunded Bonds, a portion of the proceeds of the Series 2012A Bonds, together with other available funds of the Authority, will be deposited with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent") in an escrow deposit trust fund created under the Escrow Deposit Agreement, to be dated as of the Delayed Delivery Closing Date between the Authority and the Escrow Agent (the "Escrow Deposit Agreement"). The proceeds of the Series 2012A Bonds, together with other available funds of the Authority deposited with the Escrow Agent,

other than an initial cash deposit, may be applied by the Escrow Agent to purchase certain Investment Securities, the principal of and interest on which shall be sufficient, together with the initial cash deposit, to pay the principal of, and accrued interest on the Refunded Bonds on their redemption date. The portion of the proceeds of the Series 2012A Bonds held by the Escrow Agent as well as the maturing principal and interest on the Investment Securities, if any, and any other amounts held by the Escrow Agent under the Escrow Deposit Agreement will be held in trust for the sole benefit of the holders of the Refunded Bonds. Such amounts will not be available to pay the principal of, or premium, if any, or interest on the Series 2012A Bonds. The sufficiency of the amounts deposited pursuant to the Escrow Deposit Agreement to pay the principal of and accrued interest, on the Refunded Bonds shall be verified by Causey Demgen & Moore, Inc., as verification agent (the "Verification Agent"). See "VERIFICATION OF MATHEMATICAL ACCURACY" herein.

Upon the deposit of such funds with the Escrow Agent, the purchase of such Investment Securities, if any, and the giving of certain notices and instructions required under the Bond Resolution, in the opinion of Co-Bond Counsel, rendered in reliance on the verification report of the Verification Agent, described under "VERIFICATION OF MATHEMATICAL ACCURACY" herein, the Refunded Bonds will be deemed paid and shall cease to be entitled to any lien, benefit or security under the Bond Resolution and all covenants, agreements and obligations of the Authority to the holders of the Refunded Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Series 2012A Bonds are expected to be applied as follows:

Sources:

Par Amount of Series 2012A Bonds	\$37,065,000.00
Original Issue Premium	4,271,805.70
Release from Composite Reserve Subaccount	449,226.75
Other Authority Funds	524,851.57
Total Sources	<u>\$42,310,884.02</u>

Uses:

Deposit to Escrow Deposit Trust Fund	\$41,774,703.13
Costs of Issuance ⁽¹⁾	536,180.89
Total Uses	<u>\$42,310,884.02</u>

⁽¹⁾ Includes, but is not limited to the additional proceeds used for rounding purposes and the Underwriters' Discount.

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DESCRIPTION OF THE SERIES 2012A BONDS

General

The Series 2012A Bonds shall be dated the date of the delivery thereof, and will mature and bear interest from their dated date to their respective maturity dates in the amounts and at the rates set forth on the inside cover page of this Official Statement. Interest on the Series 2012A Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as registrar, paying agent and trustee for the Series 2012A Bonds on April 1 and October 1 of each year commencing on October 1, 2012, provided however, that if any such day is not a business day (i.e., a Saturday, Sunday, legal holiday or a day in which banking institutions in the city where the corporate trust offices of the Paying Agent is located are closed, or a date on which the Paying Agent is closed), then such payment shall be made on the next business day thereafter without payment of additional interest. Interest shall be paid by check or draft mailed by the Paying Agent to the registered owners thereof as their addresses appear on the registration books maintained by the Trustee, as Bond Registrar, at the close of business on the 15th day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Series 2012A Bonds after such Record Date and before such interest payment date unless the Authority shall be in default of interest due on such interest payment date. The principal of the Series 2012A Bonds will be payable at the corporate trust operations office of the Trustee in Jacksonville, Florida. Registered owners of \$1,000,000 or more in principal amount of Series 2012A Bonds may arrange for the payment of principal and interest with respect to the Series 2012A Bonds by wire transfer in immediately available funds by written request made to the Trustee within certain times and upon certain conditions set forth in the Bond Resolution.

The Series 2012A Bonds are being issued solely in the form of fully registered bonds in denominations of \$5,000 and any integral multiple thereof as Refunding Bonds under the Bond Resolution. See "SECURITY FOR THE SERIES 2012A BONDS - Refunding Bonds" herein.

For every exchange or transfer of the Series 2012A Bonds, the Authority, the City and the Trustee, as Bond Registrar, may charge the registered owner an amount sufficient to reimburse them for any tax, fee or other governmental charge required (other than by the City or the Authority) to be paid with respect to or in connection with any such transfer or exchange and may require that such amount be paid before any such new Series 2012A Bonds are delivered.

The City, the Authority, the Bond Registrar and the Paying Agent may deem and treat the registered owner of any Series 2012A Bond as the absolute owner of such Series 2012A Bond for the purpose of receiving payment of the principal thereof and the interest thereon. Subject to the provisions of the Bond Resolution, a Series 2012A Bond may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of Series 2012A Bonds of other authorized denominations of the same series and maturity.

Optional Redemption

The Series 2012A Bonds maturing on or after October 1, 2025 are subject to redemption prior to maturity, at the option of the Authority, in whole or in part, on October 1, 2022 and any

date thereafter, and if in part, in such maturities as the Authority may direct, at a Redemption Price equal to the principal amount of the Series 2012A Bonds or portions thereof to be redeemed, plus accrued interest to the Redemption Date.

An optional redemption may be a Conditional Redemption and the notice of redemption may state that the redemption is conditional upon the conditions set forth therein, and such notice and optional redemption shall be of no effect (i) if by no later than the scheduled redemption date, the conditions set forth therein have not been satisfied, or (ii) the Authority or the Trustee, at the written direction of the Authority, rescinds such notice on or prior to the scheduled redemption date. Such redemption shall be conditional upon receipt by the Trustee or escrow agent named by the Authority of sufficient moneys to redeem the Series 2012A Bonds and satisfaction of such other conditions set forth in the notice of redemption. A Conditional Redemption shall be deemed canceled once the Authority or the Trustee, at the written direction of the Authority, has given notice of rescission. The Authority or the Trustee, at the written direction of the Authority, shall give notice of rescission of a Conditional Redemption by the same means as is provided for the giving of notice of redemption. Any Series 2012A Bonds subject to a Conditional Redemption which has been canceled shall remain Outstanding, and neither the rescission nor the failure of funds being made available in part or in whole on or before the proposed redemption date shall constitute an Event of Default.

Selection of Series 2012A Bonds to be Redeemed

In the event less than all of the Series 2012A Bonds of an entire maturity thereof are redeemed, the Series 2012A Bonds to be selected for redemption shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate. However, in selecting for redemption portions of any Series 2012A Bonds of a denomination of more than \$5,000, the Trustee shall treat each such Series 2012A Bond as representing that number of Series 2012A Bonds of \$5,000 denomination, which is obtained by dividing the principal amount of such Series 2012A Bond to be redeemed in part by \$5,000 and the Trustee shall redeem only that portion of such Series 2012A Bonds that is in the principal amount of \$5,000 or any integral multiple thereof.

Notice of Redemption

Notice of redemption meeting the requirements set forth in the Bond Resolution shall be mailed at least 30 days and not more than 60 days before the redemption date to the registered owners of any Series 2012A Bonds or portions of Series 2012A Bonds to be redeemed at their last addresses appearing upon the registration books maintained by the Trustee. Failure to mail such notice to a registered owner of a Series 2012A Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Series 2012A Bond or portion thereof with respect to which no such failure or defect occurred. Any notice mailed as provided in the Bond Resolution shall be conclusively presumed to have been duly given, whether or not the owner of such Series 2012A Bond receives such notice.

As described under "BOOK-ENTRY ONLY SYSTEM" herein, for so long as the Series 2012A Bonds are registered in the name of DTC, Cede & Co., or any other nominee of DTC, notice of redemption of any Series 2012A Bond will be given by the Trustee only to Cede & Co.,

or such other nominee, as registered owner thereof. Cede & Co. will be solely responsible for selecting and notifying those Direct Participants who will in turn be solely responsible to notify Indirect Participants and Beneficial Owners to be affected by such redemption.

Payment of Redeemed Series 2012A Bonds

Notice having been given in the manner required as described above and the conditions for such redemption having been satisfied, the Series 2012A Bonds or portions thereof so called for redemption shall become due and payable on the redemption date at the Redemption Price, plus accrued interest to the redemption date. If less than all of a Series 2012A Bond shall be selected for redemption, the Paying Agent will deliver, upon the surrender of such Series 2012A Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Series 2012A Bond so surrendered, Series 2012A Bonds of such series of like maturity in any authorized denomination. If on the redemption date moneys for the redemption for the Series 2012A Bonds to be redeemed, together with interest to the redemption date, shall be held by the Paying Agent, and if notice of redemption shall have been given in the manner required as described above, then interest on the Series 2012A Bonds so called for redemption shall cease to accrue from and after the redemption date. If moneys shall not be so available, such Series 2012A Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Purchase in Lieu of Redemption

At any time the Series 2012A Bonds are subject to optional redemption, all or a portion of the Series 2012A Bonds to be redeemed pursuant to an optional redemption may be purchased in lieu of being redeemed by the Trustee at the direction of the Authority on the date on which such Series 2012A Bonds would otherwise have been redeemed. The purchase price for Series 2012A Bonds purchased in lieu of redemption will be equal to the Redemption Price that would have been applicable to the Series 2012A Bonds on such date. No notice to the owners of the Series 2012A Bonds to be purchased (other than the notice of redemption otherwise required by the Bond Resolution) is required. All Series 2012A Bonds to be so purchased in lieu of redemption that are not delivered to the Trustee on the purchase date shall be deemed to have been so purchased and not redeemed on the purchase date and shall cease to accrue interest as to the former Registered Owner on the purchase date.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning The Depository Trust Company, New York, New York ("DTC"), and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2012A Bonds. The Series 2012A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2012A Bond certificate will be issued for each maturity of the Series 2012A Bonds and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2012A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2012A Bond (each a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant (collectively, "Participants") through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2012A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2012A Bonds, except in the event that use of the book-entry system for the Series 2012A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2012A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2012A Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2012A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2012A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2012A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2012A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2012A Bond documents. For example, Beneficial Owners of Series 2012A Bonds may wish to ascertain that the nominee holding the Series 2012A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2012A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2012A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2012A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2012A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent on a payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Series 2012A Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2012A Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2012A Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC upon compliance with any applicable DTC rules and procedures. In that event, Series 2012A Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, by the Authority takes no responsibility for the accuracy thereof.

The Authority, the City, and the Paying Agent and Registrar do not have any responsibility or obligation to the Direct Participants, Indirect Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (b) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of and interest on the Series 2012A Bonds; (c) the delivery or timeliness of delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner, which is required or permitted under the terms of the Bond Resolution to be given to Bondholders; or (d) any consent given or other action taken by DTC, or its nominee, Cede & Co., as Bondholders.

SECURITY FOR THE SERIES 2012A BONDS

Brief descriptions of the source of payment of the Series 2012A Bonds, the flow of funds under the Bond Resolution, the Authority's rate covenant set forth in the Bond Resolution and certain other provisions of the Bond Resolution are provided herein. The descriptions provided herein are qualified in their entirety by the applicable provisions of the Bond Resolution. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto as APPENDIX A.

General

The Series 2012A Bonds are being issued as Refunding Bonds under the Bond Resolution. As such, the Series 2012A Bonds are "Bonds" as such term is used in the Bond Resolution and are on a parity with the Outstanding Airport Facilities Revenue Bonds as to the pledge of, lien on and source of payment from Revenues. In accordance with and subject to the terms and conditions of the Bond Resolution, Additional Bonds and Refunding Bonds may be issued under the Bond Resolution on a parity with the Outstanding Airport Facilities Revenue Bonds and the Series 2012A Bonds. See "SECURITY FOR THE SERIES 2012A BONDS-Refunding Bonds" herein.

THE SERIES 2012A BONDS ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE REVENUES OF THE AUTHORITY, AS PROVIDED IN THE BOND RESOLUTION AND ARE NOT OBLIGATIONS OF THE STATE OF FLORIDA OR GENERAL OBLIGATIONS OF THE AUTHORITY, THE CITY OR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE SERIES 2012A BONDS, OR THE INTEREST OR PREMIUM, IF ANY, THEREON. THE AUTHORITY HAS NO TAXING POWER. THE PRINCIPAL OF AND INTEREST ON THE SERIES 2012A BONDS SHALL NOT BE PAYABLE FROM OR BE A CHARGE OR LIEN ON ANY FUNDS OF THE CITY OR

THE AUTHORITY OTHER THAN THOSE PLEDGED UNDER THE BOND RESOLUTION TO THE PAYMENT THEREOF.

Pledge Under the Bond Resolution

Pursuant to the Bond Resolution, the Bonds, including the Series 2012A Bonds, and the interest and premium, if any, thereon, will be payable from and secured by, among other things, a pledge of, and first lien on, Revenues. The Bonds are also secured by the proceeds of the sale of such Bonds and all funds, and investment earnings thereon, held pursuant to the Bond Resolution. The Composite Reserve Subaccount secures those Bonds designated to be secured by the Composite Reserve Subaccount, and individual series specific debt service reserve subaccounts secure only those series of Bonds designated to be secured by each such subaccount. The Series 2012A Bonds are secured by the Composite Reserve Subaccount of the Debt Service Reserve Account. The Bond Resolution requires an amount equal to the Composite Reserve Requirement to be maintained in the Composite Reserve Subaccount of the Debt Service Reserve Account. The amount on deposit in the Composite Reserve Subaccount of the Debt Service Reserve Account after issuance of the Series 2012A Bonds will equal the Composite Reserve Requirement.

Under the Bond Resolution, the term "Revenues" includes, among other things, all income and revenues from all sources collected or received by the Authority in the operation of the Airport System, subject to certain exceptions, some of which are described below. The revenues and income from Special Purpose Facilities are not considered "Revenues" to the extent that they are pledged to the payment of obligations of the Authority issued to finance such Special Purpose Facilities. The term "Revenues" may include PFC Revenues, but only to the extent that they constitute "Available PFC Revenues" (generally, those PFC Revenues received by the Authority in an amount equal to 1.25 times debt service on the portion of Bonds issued to finance PFC Projects) for the applicable period. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Passenger Facility Charges" herein. PFC Revenues in excess of Available PFC Revenues may be expended by the Authority on a pay-as-you-go basis pursuant to approvals received from the FAA. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto as APPENDIX A for a complete definition of "Revenues."

Flow of Funds

The Bond Resolution requires that all Revenues, including Available PFC Revenues, shall be deposited into the Revenue Fund. Revenues deposited into the Revenue Fund shall be applied monthly to the following funds and accounts, in the following order of priority:

- (a) to the Airport Facilities Operation and Maintenance Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for Operation and Maintenance Expenses for the then-current Fiscal Year as set forth in the current Annual Budget;
- (b) to the Bond Fund for credit to the Debt Service Account, the amount, if and to the extent required so that the balance therein shall equal the Accrued Aggregate

Debt Service; provided that, for purposes of computing the amount in said Account, there shall be excluded the amount, if any, set aside therein which was deposited from proceeds of each series of Bonds less the amount of interest accrued and unpaid and to accrue on the Bonds of such series (or any Refunding Bonds issued to refund such Bonds) other than Capital Appreciation Bonds, to the last day of the then-current month for the payment of Debt Service on the Bonds;

(c) except as otherwise provided below, to the Bond Fund for credit of the applicable subaccounts in the Debt Service Reserve Account, the amount, if any, to the extent required so that the balance in each subaccount shall equal the Debt Service Reserve Requirement with respect thereto;

(d) to the Operation and Maintenance Fund for credit to the Operation and Maintenance Reserve Account, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount which is equal to the difference between the sum on deposit in the Operation and Maintenance Reserve Account at the beginning of the then-current Fiscal Year and one-sixth of the Operation and Maintenance Expenses set forth in the current Annual Budget;

(e) to the Capital Expenditures Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount appropriated therefor in the current Annual Budget, plus any deficiencies from deposits in prior months;

(f) to the Renewal and Replacement Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount appropriated therefor in the current Annual Budget, provided that no further deposits are required so long as the uncommitted moneys therein are equal to or greater than \$1,000,000 or such larger amount as the Airport Consultant shall certify as necessary plus any deficiencies from deposits in prior months; and

(g) to the Discretionary Fund, an amount determined by the Authority from time to time, in its discretion, plus all amounts required to be deposited into such Fund in such month by the terms of any agreements relating to indebtedness issued by the Authority to finance improvements to the Airport System, plus all amounts required to pay in a timely manner all payments the Authority is required to make to any third party under any interest rate swap agreement or other derivative financial product agreement between the Authority and a third party, plus, for deposit in the PFC Account, an amount equal to the difference between (a) the amount of Available PFC Revenues deposited in the Revenue Fund, plus amounts withdrawn from the PFC Account pursuant to the Bond Resolution (to the extent not previously replenished), and (b) the Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of the Authority, or such lesser amount which will not cause the amount on deposit in such Fund to exceed the Discretionary Fund Maximum Balance; provided that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payment shall be increased by the amount of such deficiency to the extent that the amount on

deposit in such Fund shall not exceed the Discretionary Fund Maximum Balance. The amount of the monthly deposit to the Discretionary Fund and the amount of the Discretionary Fund Maximum Balance may be adjusted by Authority at any time.

Deposits to the Bond Fund shall be increased to the extent required to pay principal, interest and redemption premiums, if any, next becoming due, and to make up any deficiencies or losses that may otherwise arise in such Fund and subaccounts.

If there are not sufficient funds in the Revenue Fund available to make the amounts on deposit in each subaccount in the Debt Service Reserve Account equal to the Debt Service Reserve Requirement for the applicable Series of Bonds, there shall be deposited in each such subaccount an amount equal to the lesser of the Debt Service Reserve Requirement for such subaccount or the total amount available to be deposited into the Debt Service Reserve Account multiplied by a fraction, the numerator of which is the Bond Obligation of all Bonds of the applicable Series then Outstanding and the denominator of which is the total aggregate amount of the Bond Obligation of all Bonds of every Series then Outstanding under the Bond Resolution secured by a subaccount in the Debt Service Reserve Account.

Notwithstanding anything in the Bond Resolution to the contrary, the Authority shall not be required to fully fund a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds under the Bond Resolution, if it provides on the date of issuance of any Series of Bonds in lieu of such funds, a Reserve Product issued by a Reserve Product Provider in an amount equal to the difference between the applicable Debt Service Reserve Requirement and the sums then on deposit in the applicable subaccount in the Reserve Account. Such Reserve Product as provided above must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held under the Bond Resolution for a payment with respect to the applicable Series of Bonds, which cannot be cured by funds in any other account held pursuant to the Bond Resolution and available for such purpose, and which shall name the Trustee or a Paying Agent as the beneficiary thereof. In no event shall the use of such Reserve Product be permitted if it would cause any existing rating on the Bonds or any Series thereof to be lowered, suspended or withdrawn. If a disbursement is made from a Reserve Product as provided above, the Authority shall be obligated to reinstate the maximum limits of such Reserve Product immediately following such disbursement or to replace such Reserve Product by depositing into the applicable subaccount in the Debt Service Reserve Account from the first Available Revenues available for deposit pursuant to subparagraph (c) above after the deposits required by subparagraphs (a) and (b) above, funds in the maximum amount originally payable under such Reserve Product, plus amounts necessary to reimburse the Reserve Product Provider for previous disbursements made pursuant to such Reserve Product, or a combination of such alternatives, and for purposes of subparagraph (c) above, amounts necessary to satisfy such reimbursement obligation and other obligations of the Authority to such a Reserve Product Provider shall be deemed required deposits into the applicable subaccount in the Reserve Account, but shall be used by the Authority to satisfy its obligations to the Reserve Product Provider.

Also notwithstanding anything to the contrary in the Bond Resolution, the Authority shall not be required to fund fully a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds under the Bond Resolution, if it elects by Supplemental

Resolution adopted prior to the issuance of any Series of Bonds and subject to the limits described under the Bond Resolution, to fully fund the applicable subaccount over a period specified in such Supplemental Resolution not to exceed 60 months during which it shall make substantially equal monthly installments in order that the amount on deposit in such subaccount in the Debt Service Reserve Account at the end of such period shall equal the Debt Service Reserve Requirement with respect thereto. The aggregate amounts which may be permitted to be deposited in installments at any time shall not exceed 75 percent of the Debt Service Reserve Requirement with respect to such subaccount in the Debt Service Reserve Account. If a subaccount in the Debt Service Reserve Account is to be initially funded in installments, the deposits required pursuant to the foregoing may be limited to the amount which will be sufficient to make the required monthly installments specified in the Supplemental Resolution, plus an amount necessary to make up any deficiencies caused by withdrawals or resulting from valuations of the funds on deposit therein.

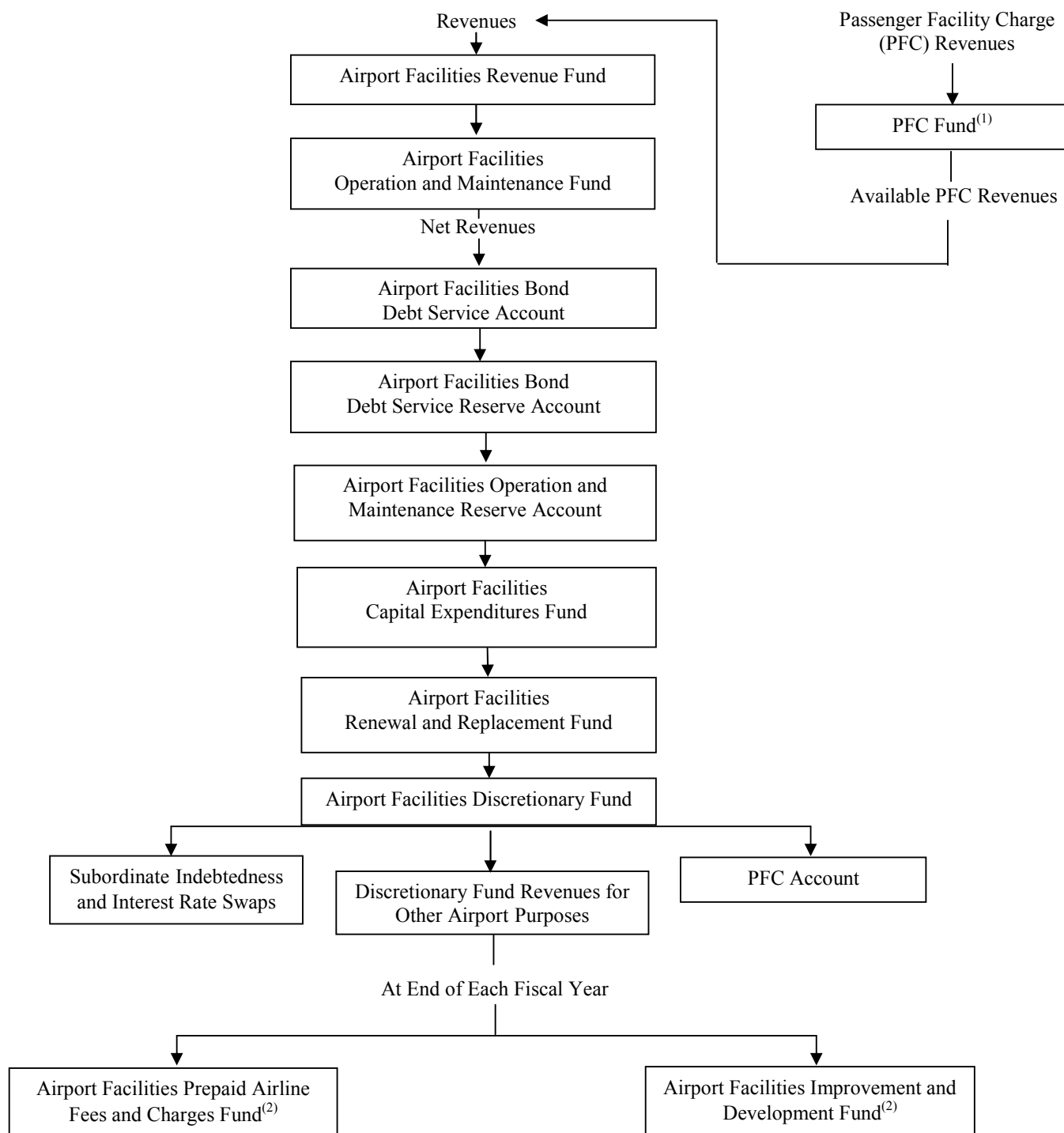
At the end of each Fiscal Year, after all deposits required to be made into each of the aforesaid funds and accounts have been made, the moneys remaining in the Revenue Fund and not required to make up any deficiencies, shall be transferred in equal amounts (50 percent each) to the Improvement and Development Fund and the Prepaid Airline Fees and Charges Fund. Any deposits made into the Prepaid Airline Fees and Charges Fund are transferred to the Revenue Fund in the next subsequent Fiscal Year. As a result of the Lease and Use Agreements with the Signatory Airlines operating at the Airport, which Lease and Use Agreements were effective October 1, 2008, the Authority is no longer required by such Agreements to make any deposits into the Prepaid Airline Fees and Charges Fund and, to the extent any deposits into such Fund are made, they are not credited to the benefit of the airlines. As a result, pursuant to the Bond Resolution, the Authority has increased the deposit to be made into the Discretionary Fund so that after this deposit is made, no moneys remain in the Revenue Fund.

Application of Revenues

The following diagram presents a summary of the application of Revenues to various funds and accounts as governed by the provisions of the Bond Resolution and described above. A more complete description of the application of Revenues is included in "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION - Application of Revenues" attached hereto as APPENDIX A. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES" herein for a description of the types of income and revenues of the Authority included in the definition of "Revenues."

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Application of Revenues



(1) PFC Revenues in excess of Available PFC Revenues are not subject to the lien of the Bond Resolution and may be expended by the Authority subject to approvals received from the FAA.

(2) Effective October 1, 2008, the Authority is no longer required by the Lease and Use Agreements to make any deposits into the Prepaid Airline Fees and Charges Fund and, to the extent any deposits into such Fund are made, they are not to be credited to the airlines.

Debt Service Reserve Account

The Bond Resolution creates the Debt Service Reserve Account as an account within the Airport Facilities Bond Fund and within the Debt Service Reserve Account there is created a Composite Reserve Subaccount. An amount equal to the Composite Reserve Requirement is required to be maintained in the Composite Reserve Subaccount. Amounts on deposit in the applicable subaccounts of the Debt Service Reserve Account are required to be applied monthly to cure any deficiencies in the applicable subaccounts of the Debt Service Account established under the Bond Resolution. The Composite Reserve Subaccount secures those Bonds designated to be secured by the Composite Reserve Subaccount, and individual series specific debt service reserve subaccounts secure only those series of Bonds designated to be secured by each such subaccount.

If, on the final business day of any month, the amount in the Debt Service Account shall be less than the amount required to be in such Account pursuant to the Bond Resolution, the Trustee shall apply amounts from the applicable subaccounts in the Debt Service Reserve Account to the extent necessary to make good the deficiency; provided, however, that amounts in the separate subaccounts in the Debt Service Reserve Account shall be used only for the purpose of curing deficiencies with respect to the Series of Bonds secured by such subaccount. As of the date hereof, the Composite Reserve Subaccount secures all of the Outstanding Bonds and no Series of Bonds is secured by its own separate subaccount. Upon issuance of the Series 2012A Bonds, the Composite Reserve Requirement shall be \$65,091,891.45. Such requirement will be fully funded with Investment Securities and does not currently contain any Reserve Products. Any proceeds received from a Reserve Product shall be applied to cure deficiencies in a subaccount or subaccounts of the Debt Service Account only with respect to the Series of Bonds secured by the reserve subaccount for which such Reserve Product was provided.

Whenever the moneys on deposit in a subaccount in the Debt Service Reserve Account shall exceed the applicable Debt Service Reserve Requirement applicable to such subaccount, the Trustee, at the direction of an Authorized Officer of the Authority, shall allocate and apply the amount of such excess in the same manner as Available Revenues or Revenues, as the case may be, pursuant to the Bond Resolution.

Whenever the amounts in the applicable subaccounts in the Debt Service Reserve Account, together with the amount in the Debt Service Account, are sufficient to pay fully all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred to the Debt Service Account. Prior to said transfer, all investments held in the Debt Service Reserve Account shall be liquidated to the extent deemed necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on the Bonds Outstanding secured by the applicable subaccount in the Debt Service Reserve Account.

Notwithstanding the foregoing, if one or more subaccounts in the Debt Service Reserve Account have been funded with cash or Investment Securities and no Event of Default shall have occurred and be continuing under the Bond Resolution, the Authority may, at any time in its discretion, substitute a Reserve Product meeting the requirements of the Bond Resolution for the cash and Investment Securities in any such subaccount, and the Authority may then withdraw such cash and Investment Securities from such account and deposit them to the credit of the

Revenue Fund so long as (a) the same does not adversely affect any rating by a Rating Agency then in effect for the applicable Series of Outstanding Bonds, and (b) the Authority obtains an opinion of Bond Counsel that such actions will not, in and of themselves, adversely affect the exclusion from gross income of interest on the applicable Series of Bonds (if other than Taxable Bonds) for federal income tax purposes.

Cash on deposit in the applicable subaccount in the Debt Service Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Product. If and to the extent that more than one Reserve Product is deposited in the applicable subaccount in the Debt Service Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

The Composite Reserve Subaccount will be fully funded upon the issuance of the Series 2012A Bonds.

Application of Supplemental Revenues

Each month, all Supplemental Revenues, up to the Accrued Aggregate Debt Service with respect to the Series of Bonds secured by such Supplemental Revenues, shall be deposited to the Bond Fund for the credit of the Debt Service Account and, anything provided herein to the contrary notwithstanding, shall be used solely to pay debt service on the Series of Bonds secured by such Supplemental Revenues. Supplemental Revenues deposited in the Debt Service Account shall be used to pay debt service on the Series of Bonds secured thereby prior to the use of any Revenues or Available Revenues. No Supplemental Revenues are currently pledged to the repayment of the Series 2012A Bonds or any Outstanding Bonds.

Rate Covenant

The Authority has covenanted in the Bond Resolution that it will establish, fix, prescribe and collect rates, fees, rentals and other charges for the use of the Airport System as shall be required in order that, in each Fiscal Year, Net Revenues less the amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund established under the Bond Resolution, plus Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on each series of Bonds secured by such Supplemental Revenues for such Fiscal Year, shall equal at least 1.25 times the Aggregate Debt Service for such Fiscal Year and, in any event, as shall be required to pay or discharge all indebtedness, charges and liens whatsoever payable out of Revenues or Available Revenues under the Bond Resolution.

The Authority remains obligated under the Bond Resolution to establish, fix, prescribe and collect rates, fees, rentals and other charges as provided above until such time as there are no longer any Bonds Outstanding, notwithstanding the expiration or termination of the Lease and Use Agreements. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Payments by Airlines Pursuant to Lease and Use Agreements" herein.

Additional Bonds

The Bond Resolution provides that one or more series of Additional Bonds, constituting Bonds, may be authenticated and delivered upon original issuance at any time, for the purpose of paying the cost of any Additional Projects, subject to the conditions and tests set forth therein. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION - Additional Bonds" attached hereto as APPENDIX A.

Refunding Bonds

The Bond Resolution provides that Refunding Bonds, such as the Series 2012A Bonds, may be issued to refund Outstanding Bonds or Subordinated Indebtedness, upon satisfaction of the following conditions, among others:

(i) a certificate of an Authorized Officer of the Authority setting forth (1) the Aggregate Debt Service through the date of the latest maturity of any Bonds then Outstanding (A) with respect to the Bonds Outstanding immediately prior to the date of authentication and delivery of such Refunding Bonds, and (B) with respect to the Bonds to be Outstanding immediately thereafter, and (2) that the Aggregate Debt Service set forth pursuant to (B) above is no greater than that set forth pursuant to (A) above; or

(ii) a report of the Airport Consultant demonstrating that estimates of Net Revenues less amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditure Fund and the Renewal and Replacement Fund, shall equal at least 1.25 times Aggregate Debt Service on (1) Outstanding Bonds and (2) the proposed Refunding Bonds. The estimates of Net Revenues must satisfy these obligations for each of the three Fiscal Years following the Fiscal Year in which the Refunding Bonds are issued.

The Series 2012A Bonds are Refunding Bonds under the Bond Resolution. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION - Refunding Bonds" attached hereto as APPENDIX A.

OTHER INDEBTEDNESS AND INTEREST RATE SWAP

Subordinated Indebtedness

The Bond Resolution permits the Authority to issue, without limit as to amount, Subordinated Indebtedness or other obligations payable from the Discretionary Fund that are subordinate, in all respects, to the Bonds as to the pledge of, lien on, and payment from Revenues (the "Subordinated Indebtedness"). The Authority has outstanding, and may issue in the future, certain Subordinated Bonds and certain Other Parity Indebtedness, each being Subordinated Indebtedness within the meaning of the Subordinated Indenture, which Subordinated Bonds and Other Parity Indebtedness are payable on a parity basis from Revenues deposited in the Discretionary Fund after payment of such amounts as necessary to pay Bonds. The principal amount of certain components of Other Parity Indebtedness that may be issued is not limited by the Subordinated Indenture. The Authority also has outstanding, and may enter

into in the future, certain interest rate swaps and other financial products. The Authority's obligations under such interest rate swaps and financial products, as well as under the 1998 Gulf Breeze Loan referred to below, constitute Subordinated Indebtedness secured by a lien on Revenues deposited in the Discretionary Fund that is subordinate to the lien securing the Subordinated Bonds and Other Parity Indebtedness.

**Outstanding Subordinated and Secondary Subordinated Indebtedness⁽¹⁾
as of March 1, 2012**

Type of Subordinated Indebtedness	Date Originated	Original Principal Amount	Current Outstanding Principal
Gulf Breeze Loan	June 1998	\$19,290,000	\$10,955,000
2002A Taxable Subordinated Bonds	June 28, 2002	\$30,015,000	\$2,385,000
Series 1997B Secondary Subordinated Indebtedness	December 1997	\$90,055,000	\$90,055,000

⁽¹⁾ Excludes the interest rate swap which is described in the table below under the subheading "- Interest Rate Swap."

In addition to the above-described Subordinated Indebtedness, on December 18, 2009 the Authority entered into a three year agreement with Wachovia Bank, N.A., to provide the Authority with a \$100 million subordinated line of credit (the "Wachovia Line of Credit"). The Authority intends to use the Wachovia Line of Credit as a source of interim financing for capital projects in anticipation of issuance of long term bonds and/or receipt of grants and PFCs, Authority funds and/or other permanent funding sources. The Wachovia Line of Credit has a scheduled expiration date of December 1, 2012 and no amounts are currently outstanding under the Wachovia Line of Credit. Repayment of the Wachovia Line of Credit is on parity with Subordinated Bonds.

Interest Rate Swap

The Authority has entered into the transaction described on the following page and may enter into additional interest rate swap agreements, forward purchase agreements or other synthetic financial instruments in the future for the purpose of managing the interest cost of its debt. Interest rate swaps and other synthetic financial instruments involve risks that could result in an economic loss to the Authority. The Authority's obligations under the transaction described below are payable from the Discretionary Fund and are subordinate to the Bonds, the Subordinated Bonds and Other Parity Indebtedness.

Authority's Swap as of March 1, 2012

Associated Debt Issue	Notional Amount	Counter Party	Effective Date	Authority Pays	Authority Receives	Swap Expiration
1997B Secondary Subordinated Indebtedness	\$90,055,000	Goldman Sachs Mitsui Marine Derivative Products, L.P.	1/1/2003	4.45%	SIFMA ¹	10/1/2027

¹ The Securities Industry and Financial Markets Association Swap Index formerly the Bond Market Association Swap Index ("BMA").

Source: The Greater Orlando Aviation Authority.

For a thorough discussion of this swap, including certain termination rights of the swap counterparty, please refer to Note 12 of the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2010 and 2011 attached hereto as APPENDIX D. At this time the Authority has not received any notice of optional termination from the counterparty based on the downgrade of MBIA Insurance Corporation, now known as National Public Finance Guarantee Corporation, insurer of the swap, ("NPFG"). In any event, as long as the Authority maintains a long term senior unsecured debt rating of "A" or better, a downgrade of NPFG in of itself will not result in an optional termination event of this swap.

Customer Facility Charge Debt

The Authority has provided for a rental automobile customer facility charge or "CFC" to be derived from the operation of rental automobile activities, conducted at various rental automobile facilities and has pledged the CFC receipts to pay the costs and expenses of financing, designing, constructing, operating, relocating and maintaining certain rental automobile facilities at the Airport pursuant to a Trust Indenture, dated as of October 1, 2009, between The Bank of New York Mellon Trust Company, N.A., as trustee and the Authority (the "CFC Indenture"). Under the CFC Indenture, as of March 1, 2012, the Authority has outstanding \$48,715,000 of its Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 (the "CFC Bonds"). The CFC Bonds are limited obligations of the Authority, payable solely from and secured by a pledge of the CFCs and other funds pledged under the CFC Indenture. The CFCs were authorized by a resolution of the Authority adopted on August 20, 2008, as amended and restated on August 19, 2009. While the CFC Bonds are outstanding, CFCs are not included in Revenues under the Bond Resolution and are not available to pay principal of and interest on the Bonds, including the Series 2012A Bonds.

THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM

General

The Airport is located in central Florida, nine miles southeast of downtown Orlando in Orange County, Florida. The Airport occupies approximately 13,756 acres of land. The service region for the Airport extends throughout central Florida, an attribute made possible by its location at the crossroads of Florida's road network and the availability of low airfares at the Airport. The primary metropolitan area within the Airport service region is the Orlando-Kissimmee Metropolitan Statistical Area, which comprises Lake, Orange, Osceola and Seminole Counties. With a population of 2,140,795 in 2010, the Orlando-Kissimmee Metropolitan Statistical Area accounted for 11.4 percent of the population of the State of Florida according to the United States Census Bureau.

The Orlando region is one of the primary tourism destinations in the United States with a focus on entertainment-based theme parks. After flat growth in 2007 and 2008 and a dip in 2009, tourism rebounded strongly in 2010. These factors combined to result in Orlando drawing a record 51.5 million visitors in 2010 and becoming the first city in the United States to attract over 50 million visitors. Total visitation to Orlando continued to grow with an estimated 54.3 million visitors in 2011. The area also features significant convention and cruise ship activity. In addition to tourism, the area economy features increasing diversification via a growing medical and research sector and a large education sector with several colleges and universities, including the University of Central Florida with an enrollment of nearly 53,000 students.

The Airport System presently consists of: (a) the Airport, which is owned by the City and operated by the Authority; and (b) any other aviation facility or airport that is acquired or constructed by the Authority, provided however, that the Airport System currently excludes the Orlando Executive Airport. However, the Authority may include the Orlando Executive Airport within the definition of the Airport System by Supplemental Resolution upon (i) delivery to the Trustee of an opinion of counsel that such inclusion will not violate or cause a breach or default under the Lease and Use Agreements, (ii) confirmation from each Rating Agency that such action will not result in a reduction or withdrawal of current ratings on the Bonds, and (iii) written consent of any applicable bond insurer or credit enhancer. The Authority has no current plans to include the Orlando Executive Airport within the Airport System. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto as APPENDIX A.

Authority Management

The Airport System is managed by an Executive Director who is appointed by the Authority's Board and oversees a staff of approximately 614 full-time employees and 60 part-time and temporary employees as of March 1, 2012. Biographical data concerning the Executive Director and certain other key officials of the Authority is set forth below.

Phillip N. Brown, A.A.E. Mr. Brown is the Executive Director for the Authority. He is responsible for oversight of all aspects of operations of the Airport. Immediately preceding his appointment to the position of Executive Director, Mr. Brown served as Deputy Executive

Director-Administration and his responsibilities included the oversight of administration/risk management, commercial properties, human resources, marketing, and purchasing departments. Prior to his current employment with the Authority, Mr. Brown served in a variety of public and private sector positions during his thirty years as a business professional. The positions include serving as Deputy Executive Director-Administration for the Authority in the early 1990s as well as County Administrator for Orange County Florida. For the 14 years prior to Mr. Brown's appointment as Deputy Executive Director in July 2008, he was employed as a public finance professional including four years as a financial advisor and ten years as an investment banker for a major financial services firm. Mr. Brown is a certified public accountant licensed in Florida; holds a Master of Business Administration from the University of Tennessee and is an accredited airport executive (A.A.E.).

Brigitte Rivera Goersch, A.A.E. Ms. Goersch is the Deputy Executive Director—Administration, Security and Technology for the Authority. Her responsibilities include oversight and management of the Authority's Administration, Purchasing, Risk Management, Safety, Security, and Information Technology departments. She has over 25 years of aviation experience and has been with the Authority since 1999 serving as the Director of Security and the Director of Airfield Operations and Security. Prior to joining the Authority, Ms. Goersch was an experienced international pilot and combat veteran serving in the U.S. Air Force and later served with the Federal Aviation Administration ("FAA") as an Aviation Safety Inspector for Air Carrier Operations. In ensuring regulatory compliance for the FAA and as grantor of operational approval, she oversaw the certification of several new air carriers and the merger of two national airlines. Ms. Goersch currently chairs the Airports Council International Public Safety & Security Committee and is a member of the World Security Committee. She has been instrumental in facilitating a cooperative effort between airports and government in the area of regulatory reform. Ms. Goersch has been recognized nationally as one of the Top 500 Security Professionals in the United States. Ms. Goersch holds a Bachelor of Science degree in Management Information Systems from the University of Tampa and a Masters of Aeronautical Science degree from Embry Riddle Aeronautical University. She is further accredited by the American Association of Airport Executives, Federal Aviation Administration, and Department of Transportation Safety Institute.

James E. Rose. Mr. Rose is the Deputy Executive Director-Business Services/Facilities. His oversight responsibility includes concessions, marketing, commercial properties, planning, engineering and construction and maintenance. Mr. Rose's aviation career spans over 45 years with a lengthy tenure with Delta Air Lines where he was responsible for various airport lease negotiations, property management and coordinated facility construction and project financing. He has also served in the aviation consulting field where he conducted concessions programming, facility transition and commissioning programs and tenant relocation assistance. Mr. Rose was a senior planner in the TSA/Boeing explosive detection equipment deployment program. He provided project management assistance in the construction of a new terminal facility at Southwest Florida International Airport. Following completion of this new terminal, Mr. Rose began employment with Lee County Port Authority as Director, Aviation Business Services where he had responsibility for properties, concessions, marketing and advertising. He was the Authority's representative for the Regional Economic Planning Committee and a delegate to the Lee County Horizon Council's initiative on economic diversification. Mr. Rose is presently a member of the board of directors for the Florida Airports Council. Mr. Rose is a

graduate of Georgia Institute of Technology with a degree in Industrial Management and holds a Master of Business Administration degree from Georgia State University.

Ronald N. Lewis. Mr. Lewis is the Deputy Executive Director – Operations. He is responsible for the oversight of all operational activities at both the Orlando Executive Airport and the Orlando International Airport, which specifically includes Airport Operations, Airfield Operations, Aircraft Rescue and Firefighting (ARFF), and General Aviation. Prior to this position, Mr. Lewis was the Director of Airport Operations and responsible for the Airline Division, which manages the common-use airline facilities and federal inspection facilities; Airport Information, which provides customer assistance at the information kiosks as well as paging services; the Landside Division, which includes passenger assistance within the terminal, curb management, ground transportation operations and enforcement, and terminal inspections; Ground Transportation Services, which includes off-airport rental car operations, commercial vehicle permitting, and ground transportation regulations oversight; and Transportation Contracts. Mr. Lewis has more than 46 years of aviation experience and has been with Authority for 19 years. Mr. Lewis pursued studies in Business Administration at the University of Cincinnati. Mr. Lewis presides as Chairman of the Authority's Ground Transportation Committee and is a member of the Authority's Concessions/Procurement Committee.

Dayci S. Burnette-Snyder. Ms. Burnette-Snyder is the Manager of Board Services for the Authority and serves as an ex-officio officer on the Authority's Board as Assistant Secretary. Ms. Burnette-Snyder has complete responsibility for documenting and maintaining the official records of the Authority as prescribed by law. Ms. Burnette-Snyder joined the Authority in September 1982, and has been in her current position since 1994. Ms. Burnette-Snyder is a Certified Municipal Clerk.

Jacki M. Churchill. Ms. Churchill is the Chief Financial Officer for the Authority. She has over 20 years of experience in the finance industry. She directs all of the Authority's fiscal activities that include financial reporting, investments, construction finance, debt management and the administration of a \$387 million annual budget, and all financial and regulatory reporting requirements. Ms. Churchill holds a Bachelor of Science degree in Business Administration and pursued graduate studies in Accounting at the University of Central Florida and obtained her CPA Certification. She worked for the CPA firm of Coopers & Lybrand prior to joining the Authority in 1993. Ms. Churchill is a member of the American Institute of Certified Public Accountants and the Government Finance Officers Association. She also serves as a member on several Authority committees, including the Construction Committee, Professional Services Committee, Concessions/Procurement Committee, and Chairperson for the Construction Finance Oversight Committee. Ms. Churchill is also a member of the Airports Council International Finance Sub-Committee.

Description of Airport Facilities

The Airport has four north-south parallel runways designated as 18L/36R, 18R/36L, 17R/35L and 17L/35R. The runways are interconnected by a system of taxiways. All four runways have full instrumentation and lighting to permit all weather operations and are capable of handling the largest commercial aircraft currently in use with partial compliance with regard to the Airbus A380. Currently, the Airport has one runway that is 100% compliant to handle the operation of the Airbus A380 aircraft and one partially compliant runway. The Authority has

received interim approval from the FAA to utilize the partially compliant runway for the Airbus A380, if necessary. The Authority also has a number of projects in process to improve the runway shoulders and taxiways to further accommodate the Airbus A380 aircraft.

Runway	Length	Width
18L/36R	12,000 feet	200 feet
18R/36L	12,000 feet	200 feet
17R/35L	10,000 feet	150 feet
17L/35R	9,000 feet	150 feet

The Airport facilities include the North Terminal Complex, consisting of a multilevel landside terminal connected by Automated People Movers ("APM") to four airside terminals, aircraft parking aprons, along with a terminal roadway system, ground level and structural parking for automobiles, staging and parking areas for buses, limousines and taxis, connecting taxiways, a hydrant fueling storage and distribution system, a flood control bypass canal, associated terminal and roadway signage, landscaping, rental car facilities, utilities and drainage.

Access to the Airport is provided by a divided highway system, which connects the Airport with the Orlando-Kissimmee Metropolitan Statistical Area and the interstate highway network. The road system provides direct access to automobile parking adjacent to and above the landside terminal.

Construction of the landside terminal was completed in 1981. The landside terminal was expanded in 1990 and in 2000. Airside terminals 1 and 3 were constructed concurrently with the initial construction of the landside terminal. Airside terminal 4 was built in conjunction with the 1990 expansion of the landside terminal. In August 2000, the Authority completed airside terminal 2.

The landside terminal accommodates passenger ticketing, baggage check-in, and baggage claim facilities; baggage handling and other facilities for airline operations; and space for rental car counters, food and beverage concessions, retail merchandise concessions, and other passenger services; and a 445-room hotel with restaurants and conference facilities. It is served by a three-level roadway system that provides access to separate enplaning, deplaning, and commercial vehicle curbsides. Rental car and public automobile parking spaces are provided in garages that are an integral part of or adjacent to the landside terminal. Passengers travel between the landside terminal and the airside terminals using the APM system. The airside terminals and aprons provide 96 aircraft gates for jet aircraft and associated passenger waiting areas, concessions, and airline operations space. Federal Inspection Services facilities in two of the four airside terminals provide the capability to accommodate arriving international passengers at 16 of the 96 gates. The combined capacity of the Federal Inspection Services facilities is approximately 2,600 passengers per hour.

Signatory Airlines

Effective as of October 1, 2008 the Authority entered into five year Lease and Use Agreements relating to the use of the Airport, the rental of space, and the establishment of landing fees (collectively referred to herein as the "Lease and Use Agreements") with each of the

following airlines: Air Canada, AirTran Airways, Inc. ("AirTran"), American Airlines, British Airways, PLC ("British Airways"), Continental Airlines, Inc. ("Continental"), Delta Air Lines, Inc. ("Delta"), jetBlue Airways, Corp. ("jetBlue"), Northwest Airlines, Inc. ("Northwest"), Southwest Airlines, Co. ("Southwest"), Spirit Airlines, Inc. ("Spirit"), United Airlines, US Airways, Virgin Atlantic Airways, Ltd. ("Virgin") and WestJet (collectively, with COPA (as defined below), the "Signatory Airlines"). Effective October 1, 2009, Northwest's leased premises were assumed by Delta as a result of the merger of the two airlines. Effective November 1, 2009, the Authority entered into a Lease and Use Agreement with COPA Airlines ("COPA"). Effective February 1, 2010 the Authority entered into a Lease and Use Agreement with Allegiant Air; however, Allegiant Air subsequently moved all of its service back to Orlando-Sanford International Airport (the "Sanford Airport"). Allegiant Air's Lease and Use Agreement does not expire until 2013 and as such Allegiant Air continues to be responsible for all terms and fees pursuant to such agreement. All Lease and Use Agreements are scheduled to expire on September 30, 2013.

There is no provision in the Lease and Use Agreements permitting a unilateral relinquishment of gates or other leased space by a Signatory Airline, although in some instances, the Authority accepts relinquished space under bankruptcy situations. For a more thorough discussion of the Lease and Use Agreements see "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Payments by Airlines Pursuant to Lease and Use Agreements" herein.

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The following table sets forth the distribution of aircraft gates among the airlines at the Airport as of December 31, 2011:

Number of Aircraft	
Airline Gates as of December 31, 2011	
Air Canada	1
AirTran Airways ⁽¹⁾	8
Allegiant	2
American Airlines	4
British Airways	1
Continental Airlines	4
COPA Airlines	1
Delta Air Lines	8
jetBlue Airways	9
Southwest Airlines ⁽¹⁾	12
Spirit Airlines	2
United Airlines	4
US Airways	4
Virgin Atlantic	1
Westjet	1
Leased Gates Total	<u>62</u>
Authority Gates	<u>34</u>
Total Aircraft Airline Gates	<u><u>96</u></u>

⁽¹⁾ On May 2, 2011, Southwest announced the closing of its acquisition of AirTran. Southwest and AirTran received a single operating certificate on March 1, 2012. However, through the expiration of the Lease and Use Agreement in 2013, neither airline is permitted to reduce its facilities. See "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM - Southwest-AirTran Consolidation" and "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Southwest Airlines Acquisition of AirTran Airlines" herein.

Source: The Greater Orlando Aviation Authority.

As shown above, there are currently 34 gates available for use by non-signatory airlines, Signatory Airlines on a per use basis, charter airlines and new entrants.

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Airlines Serving Orlando International Airport

As of December 31, 2011, the following airlines served the Airport:

U.S. Passenger Airlines Signatory	Foreign Charter	Foreign-Flag Passenger Airlines Signatory	Nonsignatory Scheduled Service Foreign
AirTran Airways ⁽¹⁾	Aerolineas Galapagos ⁽²⁾	Air Canada	Aer Lingus
American Airlines	CanJet Airlines	British Airways	Aeromexico
Continental Airlines ⁽³⁾	Edelweiss Air ⁽²⁾	COPA Airlines	Air France
Delta Airlines	Sunwing Airlines	Virgin Atlantic	Avianca
JetBlue Airways	VivaAerobus ⁽²⁾	WestJet Airlines	Air Transat
Southwest Airlines ⁽¹⁾	VRG Lineas Areas ⁽²⁾		Bahamasair
Spirit Airlines	World Atlantic Airways ⁽²⁾		Caribbean Airlines Limited
United Airlines ⁽³⁾			LAN Airlines
US Airways			Lufthansa Airlines
			TACA International Airlines
			TAM Airlines

Airlines Providing Cargo Service	Nonsignatory Charter Domestic	Nonsignatory Scheduled Service Domestic
Air Transport International	Miami Air International	Alaska Airlines
ASTAR Air Cargo	North American Airlines ⁽²⁾	Frontier Airlines
Capital Cargo		Sun Country Airlines
FedEx		Virgin America
Mountain Air Cargo		
United Parcel Service		

Regional/Commuter

Continental Express/Gulfstream
 Continental Express/ExpressJet
 Delta Connection/Chautauqua
 Delta Connection/Atlantic Southeast Airlines, Inc.
 Delta Connection/Comair
 Delta Airlines/Mesaba Airlines
 Delta Connection/Pinnacle Airlines
 Delta Connection/Shuttle America
 Delta Connection/Skywest Airlines
 Delta Connection/Compass Airlines
 US Airways Express/Air Wisconsin
 US Airways/Mesa Airlines
 US Airways Express/Republic Airlines
 US Airways/PSA Airlines

⁽¹⁾ On May 2, 2011, Southwest announced the closing of its acquisition of AirTran. Southwest and AirTran received a single operating certificate on March 1, 2012. However, through the expiration of the Lease and Use Agreement in 2013, neither airline is permitted to reduce its facilities. See "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM - Southwest-AirTran Consolidation" and "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Southwest Airlines Acquisition of AirTran Airlines" herein.

⁽²⁾ Service at the Airport varies from month to month. For certain months, this carrier may not serve the Airport.

⁽³⁾ United Airlines and Continental Airlines finalized its merger on October 1, 2010. United Airlines and Continental Airlines are currently operating separately. Through the expiration of the Lease and Use Agreement in 2013, neither airline is permitted to reduce its facilities. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - United and Continental Airlines Merger" herein.

Source: The Greater Orlando Aviation Authority.

Airline Market Shares

A diverse group of airlines provide passenger service at the Airport including 29 U.S. airlines and 23 foreign-flag airlines in Fiscal Year 2011. Passenger traffic at the Airport is fairly evenly distributed among several airlines with no one carrier dominating passenger traffic. Through Fiscal Year 2011, the largest market shares were held by (a) Southwest Airlines (21.44 percent), (b) Delta Air Lines (14.96 percent), (c) AirTran Airways (13.09 percent) and (d) jetBlue Airways (12.61 percent). Major network airlines like American Airlines, US Airways, Continental Airlines and United Airlines accounted for most of the remaining passenger traffic; however, none of these other airlines held more than a 10 percent share. As a group, the Signatory Airlines (excluding Comair) accounted for approximately 94 percent of total passengers at the Airport in Fiscal Year 2010 and 95 percent through Fiscal Year 2011. The following table sets forth comparative passenger market share information for air carriers serving the Airport during Fiscal Years 2006 through 2011.

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**Historical Airline Market Shares
Orlando International Airport
Percentage of Total Passengers
Fiscal Years 2006-2011**

	2006	2007	2008	2009	2010	2011
Signatory Airlines						
Southwest Airlines ⁽¹⁾	18.91%	20.70%	21.38%	22.75%	21.88%	21.44%
Delta Air Lines	14.71	16.90	15.72	16.01	13.85	14.96
AirTran Airways ⁽¹⁾	7.89	9.70	11.03	12.46	13.02	13.09
jetBlue Airways	5.94	7.40	8.80	10.73	11.68	12.61
American Airlines ⁽²⁾	10.31	9.50	9.05	7.42	7.22	7.68
US Airways	7.34	6.80	7.46	7.26	6.79	6.82
Continental Airlines ⁽³⁾	6.50	6.70	6.18	6.12	5.69	5.45
United Airlines ⁽³⁾	6.14	6.00	5.36	5.46	5.08	4.58
Virgin Atlantic	2.13	2.30	2.45	2.76	2.63	2.36
Spirit Airlines	2.64	2.80	3.15	2.38	2.33	2.16
Air Canada	0.04	0.90	0.93	0.99	1.01	1.11
WestJet	—	0.50	0.64	0.74	0.81	0.82
COPA	—	—	—	—	0.51	0.62
British Airways	0.50	0.50	0.57	0.61	0.57	0.50
Allegiant Air LLC ⁽⁴⁾	—	—	—	—	1.20	0.41
Subtotal Signatory Airlines	83.05%	90.70%	92.72%	95.69%	94.27%	94.61%
Nonsignatory Airlines						
Domestic Mainline	10.59%	3.80%	2.63%	1.43%	3.00%	2.20%
Foreign Flag Airlines	3.02%	1.40%	2.22%	2.68%	2.47%	2.65%
Commuter Airlines	3.34%	4.10%	2.43%	0.20%	0.26%	0.54%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

⁽¹⁾ On May 2, 2011, Southwest announced the closing of its acquisition of AirTran. Southwest and AirTran received a single operating certificate on March 1, 2012. However, through the expiration of the Lease and Use Agreement in 2013, neither airline is permitted to reduce its facilities. See "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM - Southwest-AirTran Consolidation" and "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Southwest Airlines Acquisition of AirTran Airlines" herein.

⁽²⁾ American Airlines filed for bankruptcy on November 29, 2011. American Airlines has not indicated to the Authority whether it will reject its Lease and Use Agreement with the Authority. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - American Airlines Bankruptcy" herein.

⁽³⁾ United Airlines and Continental Airlines finalized its merger on October 1, 2010. United Airlines and Continental Airlines are currently operating separately. Through the expiration of the Lease and Use Agreement in 2013, neither airline is permitted to reduce its facilities. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - United and Continental Airlines Merger" herein.

⁽⁴⁾ In February 2011 Allegiant moved all service from the Airport to Sanford Airport.

Source: The Greater Orlando Aviation Authority.

Enplaned Passengers at the Airport

The following table sets forth the historical number of enplaned passengers at the Airport for Fiscal Years 2001 to 2011 and for the three-month periods ended December 31st for Fiscal Years 2009 to 2011, as well as the annual percentage change in enplaned passengers during such periods.

Historical Enplaned Passengers Fiscal Years 2001 through 2011

Fiscal Year*	Domestic Enplaned Passengers	International Enplaned Passengers	Total Enplaned Passengers	Percent Change from Previous Year
2001	13,820,578	1,113,135	14,933,713	(1.5)
2002	12,188,801	836,430	13,025,231	(12.8)
2003	12,675,396	856,784	13,532,180	3.9
2004	14,260,609	973,205	15,233,814	12.6
2005	15,760,855	1,072,644	16,833,499	10.5
2006	16,258,674	1,058,199	17,316,873	2.9
2007	16,747,601	1,084,217	17,831,818	3.0
2008	16,920,447	1,317,831	18,238,278	2.3
2009	15,373,029	1,425,573	16,798,602	(7.9)
2010	15,535,522	1,595,574	17,131,096	2.0
2011	16,080,029	1,692,020	17,772,049	3.7

Three-Month Periods Ended December 31

2009	3,639,639	374,783	4,014,422	0.5
2010	3,939,894	397,339	4,337,233	8.0
2011	3,830,238	442,952	4,273,190	(1.5)

* Fiscal year ending September 30.

Source: The Greater Orlando Aviation Authority.

International Airline Traffic

Orlando International Airport. The Airport is linked by scheduled passenger air service to international destinations in five geographical regions in the world, North America, Central America, South America, the Caribbean and Europe. During calendar year 2011, 24 scheduled passenger air carriers provided international service to 35 destinations. The number of scheduled international seats into the Airport has been increasing since 2003, with 46% growth in just the last 5 years. International seats increased 8.9% for calendar year 2011 over calendar year 2010. Of that increase, 29% is due to capacity in new international markets (more than 47,000 seats). The remaining 71% is from capacity increases in existing markets either by airlines already serving them or new airlines entering these markets. The markets which account for the 47,000 seats include: Air France to Paris, Caribbean to Kingston (Jamaica), Continental Connection to

Marsh Harbour (Bahamas), VivaAerobus to Monterrey (Mexico), Caribbean to Port of Spain (Trinidad), WestJet to Edmonton; to Moncton and to St. John's (Canada) and Air Transat to Quebec City (Canada). The Authority continues to focus on attracting additional international air service to support the growing Central Florida economy, and was recently granted authority to offer passenger service to Cuba.

Expansion of international service features (1) adding several "outbound markets", which is in contrast to the traditional view of the Airport Service Area as an inbound destination; and (2) expanding U.S.-flag carrier international service in contrast to historically foreign-flag carrier dominated international service at the Airport. The number of international passenger flights at the Airport has increased by 43% over the last 5 years, which has helped achieve the 46% increase in international seat capacity. The Authority anticipates continued increases in international airline service with international enplanement growth forecast to outpace domestic passenger growth for the next several years.

Orlando-Sanford International Airport. The Sanford Airport, which is not part of the Airport System, is located 24 miles northeast of downtown Orlando and accommodates both scheduled and chartered international flights. The main runway at Sanford Airport is 9,600 feet long and is capable of accommodating operations by large air carrier aircraft. Sanford Airport also has two additional parallel runways of 6,600 feet and 3,500 feet, and a 6,000 foot crosswind runway for air carrier aircraft. The Sanford Airport has a five-gate terminal designed for international charter operations and a seven-gate terminal designed to accommodate domestic operations and overflow international operations. International service at Sanford Airport has been focused on charter flights, most of which originated in the United Kingdom and Europe. During the first half of the past decade, Sanford Airport served the majority of international charter flights to and from the Orlando area—flights which had been previously operated at the Airport. Between 2005 and 2011, however, international charter service to and from the Orlando area declined substantially while scheduled international airline service increased. Consequently, Sanford Airport's share of international passenger traffic in the Orlando area has fallen from 28.5 percent five years ago to 12.5 percent for the 12 months ended December 31, 2011.

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The table that follows presents historical data regarding international enplaned passengers at the Airport during Fiscal Years 2001 through 2011 and for the three-month periods ended December 31st for Fiscal Years 2009 through 2011.

**Orlando International Airport
International Enplaned Passengers
Fiscal Years 2001-2011**

Fiscal Year	International Enplaned Passengers Scheduled Airlines	International Enplaned Passengers Charter Airlines	International Enplaned Passengers Total	Percent of Increase (Decrease)	Percent of Total Enplaned Passengers
2001	951,977	161,158	1,113,135	(9.9)	7.5
2002	798,979	37,451	836,430	(24.9)	6.4
2003	815,860	40,924	856,784	2.4	6.3
2004	923,282	49,923	973,205	13.6	6.4
2005	1,064,732	7,912	1,072,644	10.2	6.4
2006	1,052,617	5,582	1,058,199	(1.3)	6.1
2007	1,056,401	27,816	1,084,217	2.5	6.1
2008	1,282,982	34,849	1,317,831	21.6	7.2
2009	1,369,632	55,941	1,425,573	8.2	8.5
2010	1,538,684	56,890	1,595,574	11.9	9.3
2011	1,638,393	71,286	1,692,020	6.0	9.5

Three-Month Periods Ended December 31

2009	364,704	10,079	374,783	18.2%	9.3%
2010	383,677	13,662	397,339	6.0%	9.2%
2011	433,286	9,666	442,952	11.5%	10.4%

Source: The Greater Orlando Aviation Authority.

Airline Activity at the Airport

In Fiscal Year 2011, the Airport was the 3rd largest domestic origin and destination market in the United States according to the United States Department of Transportation. In calendar year 2011 the Airport was the 13th busiest airport in the United States and 29th in the world in terms of total passengers according to the Airports Council International.

Orlando has a diverse mix of legacy and low-cost carriers creating a competitive environment to encourage passenger traffic and support local economic activities. Most notable of the carriers increasing seat capacity from new or increased air service in the 12-months ended December 31, 2011 were TAM (international) which added almost 32,000 seats to the market (each-way), Copa (international), Air Canada (international), Air France (international), Lufthansa (international), jetBlue (domestic and international), AeroMexico (international),

Avianca (international), WestJet (international) and Caribbean Airlines (international). International capacity has grown significantly, with more than 161,000 international seats (each-way) being added representing an 8.9% increase, while domestic capacity has increased more than 57,000 seats, or a 0.3% increase. The international seat outlook continues to improve as airlines add seats into the market. Domestic capacity, which had positive growth rates for 13 consecutive months up through May 2011, has seen small year-over-year declines from June 2011. These declines in domestic seat capacity continue into 2012 according to currently published flight schedule data. The overall outlook remains heavily dependent on the state of the economy and the price of oil.

Recent and Upcoming Events at the Airport

Although international service has been expanding for the last five years, airlines reduced domestic seat capacity at the Airport in 2008 and 2009 in response to the spike in fuel costs and economic recession. However, beginning in the second quarter of 2010, increases in domestic seat capacity returned, and continued through second quarter 2011. Domestic seat capacity started contracting again in the third quarter 2011 in response to fuel costs and the ongoing economic recession, but still showed a small increase (0.3%) for CY 2011 compared to CY 2010. During the same period, international seat capacity increased 8.8% to give an overall increase of 1.0% for combined domestic and international capacity.

A sample of the additions that occurred in recent months include: Frontier adding seasonal service to Omaha, Spirit starting service to Chicago/O'Hare, Continental Connection/Silver adding service to Marsh Harbour (Bahamas), VivaAerobus starting service to Monterrey (Mexico), Sun Country adding seasonal service to Des Moines and Madison, Air Transat starting seasonal service to Ottawa and Winnipeg, Alaska increasing service to Seattle, Lan starting seasonal service to Santiago, Frontier starting seasonal service to Kansas City, and Taca increasing service to San Salvador.

Announced additional future service includes: Spirit starting service to Dallas/Ft. Worth, Delta increasing service to New York/La Guardia and New York/Kennedy, Frontier starting service to Knoxville, British Airways increasing service to London/Gatwick for the summer season, Virgin Atlantic starting year-round service to Glasgow, and Spirit starting service to Latrobe.

Southwest-AirTran Consolidation

On May 2, 2011, Southwest announced the closing of its acquisition of AirTran. Southwest and AirTran received a single operating certificate on March 1, 2012. AirTran has relocated its gates from Airside 4 to Airside 2 and is in the process of consolidating ticketing and baggage make up functions with Southwest at the Airport. For a more thorough discussion of the Southwest acquisition of AirTran see "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Southwest Airlines Acquisition of AirTran Airlines" herein.

On January 20, 2012, Southwest and its wholly owned subsidiary AirTran Airways announced their intent to convert AirTran Airways operations at 22 domestic and international airports to Southwest operations over time. Of the 69 cities AirTran served when Southwest

acquired it on May 2, 2011, 53 cities are planned to convert to full Southwest service. As published in its January 22, 2012 schedule, the combined carrier plans to make a systemwide reduction in flights and seat capacity as part of its conversion, network harmonization, and market adjustments effective August 12, 2012. According to this schedule, the number of flights and seats to be offered by Southwest-AirTran at the Airport will be lower. However, the Authority is unable to predict at this time the impact on the Airport as a whole given the potential for other airlines to replace some of this reduction in service as well as augment their other service. Historically when airlines have reduced operations at the Airport (such as after bankruptcies), other airlines have absorbed the traffic with no significant adverse impact on Airport revenues. Nevertheless, it is possible that fewer flights and seating capacity could result in reduced passengers, Revenues, and PFC collections.

Commercial Property Development at the Airport

The Authority has the ability to pursue both aviation and commercial development of both the Tradeport Drive corridor on the west of the Airport and the Heintzelman Boulevard corridor on the east side of Airport property. The Tradeport area comprises approximately 1,000 acres and the Heintzelman Boulevard corridor comprises approximately 440 acres.

Signature Flight Support and Galaxy Aviation are the two fixed base operators at the Airport. Both have extensive facilities near Tradeport Drive for the handling, storage and servicing of corporate aircraft. Galaxy recently completed construction of a new 24,000 square foot aircraft storage hangar and 4,000 square foot executive terminal. The United States Postal Service operates a 290,000 square foot regional center on approximately 27 acres of land at the south end of the Tradeport corridor. The United States Postal Service lease expires March 27, 2012 and negotiations for an extension are ongoing. This activity serves nine counties and employs approximately 1,440 people. The United States Department of Agriculture leases an inspection station facility in the mid-Tradeport area. Foreign Trade Zone, which began operation in September 1979, is also situated around the Tradeport area under special grant from the U.S. Department of Commerce to provide import duty and excise tax incentives for manufacturers and distributors in the Central Florida region.

Cessna Aircraft Company operates a Citation Service Center in the north Tradeport area that includes a 148,000 square foot hangar with offices and shops with a 200,000 square foot aircraft apron. Since opening, the Service Center has added an additional 24,000 square feet of hangar space to accommodate the demand for service. FlightSafety International, an aviation training company, completed construction of an eight-bay pilot training simulation center in the north Tradeport area to support the new Cessna Citation Service Center. This facility was expanded to allow for 12-full motion aircraft simulators in 2006.

Continental Airlines, operates a major maintenance facility in two 100,000 square feet hangars on Tradeport Drive. Continental currently employs more than 600 mechanics whose average wage is over \$50,000 annually. These mechanics provide maintenance to Continental's fleet of Boeing jets.

jetBlue Airways operates a flight support campus in the Heintzelman corridor which offers initial and recurring training for specialties including Flight Operations, Flight Attendant, Technical Operations and Customer Service crewmembers. The 107,000 square feet facility

includes an auditorium, classrooms, briefing rooms, offices and an indoor/outdoor training pool. The facility houses four Airbus A320 full-flight simulators and two Embraer E190 full-motion simulators. Additionally, the airline opened a \$24 million 100,000 square foot three aircraft bay hangar for installation of airline in-seat digital entertainment systems by LiveTV into jetBlue aircraft and aircraft owned by other airlines. In addition, jetBlue Airways performs FAA-mandated maintenance and inspections on their aircraft from this hangar.

Rental Automobile Concessions

Effective April 1, 2010, the Authority entered into four rental automobile concession (RAC) agreements with Avis Budget Car Rental, LLC (Avis and Budget brands), DTG Operations, Inc. (Dollar and Thrifty brands), Enterprise Leasing of Orlando, LLC (Enterprise, Alamo and National brands), and The Hertz Corporation (Hertz and Advantage brands) to streamline processing for rental car customers. There is a fifth agreement with Condado Motors Orlando, Incorporated (L&M and EZ Rent A Car brands). The five agreements are in effect until March 31, 2017. The rental car agreements have caused some of the current onsite brands (Avis, Budget, Dollar, Alamo and National) to team with some of the current offsite brands (Thrifty, Enterprise, Hertz and Advantage) to maintain vehicles and operations on Authority property and serve around 95 percent of rental car customers. Previously, by resolution approved August 17, 2008, as amended and restated on August 19, 2009, the Authority authorized and in October 2008 began collecting a customer facility charge assessed on each rental car transaction. The CFCs collected are used to finance in whole or in part the rental car projects, including repayment of the Authority's CFC Bonds. As long as the CFC Bonds are outstanding, CFCs are not included in Revenues for purposes of the Bond Resolution.

Taxation of Facilities, Rentals and Services

All real and personal property owned by the City or the Authority and used exclusively for governmental, municipal or public purposes is currently exempt from ad valorem taxation. Real property owned by the City, operated by the Authority and used by or leased to private commercial entities for nongovernmental purposes is subject to ad valorem real property taxes. In most cases, a lessee is obligated under its lease with the Authority to pay such taxes. To the extent such taxes are not paid by the lessee, the Authority is obligated to reimburse the City for that portion of taxes assessed against real property operated by the Authority. The Authority is unable to estimate the amount of any such taxes. However, to the extent the Authority reimburses the City for these taxes, the Authority expects that such taxes will be provided for in the Authority's Annual Budget and paid by rates, fees, rentals and other charges for use of the Airport System. No provision was made for the payment of any such amounts in the "AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2010 and 2011" attached hereto as APPENDIX D.

All tangible personal property owned by private enterprises, including that owned by airlines, which is located on municipally owned airports, is currently subject to Orange County tangible personal property taxation.

All gross income received by the Authority for rental of land, buildings or space in buildings (with certain exclusions for property used exclusively for aircraft landing or taxiing

and space used by airlines in connection with loading or unloading passengers or property or for fueling aircraft) is subject to the Florida Sales and Use Tax (currently six and one-half percent). Such taxes are normally added to such rents and paid by the tenants to the Authority, but the Authority is also responsible for the collection and payment of such taxes.

The Authority is subject to certain taxes imposed with respect to the rental of Hotel rooms and the providing of goods and services in connection with the operation of the Hotel, but such taxes are ordinarily added to the fees paid by customers of the Hotel.

Lake Nona Medical City

Since 2008, Tavistock Group, a privately-held investment company, has been developing a 7,000-acre planned community southeast of, and immediately adjacent to, the Airport. The centerpiece of the Lake Nona community is a complex of new medical and bioscience facilities known as Lake Nona Medical City.

The University of Central Florida's College of Medicine and the Sanford-Burnham Institute for Medical Research have begun operating at Lake Nona Medical City. Other facilities currently under construction include Nemours Children's Hospital, the Orlando Veterans Affairs Medical Center and the University of Florida Research Institute. Nemours Children's Hospital and the University of Florida Research Institute are scheduled to open in 2012. The Orlando Veterans Affairs Medical Center is scheduled to open in 2013. In addition, the University of Florida has begun construction of an academic and research center at Lake Nona which will include a drug development center, a college of pharmacy, and biomedical research laboratories.

The University of Central Florida announced findings from an economic study placing the impact of the College of Medicine's campus at Lake Nona to be well ahead of its estimated projections. According to an Arduin, Laffer & Moore Econometrics study, the College of Medicine could create more than 30,000 local jobs and have an economic impact of \$7.6 billion, a nearly 20 percent increase in numbers from an earlier study in 2006.

Insurance

The Authority currently maintains property insurance for property not insured by others with per occurrence limits totaling \$500 million. The property insurance policies contain certain specific sub-limits, and the primary layer contains a self-insured retention of \$100,000 and a maintenance deductible of \$25,000 per occurrence for causes of loss other than named windstorm. It is common and ordinary in Florida for property insurance policies for structures comparable in size and value to the Airport, to include a larger deductible for losses arising from a named windstorm. The Authority's deductible for a named windstorm is 2 percent of the value of each building damaged, which currently compares favorably with similar properties in Florida. The policy provides open-perils protection as opposed to specifically named-perils protection on a replacement cost basis and includes coverage for loss of business income up to \$170 million per occurrence resulting from a covered property loss, including covered terrorism losses. The Authority currently maintains property insurance with per occurrence limits of \$300 million for terrorism events whether caused by international or domestic persons or organizations and limits of \$100 million for named windstorm occurrences. Renovations to existing facilities not insured by others are included as covered losses under the Authority's current property

insurance up to limits of \$25 million per occurrence. The Authority also maintains builders' risk insurance, when required for construction projects not covered by others in the following situations: 1) when the value exceeds the \$25 million per occurrence coverage limit, and, 2) for construction projects that are not attached to existing structures and therefore not covered by property insurance discussed above. It is expected that property insurance limits may be adjusted in the future, as is prudent in the airport industry and as insurance markets continue to evolve.

The Authority also maintains fiduciary liability, public official's liability, auto liability, storage tank and pollution liability, boiler and machinery, crime and airport owners and operators liability insurance. The Authority's airport liability insurance has a limit of \$300 million annually and a sub-limit of \$100 million annually for war and terrorism exposures. The Authority maintains workers compensation insurance with statutory limits, which includes a self-insured retention of \$150,000 per occurrence and associated employers' liability insurance.

AIRLINE REVENUES AND OTHER REVENUE SOURCES

Payments by Airlines Pursuant to Lease and Use Agreements

The Lease and Use Agreements will be effective through September 30, 2013. The key provisions of the Lease and Use Agreements, as set forth in APPENDIX C, attached hereto, include a compensatory rate-making methodology for use of the terminal facilities, a residual rate making methodology to establish landing fees for the use of the airfield, revenue sharing between the Authority and the Signatory Airlines and an "extraordinary coverage protection" provision. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Extraordinary Coverage Protection" herein and "FORM OF THE LEASE AND USE AGREEMENTS" attached hereto as APPENDIX C.

Under its Lease and Use Agreement, each Signatory Airline is required to pay in monthly installments (a) a specified annual rental with respect to space assigned on an exclusive or preferential basis to such Signatory Airline, (b) a charge with respect to space used in common with others, based on the number of Signatory Airlines and a proportionate share based on passenger activity, (c) a landing fee, based on maximum gross landed weight, the number of landings, and the applicable landing fee rate (d) a charge for the use of certain equipment provided by the Authority, such as loading bridges, and (e) an annual charge for preferential use of aircraft parking aprons.

Payments made to the Authority by the Signatory Airlines in Fiscal Year 2011 pursuant to the current Lease and Use Agreements totaled approximately \$84,952,000 and accounted for approximately 24 percent of the total Revenues in Fiscal Year 2011.

Subject to federal regulatory requirements regarding reasonableness of rates and charges, the Authority is authorized under the Act to fix, regulate and collect rates and charges for the services and facilities of the Airport. See "FORM OF THE LEASE AND USE AGREEMENTS" attached hereto as APPENDIX C.

For a discussion of the airlines' present situation and the relative presence of each airline at the Airport, see the sources outlined in "THE GREATER ORLANDO AVIATION

AUTHORITY AIRPORT SYSTEM" and "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS" herein.

Extraordinary Coverage Protection

Under the Lease and Use Agreements, fees and charges are reviewed at least annually so that for each Fiscal Year, Revenues (as defined in the Bond Resolution) less Operation and Maintenance Expenses, amounts required to be deposited into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund established under the Bond Resolution shall be equal to or greater than 1.25 times the aggregate principal (including Sinking Fund Installments) and interest (other than capitalized interest) to become due and payable in such Fiscal Year on the Bonds under the Bond Resolution. In the event in any Fiscal Year, the amount of Revenues shall be less than that required under the Lease and Use Agreements as detailed above, the Authority shall assess additional rates and charges, pursuant to the "extraordinary coverage protection" provision under the Lease and Use Agreements to recover such shortfall from the Signatory Airlines.

Effect of Bankruptcy on Lease and Use Agreements

Airlines operating at the Airport have filed for bankruptcy in the past and may do so in the future. When a Signatory Airline seeks protection under the bankruptcy laws, such airline or its bankruptcy trustee must determine whether to assume or reject its agreements with the Authority (1) within 60 days or later, if ordered by the court, with respect to its Lease and Use Agreement or other leases of real property, or (2) prior to the confirmation of a plan of reorganization with respect to any other agreement. In the event of assumption, the Signatory Airline would be required to cure any prior defaults and to provide adequate assurance of future performance under the applicable Lease and Use Agreement or other agreements. Rejection of a Lease and Use Agreement or other agreement or executory contract would give rise to an unsecured claim of the Authority for damages, the amount of which in the case of a Lease and Use Agreement or other agreement is limited by the Bankruptcy Code generally to the amounts unpaid prior to bankruptcy plus the greater of (1) one year of rent or (2) 15 percent of the total remaining lease payments, not to exceed three years. However, the amount ultimately received in the event of a rejection of a Lease and Use Agreement or other agreement could be considerably less than the maximum amounts allowed under the Bankruptcy Code. Additionally, during the pendency of a bankruptcy proceeding, a debtor airline may not, absent a court order, make any payments to the Authority on account of goods and services provided prior to the bankruptcy. Thus, the Authority's stream of payments from a debtor airline would be interrupted to the extent of pre-petition goods and services, including accrued rent and landing fees.

American Airlines, which accounted for 7.7% of enplanements at the Airport in Fiscal Year 2011, is currently in bankruptcy proceedings. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - American Airlines Bankruptcy" herein.

Passenger Facility Charges

As part of the Aviation Safety and Capacity Expansion Act of 1990, as amended (the "PFC Act"), as implemented by the FAA pursuant to published regulations (the "PFC Regulations"), the United States Congress has authorized commercial service airports such as the

Airport to collect passenger facility charges ("Passenger Facility Charge" or "PFC") from each paying passenger enplaned at such airport in the amount of \$1.00, \$2.00, \$3.00, \$4.00 or \$4.50, subject to certain limitations. Airport-related projects eligible for PFCs, including a portion of the projects that were financed with proceeds of the Refunded Bonds and are to be refinanced in part with proceeds of the Series 2012A Bonds, are those that preserve or enhance capacity, safety or security of the national air transportation system, reduce noise from an airport that is part of the system or provide an opportunity for enhanced competition between or among air carriers or foreign air carriers. "Eligible airport related projects" include airport development or planning, terminal development, airport noise compatibility measures and planning and construction of gates and related areas (other than restaurants, rental car facilities, automobile parking or other concessions) for the movement of passengers and baggage. PFCs are collected on behalf of airports by air carriers, certain foreign air carriers and their agents ("Collecting Carriers").

The Collecting Carriers are authorized to withhold, as a collection fee (a) eleven cents per enplaning passenger from whom a PFC is collected and (b) any investment income earned on the amount collected prior to the due date of the remittance. The PFC Act was amended in 1996 to provide that PFC Revenues that are held by a Collecting Carrier constitute a trust fund that is held for the beneficial interest of the eligible agency imposing the fee and that the Collecting Carrier holds neither legal nor equitable interest in the PFC Revenues, except for any handling fee or retention of interest collected on unremitted proceeds. In addition, PFC Regulations require Collecting Carriers to account for PFC collections separately and to disclose the existence and amount of funds regarded as trust funds in financial statements. The Collecting Carriers, however, are permitted to commingle PFC collections with the carriers' other sources of revenue and are also entitled to retain interest earned on PFC collections until such PFC must be remitted. Notwithstanding provisions of the PFC Act and the FAA Regulations requiring Collecting Carriers to account for PFC collections separately and indicating that those PFC collections are to be regarded as funds held in trust by the Collecting Carriers for the beneficial interest of the public agency imposing the PFC, recent bankruptcy decisions suggest that in a bankruptcy proceeding involving a Collecting Carrier, the PFC collections in the Collecting Carrier's custody may not be treated as trust funds and that the Authority may not be entitled to any priority over other creditors of the collecting airline to such funds. In 2005 the PFC program was amended to incorporate certain changes as set forth in the Vision 100-Century of Aviation Reauthorization Act (Vision 100). One of these changes was a streamlined process for submitting and reviewing amendments to existing PFC Application as well as approvals of new PFC applications.

PFC applications for specific projects are approved by the FAA in specific total amounts and the Authority may impose the designated PFC only until it collects the authorized total amount. Interest earnings on the collections are treated as collections for purposes of the authorized total. The Airport has imposed the Passenger Facility Charge since February 1993. The Authority has received approval from the FAA to collect and use PFCs under 13 applications for a total of approximately \$2.0 billion in collection authority. Through December 31, 2011, PFC Revenues received by the Authority, including investment earnings, totaled \$872,918,529, of which \$732,244,342 had been expended on approved project costs. The Authority is currently authorized to collect PFCs at a rate of \$4.50 per enplaned passenger at the Airport.

PFCs may be used, subject to applicable regulations, either to pay debt service on all or a portion of bonds secured by PFCs or to pay for eligible capital improvements on a year-to-year basis, as specified in the applicable approval. As further described below, and as set forth in detail in "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION" attached hereto, PFCs are included in the definition of Revenues for purposes of the Bond Resolution, but only to the extent that PFC Revenues constitute Available PFC Revenues for the applicable period. The term "Available PFC Revenues" is defined to mean PFC Revenues received by the Authority in an amount for each relevant period not to exceed 1.25 times Debt Service accruing during such period with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of the Authority. Prior to the issuance of the Series 2012A Bonds, there are eight outstanding series of Bonds, the proceeds of which have financed or refinanced all or a portion of PFC Projects which, in turn, permits the Authority to use Available PFC Revenues to pay Debt Service with respect to the applicable portion of such Bonds. The Authority estimates that approximately 25% of the debt service on the Series 2012A Bonds will be paid from Available PFC Revenues.

The use of Available PFC Revenues permits the Authority to add to Revenues such PFC Revenues received in the relevant period by an amount equal to the portion of Debt Service and coverage requirements attributable to the portions of the Bonds allocated to finance PFC Projects. To ensure that an amount equal to the amount of Available PFC Revenues deposited in the Revenue Fund is used for permitted uses of PFC Revenues, the Bond Resolution requires the Authority to deposit in the PFC Account established in the Discretionary Fund an amount equal to the difference between (a) the amount of Available PFC Revenues deposited in the Revenue Fund, plus amounts withdrawn from the PFC Account to cure Debt Service deficiencies and Operation and Maintenance Expense deficiencies, and (b) the Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by an Authorized Officer of the Authority. Amounts in the PFC Account not required to cure such deficiencies or to pay such Accrued Aggregate Debt Service may be withdrawn by the Authority at any time and applied by the Authority, in its discretion, for permitted purposes in accordance with the applicable approvals and authorization of the FAA and applicable regulations. PFC Revenues received in any period in excess of Available PFC Revenues for such period, and PFC Revenues accumulated from earlier periods not constituting Available PFC Revenues for such earlier period, do not constitute Revenues and are not subject to the pledge and lien established by the Bond Resolution.

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**Passenger Facility Charges
December 31, 2011
Orlando International Airport**

Application Number	Collection Authority	Collections through December 31, 2011	Expenditures⁽¹⁾ through December 31, 2011
92-01-C-05-MCO (Closed)	\$34,099,841	\$34,099,841	\$34,099,841
93-02-C-01-MCO (Closed)	8,140,005	8,140,005	8,140,005
95-03-C-02-MCO (Closed)	18,637,986	18,637,986	18,637,986
96-04-C-06-MCO	65,327,000	65,327,000	57,280,135
98-05-C-05-MCO (Closed)	114,471,533	114,471,533	114,471,533
99-06-C-02-MCO	116,091,803	116,091,803	66,506,152
00-07-C-03-MCO	181,271,854	181,271,854	63,470,518
00-08-C-01-MCO	253,632,770	253,632,770	29,402,729
02-09-C-05-MCO	165,358,198	81,245,737	94,667,141
05-10-C-09-MCO	749,303,511		205,523,363
07-11-C-01-MCO	49,330,000		21,041,631
09-13-C-01-MCO	227,788,000		15,473,398
11-14-C-00-MCO	26,952,400		3,529,910
Total Authority:	<u>\$2,010,404,901</u>	<u>\$872,918,529</u>	<u>\$732,244,342</u>

⁽¹⁾ Expenditures for each application may commence upon notification of the approval of the Application. For reporting purposes, PFC collections are reported as applied to each application in order of the applications until the collection authority amount has been met for each application. As a result of this reporting method, there are allowable expenditures reported for applications that may not show collections directly assigned to them.

Source: The Greater Orlando Aviation Authority.

No assurance can be given that PFC Revenues will actually be received in the amounts and at the times necessary to provide sufficient Available PFC Revenues in each relevant period, or to fund elements of the Authority's capital improvement program ("CIP") anticipated to be funded with PFC Revenues. The actual amount of PFC Revenues collected, and the rate of collection, will vary depending on the PFC level at the Airport and the actual levels of qualified enplaned passengers at the Airport.

In addition, the FAA may terminate the Authority's ability to impose PFC's subject to informal and formal procedural safeguards, if (a) the Authority fails to use its PFC Revenues as approved by the FAA, the PFC Act or the implementing regulations, or (b) the Authority otherwise violates the PFC Act or regulations. The Authority's ability to impose PFCs may also be terminated if the Authority violates certain provisions of the Airport Noise and Capacity Act of 1990 and its implementing regulations. In the Bond Resolution, the Authority has covenanted to file such applications, submit such reports and take any and all such actions as shall be necessary or desirable to preserve its rights to impose and collect PFCs from which Available

PFC Revenues are derived and to use the proceeds of such Available PFC Revenues and amounts required to be deposited in the PFC Account in the manner provided in the Bond Resolution.

There is no assurance that the legislation authorizing the imposition of PFCs or the implementing regulations will not be amended or repealed so as to adversely affect the ability of the Authority to collect PFCs or to apply them as described herein.

The occurrence of any of these events could reduce the amount of PFC Revenues. If PFC Revenues received in any applicable period are less than 1.25 times Debt Service accruing in such period on Bonds allocated to financing PFC Projects, the shortfall will have to be provided from other sources of Revenues. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Passenger Facility Charges" herein.

Airfield Area Revenue Sources

Sources of airfield area revenues include revenues from Signatory Airlines and Non-Signatory Airlines including apron fees, landing fees, fuel system rentals and fuel flow fees. Airfield area revenue sources amounted to approximately \$34,008,000 for Fiscal Year 2011 compared with approximately \$32,658,000 for Fiscal Year 2010. The increase is a result of increases in Signatory Airline landing fees due to increase in activity. For the three-months ended December 31, 2011 revenues amounted to approximately \$8,962,000 compared to \$8,980,000 for the three-months ended December 31, 2010. Non-Signatory landing fees increased as a result of the new service added offset by a slight decrease in apron use fees as a result of certain Signatory Airlines leasing additional gates.

Terminal Area Revenue Sources

Sources of terminal area revenue include (1) terminal area rents from airlines and rental car companies, (2) concession revenues for advertising, food and beverage, general merchandise and services, and (3) fees for airline equipment, common use facilities and the Federal Inspection Station (FIS). The Terminal Area Revenue as shown in the Statement of Revenues and Expenses herein also includes ground transportation revenues consisting of parking, rental car and commercial lane operation revenue. The Authority has a written statement of policy for awarding concession and consumer service privileges at the Airport. In accordance with this policy, the Authority specifies performance and operating standards in its agreements with concessionaires in furtherance of its public service and revenue goals. The automobile parking is operated under a management agreement.

Terminal area revenues including ground transportation revenues total approximately \$275,689,000 for Fiscal Year 2011 and approximately \$253,870,000 for Fiscal Year 2010. Terminal area rents increased approximately \$2,800,000 as a result of certain Signatory Airlines adding additional space, and additional revenues received from the onsite rental car companies renting office space, ticket counter and queuing space. Ground transportation revenues total approximately \$138,369,000 for Fiscal Year 2011 and approximately \$128,662,000 for Fiscal Year 2010. The majority of the increase related to the increase of the rental car revenues that increased approximately \$9,300,000 or 13.5% from the previous year. In addition, concession and consumer service related revenues, which include advertising, food and beverage, and

general merchandise increased. For the three-months ended December 31, 2011 terminal area revenues amounted to approximately \$68,798,000 compared to \$66,654,000 for the three-months ended December 31, 2010. Increases were attributable to revenues derived from terminal rents as a result of Signatory and Non-Signatory Airlines renting additional space. In addition, concession and consumer related services, onsite rental car activity, FIS and facility fees also had increases.

Revenues received by the Authority in connection with rental car services for Airport passengers are the largest source of nonairline revenue at the Airport. The Authority receives privilege fees and rents (associated with ready/return spaces, terminal counter space, and quick turnaround facilities) from rental car companies serving Airport customers. On April 1, 2010 the Authority entered into new rental car agreements. The Authority estimates that the on-Airport rental car operators now serve approximately 95% of rental car customers and will have facilities to accommodate a higher demand in the future. The on-Airport rental car agreements have a five-year term with two one-year options at the Authority's sole discretion.

Under the agreements, the rental car operators will pay (1) 10% of gross receipts (which will apply to both onsite and offsite operators), however onsite operators must pay the greater of 10% of gross receipts or a minimum annual guarantee that totals \$51.4 million for the first year of the contract, (2) ready/return space rent on a per space basis, (3) quick turn-around ("QTA") rent, and (4) rent for terminal counters, office, and queuing space. QTA facility rent will include ground rent at 10% of the fair market value of the land. In addition, rental car operators will pay for all operating, utility, maintenance, and service management expenses. The foregoing constitute Revenues under the Bond Resolution. As previously discussed, the rental car operators also pay CFCs, however such CFCs are not included in the definition of Revenues under the Bond Resolution until such time as the CFC Bonds are no longer outstanding. See OTHER INDEBTEDNESS AND INTEREST RATE SWAPS - Customer Facility Charge Debt" herein.

Other Buildings and Grounds Revenue Sources

Tenants of buildings and grounds at the Tradeport and other airport areas pay rentals and fees for the use of such buildings and sites. Revenues from these areas amounted to approximately \$15,462,000 for Fiscal Year 2011 and approximately \$14,302,000 for Fiscal Year 2010. A majority of the increase relates to increase in revenues received from building and land rentals that include the Remote Baggage Sortation Facility and the jetBlue Training Facility. For the three-months ended December 31, 2011 other buildings and site rental revenue amounted to approximately \$3,980,000 compared to \$3,856,000 for the three-months ended December 31, 2010. Increases were primarily related to the additional revenue received for the Remote Baggage Sortation Facility.

Hotel Revenue Sources

The Airport owns a 445 room hotel with approximately 50,000 square feet of convention/meeting space. The hotel is operated under a management contract. Hotel revenues totaled approximately \$30,390,000 for Fiscal Year 2011 and approximately \$28,236,000 for Fiscal Year 2010. The additional revenue is due to an increase in the average room rate as well as an increase in occupancy. For the three-months ended December 31, 2011 hotel revenue

amounted to \$7,317,000 compared to \$7,093,000 for the three-months ended December 31, 2010. The additional revenue is due to slight increases in the average room rate.

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AUTHORITY FINANCIAL INFORMATION

Debt Service Requirements

Total Debt Service Requirements for Outstanding Bonds⁽¹⁾

Fiscal Year Ending September 30	Outstanding Airport Facilities Revenue Bonds Debt Service⁽²⁾	Series 2012A Principal	Series 2012A Interest	Total Series 2012A Bonds Debt Service	Total Bonds Debt Service
2012	\$ 118,235,413	-	\$ 453,017	\$ 453,017	\$ 118,688,430
2013	159,581,591	-	1,853,250	1,853,250	161,434,841
2014	100,850,078	-	1,853,250	1,853,250	102,703,328
2015	100,846,146	-	1,853,250	1,853,250	102,699,396
2016	101,681,443	-	1,853,250	1,853,250	103,534,693
2017	101,672,887	-	1,853,250	1,853,250	103,526,137
2018	101,657,861	-	1,853,250	1,853,250	103,511,111
2019	83,452,974	-	1,853,250	1,853,250	85,306,224
2020	83,451,383	-	1,853,250	1,853,250	85,304,633
2021	53,206,547	\$ 27,685,000	1,853,250	29,538,250	82,744,797
2022	57,326,514	-	469,000	469,000	57,795,514
2023	34,484,724	-	469,000	469,000	34,953,724
2024	24,737,225	-	469,000	469,000	25,206,225
2025	23,745,954	980,000	469,000	1,449,000	25,194,954
2026	23,711,332	1,030,000	420,000	1,450,000	25,161,332
2027	23,670,261	1,080,000	368,500	1,448,500	25,118,761
2028	43,785,412	1,135,000	314,500	1,449,500	45,234,912
2029	14,463,500	1,195,000	257,750	1,452,750	15,916,250
2030	14,460,869	1,255,000	198,000	1,453,000	15,913,869
2031	14,462,075	1,320,000	135,250	1,455,250	15,917,325
2032	14,458,619	1,385,000	69,250	1,454,250	15,912,869
2033	10,349,500	-	-	-	10,349,500
2034	10,346,750	-	-	-	10,346,750
2035	10,350,750	-	-	-	10,350,750
2036	10,350,250	-	-	-	10,350,250
2037	10,349,500	-	-	-	10,349,500
2038	10,352,500	-	-	-	10,352,500
2039	10,353,000	-	-	-	10,353,000
Total	\$1,366,395,058	\$37,065,000	\$20,771,517	\$57,836,517	\$1,424,231,574

(1) The Debt Service Requirements are shown for the period in which they accrue and not for the period in which they are paid. Such Debt Service Requirements have not been reduced by payments made out of interest income on the Bond Resolution funds deposited into the Debt Service Account under the Bond Resolution. The Debt Service Requirements shown do not include debt service on Subordinated Indebtedness. See "OTHER INDEBTEDNESS AND INTEREST RATE SWAPS - Subordinated Indebtedness" herein.

(2) Debt Service for the Refunded Bonds is excluded from the Outstanding Airport Facilities Revenue Bonds Debt Service.

Source: The Greater Orlando Aviation Authority.

Historical Financial Results

The following table presents the historical debt service coverage for the Outstanding Airport Facilities Revenue Bonds pursuant to the Bond Resolution for Fiscal Years 2007 through 2011.

Orlando International Airport Historical Debt Service Coverage Per Bond Resolution Fiscal Years 2007 - 2011 (in thousands)

	2007	2008	2009	2010	2011
Revenues Per Bond Resolution ⁽¹⁾	\$346,916	\$356,263	\$346,496	\$363,449	\$393,262
Less: Operations and Maintenance Expenses per Bond Resolution ⁽²⁾	(172,217)	(182,868)	(174,802)	(173,884)	(187,453)
Net Revenues	<u>\$174,699</u>	<u>\$173,395</u>	<u>\$171,694</u>	<u>\$189,565</u>	<u>\$205,809</u>
Less: Required Account Deposits					
Airport Facilities Operations and Maintenance Reserve Fund	3,903	3,365	0	0	1,406
Airport Facilities Capital Expenditure Fund	7,180	19,918	0	0	0
Airport Facilities Renewal and Replacement Fund	420	0	0	0	0
Total Required Account Deposits	<u>\$11,503</u>	<u>\$23,283</u>	<u>\$0</u>	<u>\$0</u>	<u>1,406</u>
Net Revenues available for Debt Service on Bonds	\$163,196	\$150,112	\$171,694	\$189,565	\$204,403
Net Debt Service on Bonds ⁽³⁾	\$73,960	\$88,514	\$116,848	\$117,845	\$120,392
Coverage Ratio for Bonds	2.21	1.70	1.47	1.61	1.70

⁽¹⁾ Revenues as deposited to the Airport Facilities Revenue Fund before adjustment for year-end transfers to Prepaid Airline Fees and Charges Fund and Improvement and Development Fund, plus miscellaneous receipts in the Operations and Maintenance Fund.

⁽²⁾ Expenses and encumbrances are paid from amounts on deposit in the Airport Facilities Operations and Maintenance Fund.

⁽³⁾ Debt service is net of applicable capitalized interest.

Source: The Greater Orlando Aviation Authority.

The following table presents historical amounts of Revenues and Expenses of the Airport for Fiscal Years 2007 through 2011 and the three month periods ended December 31, 2010 and December 31, 2011. These historical amounts relate solely to the Orlando International Airport and do not include revenues and expenses for the Orlando Executive Airport; however, the "AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2010 AND 2011" included in APPENDIX D attached hereto present the combined financial position, results of operations and cash flows of Orlando International Airport and Orlando Executive Airport.

Orlando International Airport
Statement of Revenues and Expenses
Fiscal Years 2007-2011
and the Three Months Ended December 31, 2010 and 2011

	Audited Fiscal Year Ended September 30⁽¹⁾					Unaudited Three Months Ended December 31	
	2007	2008	2009	2010	2011	2010	2011
Operating Revenues:							
Airfield Area ⁽²⁾	\$34,814	\$63,226	\$34,213	\$32,658	\$34,008	8,980	8,962
Terminal Area	219,276	237,290	236,573	253,870	275,689	66,654	68,798
Other Bldgs. and Site Rentals	10,310	13,484	15,013	14,302	15,462	3,856	3,980
Hotel	34,565	39,242	30,955	28,236	30,390	7,093	7,317
Total Operating Revenues	<u>298,965</u>	<u>353,242</u>	<u>316,754</u>	<u>329,066</u>	<u>355,549</u>	<u>86,583</u>	<u>89,057</u>
Operating Expenses							
Operation and Facilities	(108,078)	(120,655)	(114,117)	(101,178)	(112,924)	(25,480)	(26,183)
Safety and Security	(14,951)	(15,166)	(15,321)	(20,956)	(24,338)	(5,852)	(6,290)
Administration	(20,094)	(28,984)	(25,217)	(25,446)	(25,830)	(6,252)	(6,576)
Hotel	(26,505)	(28,008)	(25,151)	(24,613)	(25,776)	(6,803)	(6,994)
Other	(10,701)	(15,570)	(13,294)	(10,694)	(10,106)	(2,452)	(2,417)
Total Operating Expenses before depreciation	<u>(180,329)</u>	<u>(208,383)</u>	<u>(193,100)</u>	<u>(182,887)</u>	<u>(198,974)</u>	<u>(46,839)</u>	<u>(48,460)</u>
Operating Income before depreciation	118,636	144,859	123,654	146,179	156,575	39,744	40,597
Depreciation	(91,535)	(94,480)	(101,327)	(140,075) ⁽³⁾	(116,354)	(28,988)	(29,059)
Operating Income	27,101	50,379	22,327	6,104	40,221	10,756	11,538
Non-Operating Revenues (Expenses):							
Investment Income	28,999	19,752	9,037	6,395	4,439	1,022	753
Investment Fair Market Value Adjustment	1,007	(769)	1,084	134	(239)	(1,935)	(96)
Interest Expense	(67,150)	(64,130)	(66,850)	(68,248)	(65,403)	(16,423)	(15,315)
Signatory Airline Revenue Sharing	--	--	(11,092)	(16,741)	(16,352)	(4,688)	(3,012)
Passenger Facility Charges	59,302	70,656	64,302	68,327	70,277	17,144	16,230
Customer Facility Charges	--	--	21,790	21,946	23,295	5,388	5,506
Federal and State Grants	1,964	1,796	460	1,384	1,101	192	112
Other	957	4,083	268	341	2,856	6	91
Income Before Capital Contributions	\$52,180	\$81,767	\$41,326	\$19,642	\$60,195	11,462	15,807
Capital Contributions	44,245	68,486	37,286	37,325	15,922	581	4,848
Net Income	<u>\$96,425</u>	<u>\$150,253</u>	<u>\$78,612</u>	<u>\$56,967</u>	<u>\$76,117</u>	<u>12,043</u>	<u>20,655</u>

⁽¹⁾ Prior to 2008, certain reimbursed costs were shown as a reduction of operating expenses. After 2007, these reimbursed costs are shown as revenues and operating expenses are reported at the gross amount.

⁽²⁾ Airfield area revenues may fluctuate depending upon operations and the adjustment for Signatory Airline prepaid credits through September 30, 2008. During Fiscal Year 2008 and in connection with the expiration of the airline agreement on September 30th, airfield related revenue increased over the prior year as a result of previously deferred revenues recognized as revenue.

⁽³⁾ Included in depreciation and impairment write-down in 2010, is a \$28.1 million impairment write-down related to South Terminal design costs included in capital assets. The Authority determined that these costs provided no future benefit due to the update in federal regulations related to airport security as well as modifications to building code regulations.

Source: The Greater Orlando Aviation Authority.

Analysis of Airport Operations

Fiscal Year Ended September 30, 2011. The Airport reported operating income of \$40,221,000 and net income of \$76,117,000.

The operating revenues of the Authority increased \$26.4 million in fiscal year 2011, or 8.1% from the previous year, due mostly to additional revenue derived from the new rental car concession agreements, greater Airline revenues and increased concession revenues. Rental Car Concession revenues increased \$9.3 million or 13.5% over Fiscal Year 2010 due to the new agreements effective April 1, 2010. Signatory Airline revenues increased \$5.4 million or 6.7% as a result of additional space rented, increase in landed weights, a slight increase in terminal rental rates and landing fees. Non-signatory Airline revenue increased \$1.5 million or 8.2% as a result of the addition of several new airlines during Fiscal Year 2011. Food and Beverage Concession revenues and General Merchandise Revenues reflected a combined increase of \$3.3 million or 10.9% while Other Terminal Area Concession revenues increased \$3.1 million or 13.1%. A slight increase of \$5.93 in the average room rate as well as an increase in 4.7% in occupancy rate caused hotel revenues to increase \$2.2 million or 7.6%.

An increase in Operating expenses, before depreciation of \$16 million, or 8.7%, from fiscal year 2010 to 2011 resulted primarily from additional costs related to contractual services such as maintenance contracts, repairs and maintenance, and professional services. The Authority made significant reductions in personnel and contractual services during Fiscal Year 2009. Fiscal Year 2010 was the first full year of these cost reductions that included the delay of various maintenance projects. During Fiscal Year 2011, several of these maintenance projects were implemented and certain contractual services such as terminal maintenance increased. In addition, several security related costs either previously performed by TSA or with receipt of grants were shifted to the Authority.

Fiscal Year Ended September 30, 2010. The Airport reported operating income of \$6,104,000 and net income of \$56,967,000. See footnote 3 under "AUTHORITY FINANCIAL INFORMATION - Orlando International Airport Statement of Revenues and Expenses Fiscal Years 2007-2011" herein.

The operating revenues of the Authority increased \$12.3 million in fiscal year 2010, or 3.8% from the previous year, primarily from the new rental car concession agreements and increased food and beverage concession revenues. Rental Car Concession revenues increased \$9.7 million or 16.4% from the previous fiscal year as a result of the new agreements effective April 1, 2010. Food and Beverage Concession revenues and General Merchandise Revenues reflected a combined increase of \$2.2 million. In addition, parking revenues also had a slight increase. Although the hotel occupancy rate increased 5.7%, the overall revenue decreased slightly due to the economic downturn resulting in a reduction in the average room rate.

Operating expenses, before depreciation, decreased \$10.2 million, or 5.3%, from fiscal year 2009 to 2010 as a result of reduced salary and benefit costs, and reduction in contractual services. Cost savings initiatives instituted in the prior year had full year impact on cost reductions in fiscal year 2010. In addition, the Authority received a grant to offset some of the security costs during fiscal year 2010.

Three-Month Period Ended December 31, 2011 and 2010 (unaudited). The Authority reported operating income of \$11,538,000 and net income of \$20,655,000 for the three-month period ended December 31, 2011, compared to operating income of \$10,756,000 and net income of \$12,043,000 for the three-month period ended December 31, 2010.

Operating revenues for the three-month period ended December 31, 2011 increased approximately \$2,474,000 when compared to the three-month period ended December 31, 2010. Increases were attributable to revenues derived from terminal rents as a result of Signatory and Non-Signatory Airlines renting additional space. Concession and consumer related services, onsite rental car activity, FIS and facility fees also had increases. Also, additional revenues were received for the Remote Baggage Sortation Facility. Operating expenses, before depreciation, increased approximately \$1,621,000 primarily due to increases in maintenance related projects and security costs that were offset by receipt of a grant in the prior year, as well as slight increases to hotel operating costs.

Nonoperating revenues for the three-month period ended December 31, 2011 increased approximately \$4,345,000 when compared to the three-month period ended December 31, 2010. There was an increase in investment income which includes an adjustment for fair market value of investments. For the period ended December 31, 2010, the fair market value adjustments decreased the overall investment income by \$1,935,000 compared to an adjustment of \$96,000 for the period ended December 31, 2011. Increases to Nonoperating revenues for the three-month period ended December 31, 2011 were also attributable to reductions to interest expense as a result of a number of bond refinancings and a reduction to the Signatory Airline net revenue sharing as a result of a change to the method of calculation from cash basis in 2010 to accrual basis in 2011.

In addition, capital contributions for the three-month period ended December 31, 2011 increased approximately \$4,267,000 when compared to the three-month period ended December 31, 2010 primarily due to an increase in funds received for grant eligible expenditures related to the Remote Baggage Sortation Facility and airfield rehabilitation projects.

Pension and Other Post Employment Benefits

The Authority maintains two defined benefit plans for its employees, a single-employer plan covering non-firefighter employees and a multi-employer plan for firefighters. Additionally, the Authority provides two defined contribution plans, a single-employer defined contribution retirement plan for non-firefighter employees and a multi-employer defined contribution plan for firefighters.

Single-Employer Defined Benefit Pension Plan. The Authority contributes to the Defined Benefit Retirement Plan for Employees of the Greater Orlando Aviation Authority ("DB Plan"), a single-employer retirement plan. The Authority authorizes all employees hired before October 1, 1999, other than firefighters to participate in the DB Plan. The DB Plan provides retirement and death benefits to DB Plan members and beneficiaries.

The actuarial valuation used for funding determines the annual contribution requirements of the Authority to the DB Plan. The Authority does not require plan members

to contribute to the DB Plan. The actuarial assumptions for fiscal years 2011 and 2010 include: (a) rate of return on investments of 7.5% per year, (b) projected salary increases of 5.0%, (c) inflation adjustments of 3.5%, and (d) expense loading is the average of actual expenses over the previous two years. Five-year smoothed market method values DB Plan assets. The Aggregate Actuarial Cost Method determines the DB Plan's actuarial valuation.

As of October 1, 2010, the most recent actuarial valuation date, the DB Plan was 78.6% funded. The actuarial accrued liability for benefits was \$100.5 million, and the actuarial value of assets was \$79.0 million resulting in an unfunded actuarial accrued liability (UAAL) of \$21.5 million. The covered payroll was \$12.4 million, and the ratio of the UAAL to the covered payroll was 173.9%. The table below shows the actuarial value of assets compared to the liability as well as the percentage funded and unfunded actuarial accrued liability as a percentage of covered payroll for years 2008 – 2010.

Schedule of Funding Progress

Actuarial Valuation Date October 1,	Actuarial Value of Assets* (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2010	\$ 78,994	\$ 100,508	\$ 21,514	78.6%	\$ 12,371	173.9%
2009	73,796	96,263	22,467	76.7	12,761	176.1
2008	69,166	93,103	23,937	74.3	15,205	157.4

*The actuarial value of assets was set equal to market value for the October 1, 2009 actuarial valuation.

Schedule of Employer Contributions

Fiscal Years Ended September 30,	Employer Contributions	
	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2011	\$ 5,347	100.0 %
2010	5,770	100.0
2009	5,368	100.0

Single-Employer Defined Contribution Retirement Plan. The Defined Contribution Retirement Plan of the Greater Orlando Aviation Authority ("DC Plan") is a single-employer retirement plan. The DC Plan authorizes employees, other than firefighters, hired on or after October 1, 1999, to participate. The Authority contributes 6% of base wages and up to another 4% as a matching contribution. The employee contributes up to 10%. The DC Plan has

separate accounts for each employee, and investments are self-directed by the employee. The DC Plan provides retirement and death benefits to plan participants and beneficiaries upon retirement to employees of the Authority. The Authority contributed \$1.3 million for each of the years ending September 30, 2011 and 2010 and \$1.4 million for the year ending September 30, 2009.

Multiple-Employer Pension Plans. All firefighters employed by the Authority participate in the State of Florida Retirement System ("FRS"), a cost-sharing, multiple-employer defined benefit public retirement plan administered by the Florida Department of Administration, Division of Retirement. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Statutes establish benefit provisions.

Various acts of the Florida Legislature determine the funding methods and benefits. These acts provide employers, such as the Authority, requirements to contribute at the current actuarially determined rate of covered payroll for special risk members. Effective July 1, 2011, all FRS employees, with the exception of the Deferred Retirement Option Program (DROP) participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, were required to make pretax retirement contributions of 3% of their gross salary to the plan. Recently, a Florida court struck down the requirement for employees participating in the FRS to contribute to their pensions. The State of Florida has appealed the decision. Should the Authority have to make the 3% contribution and/or pay back the 3% already contributed by the employees, it will not have a material adverse effect on the Authority's financial position.

The employer contribution rate for the year ended September 30, 2011 was 23.25% from October 1, 2010 to June 30, 2011 and 14.10% from July 1, 2011 to September 30, 2011. The contribution rate for the year ended September 30, 2010 was 20.92% from October 1, 2009 to June 30, 2010 and 23.25% from July 1, 2010 to September 30, 2010. The contribution rate for the year ended September 30, 2009 was 20.92%. The Authority's contributions to the FRS for each of the years ended September 30, 2011, 2010, and 2009 were approximately \$800,000, which represents the required contributions for each year.

Other Post Employment Benefits and GASB 45. The Greater Orlando Aviation Authority Healthcare Plan ("GOAAHP") is a single-employer healthcare plan administered by the Authority. The GOAAHP provides post employment healthcare benefits to those participants who retire at a participants' normal retirement date or early retirement date and who receive pension benefits immediately upon termination.

The Authority is not required to fund the GOAAHP. However, on September 30, 2011, the Authority funded its other post employment benefits (OPEB) obligation to a qualifying, irrevocable trust in the amount of \$26.3 million. The annual contribution of the employer represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the Authority's annual OPEB cost for the years ended September 30, 2011, 2010, and 2009 the annual required contribution, and changes in the Authority's net OPEB obligation to GOAAHP (in thousands):

	2011	2010	2009
Annual required contribution	\$ 5,580	\$ 7,432	\$ 7,000
Interest on net OPEB obligation	1,428	637	585
Adjustment to annual required contribution	(1,684)	(884)	(575)
Annual OPEB cost	5,324	7,185	7,010
Benefit payments	(1,059)	(1,103)	(774)
Trust contributions made	(26,253)	-	-
(Decrease) Increase in net OPEB obligation	(21,988)	6,082	6,236
Net OPEB obligation - beginning of year	21,988	15,906	9,670
Net OPEB obligation - end of year	\$ -0-	\$21,988	\$15,906

The table below shows the actuarial value of OPEB related assets compared to the OPEB liability as well as the percentage funded and unfunded actuarial accrued liability as a percentage of covered payroll.

Schedule of Funding Progress

Actuarial Valuation Date October 1,	Actuarial Value of Assets* (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2011 *	\$ 26,253	\$ 48,038	\$ 21,785	54.6 %	\$ 31,866	68.4 %
2010	-	80,719	80,719	-	32,526	248.2
2009	-	70,869	70,869	-	33,755	210.0

*During the year ended September 30, 2011 the assumption for the investment rate of return was changed from 4.0% for prior years to 6.5% for the current year, as a result of the establishment of the OPEB Trust.

Schedule of Employer Contributions

	Employer Contributions	
Fiscal Years Ended September 30,	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2011	\$ 5,580	489.5 %
2010	7,432	14.8
2009	7,000	11.1

For additional information relating to pension and OPEB expenses of the Authority, see Notes 8 and 9 of the "AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2010 AND 2011" attached hereto as APPENDIX D.

THE CAPITAL IMPROVEMENT PROGRAM

The Current Capital Improvement Program

In Fiscal Year 2008, the Authority presented a \$977 million Capital Improvement Program ("CIP") for Fiscal Year 2009 through Fiscal Year 2013 to the airlines serving the Airport. The \$977 million CIP was approved by the Signatory Airlines as part of the airline Lease and Use Agreement that became effective October 1, 2008. However, as a result of the downturn in the economy and airline announcements regarding capacity cuts, the Authority reviewed the CIP and deferred certain capacity projects (the "Revised Fiscal Year 2009-2016 CIP"). These deferrals, as well as actual bid amounts for certain projects, have resulted in a reduction of that portion of the estimated cost of the CIP to \$801 million. As of September 30, 2011, \$358 million has been spent by the Authority on the CIP.

Four projects have been identified by the Authority outside of the \$977 million CIP approved by the Signatory Airlines - modifications to Pods A, B, C and D inline bag screening, an Airside 4 gate conversion and Federal Inspection Service (FIS) modification, closed circuit TV improvements (CCTV), and a remote baggage screening facility. The optimization of the bag screening pods and the Airside 4 gate conversion will require airline Majority-In-Interest ("MII") consideration. The Authority may proceed with such projects after giving notice to the airlines, unless MII disapproval is received. The CCTV improvements are not subject to MII consideration. Similarly, the Authority has approval to fund the remote bag screening project with FAA-approved PFCs and a Transportation Security Administration ("TSA") and American Recovery and Reinvestment Act of 2009 ("ARRA") grant, and because it is not part of the airline Cost Centers (Airfield and Terminal), it does not require airline approval. All of the other projects in the CIP have been approved by the Signatory Airlines under the Lease and Use Agreement.

The Authority reassesses its capital needs at least annually and will modify the CIP as necessary to accommodate traffic activity, security needs, and other factors, which could result in increases or decreases to the CIP, or extend the timing to complete certain projects consistent with the Lease and Use Agreement.

Key components of the Authority's CIP expected to be undertaken between Fiscal Year 2009- 2016 include:

Terminal

Airside 1 Rehabilitation. This program includes various improvements to building infrastructure bringing the level of finish in Airside 1 to the same level as in Airsides 2 and 4, including rehabilitating the transfer level of the three airside wings, the hub area and people mover station. The hub area will include an expansion to accommodate additional concession, public seating, and circulation areas. This is a component of the Airside 1 & 3 Project which

also includes the rehabilitation and renovation of Airside 3. Both were substantially complete by October 30, 2009.

EDS (Security) Improvements. The Explosion Detection System ("EDS") program includes the third and final phase of the in-line EDS program in the North Terminal. The EDS central system serves the central ticketing areas of Terminals A and B and the southeast area of the terminal located on Terminal B and became fully operational in the fourth quarter of Fiscal Year 2010.

Ticket Lobby Improvements/CUSS/CUPPS. The phase 1 portion of this program (to be undertaken in Fiscal Year 2009-2013) includes a new common use passenger processing system, computer system replacement, and allowance for airline relocations to balance terminal capacity. The phase 2 portion of this program (to be constructed in Fiscal Year 2014-2016) includes improvements to the level 3 landside terminal ticketing areas spanning the space from the ticket counter backwall to the enplaning curb and relocation of office space. These improvements were made possible by the recapture of ticket lobby areas following the implementation of the in-line Explosive Detection System program addressed above.

Bag Screening Pod Optimization. This project consists of modifications and expansion of the EDS baggage screening pods A, B, C and D to accommodate the consolidation of AirTran's and Southwest's ticketing and baggage makeup functions. The project is expected to be complete in Fiscal Year 2013.

Airside 4 Gate Conversion and FIS Modification. This project consists of converting four domestic gates on the 90's wing of Airside 4 to international swing gates and includes the associated modifications to the FIS facility. The project is expected to be undertaken in Fiscal Year 2012.

Bag System Improvements. This program includes improvements to the existing landside terminal baggage claim and make-up systems, including the replacement of bag claim devices, slope plate carousels and sort piers. The project also includes electrical system upgrades, replacement of bag pushers, installation of dynamic merging equipment, and baggage reporting/tracking system improvements and is expected to be complete in Fiscal Year 2014.

Vertical Circulation and Central Plant Improvements. This project includes (1) replacement of four escalators from the parking garage tunnels to level 3 in the landside terminal, (2) central plant improvements for the north terminal complex, and (3) modifications to the Airside 1 FIS. This project was substantially complete as of July, 2011.

Emergency Electrical System Improvements. This program will segregate discretionary electrical loads from critical or life safety requirements throughout the north terminal complex. This program excludes additional emergency power for the terminal chillers and baggage systems. The project is expected to be complete in Fiscal Year 2013.

Terminal Infrastructure Improvements. This project includes renovation of landside terminal restrooms and APM System renovations. Portions of this project have been completed and the rest are expected to be complete in Fiscal Year 2013.

Information Technology Improvements. This program includes a variety of information technology projects such as the replacement of the voice communications switches and local area network switches. Projects will also include additional funding to complete the computerized maintenance management system project and the airport systems integration project. This project is expected to be complete in Fiscal Year 2013.

Closed-Circuit TV Cameras. This project is part of the Authority's access control improvements and will be placed in passenger security areas and baggage-handling areas. It is expected to be undertaken in Fiscal Year 2014.

Access Control Improvements. This program consists of projects to address access to ramp level office and Security Identification Display Area ("SIDA") areas at airside and existing Airport Operations Area ("AOA") vehicle entry checkpoints to improve checkpoint security and efficiency for both employee and vehicle screening. It is expected to be undertaken in Fiscal Year 2014.

Airfield

Airfield Pavement Rehabilitation. This program currently consists of rehabilitation for Runway 18R-36L and Taxiway B1/B2. The pavement rehabilitation of Runway 18R-36L and associated taxiways is expected to be implemented through Fiscal Year 2014 while the rehabilitation of Taxiways B1 and B2 will take place during Fiscal Year 2012.

Taxiway C Rehabilitation Program. This program included rehabilitation of Taxiway C and was completed in April 2010.

Other Airfield Improvements. This program includes a variety of airfield improvements, including Taxiway A Widening (Fiscal Year 2013), Airfield Pavement Management Program (completed), Taxiway E Bridge Improvements (Fiscal Year 2012), Airside 4 Gate Modifications (Fiscal Year 2012), Taxiway B Widening and Overlay (completed), Taxiway Y&Z Rehabilitation (completed), Taxiway B, E & J Rehabilitation (Fiscal Year 2012), Runway 18L/36R Joint Rehabilitation (completed).

Ground Transportation

Rental Car Improvements. This program includes the expansion and reconfiguration of the Terminal A Quick Turnaround Area ("QTA"), construction of a new Terminal B QTA and associated relocation of the bus and taxi hold facilities, addition of ready return spaces at Terminal A, and associated terminal roadway and signage improvements. The majority of the program, with the exception of the bus and taxi hold facilities, was opened for public use in April 2010.

Roadway, Curb, and Cell Lot Improvements. This program includes an extended return to terminal road and associated cell phone lot for Terminal A, improvements to both Terminal A and B commercial curb areas to improve pedestrian and vehicular movements, and minor modifications for use of the fourth curb. It is expected to be undertaken in Fiscal Year 2012.

Other Ground Transportation Improvements. This program includes utility/infrastructure improvements, and South Tradeport Drive resurfacing and is expected to be completed in early Fiscal Year 2014.

Other

Remote Bag Screening Facility Improvements. The existing Remote Baggage Screening Facility at the Orlando International Airport consists of six Explosive Detection System ("EDS") machines in a manual feed configuration. The proposed project is to increase the screening capacity of this facility by upgrading to an automated, in-line screening configuration to meet demand. Associated improvements to facilitate the configuration of these machines include utilities, site work, security fencing and building modifications as needed. This project is expected to be complete by May 2012.

Other Improvements. Other programs include environmental mitigation, drainage improvements, Hyatt lobby and public area improvements, and long term planning.

Other Future Projects

In addition to the Revised Fiscal Year 2009-2016 CIP, the Authority is also contemplating other longer-term projects as demand warrants and to comply with new or changing requirements regarding security, mitigation of wildlife attractants, and future terminal capacity. Beginning in the fall of 2011, the Authority initiated an update to the master plan that is expected to be complete in the spring of 2013 and which will provide an updated capital plan for demand-driven projects. Such future projects may include: future South Terminal Program; Airside 4 rehabilitation projects; future taxiways, connectors, and existing airfield improvements; future roadway improvements; and hotel renovations.

On August 17, 2011, the Authority authorized the Executive Director to execute a joint participation agreement (JPA) with the Florida Department of Transportation to analyze alternative connections from the approved Central Florida commuter rail system, Sunrail, to the Airport. For many years, the Authority has included conceptual plans for rail access to the airport property, however, no detailed design for this rail access has been completed and no start date for the potential development of a rail connection at the Airport has been set.

The Authority plans to continually evaluate construction on such future projects based on demand, cost and funding, as well as other factors.

Among the sources of funds that the Authority may consider for the future projects is the future issuance of Airport Facilities Revenue Bonds. A number of factors, including the demand for the projects and the availability of other funds, will affect the timing and amount of such future bond issuance. At this time, the Authority has not determined the amount of or timeframe for any such future financings.

In addition to CIP projects discussed above, the Authority approves a budget for renewal and replacement and capital expenditures on an annual basis. The Authority funds such capital expenditures with Authority funds, which totaled approximately \$8.0 million in Fiscal Year

2009, \$24 million in Fiscal Year 2010, \$27 million in Fiscal Year 2011, and a budgeted \$26 million in Fiscal Year 2012.

The Authority expects that the projects included in the Revised Fiscal Year 2009-2016 CIP, in conjunction with the renewal and replacement projects, will provide Airport facilities necessary to satisfy future airline and passenger needs through Fiscal Year 2016.

Costs, Funding and Schedule of Capital Improvement Program

The estimated costs of, and the projected schedule for, the CIP are subject to a number of uncertainties. The ability of the Authority to complete the CIP may be adversely affected by various factors including: estimating errors, design and engineering errors, changes to the scope of the capital improvements, delays in contract awards, material and/or labor shortages, unforeseen site conditions, adverse weather conditions, contractor defaults, labor disputes, unanticipated levels of inflation, litigation, delays in permitting, and environmental issues.

The Authority expects to pay for certain CIP projects with FAA Airport Improvement Program ("AIP") grants-in-aid, State of Florida grants-in-aid, TSA and ARRA grants, PFC pay-as-you-go revenues, PFC-backed bonds, Authority funds (including previously issued bonds, insurance proceeds), CFCs, Additional Bonds, and Subordinated Indebtedness. The FAA administers the AIP and grants are made to airport operators in the form of entitlement funds and discretionary funds. The majority of the grant funds received by the Authority are AIP grants. The AIP authorization was recently extended through September 30, 2015.

No assurance can be given that the CIP will not cost more than is currently estimated. Any schedule delays or cost increases could result in the need to issue additional indebtedness and may result in increased costs per enplaned passenger to the airlines utilizing the Airport.

Construction of large projects at airports also involves the risk of disruption of ongoing operations and a resultant reluctance on the part of passengers and airlines to use the Airport. The Authority has taken steps to minimize the impact of construction at the Airport and does not believe that air traffic will be reduced.

THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS

Airline Reports

Certain of the airlines serving the Airport (or their respective parent corporations) are subject to the information reporting requirements of the Securities Exchange Act of 1934 and in accordance therewith file reports and other information with the Securities and Exchange Commission (the "Commission"). Only companies with securities listed on the national securities exchange, with securities traded over the counter, which are registered under the Securities Exchange Act of 1934, or which are required to file with the Commission pursuant to the information-reporting requirements will have information on file. Certain information, including financial information as of particular dates concerning such Signatory Airlines or their respective parent corporations, is disclosed in reports and statements filed with the Commission. Such reports and statements can be inspected in the Public Reference Section at the SEC

Headquarters, 450 Fifth Street, N.W., Washington, DC 20549, and copies of such reports and statements can be obtained from the Public Reference Section at prescribed rates. Copies of such reports and statements may be obtained from the Public Reference Section of the Commission, Washington, D.C. 20549, at prescribed rates. The Commission also maintains a website that contains reports, proxy and information statements and other written information regarding companies that file electronically with the Commission. The address of the website is www.sec.gov. The Commission does not require foreign companies to file electronically. Foreign companies' reports may be obtained by writing the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549. In addition, the domestic Signatory Airlines are required to file periodic reports of financial and operating statistics with the United States Department of Transportation. Such reports may be inspected at the Office of Aviation Information Management, Data Requirements and Public Reports Division, Research and Special Programs Administration, United States Department of Transportation, 400 7th Street, N.W., Washington, D.C. 20590, and copies of such reports may be obtained from the Department of Transportation at prescribed rates.

Global Events and Uncertainties of the Airline Industry

Since the economic deregulation of the airline industry in 1978, the industry has undergone significant changes. The financial results of the airline industry periodically have been subject to volatility and the industry has accumulated substantial losses. Recent events have had a significant, negative impact on airline industry profitability. The slowing national and global economy, the fluctuation in the price of jet fuel and certain other global events, including military action abroad, have seriously disrupted the air transportation industry, resulting in severe financial instability in the airline industry. Numerous airlines have filed for bankruptcy protection and overall, the airline industry has continued to struggle with higher costs for fuel and depressed passenger revenue. The airlines have responded to the changing nature of the industry by instituting initiatives including but not limited to, furloughing employees, reducing flights, negotiating significant wage reductions, deferring aircraft deliveries, baggage and other service charges, streamlining operations, and improving productivity.

On July 20, 2011 the Air Transport Association of America ("ATA"), the industry trade organization for the leading U.S. airlines, reported that passenger revenue, based on a sample group of carriers rose 8 percent in June 2011 compared to the same month in 2010, marking the 18th consecutive month of revenue growth. Passenger revenue improved 7 percent domestically and 17 percent in international markets.

The revenues of both the Airport and the airlines serving the Airport may be materially affected by many factors including, without limitation, the following: the availability and costs of aviation fuel and other necessary supplies; declining demand; national and international disasters; acts of hostilities; service and fare competition; mergers; high fixed costs; high capital requirements; the cost and availability of financing; technological changes; the cost and availability of employees; strikes and employee disruptions; the maintenance and replacement requirements of aircraft; the availability of routes and slots at various airports; litigation liability; regulation by the federal government; environmental risks and regulations; noise abatement concerns and regulation; deregulation; federal and state bankruptcy and insolvency laws; acts of terrorism; world health concerns; availability of satisfactory travel substitution such as video

conference; and other risks. Many airlines, as a result of these factors, have operated at a loss in the past and several have filed for bankruptcy, ceased operations and/or have merged with other airlines.

General Financial Condition of Certain Airlines Serving the Airport

Historically, the financial performance of the air transportation industry has correlated with the state of the national economy. Future increases in passenger traffic will depend largely on the ability of the U.S. to sustain growth in economic output and income. The Authority derives a substantial portion of its operating revenues from landing and facility rental fees. The financial strength and stability of the airlines using the Airport, together with numerous other factors, influence the level of aviation activity at the Airport and Revenues of the Authority.

The Authority cannot predict the duration nor extent of reductions and disruptions in air travel or the extent of any adverse impact on Revenues, PFC collections, passenger enplanements, operations or the financial condition of the Airport. All airlines that have entered bankruptcy have remitted all material post-bankruptcy payments due to the Authority under the Lease and Use Agreements, and, as of the date of this Official Statement and except American Airlines Pre-petition debt in the amount of \$262,168.00, all airlines are current on their payment obligations to the Authority. The Authority is not able to accurately predict how long American Airlines will continue operating at the Airport or whether American Airlines will liquidate or substantially restructure its operations. Additional bankruptcies, liquidations or major restructurings of other airlines could occur. Further, the Authority cannot predict nor can it give any assurance that the airlines serving the Airport will continue to pay or to make timely payment of their obligations under the Lease and Use Agreements.

American Airlines Bankruptcy

On November 29, 2011, American Airlines, together with its parent, AMR Corporation and American Eagle (collectively, "AMR"), filed for bankruptcy protection under Chapter 11 of the Federal Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. According to AMR, the Chapter 11 filing permits AMR to continue operations while developing a plan of reorganization to address existing debt and cost structures. American Airlines has not indicated to the Authority whether it will reject its Lease and Use Agreement with the Authority. In light of the bankruptcy filings, the Authority directs potential purchasers of the Series 2012A Bonds to review AMR's filings with the SEC at www.sec.gov, its press releases at www.aa.com and other information regarding the bankruptcy proceedings. The Authority does not make any representation as to AMR and future plans generally, or with regard to the Airport in particular. The Airport was not involved in the preparation of and does not in any manner endorse the information provided by the links. No assurances can be given as to whether AMR's efforts to reorganize will be successful, or with regard to AMR's future level of activity at the Airport.

United and Continental Airlines Merger

On May 3, 2010 United Airlines and Continental Airlines announced their intent to merge into the world's largest airline by passenger volume. The U.S. Department of Justice

approved the merger on August 27, 2010. The shareholders of both airlines approved the transaction on September 20, 2010 and the transaction closed on October 1, 2010. The new combined airline will retain United's name and headquarters. Neither the Authority nor the Underwriters can predict at this time the financial impact, if any, of the merger on the Airport. However, through the expiration of the Lease and Use Agreement in 2013, neither airline is permitted to reduce its facilities.

Southwest Airlines Acquisition of AirTran Airlines

On September 27, 2010 Southwest announced that it had entered into an agreement to acquire AirTran Holdings, Inc., the parent corporation of AirTran subject to obtaining the approval of AirTran's shareholders and certain regulatory approvals. On May 2, 2011, Southwest announced the closing of its acquisition of AirTran Holdings, Inc. Southwest and AirTran received a single operating certificate on March 1, 2012. AirTran has relocated its gates from Airside 4 to Airside 2 and is in the process of consolidating ticketing and baggage make up functions with Southwest at the Airport. Neither the Authority, its financial advisors, nor the Underwriters can predict at this time the financial impact, if any, of the acquisition on the Airport. However, through the expiration of the Lease and Use Agreement in 2013, neither airline is permitted to reduce its facilities. Prospective purchasers of the Series 2012A Bonds of the Authority are encouraged to review the information concerning the proposed acquisition that is available from the Securities and Exchange Commission ("SEC"). Neither the Authority, the Underwriters nor the Financial Advisors undertake any responsibility for the correctness or completeness of such information.

Southwest and AirTran file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and certain other reports and information with the SEC. Copies of the reports and other information filed with the SEC can be obtained in electronic form on the SEC website at <http://www.sec.gov/edgar.shtml>. In addition, copies of SEC records can be obtained using the following methods to contact the Office of Investor Education and Advocacy: (a) submit the online form on the SEC website, (b) send an email to publicinfo@sec.gov, (c) send a fax to (202) 772-9295, or (d) submit a written request to U.S. Securities and Exchange Commission, Office of Investor Education and Advocacy, 100 F Street N.E., Washington, D.C. 20549-0213. See "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM - Southwest-AirTran Consolidation" herein.

FAA Reauthorization and Level of Federal Airport Grant Funding. On February 6, 2012, Congress passed a four-year reauthorization bill for the Federal Aviation Administration - the FAA Modernization and Reform Act of 2012 - which was signed into law on February 14, 2012 by the President. This is the first long-term FAA authorization since the last one expired in 2007. Since that time, there have been 23 short-term extensions of the FAA's authority and a two-week partial shutdown of the FAA in the summer of 2011. The final FAA reauthorization keeps the federal cap on PFCs at \$4.50 and authorizes \$3.35 billion per year for the Airport Improvement Program (AIP) through Fiscal Year 2015, which is \$150 million per year less than the funding level for the past five years. The AIP provides federal capital grants to support airport infrastructure, including entitlement grants (determined by formulas based on passenger, cargo, and general aviation activity levels) and discretionary grants (allocated on the basis of specific set-asides and the national priority ranking system). The President's budget proposal for

federal Fiscal Year 2013, published on February 13, 2012, proposes to reduce AIP funding to \$2.4 billion (from the \$3.35 billion authorized) and eliminate "guaranteed" AIP funding for large and medium hub airports, including the Airport. The Administration's budget also proposes an increase in the PFC cap for large and medium hub airports. Over the next several months, Congress will hold a series of hearings to evaluate the President's budget request and develop their own proposals for federal funding through the annual appropriations process. The Authority is unable to predict the level of AIP funding at this time. If there is a reduction in the amount of AIP grants awarded to the Authority for the Airport, it could (i) increase by a corresponding amount the capital expenditures that the Authority would need to fund from other sources (including operating revenues, Bond Proceeds), (2) result in decreases to the CIP, or (3) extend the timing to complete certain projects. The Authority receives approximately \$5.5 million per year in entitlement AIP funding.

Passenger Facility Charges

Termination of PFCs. The Authority's legal authority to impose and use PFCs is subject to certain terms and conditions provided in the PFC Act, the PFC Regulations and each PFC application. If the Authority fails to comply with these requirements, the FAA may take action to terminate or to reduce the Authority's legal authority to impose or to use PFCs. Some of the events that could cause the Authority to violate these provisions are not within the Authority's control. In addition, failure to comply with the provisions of certain federal noise pollution acts may lead to termination of the Authority's authority to impose PFCs. In addition, the FAA may terminate the Authority's ability to collect PFCs to support payment of debt service on any Bonds attributable to PFC Projects on the fifth anniversary of the completion of formal termination proceedings.

Amendments to PFC Act or PFC Regulations. There is no assurance that the PFC Act will not be repealed or amended or that the PFC Regulations or any PFC application will not be amended in a manner that would adversely affect the Authority's ability to collect and use PFC Revenues in an amount sufficient to deposit Available PFC Revenues for payment of principal and interest on the Bonds.

Collection of the PFCs. The ability of the Authority to collect sufficient PFCs depends upon a number of factors including the operation of the Airport by the Authority, the use of the Airport by Collecting Carriers, the efficiency and ability of the Collecting Carriers to collect and remit PFCs to the Authority and the number of enplanements at the Airport. The Authority relies upon the Collecting Carriers' collection and remittance of PFCs, and both the Authority and the FAA rely upon the airlines' reports of enplanements and collection statistics.

If the numbers of enplaned passengers at the Airport is significantly below the numbers forecast by the Airport Consultant in projecting annual PFC Revenues, if the collection fees retained by the Collecting Carriers are increased or if the PFC Act is amended, the amount of PFC Revenues actually collected by the Authority each year will be less than the amount projected and accordingly, Available PFC Revenues may be less than the amount sufficient to enable the Authority to pay Debt Service on that portion of the Bonds issued to finance PFC Projects. In such event other Revenues would be required to pay Debt Service on that portion of the Bonds issued to finance PFC Projects. Such debt service can be included in the applicable

airline rate base. Additionally, the Authority may rely upon the "extraordinary coverage protection" provision under the Lease and Use Agreements to recover such shortfall from the Signatory Airlines. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Extraordinary Coverage Protection" herein. On the other hand, if the number of annual enplanements is higher than initially projected or if the rate of PFCs is increased above the level described in "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Passenger Facility Charges" herein, the Authority will collect PFC Revenues faster than initially forecast. The Authority will have to manage its PFC program carefully in such event and balance its expenditures with its collecting rates to ensure that sufficient Available PFC Revenues will be available in later years to pay debt service attributable to the Bonds.

The Authority's ability to pay the principal of, premium, if any, and interest on the Bonds depends, in part, upon the timely receipt by the Authority of PFC Revenues, and the amount of PFC Revenues received annually by the Authority depends largely upon the Authority's ability to implement and complete PFC Projects and upon the number of enplanements at the Airport each year. The level of enplanements, in turn, depends upon a number of economic and other factors that are not within the Authority's control. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES - Passenger Facility Charges" herein for a description of some of the requirements and risks associated with obtaining and maintaining the authority to impose and use PFCs.

Cost of Aviation Fuel

Airline earnings are significantly affected by the price of aviation fuel. According to the ATA, fuel is the largest cost component of airline operations, and therefore an important and uncertain determinant of an air carrier's operating economics. There has been no shortage of aviation fuel since the "fuel crisis" of 1974, but there have been significant price increases for fuel.

Any unhedged increase in the fuel prices causes an increase in airline operating costs. According to the ATA, a one-dollar per barrel increase in the price of crude oil equates to approximately \$445 million in annual additional expense for U.S. airlines. Fuel prices continue to be susceptible to, among other factors, political unrest, Organization of Petroleum Exporting Countries policy, increased demand for fuel caused by rapid growth of economies such as China and India, fuel inventory maintained by certain industries, reserves maintained by governments, currency fluctuations, disruptions to production and refining facilities and weather. In recent years, the cost of aviation fuel has been volatile in response both to political instability abroad as well as changing demand for petroleum products around the world. Oil prices reached an all-time record high of approximately \$145 barrel in July 2008, and while they have declined from this elevated level, they have fluctuated significantly since then. As of March 14, 2012, the price of a barrel of crude oil was approximately \$106. Significant fluctuations and prolonged increases in the cost of aviation fuel have adversely affected air transportation industry profitability, causing airlines to reduce capacity, fleet and personnel and to increase airfares and institute fuel, checked baggage, and other extra surcharges, all of which may decrease demand for air travel. As a result, the airline industry has focused on reducing its dependence on petroleum-derived jet fuel.

Aviation Safety and Security Concerns

The Aviation and Transportation Security Act (the "ATSA") was enacted on November 19, 2001. This federal legislation placed airport security under the jurisdiction of TSA. The ATSA calls for, among other things, all passenger and property screening at all airports to be handled by employees of the TSA, all checked baggage to be screened by explosive detection systems ("EDS"), all persons, vehicles and other equipment to be screened or inspected before entry into a secured area, employee criminal history records check requirements, stronger cockpit doors on planes, provisions for arming pilots and an increased presence of armed federal marshals on flights. The Authority is currently in compliance with all federally mandated security requirements.

Pursuant to the ATSA, all security screeners became federal employees, except at airports participating in a pilot program providing for passenger and property screening by personnel of a qualified private screening company under contract with the TSA and under the supervision of federal government supervisors. The Authority continues to use federal employees for its screening personnel. The new federal security screening services are paid for by charging passengers \$2.50 per departure or connection, not to exceed \$5.00 per one-way trip. This "9/11 Passenger Security Fee" is collected by air carriers and remitted to the federal government.

The Authority has received TSA grant funding for the construction of a checked baggage inspection system using in-line EDS equipment. TSA grants are also received annually to cover the costs of dedicated law enforcement officers at the security checkpoints and for certified Explosive Detection Canine Teams.

LITIGATION AND REGULATORY MATTERS

Litigation

There is not now any litigation pending or, to the knowledge of the Authority, threatened, which if successful would have the effect of restraining or enjoining the issuance or delivery of the Series 2012A Bonds or questioning or affecting the validity of the Series 2012A Bonds or the proceedings and authority under which they are issued. The Authority is currently engaged in certain litigation, the outcome of which would not be expected to have any material adverse effect on the issuance and delivery of the Series 2012A Bonds. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES" for additional discussion relating to potential bankruptcy litigation in which the Authority could be involved as a creditor.

The following actions and claims, which alone or in the aggregate, if decided adversely, could have a material adverse affect on the Revenues available to pay debt service on the Series 2012A Bonds, are pending against the Authority:

Claim by Viad Corp. "Viad", Aircraft Service International, Inc. ("ASII" predecessor to Viad which conducted aircraft fueling, maintenance and related operations at OIA from 1984-present), and ASIG Miami, Inc. ("ASIG") which merged with ASII in 1998. This action was filed in April of 2007. Only 1 of the 4 counts pertain to the Authority. The Complaint contends that on January 17, 2001, based upon the site assessment, the Authority recognized that the

maintenance facility, which is leased to ASII, may require remediation, additional site studies and a penalty of \$10,000.00 per day for failure to comply with spill investigation requirements. Viad alleges it has the right to enforce the insurance policies of Viad and its affiliates and as such alleges that it sent notice to Royal Surplus Lines Insurance Co. ("Royal") (pollution liability coverage June 1999) and certain underwriters at Lloyds of London ("Lloyds") (policies issued between 1950-1991) of its claims under the respective policies. The Complaint alleges that the Authority is included as a defendant in the action because it claims to be an injured party from the matters involving the Airport, as a potential co-insured or additional insured under the Lloyd's and Royal's insurance policies, and as a party that may be affected by the outcome of the action as it relates to the Airport matter. In Count III of the Complaint, Viad seeks a declaratory judgment against Lloyds, the Authority and others as to whether Lloyds is required under any of its policies to provide coverage for the environmental contamination at the Airport and whether the Authority is a covered insured under the Lloyd's policies that insured Viad (or its predecessors), ASII, and other former Viad subsidiaries, and award attorneys' fees to Viad. The Authority has filed a counterclaim against Viad, ASII and Galaxy Aviation of Orlando, Inc. ("Galaxy") and a cross-claim against Lloyds and Royal. Galaxy was added as a third party defendant because of its status as the tenant from January 30, 2002 to the present. The Authority is seeking reimbursement for any unreimbursed expenses to the Authority as a result of the ongoing assessment and any required clean up and alleges that Viad, ASII, and Galaxy, are required to clean up any and all contamination and indemnify the Authority therefrom. Lloyds and Royal are required to reimburse the Plaintiff for any clean up under their respective policies. The action has been stayed pending continued investigation of the extent and costs of the environmental clean-up. A remediation pilot study was approved by Orange County Environmental Protection Division on January 7, 2012 and the remedial action plan for clean-up is due from ASIG to Orange County Environmental Protection Division by May 7, 2012.

Claim by Peninsula Group Capital, Corporation ("Peninsula"). This action was filed in late 2009. The Complaint contends that the Authority tortiously interfered with a business relationship and contract as well as inappropriately caused a taking of Peninsula's personal property right without compensation. Peninsula alleged that it had an exchange agreement with the United States Army Reserve ("USAR") to acquire two parcels of United States Army Reserve real property in exchange for a Fort Myers, Florida property. The allegations are based on a 1999 concept approval letter signed by a Deputy Assistant Secretary of the Army and subsequent negotiations between Peninsula and the United States Army Reserve. Such concept approval was rescinded via Army correspondence dated January 13, 2005, but Peninsula claims the rescission was pretextual and caused by the Authority. The United States Army Reserve and the Government Services Administration transferred one of the parcels property to the Authority on October 14, 2009 pursuant to 49 U.S.C.S. §47151-47153 and elected to retain the second parcel. Peninsula also sued the USAR in Federal Claims Court alleging the exact same agreement, interference and breach. The Federal Claims Court dismissed Peninsula's claims against the USAR, holding that there was no agreement, no breach and no property rights owned by Peninsula that could have been taken. The Court granted the Authority's Amended Motion to Dismiss with Prejudice and Supporting Memorandum of Law based in part upon the Federal Claims Court's involuntary dismissal of the claims against the USAR. Peninsula retained appellate counsel and timely filed a notice of appeal from the Court's final order of dismissal with prejudice. The trial court subsequently denied the Authority's Motion for Attorneys Fees. The Authority has appealed the denial of fees. The two appeals have been consolidated. The

value of the two combined parcels was estimated at approximately Six Million Five Hundred Thousand Dollars (\$6,500,000.00). At this time it is impossible to determine the outcome of this dispute or the extent of any possible damages.

Discrimination Actions. From time to time discrimination related charges have been filed against the Authority with various administrative agencies. In each instance the Authority has filed its position statement denying the allegations and provided documentation supporting its position. The Authority intends to contest each matter, if necessary. After a preliminary analysis of the legal and factual issues regarding these matters, the Authority believes that it is probable that the Authority will obtain favorable outcomes with respect to each of the matters. There have been 19 discrimination charges filed against the Authority with the City and the EEOC within the last five (5) years. At this time the Authority is not aware of any suit being filed by any of the complainants.

General Liability Claims. From time to time bodily injury related claims have been filed against the Authority, the defense of which claims has been undertaken by counsel retained by insurance carriers for the Authority. As of January, 2012, there are 30 open and fully insured claims being managed by the Authority's insurance carrier. Total amounts reserved by the insurance carrier for these claims are \$206,000. Lawsuits have been filed in nine of the claims. None of these lawsuits is expected to have a material financial impact on the Authority.

Other Liability Claims. There are no other liability claims at this time, except as described herein.

Worker's Compensation Claims. As of January, 2012, there are 18 open workers compensation claims reserved by the Authority's third party administrator at a total of \$152,000. The Authority is unable at this time to predict the ultimate resolution of the above listed personal injury claims, but reserves financially for losses, based on annual actuarial data.

Other. In addition to the foregoing, the Authority is also engaged in other routine litigation (e.g. claims for attorneys fees under Florida's public records laws), none of which, in the judgment of the Authority, is expected to materially adversely impact the Authority's financial condition.

Regulatory Matters

Contamination Assessment and Rehabilitation or Abatement. The Authority has undertaken contamination assessment and site rehabilitation at a number of locations at the Airport and the Orlando Executive Airport. In addition to the identified areas of environmental contamination, the Authority may be obligated to conduct contamination assessment, site rehabilitation or abatement as the result of the past discharge of certain petroleum based pollutants or hazardous substances at the Airport and the Orlando Executive Airport, or because of the presence of asbestos, lead based paint or indoor air contaminants in certain buildings located thereon, either as a responsible party or as a party voluntarily taking responsibility in the event other parties who are liable are unable to do so. Where soil, groundwater or surface water contamination is present, site rehabilitation has been or will be undertaken upon approval by the Orange County Environmental Protection Department ("EPD") or the Florida Department of

Environmental Protection ("FDEP"). The Authority is presently unable to estimate the potential cost to the Authority of such site rehabilitation or abatement activities, but such cost has the potential to be significant. Cost to the Authority for contamination assessment and site rehabilitation depends on a variety of factors including the extent and location of contamination, the type(s) of contaminants, source of the contamination, hydrogeology, and the legal liability and financial capability of the tenant or operator who caused the discharge to pay for such site assessment or rehabilitation. Cost to the Authority for abatement also depends on a variety of factors including the amount of the indoor air contaminants present, the type of contaminants and the conditions of contaminant-containing materials, the use of the space being abated, and the legal liability and financial capability of the tenant or operator to pay for such abatement. Although it is difficult to quantify the potential impact of compliance with environmental protection issues, the Authority believes that the ultimate aggregate cost of environmental assessment, rehabilitation or abatement will not result in a material adverse effect on its financial condition or results of operations. The Authority expects to recover any costs expended on environmental assessment, rehabilitation or abatement through rates, fees, rentals and other charges for the use of the Airport. No provision has been made for payment of these amounts in the "AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2010 and 2011" attached hereto as APPENDIX D.

Wetland Mitigation. Pursuant to environmental permits issued by the United States Army Corps of Engineers, the FDEP and the South Florida Water Management District (collectively, the "Environmental Agencies"), the Authority has been required to provide mitigation for impacts which Authority projects had on existing wetlands. Wetland mitigation includes the preservation of both upland and wetland lands in their natural state, the enhancement of existing wetlands, and the creation of new wetland areas. Wetland mitigation may also include funding the acquisition of environmentally sensitive lands by third parties or purchase of mitigation credits from an approved mitigation bank. The Authority has implemented wetland mitigation activities through the acquisition of necessary land, construction of wetland creation projects, and granting of conservation easements. The Authority is currently in negotiations with the Environmental Agencies concerning mitigation activities at the Airport. Although it is difficult to quantify the potential cost of compliance with the conditions contained in the existing environmental permits, the Authority expects to include any costs of compliance in the CIP.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code"), contains a number of requirements and restrictions which apply to the Series 2012A Bonds, including investment restrictions, a requirement of periodic payments of arbitrage profits to the Treasury of the United States of America, requirements regarding the timely and proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Authority has covenanted to comply with all requirements of the Code that must be satisfied in order for the interest on the Series 2012A Bonds to be excluded from gross income for federal income tax purposes. Failure to

comply with certain of such requirements could cause interest on the Series 2012A Bonds to be included in gross income retroactive to the date of issuance of the Series 2012A Bonds.

Subject to the condition that the Authority will comply with the pertinent requirements of the Code, in the opinion of Co-Bond Counsel, under present law, (1) interest on the Series 2012A Bonds is excluded from the gross income of the holders thereof for federal income tax purposes, except that such exclusion shall not apply during any period while a Series 2012A Bond is held by a "substantial user" of the facilities financed or refinanced by the Series 2012A Bonds or a "related person" within the meaning of Section 147(a) of the Code and (2) interest on the Series 2012A Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

As to questions of fact material to the opinion of Co-Bond Counsel, Co-Bond Counsel will rely upon representations and covenants made on behalf of the Authority in the Bond Resolution, other finance documents, certificates of appropriate officers of the Authority and certificates of public officials (including certifications as to the use of Series 2012A Bond proceeds and of the property refinanced thereby), without undertaking to verify the same by independent investigation.

The Code contains numerous provisions which could affect the economic value of the Series 2012A Bonds to certain Series 2012A Bondholders. Prospective Series 2012A Bondholders, however, should consult their own tax advisors with respect to the impact of such provisions on their own tax situations.

The Series 2012A Bonds will not be "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Code. Interest or indebtedness incurred or continued to purchase or carry the Series 2012A Bonds, or in the case of banks and certain other financial institutions, interest expense allocated to interest on the Series 2012A Bonds, will not be deductible for federal income tax purposes.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2012A Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2012A Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2012A Bonds to the Treasury of the United States of America. Noncompliance with such provisions may result in interest on the Series 2012A Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

Collateral Tax Consequences

Except as described above, Co-Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2012A Bonds. Prospective purchasers of Series 2012A Bonds should be aware that the ownership of Series 2012A Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2012A Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2012A Bonds, (2) the branch profits tax, and (3) the inclusion of

interest on the Series 2012A Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2012A Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2012A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES REFERRED TO ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2012A Bonds may be subject to state or local income taxation under applicable state or local laws in some jurisdictions. Purchasers of the Series 2012A Bonds should consult their own tax advisors as to the income tax status of interest on the Series 2012A Bonds in their particular state or local jurisdiction.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2012A Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2012A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2012A Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2012A Bonds. For example, proposals have been discussed in connection with jobs programs and deficit spending reduction that could significantly reduce the benefit of, or otherwise affect the exclusion from gross income of, interest on obligations such as the Series 2012A Bonds. The further introduction or enactment of one or more of such proposals could affect the market price or marketability of the Series 2012A Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2012A Bonds maturing on October 1, 2021 (the "Non-Callable Premium Bonds") and the Series 2012A Bonds maturing on October 1, 2025 through and including October 1, 2032 (collectively, the "Callable Premium Bonds" and together with the Non-Callable Premium Bonds the "Premium Bonds") and the initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Non-Callable Premium Bond and to the first call date in the case of the Callable Premium Bonds. For the purposes of determining gain and loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires

such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for the purposes of determining various other tax consequences of owning such Premium Bonds. Owners of Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2012A Bonds and the issuance thereof by the Authority are subject to the approval of Nabors, Giblin and Nickerson, P.A., Tampa, Florida, and Ruye H. Hawkins, P.A., Orlando, Florida as Co-Bond Counsel. The proposed form of the opinion of Co-Bond Counsel is attached hereto as APPENDIX E. The actual legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date and subsequent distribution of it by recirculation of the Official Statement or otherwise shall create no implication that Co-Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date. Certain legal matters will be passed on for the Authority by Broad and Cassel, Issuer's Counsel to the Authority and, Greenberg Traurig, P.A., Orlando, Florida, and KnoxSeaton, Orlando, Florida, Co-Disclosure Counsel. Certain legal matters in connection with the Series 2012A Bonds will be passed on for the Underwriters by their counsel, Bryant Miller Olive P.A., Orlando, Florida.

Co-Bond Counsel has not been engaged to, nor has it undertaken to review (1) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2012A Bonds except as may be provided in the supplemental opinion of Bond Counsel to the Underwriters and the Authority, upon which only they may rely, or (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2012A Bonds.

RATINGS

S&P, Fitch and Moody's have assigned ratings of "A+", "AA-" and "Aa3," respectively, to the Series 2012A Bonds. No assurance can be given that the ratings assigned to the Series 2012A Bonds as of the Delayed Delivery Closing Date will not be different than such ratings. A rating downgrade does not terminate the Bond Purchase Contract or release the Underwriters from their obligation to purchase the Series 2012A Bonds. Without regard to the level of such ratings, letters of confirmations of the ratings assigned to the Series 2012A Bonds shall be made available at the Delayed Delivery Closing; provided, however, if one or more of such rating agencies are no longer in business or no longer provide any ratings for airports as of the Delayed Delivery Closing Date, then the requirement to provide a rating by such rating agency will have been waived by the Underwriters at the Delayed Delivery Closing.

Such ratings reflect only the views of such organizations at the time such ratings were issued and an explanation of the significance of such ratings may be obtained from the applicable

rating agencies furnishing the same. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies, or any one of them, if in their judgment circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Series 2012A Bonds. Neither the Authority nor the Underwriters has undertaken any obligation to oppose any proposed downward revision, or withdrawal, of such ratings or to notify any Bondholder or other persons of any such proposed downward revision or withdrawal.

UNDERWRITING

Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of itself and Citigroup Global Markets, Inc., J.P. Morgan Securities LLC and Loop Capital Markets LLC (collectively the "Underwriters") has agreed, subject to certain conditions to closing, to purchase the Series 2012A Bonds at an aggregate purchase price of \$41,122,143.52 which represents the initial aggregate principal amount of the Series 2012A Bonds plus an original issue premium of \$4,271,805.70 and less an Underwriters' discount of \$214,662.18.

The Underwriters will be obligated to purchase all of the Series 2012A Bonds if any Series 2012A Bonds are not purchased. The Series 2012A Bonds may be offered and sold to the Underwriters and certain dealers (including the Underwriters and other dealers depositing such Series 2012A Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

Citigroup Inc., the parent company of Citigroup, one of the underwriters of the Series 2012A Bonds, has entered into a retail brokerage joint venture with Morgan Stanley. As part of the joint venture, Citigroup will distribute municipal securities to retail investors through the financial advisor network of a new broker-dealer, Morgan Stanley Smith Barney LLC. This distribution arrangement became effective on June 1, 2009. As part of this arrangement, Citigroup will compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2012A Bonds.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Series 2012A Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of UBS Financial Services Inc. ("UBSFS") and Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings, including the Series 2012A Bonds, at the original issue prices. Pursuant to each Dealer Agreement each of UBSFS and CS&Co. will purchase the Series 2012A Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2012A Bonds that such firm sells.

FINANCIAL ADVISORS

Morgan Keegan & Company, Inc., Winter Park, Florida, and National Minority Consultants, Inc., Winter Park, Florida, serve as co-financial advisors to the Authority. Although the co-financial advisors assisted the Authority in the preparation of this Official Statement, and

in other matters relating to the planning, structuring and issuance of the Series 2012A Bonds and provided other advice, the Co-Financial Advisors are not obligated to undertake and have not undertaken to make an independent verification of the accuracy, completeness or fairness of the information or statements contained in this Official Statement or the appendices hereto. The Co-Financial Advisors did not engage in any underwriting activities with regard to the sale of the Series 2012A Bonds.

On April 2, 2012, Raymond James Financial, Inc. ("RJF"), the parent company of Raymond James & Associates, Inc. ("Raymond James"), acquired all of the stock of Morgan Keegan from Regions Financial Corporation. Morgan Keegan and Raymond James are each registered broker-dealers. Both Morgan Keegan and Raymond James are wholly owned subsidiaries of RJF and, as such, are affiliated broker-dealer companies under the common control of RJF, utilizing "Raymond James | Morgan Keegan" as their trade name. It is anticipated that the businesses of Raymond James and Morgan Keegan will be combined.

FINANCIAL STATEMENTS

The Authority's financial statements for the years ended September 30, 2010 and 2011, included in APPENDIX D attached hereto, have been audited by Moore Stephens Lovelace, P.A., as stated in their report included in APPENDIX D attached hereto. Moore Stephens Lovelace, P.A., the Authority's independent auditor, has not been engaged to perform and has not performed, since the date of its report included in APPENDIX D any procedures on the financial statements addressed in that report. Moore Stephens Lovelace, P.A., also has not performed any procedures relating to this Official Statement.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes and the regulations promulgated thereunder require that the Authority and the City make full and fair disclosure of any bonds or other debt obligations of such entities that have been in default as to payment of principal or interest at any time after December 31, 1975. Neither the Authority nor the City are presently and, since December 31, 1975, neither the Authority nor the City have been in default as to payment of principal or interest on any bonds or other debt obligations.

CONTINUING DISCLOSURE

In order to provide certain continuing disclosure with respect to the Series 2012A Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time, the Authority has entered into a Disclosure Dissemination Agent Agreement ("Disclosure Agreement") for the benefit of the Holders of the Series 2012A Bonds with Digital Assurance Certification, L.L.C. ("DAC"), under which the Authority has designated DAC as Disclosure Dissemination Agent. The form of Disclosure Dissemination Agent Agreement is attached as APPENDIX F.

DAC has only the duties specifically set forth in the Disclosure Agreement. DAC's obligation to deliver the information at the times and with the contents described in the Disclosure Agreement is limited to the extent the Authority has provided such information to DAC as required by this Disclosure Agreement. DAC has no duty with respect to the content of any disclosures or notice made pursuant to the terms of the Disclosure Agreement. DAC has no duty or obligation to review or verify any information in the Annual Report, Audited Financial Statements, notice of Notice Event or Voluntary Report, or any other information, disclosures or notices provided to it by the Authority and shall not be deemed to be acting in any fiduciary capacity for the Authority, the Holders of the Series 2012A Bonds or any other party. DAC has no responsibility for the Authority's failure to report to DAC a Notice Event or a duty to determine the materiality thereof. DAC shall have no duty to determine or liability for failing to determine whether the Authority has complied with the Disclosure Agreement. DAC may conclusively rely upon certifications of the Authority at all times.

The Annual Information will be filed on behalf of the Authority with the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access system ("EMMA") and with a state depository, if one then exists. Notices of certain enumerated events will be filed by or on behalf of the Authority with the MSRB, through EMMA and with a state depository, if one then exists. The nature of the information to be provided in the Annual Information and the notices of such enumerated events is set forth in "FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT" attached hereto as APPENDIX F. A default under the Disclosure Agreement shall not constitute an Event of Default under the Bond Resolution.

The Authority has not failed to comply with any previous continuing disclosure undertakings.

VERIFICATION OF MATHEMATICAL ACCURACY

The accuracy of the mathematical computations of the adequacy of the maturing principal amount and interest on Investment Securities and initial cash balances to pay all principal of, interest on, and redemption premium on the Refunded Bonds through their redemption date will be verified by the Verification Agent. Such verification will be based upon information provided by the Underwriters.

FORWARD LOOKING STATEMENTS

This Official Statement, and particularly the information contained under the captions "THE CAPITAL IMPROVEMENT PROGRAM" contain statements relating to future results that are "forward looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect," and similar expressions identify forward looking statements. Any forecast is subject to such uncertainties. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and

possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Authority. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

MISCELLANEOUS

There are appended to this Official Statement the Summary of Certain Provisions of the Airport Facilities Bond Resolution (APPENDIX A), the Form of Forward Delivery Bond Purchase Contract (APPENDIX B), the Form of Lease and Use Agreements (APPENDIX C), the Audited Financial Statements and Report of Independent Auditors thereon for the Fiscal Years ended September 30, 2010 and 2011 (APPENDIX D), the proposed Form of Co-Bond Counsel Opinion (APPENDIX E), the proposed Form of Disclosure Dissemination Agent Agreement (APPENDIX F). Such Appendices are integral parts of this Official Statement and should be read together with all other parts of this Official Statement.

The references herein to the Airport Facilities Bond Resolution, the Lease and Use Agreements, the Transfer Agreement and the Act and the other documents referenced herein are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and reference is made to such documents for full and complete statements of their provisions. Copies of such documents are available from the Office of the Chief Financial Officer, 5855 Cargo Road, Orlando, FL 32827.

Any statements made in this Official Statement involving matters of opinion or of estimates or forecasts, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or forecasts will be realized.

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**AUTHORIZATION OF AND CERTIFICATION CONCERNING
OFFICIAL STATEMENT**

This Official Statement has been authorized and approved by the Authority. Upon the delivery of the Series 2012A Bonds, the undersigned will furnish a certificate on behalf of the Authority to the effect that, to the best of his knowledge, this Official Statement did not, as of its date, and does not as of the date of delivery of the Series 2012A Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which this Official Statement is to be used, or which is necessary in order to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

**GREATER ORLANDO
AVIATION AUTHORITY**

By: /s/ Cesar E. Calvet
Cesar E. Calvet, Chairman

APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION

The following is a summary of certain provisions of the Airport Facilities Bond Resolution. The Summary is subject in all respects to the detailed provisions of the Airport Facilities Bond Resolution, copies of which are available from the Office of the Chief Financial Officer, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399.

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APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION.

The following is a summary of certain provisions of the Airport Facilities Revenue Bond Resolution. The Summary is subject in all respects to the detailed provisions of the Airport Facilities Revenue Bond Resolution, copies of which are available from the Finance Department, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399.

Certain Definitions

The following are definitions in summary form of certain terms contained in the Airport Facilities Revenue Bond Resolution (as amended and supplemented, the "Resolution" or "Bond Resolution") and used herein and certain other terms defined for purposes of this summary:

Accreted Value. The accreted value of the Capital Appreciation Bonds, on the date of calculation, including the original principal amount or discounted principal value (original offering price) thereof, plus interest or principal accreted thereon to the date of calculation, as determined by reference to the accreted value tables contained or referred to in each such Bond.

Accrued Aggregate Debt Service. As of any date of calculation, an amount equal to the sum of (i) interest on the Bonds of all Series, other than Capital Appreciation Bonds, accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installments for all Series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month. With respect to Variable Rate Bonds, the interest rate for the remainder of the then current calendar month shall, for purposes of this definition, be assumed to be the interest rate in effect as of the date of calculation.

Additional Bonds. Additional parity Bonds issued under the Bond Resolution and Bonds issued in lieu of or in substitution for Outstanding Bonds pursuant to the Bond Resolution.

Additional Project. The acquisition and construction of any additional aviation facilities for the Airport System or any additions, extensions, improvements and betterments to and reconstructions of the Airport System to be financed in whole or in part from the proceeds of any Additional Bonds.

Aggregate Debt Service. As of any date of computation and with respect to any period, the sum of the amounts of Debt Service for such period with respect to all Series of Bonds.

Airport Consultant. The airport consultant at the time retained by the Authority to perform the acts and carry out the duties provided for the Airport Consultant under the Bond Resolution. The Airport Consultant is required to be an airport consultant or airport consultant firm or corporation having a wide and favorable reputation for skill and experience with respect to the operation and maintenance of airports, in recommending rental and other charges for use of airport facilities and in projecting revenues to be derived from the operation of airports.

Airport System. The Orlando International Airport owned by the City and operated by the Authority, including (i) all improvements and facilities now in existence, as said Airport may be hereafter added to, extended, improved or constructed and equipped, and (ii) any other aviation facility or airport acquired or constructed by the Authority; provided that, the Airport System shall not include Orlando Executive Airport (formerly known as Herndon Airport) or any additions, extensions or improvements thereto, unless (a) the Authority shall by Supplemental Resolution, expressly add Orlando Executive Airport to the Airport System, (b) shall deliver to the Trustee (1) a Counsel's Opinion to the effect that adding Orlando Executive Airport to the Airport System will not violate or cause a breach or default under the Lease and Use Agreements, (2) confirmation from each Rating Agency then maintaining a rating at the request of the Authority on any Bonds outstanding hereunder that adding Orlando Executive Airport to the Airport System will not result in a reduction or withdrawal of the credit ratings then assigned to the Bonds, and (3) the written consent of any bond insurers or other credit enhancer having in effect a municipal bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder, and (c) the Retirement Date of the Prior Lien Bonds shall have occurred. "Airport System" shall include Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations, but "Airport System" shall not include any airport or aviation facility thereafter acquired or constructed by the Authority with funds other than the proceeds of Bonds issued under the Resolution or revenues generated by the Airport System.

Annual Budget. The annual budget of the Authority, as amended or supplemented, adopted or in effect for a particular Fiscal Year, as provided in the Bond Resolution.

Authority. The Greater Orlando Aviation Authority created pursuant to the Act as an agency of the City, and any board or commission succeeding to the principal functions thereof or upon whom the powers conferred by the Act to said Authority shall be given by law. As used herein, the term Authority means the Greater Orlando Aviation Authority, acting on behalf of itself and the City.

Authorized Officer of the Authority. The Chairman, the Vice-Chairman, the Treasurer or the Secretary of the Authority, or any other officer or employee of the Authority authorized by resolution of the Authority to perform specific acts or duties related to the subject matter of the authorization.

Available PFC Revenues. PFC Revenues received by the Authority in an amount for each relevant period not to exceed 1.25 times the Debt Service accruing during such period with respect to that portion on the Bonds issued to finance PFC Projects, as allocated by a Certificate of an Authorized Officer of the Authority.

Bond or Bonds. Any bond or bonds, as the case may be, authenticated and delivered under and pursuant to the Resolution.

Bond Obligation. As of the date of computation, the sum of: (i) the principal amount of all Bonds then Outstanding other than Capital Appreciation Bonds, and (ii) the Accreted Value of all Capital Appreciation Bonds then Outstanding.

Bondholder or Holder of Bonds, or any similar term. Any person who shall be the bearer of any coupon Bond or Bonds or the registered owner of any Bond or Bonds without coupons.

Capital Appreciation Bonds. Bonds that bear interest at a compounded rate which is payable only at maturity or upon prior redemption thereof or Bonds issued at a discount from par value that bear no stated interest and appreciate in value over time.

City. The City of Orlando, Florida, a municipal corporation in the County of Orange, State of Florida.

Composite Reserve Requirement. An amount of money or available amount under one or more Reserve Products, or a combination thereof, equal to the lesser of (i) the Maximum Aggregate Debt Service calculated with respect to all Series of Bonds Outstanding under the Resolution that are secured by the Composite Reserve Subaccount, (ii) 125% of the average annual Aggregate Debt Service calculated with respect to all Series of Bonds Outstanding under the Resolution that are secured by the Composite Reserve Subaccount, or (iii) 10% of the aggregate stated principal amount of all Series of Bonds Outstanding under the Resolution that are secured by the Composite Reserve Subaccount; provided, however, that in determining the aggregate stated original principal amount of all Bonds Outstanding under the Resolution for purposes of (iii), the issue price of a Series (net of pre-issuance accrued interest) shall be substituted for the original principal stated amount of that Series if the Series was sold at either an original issue discount or premium exceeding two percent (2%) of the stated redemption price at maturity of such Series.

Composite Reserve Subaccount. The subaccount in the Debt Service Reserve Account established pursuant to Section 402 of the Bond Resolution.

Consulting Engineers. The engineer or engineering firm or corporation at the time retained by the Authority pursuant to the Bond Resolution to perform the acts and carry out the duties provided for such Consulting Engineers under the Bond Resolution. Such Consulting Engineers are required to have a wide and favorable reputation for skill and experience in the construction and operation of airport facilities.

Cost of Construction. The Authority's costs properly attributable to the construction or acquisition of an Additional Project including, but not limited to, the cost of acquisition by or for the Authority of real or personal property or other interest therein, costs of physical construction, and costs of the Authority incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, cost of audits, fees and expenses of the Fiduciaries and costs of financing, administrative and general overhead and keeping accounts and making reports required by the Resolution prior to commencement of operation of such Project, amounts, if any, required by the Resolution to be paid into any Fund or Account established under the Resolution upon the issuance of any Series, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Authority (other than the Bonds) incurred for such Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the Authority for the commencement of operation of such Project, and may include reimbursement to the Authority for any such items of Cost of Construction theretofore paid by or on behalf of the Authority.

Debt Service. For any period, as of any date of calculation and with respect to any Series of Bonds, an amount equal to the sum of (i) interest accruing during such period on Bonds of such Series (other than Capital Appreciation Bonds), except to the extent that such interest is to be paid from deposits (including investment income thereon) in the Debt Service Account made from Bond proceeds or other amounts available therein, and (ii) that portion of each Principal Installment for such Series of Bonds, which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of such Series, whichever is later). Such interest and Principal Installment for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof.

Except as otherwise provided in the Bond Resolution, for purposes of calculating Debt Service with respect to Variable Rate Bonds, Variable Rate Bonds other than Taxable Bonds shall be assumed to bear interest at 125% of the Tax-Exempt Variable Rate Index as of the date of calculation, and Variable Rate Bonds that are Taxable Bonds shall be assumed to bear interest at the Taxable Variable Rate Index as of the date of calculation.

If a Series of Variable Rate Bonds is subject to purchase by the Authority pursuant to a mandatory or optional tender by the holder, the "tender" date or dates shall be ignored and the stated maturity dates thereof shall be used for purposes of this calculation.

The interest rate for Variable Rate Bonds for purposes of determining the amount, if any, to be deposited into a subaccount in the Reserve Account for such Variable Rate Bonds shall be as required by the Supplemental Resolution authorizing the issuance of

such Variable Rate Bonds; provided, however, that if no other assumption is provided, the assumptions provided above shall apply.

Other than for purposes of Section 1201 of the Bond Resolution, if, with respect to any portion of Debt Service, the Authority enters into a Qualified Derivative Agreement providing for Qualified Derivative Payments to the Authority which are pledged to the payment of Debt Service in an amount equal to interest on a notional amount equal to the principal portion of such Debt Service (which may include the principal of all or a portion of one or more Series of Bonds), based upon a fixed rate or a variable rate index or formula different from that used to calculate interest on the principal portion of such Debt Service, then the effective synthetic rate of interest to the Authority with respect to such principal portion of Debt Service taking into account (i) the actual interest rate borne by such principal portion of Debt Service, (ii) payments to be received by the Authority pursuant to such Qualified Derivative Agreement and (iii) payment obligations of the Authority to the counterparty under such Qualified Derivative Agreement, all based upon interest on such notional amount as determined by reference to a fixed rate or variable rate index or formula, shall be used for purposes of this definition as the actual rate of interest with respect to such principal portion of Debt Service.

If two Series of Variable Rate Bonds, or one or more maturities within a Series, are issued simultaneously with inverse floating interest rates providing a composite fixed interest rate for such Bonds taken as a whole, such composite fixed rate shall be used in determining the Debt Service with respect to such Bonds.

With respect to Designated Maturity Bonds, the unamortized principal coming due on the final maturity date thereof shall be ignored and in lieu thereof there shall be added to the Debt Service for the Bond Year in which such final maturity occurs and to each Bond Service Year thereafter through the 30th anniversary of the issuance of such Bonds (the "Reamortization Period") the amount of substantially level principal and interest payments (assuming for such purposes such interest rate as a financial advisor selected by the Authority and having national experience in the pricing of municipal bonds shall determine is a reasonable estimate of the rate that such Designated Maturity Bonds would bear based upon such Reamortization Period and the characteristics of such Designated Maturity Bonds) that if paid in each year during the Reamortization Period would be sufficient to pay in full the unamortized portion of such Designated Maturity Bonds by such anniversary.

Debt Service Reserve Requirement. With respect to the Composite Reserve Subaccount, the Composite Reserve Requirement; and with respect to each Series of Bonds issued under the Bond Resolution that is not secured by the Composite Reserve Subaccount, the amount of money, if any, or available amount of Reserve Product, if any, or any combination thereof, required by Supplemental Resolution adopted prior to the issuance of such Series of Bonds to be maintained in the subaccount in the Reserve Account with respect to such Series of Bonds pursuant to the Bond Resolution, which will not cause any existing rating on any Bonds or Series of Bonds outstanding under the

Bond Resolution to be lowered, suspended or withdrawn, and which amount shall be available for use only with respect to such Series of Bonds.

Designated Maturity Bonds. Bonds of a Series designated as such by Supplemental Resolution adopted in connection with the issuance thereof, for which either (i) no serial maturities or Sinking Fund Installments prior to the maturity thereof have been established, or (ii) the aggregate of such serial maturities and Sinking Fund Installments that have been established is less than the amount necessary to amortize such Bonds on a substantially level debt service basis.

Discretionary Fund Maximum Balance. The sum of (a) an amount equal to \$3,000,000, and (b) any amount or amounts required to repay, in accordance with the terms of any agreements securing the same, indebtedness issued by the Authority to finance improvements to the Airport System, plus (c) all amounts required to pay in a timely manner all payments the Authority is required to make to any third party under any interest rate swap agreement or other derivative financial product agreement between the Authority and a third party, and (d) any amounts required to be deposited to the credit the PFC Account in the Discretionary Fund pursuant to the Resolution; provided that, said amount set forth in (a) above shall be increased or decreased in direct proportion to the changes in the Producer Price Index, formerly designated as the Wholesale Price Index, issued by the United States Department of Labor, Bureau of Labor Statistics, using 1986 as the base year; and provided further that, said amounts set forth in (a), (b), (c) and (d) above may be adjusted by the Authority at any time if not prohibited under the terms of the Lease and Use Agreements, as amended, or as the same may be amended from time to time.

FAA. The Federal Aviation Administration, or any successor agency of the Federal Government performing the same or similar functions.

FAA Regulations. The regulations of the FAA contained in Title 14, part 158, Code of Federal Regulations, as amended from time to time, pertaining to the imposition, collection and use of PFCs.

Fiduciary. The Trustee, Special Trustee and any Paying Agent, or any or all of them as may be appropriate.

Fiscal Year. The then-current annual accounting period of the Authority for its general accounting purposes. Currently, the 12-month period ending September 30.

Fitch. Fitch Investors Service, L.P., a limited partnership organized and existing under the laws of the State of New York, its successors and assigns and, if such entity shall no longer perform the function of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority by notice to the Trustee.

Investment Securities. Any of the following securities, if and to the extent the same are at the time legal for investment of moneys and funds held under the Resolution:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency to the extent such obligations are unconditionally guaranteed by the United States of America ("United States Obligations");

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract or Contracts with the United States of America; or Project Notes issued, by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(iv) negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States or any national banking association (including any Depositary or Paying Agent), provided that such certificates of deposit must be purchased directly from such bank, trust company or national banking association and must be either (a) continuously and fully insured by the Federal Deposit Insurance Corporation, or (b) continuously and fully secured by such securities as are described in clauses (i) through (iii), inclusive, above which have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and are lodged with any Federal Reserve Bank, as custodian, by the bank, trust company or national banking association issuing such certificate of deposit. Additionally, the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured must furnish the Authority with an undertaking satisfactory to the Authority that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit;

(v) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States

or any national banking association secured by any one or more of the securities described in clauses (i), (ii) or (iii) above;

(vi) pre-refunded obligations of any state or of any agency, instrumentality or local governmental unit of any such state meeting the following conditions:

(A) the obligations are not to be redeemed prior to maturity or the fiduciary for such obligations has been given irrevocable instructions concerning their calling and redemption;

(B) the obligations are secured by cash or United States Obligations that may be applied only to interest, principal and redemption premium payments of such obligations;

(C) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) have been verified by an independent certified public accountant as being sufficient to pay the principal of, redemption premium, if any, and interest on such obligations on the maturity dates or redemption dates specified in the irrevocable instructions referred to in clause (A) above;

(D) the United States Obligations and cash serving as security for the obligations are held by an escrow agent or trustee;

(E) the United States Obligations and cash are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(F) the obligations are rated in the highest rating category by Moody's and S&P;

(vii) units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to applicable state law as a legal depository of public moneys;

(viii) commercial paper rated in the highest category by S&P and Moody's;

(ix) interest-bearing time deposits or savings accounts in banks organized under the laws of Florida, in national banks organized under the laws of the United States and doing business

and situated in Florida, in savings and loan associations located in Florida and organized under federal law and under federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(x) direct general obligations of any state of the United States of America or any political subdivision, agency or municipality thereof whose unsecured, uninsured or unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's and "A" or better by S&P, or any obligation fully and unconditionally guaranteed by any such state, political subdivision or agency whose unsecured, uninsured and unguaranteed general obligation debt is rated at the time of purchase, "A" or better by Moody's and "A" or better by S&P;

(xi) tax-exempt revenue bond obligations of any state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof rated at the time of purchase at least "Aa" by Moody's and at least "AA" by S&P;

(xii) any certificates, receipts or similar instruments ("Certificates") which were issued by or pursuant to a trust or similar arrangement and which evidence ownership or the right to receive payments of principal or interest or any securities (a) issued by a state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof and (b) meeting the requirements set forth in clauses (iii), (vi), (x) or (xi) above ("Municipal Securities"), which Municipal Securities are held pursuant to such trust or similar agreement for the benefit of the Holders of such Certificates; provided, however, that the Holders of such Certificates are entitled to rely on an opinion of counsel rendered by a nationally recognized tax counsel that interest received on the Certificates by such Holders is excluded from gross income for federal income tax purposes under the Code and is not treated as an item of tax preference for purposes of the alternative minimum tax and is not subject to any similar tax under the Code, unless all tax-exempt bonds are subject to such tax; and

(xiii) such other investments as the Authority is permitted to make with general funds of the Authority.

Lease and Use Agreements. The Airline-Airport Lease and Use Agreements between the Authority and various airlines, as amended or as the same may be amended and in effect from time to time.

Maturity Amount. The amount payable at maturity of a Capital Appreciation Bond consisting of the original principal amount thereof or discounted principal value

(original offering price) and interest or principal accreted thereon to the maturity date thereof, as determined by reference to the accreted value tables contained or referred to in such Bond.

Maximum Aggregate Debt Service. As of any date of calculation, an amount equal to the greatest amount of Aggregate Debt Service for the current or any future Fiscal Year.

Moody's. Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall no longer perform the function of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

Net Revenues. Revenues less Operation and Maintenance Expenses.

Operation and Maintenance Expenses. The Authority's expenses for operation, maintenance, repairs, ordinary replacement and ordinary reconstruction of the Airport System which shall include, without limiting the generality of the foregoing, administrative expenses, insurance premiums, legal and engineering expenses, payments to pension, retirement, group life insurance, health and hospitalization funds, or other employee benefit funds, and any other expenses required to be paid by the Authority under the provisions of the Bond Resolution, or by law or consistent with standard practices for airports similar to the properties and business of the Airport System and applicable in the circumstances, the expenses, liabilities and compensation of the fiduciaries required to be paid under the Bond Resolution, and all to the extent properly attributable to the Airport System. "Operation and Maintenance Expenses" shall not include any capital cost or any allowance for depreciation or any operation or maintenance costs for Special Purpose Facilities; provided, however, that "Operation and Maintenance Expenses" shall include operation and maintenance costs incurred by the Authority with respect to any Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations.

Outstanding or outstanding. When used with reference to Bonds, means as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered under the Bond Resolution except (a) any Bond cancelled at or before said date, (b) any Bond (or portion of Bonds) for the payment or redemption of which moneys equal to the principal amount (or, with respect to Capital Appreciation Bonds, Maturity Amount) or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall have theretofore been deposited with one or more of the fiduciaries in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with the Bond Resolution or provision satisfactory to the Trustee shall have been made for the giving of such notice, (c) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to the Bond Resolution, and (d) any Bond deemed to have been paid as provided in the Bond Resolution.

Paying Agent. Any bank or trust company designated by the Authority as paying agent for the Bonds of any Series, and its successor or successors appointed in the manner provided in the Bond Resolution.

PFC Account. The PFC Account established in the Discretionary Fund by Section 402 of the Bond Resolution.

PFCs or Passenger Facility Charges. The passenger facility charges authorized to be charged by the Authority pursuant to the Aviation Safety and Capacity Expansion Act of 1990, as amended (now codified in Section 40117 of the United States Code), and Section 158.5 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

PFC Projects. Additional Projects for which the Authority is authorized to impose and use PFC's, as confirmed by a Counsel's Opinion.

PFC Revenues. Amounts derived by the Authority from the imposition of PFCs, exclusive of the amounts retained by the air carriers collecting the PFCs pursuant to Section 158.53 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

Principal Installment. As of any date of calculation and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, means (i) the principal amount of Bonds of such Series (other than the Capital Appreciation Bonds) and the Maturity Amount of the Capital Appreciation Bonds of such Series, in each case, due on a certain future date for which no Sinking Fund Installments have been established; or (ii) the unsatisfied balance (determined as provided in the Bond Resolution) of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount, or Accreted Value with respect to Capital Appreciation Bonds, equal to said unsatisfied balance of such Sinking Fund Installments; or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds other than Capital Appreciation Bonds and the Maturity Amount of Capital Appreciation Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any.

Qualified Derivative Agreement. An agreement such as an interest rate swap, collar, cap, or other functionally similar agreement the purpose of which is to manage the effective interest cost on the Authority's outstanding debt, between the Authority and a counterparty whose long-term unsecured debt is at all times rated at least "A" or the equivalent by S&P and "A2" or the equivalent by Moody's, creating Qualified Derivative Payments and designated by the Authority as a Qualified Derivative Agreement for purposes of the Bond Resolution. In the event the credit rating of the counterparty to a Qualified Derivative Agreement is reduced below such rating categories, such agreement shall no longer constitute a Qualified Derivative Agreement for purposes of the Bond Resolution.

Qualified Derivative Payment. A payment to the Authority by a counterparty pursuant to a Qualified Derivative Agreement, the amount of which is equal to interest on a notional amount, based upon a fixed rate or a variable rate index or formula.

Rating Agency. Fitch, Moody's and S&P, to the extent then maintaining a rating on Bonds outstanding at the request of the Authority.

Redemption Price. With respect to any Bond, the principal amount or, with respect to Capital Appreciation Bonds, the Accreted Value to the redemption date of such Bond, plus (in either case) the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or the Resolution.

Reserve Product. Bond insurance, a surety bond or a letter of credit or other credit facility used in lieu of a cash deposit in the Composite Reserve Subaccount or any other subaccount in the Reserve Account and meeting the terms and conditions of the Bond Resolution, as applicable.

Reserve Product Provider. A bond insurance provider or a bank or other financial institution providing a Reserve Product, whose bond insurance policies insuring, or whose letters of credit, surety bonds or other credit facilities securing, the payment, when due, of the principal of and interest on bond issues by public entities, at the time such Reserve Product is obtained, results in such issues (as of the date such Reserve Product is delivered) being rated in one of the two highest full rating categories by each of the Rating Agencies; provided, however, that nothing herein shall require the Authority to obtain a rating on any Bonds issued under the Bond Resolution.

Revenues. (i) All income and revenues from all sources, collected or received by the Authority in the operation of the Airport System, including without limitation except as expressly provided in the Resolution, all rentals, charges, landing fees, use charges and concession revenue received by or on behalf of the Authority in its capacity as the operator of the Airport System in connection with the operation, improvement and enlargement of the Airport System, or any part thereof; (ii) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System's benefit which are: (a) not restricted in application to a special purpose, and (b) otherwise lawfully available for the payment of charges with respect to the Prior Lien Bonds and the Bonds; (iii) income received on any investment of moneys held pursuant to the Resolution and paid into the Revenue Fund pursuant to the terms of the Resolution; (iv) income received on any investment of moneys held pursuant to the Trust Agreements and paid into the revenue fund established under the Trust Agreements; (v) amounts deposited in the revenue fund established under the Trust Agreements or into the Revenue Fund from the Prepaid Airlines Fees and Charges Fund pursuant to the terms of the Resolution; and (vi) Available PFC Revenues for the applicable period.

The term "Revenues" shall not include any revenue or income from any Special Purpose Facilities, except ground rentals therefor, or revenue or income from Orlando Executive Airport (formerly known as Herndon Airport) or any additions, extensions or improvements thereto unless Orlando Executive Airport is added to the Airport System as

provided in the definition of "Airport System"; provided, however, that "Revenues" shall include the revenue or income from Special Purpose Facilities which are not pledged to the payment of obligations of the Authority issued to finance such Facilities. The term "Revenues" shall include PFC Revenues only to the extent they constitute Available PFC Revenues for the applicable period.

Series. All Bonds, including Additional Bonds, authenticated and delivered on the original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds, pursuant to the Bond Resolution, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

Series 2012A Bonds. Means the \$37,065,000 Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida issued pursuant to the terms of the Airport Facilities Revenue Bond Resolution.

Sinking Fund Installment. An amount so designated by Supplemental Resolution for a particular Series of Bonds, as required by the Bond Resolution.

Special Purpose Facilities. Any capital improvements or facilities acquired or constructed by the Authority from funds other than Revenues or obligations payable from Revenues and located or to be located on any property included under the definition of Airport System.

Special Trustee. The Special Trustee appointed pursuant to the Resolution, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

Standard & Poor's or S&P. Standard & Poor's, a Division of The McGraw-Hill Companies, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Standard & Poor's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, by notice to the Trustee.

Subordinated Indebtedness. Any evidence of indebtedness of the Authority payable out of and which may be secured by a pledge of amounts available in the Discretionary Fund established under the Bond Resolution.

Supplemental Resolution. Any resolution of the Authority amending or supplementing the Bond Resolution and adopted and becoming effective in accordance with the terms of Article X of the Bond Resolution.

Supplemental Revenues. Any source of funds not constituting Available Revenues or Revenues under the Bond Resolution irrevocably pledged to the payment of debt service on one or more series of Bonds outstanding thereunder by Supplemental Resolution and with respect to which there has been delivered to the Trustee (a) an

opinion of Bond Counsel to the effect that the pledging of such source of Supplemental Revenues shall not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds outstanding under the Bond Resolution that are not Taxable Bonds, (b) the written consent of any bond insurer or other credit enhancer having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding under the Bond Resolution, and (c) confirmation from the Rating Agencies that the pledging of such source of Supplemental Revenues will not result in the reduction or withdrawal of the credit ratings assigned to the Bonds, or, if unrated and non-credit enhanced, then consent of the owners of not less than a majority of such unrated, non-credit enhanced Bond Obligation.

Tax Exempt Variable Rate Index. The average of the PSA Municipal Swap Index for the twelve (12) months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months preceding the date of pricing of the Bonds to be issued, or, if such index is no longer published, the Tax Exempt Variable Rate Index shall be determined in accordance with such formula or index or in such manner as the Authority shall in good faith determine will provide substantially the same rate and, if the Authority has Bonds outstanding rated by the Rating Agencies, then with respect to which the Authority receives confirmation from such Rating Agencies that the calculation of the Tax Exempt Variable Rate Index in such manner will not result in a reduction or withdrawal of the then applicable rating on the Bonds.

Taxable Bonds. Bonds the interest on which is not intended at the time of the issuance thereof to be excluded from the gross income of the owners thereof for federal income tax purposes.

Taxable Variable Rate Index. The average yield on 30-day United States Treasury Bills for the twelve (12) calendar months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months preceding the date of pricing of the Bonds to be issued, plus fifty (50) basis points.

Variable Rate Bonds. Bonds issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the remaining term thereof.

Pledge Under Resolution

Payment of the principal and redemption price of, and interest on, the Bonds is secured, subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms of the Resolution, by (i) the proceeds of the sale of the Bonds, (ii) all Revenues, and (iii) all funds established by the Resolution, including the investments thereof, if any, provided, however, that each of the separate subaccounts in the Reserve Account shall secure only those Series of Bonds designated by Supplemental Resolution to be secured by such separate subaccount and provided further that any Supplemental Revenues deposited in the Debt Service Account shall only be available and used to pay the principal of and interest on the Bonds of the Series to which such Supplemental Revenues are pledged.

General Provisions for the Issuance of Bonds

Bonds may be issued with various interest rate determination mechanisms in addition to fixed interest rate or Capital Appreciation Bonds, including variable, adjustable, convertible, auction reset or other rates, original issue discounts and zero coupon bonds.

The Authority must specify, among others, the following in connection with the issuance of a Series of Bonds: (i) a designation as to whether such Series of Bonds shall be secured by the Composite Reserve Subaccount, a separate subaccount in the Reserve Account, or no debt service reserve, and, if secured by a separate subaccount in the Reserve Account, the Debt Service Reserve Requirement with respect thereto; (ii) the redemption terms for the Bonds of such Series; and (iii) the terms, if any, upon which the holder of such Bond may elect, or may be required, to tender such Bonds for purchase by the Authority or its designated agent.

Additional Bonds

One or more Series of Additional Bonds may be issued for the purpose of paying the cost of construction of any Additional Project, subject to the following conditions and tests, among others:

1. Receipt by the Trustee of a certificate of an Authorized Officer of the Authority demonstrating that Net Revenues for any consecutive 12-month period out of the preceding 30 months equaled at least 1.25 times the sum of Aggregate Debt Service and Prior Lien Debt Service;
2. Receipt by the Trustee of a report of the Consulting Engineers setting forth (i) the estimated substantial completion and placed in service date for the Additional Project for which such Series of Additional Bonds is being issued and for any other uncompleted Project, and (ii) an estimate of the Cost of Construction of such Additional Project and of any other uncompleted Project and any other Additional Project (an "Anticipated Additional Project") as to which the Authority expresses, by a certificate of an Authorized Officer of the Authority, its intention and reasonable expectation to

undertake prior to the end of the Fiscal Year following the Fiscal Year in which the completion date described in clause (i) is estimated to occur by the Consulting Engineers; and

3. Receipt by the Trustee of a report of the Airport Consultant demonstrating that the estimated (taking into account the effect of any Anticipated Additional Projects) Net Revenues and Supplemental Revenues, if any, for each of the three Fiscal Years following the Fiscal Year in which the Additional Project is estimated to be substantially completed and placed into service, less the sum of the amounts estimated to be deposited from Revenues or Available Revenues in each such Fiscal Year into the renewal and replacement fund and operating reserve account established under the Trust Agreements and into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund established under the Resolution, plus the estimated Supplemental Revenues in each such Fiscal Year (not to exceed in any such Fiscal Year an amount equal to 1.25 times the Aggregate Debt Service in such Fiscal Year with respect to each Series of Bonds secured by such Supplemental Revenues), shall be at least equal to 1.25 times the sum of Aggregate Debt Service (including the Aggregate Debt Service for each Series of Bonds secured by Supplemental Revenues and the Aggregate Debt Service estimated by the Authority with respect to future Series of Bonds estimated to be required to complete such Additional Project and any other uncompleted Project) plus Prior Lien Debt Service for each such Fiscal Year.

Refunding Bonds

One or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund (a) all Outstanding Bonds of one or more Series or all or any portion of one or more maturities within a Series, or (b) any Subordinated Indebtedness as follows:

1. Refunding Bonds of each Series issued to refund one or more Series of Outstanding Bonds, or one or more maturities or any portion of a maturity, within a Series shall be authenticated and delivered by the Trustee only upon receipt by it from the Authority of, among others:

(a) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, shall be held by the Trustee or one or more of the Paying Agents or (ii) Investment Securities and moneys, sufficient to satisfy the defeasance requirements of the Bond Resolution, shall be held in trust. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION — Defeasance" for a summary of the defeasance requirements of the Bond Resolution; and

(b) Receipt by the Trustee of either of the following: a certificate of an Authorized Officer of the Authority setting forth (1) the Aggregate Debt Service through the date of the latest maturity of any Bonds of any Series then

Outstanding (A) with respect to the Bonds of all Series Outstanding immediately prior to the date of authentication and delivery of such Refunding Bonds, and (B) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (2) that the Aggregate Debt Service set forth pursuant to (B) above is no greater than that set forth pursuant to (A) above, or (ii) the certificates required by the Bond Resolution for the issuance of Additional Bonds demonstrating that the tests set forth in the Bond Resolution for such issuance have been met in connection with the issuance of the Refunding Bonds, treating the Refunding Bonds as Additional Bonds for all purposes of such certificate and tests. See "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION — Additional Bonds" for a summary of certain conditions and tests applicable to Additional Bonds.

2. Refunding Bonds may be issued to refund Subordinated Indebtedness upon satisfaction of the following conditions, among others:

(a) Receipt by the Trustee of the documents required by the Bond Resolution for the issuance of Additional Bonds; and

(b) Receipt by the Trustee of a certificate of an Authorized Officer of the Authority (or of the trustee under the instrument authorizing such Subordinated Indebtedness, if there be such a trustee) stating, among other things, that provision has been duly made for the redemption or payment at maturity of such Refunding Indebtedness.

Qualified Derivative Agreements

The Authority may enter into one or more Qualified Derivative Agreements with respect to all or a portion of the Debt Service with respect to Bonds outstanding under the Resolution; provided, however, that if such Qualified Derivative Agreement is not entered into at the time of initial issuance of the Bonds to which it applies, the Authority must deliver a report of the Airport Consultant such as is required in connection with the issuance of Additional Bonds, but using the assumptions provided in the definition of "Debt Service" with respect to the Qualified Derivative Agreement and the portion of Debt Service to which it relates as of the effective date of such Qualified Derivative Agreement. Qualified Derivative Payments received by the Authority under any Qualified Derivative Agreement shall be deposited upon receipt in the Revenue Fund.

Subordinated Indebtedness

The Authority may, from time to time, issue indebtedness payable out of, and which may be secured by a pledge of, amounts in its Discretionary Fund provided (i) that such indebtedness may be incurred only for (a) the purchase or redemption of any Bonds, and expenses in connection with the purchase or redemption of any such Bonds, (b) payments of principal or redemption price of and interest on any Subordinated Indebtedness, (c) payments into any separate account or accounts established in the Construction Fund for application in a manner consistent with the purposes of such

account, (d) improvements, extensions, betterments, renewals, replacements, repairs, maintenance or reconstruction of any properties or facilities of the Airport System or the provision of one or more reserves therefor, and (e) any other corporate purpose of the Authority in connection with the Airport System; and (ii) that any pledge granted in connection therewith shall be subordinate in all respects to the pledge created by the Bond Resolution.

Rate Covenant

The Authority covenants in the Resolution that it will, at all times while any Bonds are Outstanding, establish, fix, prescribe and collect rates, fees, rentals and other charges for the use of the Airport System as shall be required in order that in each Fiscal Year the Net Revenues, less the amounts, if any, required to be deposited from Revenues into the Capital Expenditures Fund, the Operation and Maintenance Reserve Account and the Renewal and Replacement Fund established under the Resolution, plus Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on each Series of Bonds secured by such Supplemental Revenues for such Fiscal Year, shall equal at least 1.25 times the sum of the Aggregate Debt Service for such Fiscal Year, and, in any event, as shall be required to pay or discharge all indebtedness, charges and liens whatsoever payable out of Revenues or Available Revenues under the Resolution.

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Application of Revenues

The Resolution establishes the following funds and accounts for the application of Revenues:

<u>Fund</u>	<u>Held By</u>
Airport Facilities Construction Fund	Special Trustee
Airport Facilities Revenue Fund	Special Trustee
Airport Facilities Bond Fund (consisting of a Debt Service Account and a Debt Service Reserve Account, consisting of a Composite Reserve Subaccount and such additional reserve subaccounts as may be established with respect to particular Series of Bonds)	Trustee
Airport Facilities Operation and Maintenance Fund (which includes an Operation and Maintenance Reserve Account)	Authority
Airport Facilities Capital Expenditures Fund	Authority
Airport Facilities Renewal and Replacement Fund	Authority
Airport Facilities Improvement and Development Fund	Authority
Airport Facilities Discretionary Fund (which includes the PFC Account)	Authority
Airport Facilities Prepaid Airline Fees and Charges Fund	Authority

The Authority shall promptly deposit all Revenues (including Available PFC Revenues) into the Airport Facilities Revenue Fund established under the Resolution. Amounts in the Airport Facilities Revenue Fund shall be applied monthly to the following funds and accounts established under the Resolution, in the following order of priority, as follows:

1. To the Airport Facilities Operation and Maintenance Fund, an amount equal to one-twelfth (1/12) (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount provided for Operation and Maintenance Expenses for the then current Fiscal Year in the then-current Annual Budget.

2. To the Airport Facilities Bond Fund, for credit to the Debt Service Account therein, if and to the extent required so that the balance in such Account shall equal Accrued Aggregate Debt Service; provided that, for purposes of computing the amount in the Debt Service Account, there shall be excluded the amount, if any, set aside therein from the proceeds of each Series of Bonds less the amount of interest accrued and unpaid and to accrue on the Bonds of such Series (or any Refunding Bonds issued to

refund such Bonds), other than with respect to Capital Appreciation Bonds, to the last day of the then-current calendar month.

3. Except as otherwise provided below, to the Airport Facilities Bond Fund, for credit to the applicable subaccount in the Debt Service Reserve Account therein, if and to the extent necessary so that the balance in each subaccount equals the Debt Service Reserve Requirement with respect thereto.

4. To the Airport Facilities Operation and Maintenance Fund for credit to the Operation and Maintenance Reserve Account therein, an amount equal to one-twelfth (1/12) (or such greater fraction if the period is less than 12 months as may be appropriate) of the difference between the sum on deposit in said Account at the beginning of the then-current Fiscal Year and one-sixth (1/6) of the Operation and Maintenance Expenses set forth in the then-current Annual Budget.

5. To the Airport Facilities Capital Expenditures Fund, a sum equal to one-twelfth (1/12) (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount provided therefor in the then-current Annual Budget; provided that, if any such monthly allocation shall be less than the required amount, the amount of the next succeeding monthly payment shall be increased by the amount of such deficiency.

6. To the Airport Facilities Renewal and Replacement Fund, a sum equal to one-twelfth (1/12) (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount provided therefor in the then-current Annual Budget; provided that no deposit shall be required whenever and as long as uncommitted moneys in said Fund are equal to or greater than \$1,000,000 or such larger amount as the Airport Consultant shall certify as necessary for the purposes of said Fund; and provided further that, if any such monthly allocation shall be less than the required amount, the amount of the next monthly payment shall be increased by the amount of such deficiency.

7. To the Discretionary Fund, the amount of \$166,666.66¹ plus all amounts required to be deposited into such Fund in such month by the terms of any agreements relating to indebtedness issued by the Authority to finance improvements to the Airport System, plus all amounts required to pay in a timely manner all payments the Authority is required to make to any third party under any interest rate swap agreement or other derivative financial product agreement between the Authority and a third party, plus, for deposit in the PFC Account, an amount equal to the difference between (a) the amount of Available PFC Revenues deposited in the Revenue Fund, plus amounts withdrawn from the PFC Account to pay principal and interest or to make up any deficiency in the Operation and Maintenance Fund pursuant to the Bond Resolution (to the extent not previously replenished), and (b) the Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of the Authority, or such lesser amount which will

¹ The Lease and Use Agreements permit adjustments from time to time by agreement between the Authority and a Majority-In-Interest of such airlines. See "AIRLINE REVENUES AND OTHER REVENUE SOURCES-Payments by Airlines Pursuant to Lease and Use Agreements" herein.

not cause the amount on deposit in such Fund to exceed the Discretionary Fund Maximum Balance; provided that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payment shall be increased by the amount of such deficiency to the extent that the amount on deposit in such Fund shall not exceed the Discretionary Fund Maximum Balance. The amount of the monthly deposit to the Discretionary Fund may be adjusted by Authority at any time if not prohibited under the terms of the Lease and Use Agreements.

Deposits to the Bond Fund shall be increased to the extent required to pay principal, interest and redemption premiums, if any, next becoming due, and to makeup any deficiencies or losses that may otherwise arise in such Fund and subaccounts.

If there are not sufficient funds in the Revenue Fund available to make the amounts on deposit in each subaccount in the Debt Service Reserve Account equal to the Reserve Requirement for the applicable Series of Bonds, there shall be deposited in each such subaccount an amount equal to the lesser of the Reserve Requirement for such subaccount or the total amount available to be deposited into the Debt Service Reserve Account multiplied by a fraction, the numerator of which is the Bond Obligation of all Bonds of the applicable Series then Outstanding and the denominator of which is the total aggregate amount of the Bond Obligation of all Bonds of every Series then Outstanding hereunder secured by a subaccount in the Debt Service Reserve Account.

At the end of each Fiscal Year, after all deposits required to be made into each of the aforesaid funds and accounts have been made, the Special Trustee shall transfer from the remaining moneys on deposit in the Airport Facilities Revenue Fund a sum equal to the estimated amount of moneys which are not required to make up deficiencies in any of the aforesaid funds and accounts as follows: (i) an amount equal to fifty percent (50%) of such remaining moneys shall be deposited into the Airport Facilities Improvement and Development Fund, and (ii) an amount equal to fifty percent (50%) of such remaining moneys shall be deposited into the Prepaid Airline Fees and Charges Fund. When it has been determined by audit what actual amounts were on deposit in the Airport Facilities Revenue Fund at the end of a Fiscal Year which were not required to make up deficiencies as aforesaid, an adjustment shall be made, as follows:

- (a) If such amounts were overestimated, there shall be deposited into the Airport Facilities Revenue Fund from each of the Airport Facilities Improvement and Development Fund and the Airport Facilities Prepaid Airline Fees and Charges Fund, respectively, fifty percent (50%) of the overestimated amount.
- (b) If such amounts were underestimated, there shall be deposited from the Airport Facilities Revenue Fund into each of the Airport Facilities Improvement and Development Fund and the Airport Facilities Prepaid Airline Fees and Charges Fund, respectively, fifty percent (50%) of the underestimated amount.

At such time as the total amount held in the Debt Service Account and the Debt Service Reserve Account shall be sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal of, applicable sinking fund Redemption

Price and interest thereon), no further deposits shall be required to be made into such Accounts and the Bonds shall no longer be deemed Outstanding.

Notwithstanding anything in the Resolution to the contrary, the Authority shall not be required to fully fund a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds under the Resolution, if it provides on the date of issuance of any Series of Bonds in lieu of such funds, a Reserve Product issued by a Reserve Product Provider in an amount equal to the difference between the applicable Reserve Requirement and the sums then on deposit in the applicable subaccount in the Reserve Account. Such Reserve Product must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held under the Resolution for a payment with respect to the applicable Series of Bonds which cannot be cured by funds in any other account held pursuant to the Resolution and available for such purpose, and which shall name the Trustee or a Paying Agent as the beneficiary thereof. In no event shall the use of such Reserve Product be permitted if it would cause any existing rating on the Bonds or any Series thereof to be lowered, suspended or withdrawn. If a disbursement is made from a Reserve Product as provided above, the Authority shall be obligated to reinstate the maximum limits of such Reserve Product immediately following such disbursement or to replace such Reserve Product by depositing into the applicable subaccount in the Debt Service Reserve Account from the first Revenues available for such deposit into the applicable subaccounts of the Debt Service Reserve Account after the deposits required to be made to the Operation and Maintenance Fund and Debt Service Account, funds in the maximum amount originally payable under such Reserve Product, plus amounts necessary to reimburse the Reserve Product Provider for previous disbursements made pursuant to such Reserve Product, or a combination of such alternatives, and for purposes of all required deposits to the applicable subaccounts of the Debt Service Reserve Account, amounts necessary to satisfy such reimbursement obligation and other obligations of the Authority to such a Reserve Product Provider shall be deemed required deposits into the applicable subaccount in the Reserve Account, but shall be used by the Authority to satisfy its obligations to the Reserve Product Provider.

Also notwithstanding anything in the Resolution to the contrary, the Authority shall not be required to fund fully a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds under the Resolution, if it elects by Supplemental Resolution adopted prior to the issuance of any Series of Bonds and subject to the limits described below, to fully fund the applicable subaccount over a period specified in such Supplemental Resolution not to exceed sixty (60) months during which it shall make substantially equal monthly installments in order that the amount on deposit in such subaccount in the Debt Service Reserve Account at the end of such period shall equal the Debt Service Reserve Requirement with respect thereto. The aggregate amounts which may be permitted to be deposited in installments at any time shall not exceed 75% of the Debt Service Reserve Requirement with respect to such subaccount in the Debt Service Reserve Account. If a subaccount in the Debt Service Reserve Account is to be initially funded in installments, the deposits required pursuant to the foregoing may be limited to the amount which will be sufficient to make the required monthly installments specified in the Supplemental Resolution, plus an amount necessary to make

up any deficiencies caused by withdrawals or resulting from valuations of the funds on deposit therein.

Application of Airport Facilities Bond Fund - Debt Service Account

1. The Trustee shall pay out of the Debt Service Account to the respective Paying Agents (i) on or before each interest payment date and each Principal Installment due date for any of the Bonds, the amount required for the interest and Principal Installments payable on such dates; and (ii) on or before the day preceding any redemption date for the Bonds, the amount required for the payment of interest on the Bonds then to be redeemed. Such amounts shall be applied by the Paying Agents on and after the due dates thereof. The Trustee shall also pay out of the Debt Service Account the accrued interest included in the purchase price of Bonds purchased for retirement. Notwithstanding anything in this section to the contrary, if principal, interest or premium payments on Bonds have been paid on behalf of the Authority by a bond insurer or the provider of any credit or liquidity facility or any other entity insuring, guarantying or otherwise providing for the payment of the Bonds, or any Series thereof, moneys on deposit in the Debt Service Account and allocable to such Bonds shall be paid to such bond insurer or provider of the liquidity facility or credit facility or other entity having made a corresponding payment on the Bonds.

2. Amounts accumulated in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) may and, if so directed by the Authority, shall be applied by the Trustee, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, to (i) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (ii) the redemption at the applicable sinking fund Redemption Prices, pursuant to the terms of the Bond Resolution of such Bonds, if then redeemable by their terms. After the 60th day but on or prior to the 40th day preceding the due date of such Sinking Fund Installment, any amounts then on deposit in the Debt Service Account (exclusive of amounts, if any, set aside in said Fund which were deposited therein from the proceeds of Additional Bonds) may, and if so directed by the Authority, shall be applied by the Trustee to the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. All such purchases of Bonds shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Trustee shall determine. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Account until such Sinking Fund Installment date, for the purpose of calculating the amount of such Fund. As soon as practicable after the 40th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as required in the Bond Resolution, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the

retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Debt Service Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment).

3. The amount, if any, deposited in the Debt Service Account from the proceeds of each Series of Bonds shall be set aside in such Fund and applied to the payment of interest on the Bonds of such Series (or Refunding Bonds issued to refund such Bonds) as the same becomes due and payable.

Application of Airport Facilities Bond Fund - Debt Service Reserve Account

If, on the final business day of any month the amount in the Debt Service Account shall be less than the amount required to be in such Account, the Trustee shall apply amounts from the applicable subaccounts in the Debt Service Reserve Account to the extent necessary to cure the deficiency; provided, however, that amounts in the separate subaccounts in the Debt Service Reserve Account shall be used only for the purpose of curing deficiencies with respect to the Series of Bonds secured by such subaccount. Any proceeds received from a Reserve Product shall be applied to cure deficiencies in the Debt Service Account only with respect to the Series of Bonds for which such Reserve Product was provided.

Whenever the moneys on deposit in a subaccount in the Debt Service Reserve Account shall exceed the applicable Debt Service Reserve Requirement, the Trustee, at the direction of an Authorized Officer of the Authority, shall allocate and apply the amount of such excess in the same manner as Available Revenues or Revenues, as the case may be, pursuant to the Resolution.

Whenever the amounts in the applicable subaccounts in the Debt Service Reserve Account, together with the amount in the Debt Service Account, is sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred to the Debt Service Account. Prior to said transfer, all investments held in the Debt Service Reserve Account shall be liquidated to the extent deemed necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on the Bonds Outstanding secured by the applicable subaccount in the Debt Service Reserve Account.

The Authority is permitted, at any time in its discretion, to substitute a Reserve Product for the cash and Investment Securities in a subaccount of the Debt Service Reserve Account, and to then withdraw such cash and Investment Securities from such account and deposit them to the credit of the Revenue Fund, so long as (i) no event of default shall have occurred and be continuing under the Bond Resolution, (ii) the substitution and withdrawal does not adversely affect any rating by a Rating Agency then in effect for the applicable Series of Outstanding Bonds and (iii) the Authority obtains an

opinion of Bond Counsel that such actions will not, in and of themselves, adversely affect the exclusion from gross income of interest on the applicable Series of Bonds (if other than Taxable Bonds) for federal income tax purposes.

Cash on deposit in the applicable subaccount in the Debt Service Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Product. If and to the extent that more than one Reserve Product is deposited in the applicable subaccount in the Debt Service Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rated basis, calculated by reference to the maximum amounts available thereunder.

Application of Airport Facilities Operation and Maintenance Fund and Operation and Maintenance Reserve Account

Amounts in the Airport Facilities Operation and Maintenance Fund shall be paid out from time to time by the Authority for reasonable and necessary Operation and Maintenance Expenses.

Amounts in the Airport Facilities Operation and Maintenance Fund which the Authority at any time determines to be in excess of the requirements of such Fund shall be paid over by the Authority to the Special Trustee for deposit into the Revenue Fund and applied as described above and in the Resolution.

Moneys to the credit of the Operation and Maintenance Reserve Account shall be paid out from time to time by the Authority for reasonable and necessary Operation and Maintenance Expenses to the extent that sufficient funds are not available within the Operation and Maintenance Fund for such purposes.

If at any time amounts on deposit in the Maintenance Reserve Account are in excess of 1/6 of the Operation and Maintenance Expenses with respect to the Airport System as set forth in the then current Annual Budget, the Authority shall pay such excess to the Special Trustee for deposit into the Revenue Fund and application as described above and in the Resolution.

Application of Airport Facilities Capital Expenditures Fund

Moneys in the Capital Expenditures Fund may be applied to purchase items of equipment and other capital items for use in connection with the Airport System. Any payments made by the Authority from the Capital Expenditures Fund shall be made in such manner as is not prohibited under the terms of the Lease and Use Agreements.

If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account, the Airport Facilities Discretionary Fund, the Airport Facilities Improvement and Development Fund and the Airport Facilities Renewal and Replacement Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Airport Facilities Capital Expenditures Fund to the Trustee for deposit in the Debt Service Account the

amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

To the extent not required to meet a deficiency as described in the preceding paragraph, if at any time the moneys in the Airport Facilities Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account), the Airport Facilities Discretionary Fund, the Airport Facilities Improvement and Development Fund and the Airport Facilities Renewal and Replacement Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Airport Facilities Capital Expenditures Fund to the Airport Facilities Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

Application of Airport Facilities Renewal and Replacement Fund

Moneys in the Airport Facilities Renewal and Replacement Fund may be applied to pay costs of unanticipated or emergency replacements and repairs to the Airport System.

If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account, the Airport Facilities Discretionary Fund and the Airport Facilities Improvement and Development Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Trustee shall transfer from the Airport Facilities Renewal and Replacement Fund to the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

To the extent not required to meet a deficiency as described in the preceding paragraph, if at any time the moneys in the Airport Facilities Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account), the Airport Facilities Discretionary Fund and the Airport Facilities Improvement and Development Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Trustee shall transfer from the Airport Facilities Renewal and Replacement Fund to the Authority for deposit in the Airport Facilities Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

Application of Airport Facilities Discretionary Fund and PFC Account

1. If at any time the moneys in the Debt Service Account and the Debt Service Reserve Account shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Airport Facilities Discretionary Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

2. To the extent not required to meet a deficiency as described in paragraph 1, if at any time the moneys in the Airport Facilities Operation and

Maintenance Fund (including the Operation and Maintenance Reserve Account) shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Airport Facilities Discretionary Fund to the Airport Facilities Operation and Maintenance Fund the amount necessary (or all moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. Amounts in the Airport Facilities Discretionary Fund not required to meet a deficiency as described in paragraphs 1 and 2 of this Section may, at the discretion of the Authority and, with respect to amounts in the PFC Account, subject to the requirements described in paragraph 6 below, be applied to any one or more of the following purposes:

(a) the purchase or redemption of any Bonds, and expenses in connection with the purchase or redemption of any such Bonds;

(b) payments of principal or redemption price of and interest on any Subordinated Indebtedness;

(c) payments into any separate account or accounts established in the Construction Fund for application in a manner consistent with the purposes of such account;

(d) improvements, extensions, betterments, renewals, replacements, repairs, maintenance or reconstruction of any properties or facilities of the Airport System or the provision of one or more reserves therefor; and

(e) any other corporate purpose of the Authority in connection with the Airport System;

provided that, subject to the provisions described in paragraphs 1 and 2 of this Section, amounts deposited in the Airport Facilities Discretionary Fund and required by the Resolution to be applied to the purchase or redemption of Bonds shall be applied to such purpose in such manner as the Authority shall determine.

4. Subject to the provisions described in this section and the terms of any pledge securing Subordinated Indebtedness, amounts in the Airport Facilities Discretionary Fund shall be applied to the purposes specified in paragraph 3 of this Section.

5. Whenever any moneys in the Discretionary Fund or the Improvement and Development Fund are to be applied to the purchase or redemption of Bonds, the Authority shall deposit such moneys with the Trustee, in a separate account established for such purpose, and shall give written instructions to the Trustee to make such purchase or redemption in accordance with the provisions of the Resolution. Upon any such purchase or redemption of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established, an amount equal to the principal amount of such Bonds so purchased or redeemed shall be credited toward a part (an integral multiple of \$5,000) or all of any one or more Sinking Fund Installments thereafter to become due, as directed by the Authority in a certificate in writing signed by an Authorized Officer of the

Authority and filed with the Trustee, or in the absence of such direction, toward such Sinking Fund Installments in inverse order of their due dates. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

6. Amounts in the PFC Account in the Airport Facilities Discretionary Fund not required to meet a deficiency as described in paragraphs 1 and 2 of this Section may be withdrawn by the Authority at any time and shall be applied by the Authority, in its discretion for permitted purposes, in accordance with the applicable approvals and authorizations of the FAA and applicable FAA Regulations.

Application of Airport Facilities Improvement and Development Fund

Moneys in the Airport Facilities Improvement and Development Fund may be applied to costs of the Airport Improvement and Development Plan for the then current Fiscal Year or to the purchase or redemption of Bonds, including any expenses in connection with such purchase or redemption. Whenever moneys in the Improvement and Development Fund are applied to the purchase or redemption of Bonds, the provisions of paragraph 5 in the section entitled "SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION – Application of Airport Facilities Discretionary Fund and PFC Account" shall equally apply.

If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account and the Airport Facilities Discretionary Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Airport Facilities Improvement and Development Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

To the extent not required to meet a deficiency as described in the preceding paragraph, if at any time the moneys in the Airport Facilities Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account) and the Airport Facilities Discretionary Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Airport Facilities Improvement and Development Fund to the Airport Facilities Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

Application of Airport Facilities Prepaid Airline Fees and Charges Fund

After certain reimbursements, any remaining amounts on deposit in the Prepaid Airline Fees and Charges Fund at the end of each Fiscal Year shall be transferred by the Authority to the Special Trustee for deposit into the Revenue Fund for application as

described above, such deposit to be made in equal amounts in each of the first three months of the next succeeding Fiscal Year.

Application of Supplemental Revenues

Each month, all Supplemental Revenues, up to the Accrued Aggregate Debt Service with respect to the Series of Bonds secured by such Supplemental Revenues, shall be deposited to the Bond Fund for the credit of the Debt Service Account and, anything provided in the Bond Resolution to the contrary notwithstanding, shall be used solely to pay debt service on the Series of Bonds secured by such Supplemental Revenues. Supplemental Revenues deposited in the Debt Service Account shall be used to pay debt service on the Series of Bonds secured thereby prior to the use of any Revenues or Available Revenues.

Investment of Certain Funds

The Resolution provides that certain funds and accounts held thereunder may, and in the case of the Debt Service Account and the Debt Service Reserve Account shall, be invested to the fullest extent practicable in Investment Securities. The Resolution provides that such investments shall mature no later than such time as shall be necessary to provide moneys when needed for payments from such funds and accounts, and in the case of the following funds and accounts not later than the period set forth below:

Debt Service Reserve Account	15 years
Operation and Maintenance Fund, including the Operation and Maintenance Reserve Account	1 year
Capital Expenditures Fund	5 years
Renewal and Replacement Fund	5 years
Improvement and Development Fund	5 years
Discretionary Fund	5 years

Net interest earned on any moneys or investments in any such funds and accounts (other than the Construction Fund) shall be paid into the Airport Facilities Revenue Fund.

All obligations purchased as an investment of moneys within any funds or accounts under the Bond Resolution shall be valued semiannually at the lower of cost or principal amount thereof, exclusive of accrued interest, except such investments in the Debt Service Reserve Account shall be valued semiannually at the lower of cost or market price, exclusive of accrued interest.

Construction Fund

The Resolution establishes an Airport Facilities Construction Fund to be held by the Special Trustee, and provides that the Special Trustee shall establish within such fund a separate account for each Additional Project which is to be paid from the Construction Fund.

There shall be paid into the Airport Facilities Construction Fund the amounts required by the Resolution. The Authority may also pay into the Airport Facilities Construction Fund any moneys received for or in connection with the Airport System from any other source, unless required to be otherwise applied as provided by the Resolution.

To the extent that other moneys are not available therefor in any other fund, amounts in the Airport Facilities Construction Fund shall be applied to the payment of Principal Installments and interest on the Bonds when due, unless such use would cause interest on Bonds (other than Bonds issued with the intent that interest thereon be included in gross income for federal income tax purposes) not to be excluded from gross income for federal income tax purposes.

Amounts in each separate account established for any Additional Project shall be applied to the purpose or purposes specified in the Supplemental Resolution authorizing the Bonds issued with respect to such Additional Project. Amounts will be withdrawn from the Construction Fund pursuant to requisitions signed by an Authorized Officer of the Authority filed with the Special Trustee. Each such requisition must evidence that the stated amounts have been incurred by the Authority, that each item is a proper charge against the Construction Fund and that there has not been filed with or served upon the Authority notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to anyone named in the requisition which has not been released, or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

Amounts in the Airport Facilities Construction Fund may be invested in Investment Securities maturing in such amounts and at such times as may be necessary to provide funds when needed to pay the cost of construction or such other purpose to which such moneys are applicable. Interest earned on moneys or investments in a separate account in the Airport Facilities Construction Fund shall be held in such account for the purposes thereof.

Upon completion of any Additional Project as evidenced by certificate of the Consulting Engineers, any amount remaining in the separate account established therefor not required to complete payment of the cost of construction shall be deposited in the Debt Service Reserve Account to the extent necessary to meet the Debt Service Reserve Requirement and the balance shall be (i) transferred to the Debt Service Account and applied to the purchase or redemption of Bonds, or (ii) used to pay costs of improvements to the Airport System, as the Authority shall direct.

Certain Other Covenants

Passenger Facility Charges (PFCs)

The Authority has covenanted and agreed to file such applications, submit such reports and take any and all such other actions that may be necessary or desirable to preserve its rights to impose and collect PFCs from which Available PFC Revenues are derived, to enforce with reasonable diligence its rights to receive PFC Revenues from which Available PFC Revenues are derived and to use the proceeds of such Available PFC Revenues and amounts required to be deposited in the PFC Account in the manner provided in the Resolution. Without limiting the generality of the foregoing, the Authority has covenanted and agreed as follows:

- (a) To apply PFC Revenues only to finance allowable costs of approved projects in accordance with the FAA Regulations and applicable FAA authorizations and approvals (including Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects);
- (b) To comply with the applicable requirements of Section 9304(e) and 9307 of the Airport Noise and Capacity Act of 1990 (Pub. L. 101-508, Title IX, Subtitle D);
- (c) To notify the air carriers and foreign air carriers required to collect PFCs with respect to the Airport System of the FAA's approval of the imposition of such PFC's in accordance with the requirements of the FAA Regulations and to take all actions reasonably necessary to insure the proper collection and remittance of the PFC Revenues from which Available PFC Revenues are derived by the air carriers; and
- (d) To comply with all reporting, recordkeeping, and auditing requirements contained in the FAA Regulations.

Indebtedness and Liens

The Authority covenants not to issue any bonds or other evidences of indebtedness, other than the Bonds, payable out of or secured by a pledge of the Revenues, or of the moneys, securities or funds held or set aside by the Authority or by the fiduciaries under the Resolution, and shall not create or cause to be created any lien or charge on the Revenues, or such moneys, securities or funds; provided, however, that nothing contained in the Resolution shall prevent the Authority from issuing (i) evidences of indebtedness payable out of moneys in the Airport Facilities Construction Fund as part of the Cost of Construction of any Additional Project, or payable out of, or secured by the pledge of, Revenues after the date the pledge of Revenues provided in the Resolution shall be discharged and satisfied, or (ii) Subordinated Indebtedness as provided in Section 414 of the Resolution.

Insurance

So long as any Bonds are Outstanding, the Authority shall at all times carry insurance with a responsible insurance company or companies authorized and qualified under the laws of any state of the United States of America to assume the risk thereof, covering such properties of the Airport System as are customarily insured, and against loss or damage from such causes as are customarily insured against, by public or private corporations engaged in a similar type of business, all in accordance with the annual written recommendations of the Airport Consultant.

Any proceeds of insurance for the Airport System (except proceeds of insurance maintained pursuant to the Resolution against physical loss of or damage to any Project, or of contractors' performance bonds with respect thereto, pertaining to a period of construction which shall be paid into the Airport Facilities Construction Fund), shall, to the extent necessary and desirable, be applied to the repair and replacement of any damaged or destroyed properties of the Airport System. If any of said proceeds are not used to repair or replace property, such proceeds shall be paid into the Debt Service Account.

Annual Budget

The Authority also agrees to prepare and file with the Trustee prior to the beginning of each Fiscal Year an Annual Budget setting forth for the ensuing Fiscal Year in reasonable detail, among other things, estimated Revenues and Operation and Maintenance Expenses, estimated deposits into each of the funds and accounts established under the Resolution and estimated expenditures for replacement of capital assets or extraordinary repairs. The Authority may at any time adopt an amended annual budget for the remainder of the then current Fiscal Year, and promptly file such amended budget with the Trustee.

Accounts and Reports

The Authority covenants to keep proper and separate books of record and account relating to the Revenues and each fund and account established under the Resolution. Such books shall at all times be subject to the inspection of the Trustee and the Holders of not less than five percent (5%) of the Bond Obligation then Outstanding.

The Trustee and the Special Trustee shall advise the Authority promptly after the end of each month of the respective transactions during such month relating to each Fund and Account held by the Trustee and the Special Trustee under the Resolution and the Revenues and Available Revenues, as the case may be. The Authority shall have the right upon reasonable notice and during reasonable business hours to examine the books and records of the Trustee and the Special Trustee with respect to the Funds and Accounts held by the Trustee or the Special Trustee under the Resolution and with respect to the Revenues or Available Revenues, as the case may be.

The Authority covenants to cause an annual audit to be made of its books and accounts relating to the Airport System within 120 days after the close of each Fiscal

Year and to file annually with the Trustee an annual report of such audit, prepared by an independent and recognized certified public accountant not in the regular employ of the Authority, which includes a statement of receipts and disbursements with respect to each fund and account established under the Resolution, a statement of the details of all Bonds issued, paid, purchased or redeemed, a statement of the amounts on deposit at the end of the prior Fiscal Year in each fund and account established under the Resolution showing the details of investment thereof, a statement of the amounts of proceeds received from the sales of property constituting part of the Airport System, and a list of all insurance policies with respect to the Airport System, and a statement as to the existence of any default under the provisions of the Resolution.

The Authority shall file with the Trustee (a) forthwith upon becoming aware of any Event of Default or default in the performance by the Authority of any covenant, agreement or condition contained in the Resolution, a certificate signed by an Authorized Officer of the Authority and specifying such Event of Default or default and (b) within 120 days after the end of each Fiscal Year, a certificate signed by an appropriate Authorized Officer of the Authority stating that, to the best of his knowledge and belief, the Authority has kept, observed, performed and fulfilled each and every one of its covenants and obligations contained in the Resolution and there does not exist at the date of such certificate any default by the Authority under the Resolution or any Event of Default or other event which, with the lapse of time would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

The reports, statements and other documents required to be furnished to the Trustee pursuant to any provision of the Resolution shall be available for the inspection of Bondholders at the office of the Trustee and shall be mailed to each Bondholder who shall file a written request therefor with the Authority. The Authority may charge a reasonable fee to each Bondholder requesting said items.

Sale, Lease or Encumbrance of Property

The Authority covenants not to sell or otherwise dispose of or encumber any part of the Airport System, except in an arm's length transaction, property which has been certified as obsolete, uneconomical, negligible, worn out or surplus property, or property no longer useful or profitable in the operation thereof, and except as described in the following paragraph.

The Authority may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the Airport System if the same does not impede or restrict the operation of the Airport System by the Authority.

Any proceeds from the sale or other disposition of property not used to replace such property, and any payments received with respect to a lease, contract, license, easement or other right not otherwise required to be applied in accordance with the Resolution shall be applied in the same manner and to the same purposes as Revenues.

Condemnation

The Authority covenants that if the Airport System or any part thereof is taken by the exercise of eminent domain, any proceeds received in connection therewith shall to the extent necessary and desirable, be applied to the replacement of the Airport System or such part thereof. Any such proceeds not applied to such replacement are required to be paid into the Debt Service Account.

Special Purpose Facilities

The Bond Resolution permits the Authority to issue Special Purpose Facilities revenue bonds without regard to any of the requirements of the Resolution with respect to the issuance of Additional Bonds, provided that such Bonds are secured solely by the rentals or other charges derived by the Authority pursuant to the leasing or other agreement with respect to such Special Purpose Facility and provided that the following requirements are satisfied as well.

There shall be filed with the Trustee prior to the issuance of such obligations a certificate of the Airport Consultant, certifying that the estimated rentals, payments or other charges to be derived by the Authority from the lease, sale or other agreement with respect to the Special Purpose Facilities to be financed will be at least sufficient to pay the principal of and interest on such obligations, all costs of operating and maintaining such Special Purpose Facilities and all sinking fund, reserve or other payments required by the resolution or indenture securing such obligations.

There shall be filed with the Trustee prior to the issuance of such obligations a certificate of the Airport Consultant, certifying that the construction and operation of the Special Purpose Facilities to be financed will not decrease the Revenues to be derived from the Airport System.

In addition to all rentals, payments or other charges with respect to the Special Purpose Facilities to be financed, a fair and reasonable rental for the land upon which said Special Purpose Facilities are to be constructed shall be charged by the Authority, and said ground rent shall be deemed Revenues derived from the Airport System.

Events of Default and Remedies

Events of Default specified in the Resolution include failure to pay principal or redemption price of any Bond when due; failure to pay any interest installments or the unsatisfied balance of any sinking fund installment when due; failure to perform the rate covenant, provided that such failure shall not constitute an Event of Default unless the Authority shall fail in the succeeding Fiscal Year to comply with the rate covenant or to restore any deficiencies which occurred in any funds in the preceding Fiscal Year; failure for sixty (60) days after written notice thereof by the Trustee or owners of at least twenty-five percent (25%) of the Bond Obligation Outstanding in the observance or performance of any other covenants, agreements or conditions provided in the Bond Resolution or the Bonds; the filing of a petition, by the Authority or the City, seeking a composition of indebtedness under the federal bankruptcy laws, or other applicable federal or Florida

statute; the appointment of a receiver for the Airport or any part thereof or other revenues therefrom with the consent of the Authority or the City; the appointment of such receiver without the consent of the Authority or the City, which appointment is not vacated, discharged, stayed or appealed within ninety (90) days; the rendering of a judgment for the payment of money against the Authority or the City, as the result of the construction, improvement, ownership, control or operation of the Airport System, which is not discharged within twenty-four (24) months or an appeal taken therefrom vacating or staying such judgment.

Upon occurrence of an Event of Default, which shall not have been remedied, the Authority shall, if demanded by the Trustee, (i) account as if it were the trustee of an express trust, for all Revenues, other moneys, securities and Funds pledged under the Resolution, and (ii) pay over or cause to be paid over to the Trustee all moneys, securities and Funds held in any Fund or account under the Resolution and, as received, all Revenues, which the Trustee shall apply first to Operation and Maintenance Expenses, including the payment of reasonable charges and expenses of the Trustee and reasonable fees and disbursements of its counsel, and then to the payment of interest and principal and redemption price then due on the Bonds in the order of priority set forth in Section 803(2)(b) of the Resolution.

If an Event of Default shall have occurred and not be remedied, the Trustee may, or on request of the Holders of not less than twenty-five percent (25%) of the Bond Obligation then Outstanding shall proceed to protect and enforce its rights and the rights of the Bondholders under the Bond Resolution by a suit or suits in equity or at law, whether for the specific performance of any covenant in the Resolution or in aid of the execution of any power granted in the Resolution, or for an accounting against the Authority, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Resolution.

The Holders of not less than a majority of the Bond Obligation then Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercise any trust or power conferred upon the Trustee (subject to the Trustee's right to decline to follow such direction upon advice of counsel as to the unlawfulness thereof or upon its good faith determination that such action would involve the Trustee in personal liability or would be unjustly prejudicial to Bondholders not parties to such direction).

Regardless of the happening of Event of Default, the Trustee may, and upon the request of the Holders of not less than a majority of the Bond Obligation then Outstanding and upon being furnished with reasonable security and indemnity shall, institute and prosecute a proper action to prevent any impairment of the security under the Resolution or to preserve or protect the interests of the Trustee and of the Bondholders.

In case an Event of Default shall occur (which shall not have been cured), the Trustee is required to exercise such of the rights and powers vested in it by the Bond

Resolution and to use the same degree of care and skill in their exercise, as a prudent man would use under the circumstances in the conduct of his own affairs. No Bondholder shall have any right to institute any suit, action or proceeding for the enforcement of any provision of the Resolution or the execution of any trust under the Resolution or for any remedy under the Resolution, unless such Bondholder shall have previously given the Trustee written notice of the Event of Default, and the Holders of at least twenty-five percent (25%) of the Bond Obligation then Outstanding shall have filed a written request with the Trustee and have afforded the Trustee a reasonable opportunity to exercise its powers or institute such action, suit or proceeding, and unless such Bondholders shall have offered to the Trustee adequate security and indemnity against its costs, expenses and liabilities to be incurred and the Trustee shall have refused to comply with such request within thirty (30) days, it being understood and intended that no one or more Bondholders shall have any right in any manner whatsoever by his or their action to affect, disturb, or prejudice the pledge created by the Bond Resolution, or to enforce any right under the Bond Resolution, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the Bond Resolution shall be instituted, had and maintained in the manner provided in the Bond Resolution and for the equal benefit of all Bondholders. Nothing in the Resolution or the Bonds affects or impairs the Authority's obligation to pay from the sources specified in the Bond Resolution the Bonds and interest thereon when due or the right of any Bondholder to enforce such payment.

Resignation of Trustee or Special Trustee

The Trustee or Special Trustee may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than ninety (90) days' written notice to the Authority and publishing notice thereof, specifying the date when such resignation shall take effect, once in each week for three successive calendar weeks in an Authorized Newspaper, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority or the Bondholders as provided below, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, that in no event shall the resignation of the Trustee or Special Trustee become effective until a successor Trustee or Special Trustee shall have been appointed as described below.

Removal of Trustee or Special Trustee and Designation of Successor Trustee

The Trustee or Special Trustee may be removed at any time by a written instrument filed with the Trustee and Special Trustee and signed by the Holders of a majority of the Bond Obligation then Outstanding, or so long as the Authority is not then in default under the Resolution, by a certificate of an Authorized Officer of the Authority filed with the Trustee and the Special Trustee. Upon the resignation or removal of the Trustee or Special Trustee, a successor Trustee or Special Trustee, as the case may be, may be appointed by the Authority, so long as the Authority is not then in default under the Resolution, or, if the Authority is then in default thereunder or the Authority has not appointed a successor Trustee or Special Trustee as the case may be within 45 days of the

occurrence of such event, by the Holders of a majority of the Bond Obligation then Outstanding.

Supplemental Resolutions Effective Upon Filing with Trustee

The Authority may, without the consent of the Trustee or the Bondholders, adopt supplemental resolutions (i) to close the Bond Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained therein, on the authentication and delivery of Bonds or the issuance of other evidences of indebtedness; (ii) to add to the Bond Resolution other covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect; (iii) to add to the limitations and restrictions of the Authority in the Bond Resolution not contrary to or inconsistent with those as theretofore in effect; (iv) to authorize Additional Bonds and, in connection therewith, specify and determine the details thereof which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Additional Bonds; (v) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Bond Resolution, of the Revenues or of any other moneys, securities or funds; and (vi) to modify any of the provisions of the Bond Resolution in any respect whatever, provided that such modification shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding and such Supplemental Resolution shall be specifically referred to in the text of all Bonds of any Series issued after the adoption of such Supplemental Resolution.

Supplemental Resolutions with Consent of Trustee

The Authority may, with the consent of the Trustee, but without the consent of the Bondholders, adopt supplemental resolutions (i) to cure any ambiguity, supply an omission, or cure or correct any defect or inconsistent provision in the Bond Resolution; (ii) to insert such provisions clarifying matters or questions arising under the Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with the Bond Resolution as theretofore in effect; or (iii) to make any other changes or modifications to or to otherwise amend the Resolution in any manner that does not materially adversely affect the interest or the rights of any of the Holders of Bonds issued pursuant to the Resolution and then Outstanding.

Supplemental Resolutions with Bondholder Consent

Supplemental Resolutions modifying or amending the Bond Resolution and the rights and obligations of the Authority and the Holders of the Bonds and coupons thereunder, in any particular, may be adopted with the written consent (given as provided in Section 1103 of the Bond Resolution) (i) of the Holders of at least a majority of the Bond Obligation Outstanding at the time such consent is given, and (ii) in case less than all of the several Series of Bonds then Outstanding are affected by modification or amendment, of the Holders of at least a majority of the Bond Obligation of each Series so

affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of at least a majority of the Bond Obligation of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remaining Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds required to consent to such amendment. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon, or in the case of Capital Appreciation Bonds, the Maturity Amount or Accreted Value, as applicable, or a reduction in the principal amount or the Redemption Price, or in the case of Capital Appreciation Bonds, the Maturity Amount or Accreted Value, as applicable, thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of the foregoing, a Series shall be deemed to be affected by a modification or amendment of the Bond Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series. The Trustee may, in its discretion, determine whether or not Bonds of any particular Series or maturity would be affected by any modification or amendment of the Bond Resolution and any such determination shall be binding and conclusive on the Authority and all Bondholders.

Defeasance

If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds and coupons the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Resolution, then the pledge of any Revenues, and other moneys and securities pledged under the Resolution and all covenants, agreements and other obligations of the Authority to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Authority all moneys or securities held by them pursuant to the Resolution which are not required for the payment of principal or Redemption Price, if applicable, on Bonds or payment of coupons not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Outstanding Bonds of a particular Series and the coupons appertaining thereto the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and all

covenants, agreements and obligations of the Authority to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

All Outstanding Bonds of any Series, or all or any portion of one or more maturities within a Series and all coupons pertaining to such Bonds shall, prior to the maturity or redemption date thereof, be deemed to have been paid and shall cease to be entitled to any lien, benefit or security under the Bond Resolution if the following conditions are met: (i) in the case of Bonds to be redeemed, the Authority shall have given to the Trustee irrevocable instructions to give the notice of redemption therefor; (ii) there shall have been deposited with the Trustee in trust either moneys in an amount which shall be sufficient, or Investment Securities (which shall consist of the securities described in item (i) and (vi) in the definition of "Investment Securities" under "Certain Definitions") the principal of and the interest on which, when due, will provide moneys which, together with any moneys also deposited, shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on such Bonds on and prior to the maturity date or redemption date thereof; and (iii) in the event such Bonds are not subject to redemption within the next succeeding 60 days, the Authority shall have given the Trustee irrevocable instructions to give, as soon as practicable, a notice to the Holders of such Bonds that the above deposit has been made with the Trustee and that such Bonds are deemed to be paid and stating the maturity or redemption date upon which moneys are to be available to pay the principal or Redemption Price, if applicable, of such Bonds.

Redemption Notice

With respect to Series of Bonds originally issued after June 1, 1993, if all of the Bonds of such Series to be redeemed are in fully registered form, notice of redemption shall be given by the deposit in the U.S. Mail of a copy of the redemption notice, postage prepaid, at least thirty and not more than sixty days before the redemption date to all registered owners of the Bonds or portions of the Bonds to be redeemed at their last addresses as they appear on the registration books maintained in accordance with the Bond Resolution. Failure to mail any such notice to a registered owner of a Bond, or any defect therein, shall not effect the validity of the proceedings for redemption of any Bond or portion thereof with respect to which no such failure or defect occurred. Any notice mailed as described conclusively presumed to have been duly given, whether or not the owner of such Bond receives such notice.

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APPENDIX B

FORM OF FORWARD DELIVERY BOND PURCHASE CONTRACT

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PROPOSED FORM OF
GREATER ORLANDO AVIATION AUTHORITY
\$_____
AIRPORT FACILITIES REFUNDING REVENUE BONDS,
SERIES 2012A (AMT)
OF THE CITY OF ORLANDO, FLORIDA

FORWARD DELIVERY PURCHASE CONTRACT

_____, 2012

Greater Orlando Aviation Authority
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4399

Ladies and Gentlemen:

Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Representative"), on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Loop Capital Markets, LLC (collectively with the Representative, the "Underwriters") offers to enter into this Forward Delivery Purchase Contract (the "Purchase Contract") with the Greater Orlando Aviation Authority (the "Authority"), an agency of the City of Orlando, Florida (the "City"), which, upon acceptance of this offer by the Authority and approval by the Mayor or Mayor Pro Tem of the City on behalf of the Council of the City (the "City Council"), will be binding upon the Authority and upon the Underwriters. This offer is made subject to written acceptance hereof by the Authority at or before 6:00 p.m., Eastern standard time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Representative upon notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. Terms not otherwise defined herein shall have the same meanings ascribed to them in the Bond Resolution and the Final Official Statement, as each is described below. Unless the context otherwise requires, all references herein to the Authority shall be deemed to include the City after the transfer of the custody, control and management of the Airport System to the City.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties, covenants and agreements set forth herein, the Underwriters hereby agree to purchase from the Authority, and the Authority hereby agrees to sell to the Underwriters, all (but not less than all) of the aggregate principal amount of \$_____ of its Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A

(AMT) of the City of Orlando, Florida (the "Bonds"). The Bonds shall be dated _____, 2012. The purchase price for the Bonds shall be \$_____ (which is the original principal amount of the Bonds, \$_____, net of Underwriters' discount of \$_____, [plus/less] original issue [premium/discount] of \$_____).

The Bonds shall be issued as Refunding Bonds under, and shall be secured pursuant to, the provisions of the Greater Orlando Aviation Authority Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of the City of Orlando, Florida, adopted by the Authority on June 13, 1978 and approved by the City Council on June 19, 1978, as supplemented and amended from time to time, including but not limited to, the codified version adopted by the Authority on September 17, 2008 (the "Airport Facilities Revenue Bond Resolution"), and as specifically supplemented with respect to the Bonds by the Supplemental Airport Facilities Revenue Bond Resolution Authorizing the Issuance of Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Series 2012A Supplemental Resolution") adopted on March 21, 2012. The Airport Facilities Revenue Bond Resolution and the Series 2012A Supplemental Resolution are collectively hereinafter referred to as the "Bond Resolution"). The Bonds shall be dated the date of original issuance and delivery thereof and mature at the times and in the amounts and bear interest at the rates set forth in Appendix I hereto, such interest being payable on April 1 and October 1 of each year, commencing October 1, 2012. The Bonds are subject to redemption as set forth in Appendix II hereto. The information required by Section 218.385(2), (3) and (6), Florida Statutes, to be provided to the Authority by the Underwriters is set forth in Appendix III hereto.

2. Delivery of Official Statement and Other Documents. (a) Prior to the date hereof, the Authority has provided to the Underwriters for their review the Preliminary Official Statement dated _____, 2012 (the "Preliminary Official Statement") that the Authority deemed final as of its date, except for certain omissions in connection with the pricing of the Bonds as permitted by Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"). The Underwriters have reviewed such Preliminary Official Statement prior to the execution of this Purchase Contract. With the Authority's acceptance hereof, the Authority will deliver, at its expense, to the Underwriters within seven (7) business days of the date hereof or within such shorter period as may be requested by the Representative, and in any event not less than two (2) business days prior to the Delayed Delivery Pre-Closing Date such number of copies of the Final Official Statement dated the date hereof (the "Final Official Statement"), as shall be reasonably requested by the Underwriters, together with all supplements and amendments thereto, substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Representative, signed on behalf of the Authority by the Chairman, the Vice Chairman and/or Authorized Officer. The Authority and the Underwriters agree that the electronic delivery of the Final Official Statement shall satisfy the delivery requirement of this paragraph 2(a). It is understood that in undertaking to deliver the Final Official Statement pursuant to this paragraph, the Authority is not taking any responsibility for the accuracy or

completeness of the information in the Final Official Statement concerning The Depository Trust Company (“DTC”) and its book-entry system of registration.

(b) The Underwriters shall give notice to the Authority on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver a Final Official Statement pursuant to paragraph (b)(4) of the Rule.

(c) From the date hereof to and including the date which is twenty-five days from the end of the underwriting period (as defined for purposes of Rule), if an event occurs which, in the opinion of the Representative or in the opinion of the Authority, requires a supplement or amendment to the Final Official Statement or the Supplemented Final Official Statement (as defined herein), as applicable, so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, when it is delivered to a potential investor or investor, the Authority will supplement or amend the Final Official Statement or the Supplemented Final Official Statement, as applicable, in a form and in a manner approved by the Representative and the Authority. The Authority will promptly notify the Representative of the occurrence of any event of which it has knowledge, which, in its opinion, is an event described in the preceding sentence. The amendments or supplements that may be authorized for use with respect to the Bonds are hereinafter included within the terms “Final Official Statement” and “Supplemented Final Official Statement.”

(d) At or prior to the Delayed Delivery Pre-Closing, referred to in Paragraph 7 of this Purchase Contract, the Representative shall file, or cause to be filed, the Final Official Statement with the Municipal Securities Rulemaking Board’s (the “MSRB”) Electronic Municipal Market Access (“EMMA”) Dataport, accompanied by a completed Form G-32 and the Escrow Agreement as required by MSRB Rule 32.

(e) At or prior to the Delayed Delivery Closing, referred to in Paragraph 9 of this Purchase Contract, the Representative shall file, or cause to be filed, the Supplemented Final Official Statement with the MSRB’s EMMA, accompanied by a completed Form G-32 as required by MSRB Rule 36.

(f) At the Delayed Delivery Pre-Closing and at the Delayed Delivery Closing, the Authority shall deliver, or cause to be delivered to the Underwriters copies of the Bond Resolution, certified to by the Secretary or Assistant Secretary, all substantially in the form heretofore delivered to the Underwriters, with only such changes therein as agreed upon by the Representative.

3. Representation of the Underwriters as to the Authority. The Underwriters have been duly authorized to execute this Purchase Contract and have been duly authorized to act hereunder. Merrill Lynch, Pierce, Fenner & Smith Incorporated has been duly authorized to act as the Representative of the Underwriters.

4. **Public Offering.** The Underwriters agree to make an offering of all the Bonds at a price not in excess of the initial public offering price or prices or yields not less than the yields set forth on the inside cover page of the Final Official Statement. The Underwriters reserve the right to make concessions to dealers and to change such initial public offering prices as the Underwriters reasonably deem necessary in connection with the marketing of the Bonds. The Underwrites shall, at or before the delivery of the Bonds, furnish the Authority with such information concerning the initial prices at which the Bonds of each maturity were sold to the public and the amount of Bonds and each maturity sold at such prices as the Authority shall reasonably request. The Authority hereby authorizes the Underwriters to use the Final Official Statement and the information contained therein in connection with the offering and sale of the Bonds and ratifies and confirms its authorization of the use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with such offering and sale.

5. **Good Faith Deposit.** The Authority hereby acknowledges receipt of a corporate check of the Representative payable to the Authority in an amount equal to \$_____ (the "Good Faith Check") as security for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Delayed Delivery Closing Date in accordance with the provisions of this Purchase Contract. The Authority shall retain the check, uncashed, except under the circumstances hereinafter set forth. In the event the Authority fails to deliver the Bonds at the Delayed Delivery Closing Date, or if the Authority shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Contract or if such obligations shall be terminated for any reason permitted by this Purchase Contract, the Authority shall be obligated to immediately return the uncashed Good Faith Check to the Representative. In the event the Underwriters accept and pay for the Bonds on the Delayed Delivery Closing Date, the uncashed Good Faith Check shall be returned to the Representative on the Delayed Delivery Closing Date. In the event the Underwriters fail (other than for a reason permitted under this Purchase Contract) to accept and pay for the Bonds on the Delayed Delivery Closing Date, the Good Faith Check may be cashed and the proceeds thereof shall be retained by the Authority as and for full liquidated damages for such failure, and not as a penalty, and for any and all defaults hereunder on the part of the Underwriters, and thereupon, all claims and rights hereunder against the Underwriters shall be fully released and discharged, it being understood by the Authority and the Underwriters that actual damages in such circumstances may be difficult or impossible to compute. Nothing in this paragraph is intended to limit the right or ability of the Representative to collect contributions from any other Underwriters equal to its pro-rata proportionate share of the Good Faith Check amount paid hereunder.

6. **The Authority's Representations, Warranties, and Agreements.** By its acceptance hereof, the Authority represents and warrants to and agrees with the Underwriters that, as of the date hereof:

(a) The Authority is an agency of the City, duly created and validly existing under the Constitution and laws of the State of Florida (the "State").

(b) The Authority has full legal right, power and authority to issue and sell the Bonds as contemplated by the Bond Resolution and the Final Official Statement.

(c) The Authority has duly adopted the Bond Resolution in accordance with the Act; and the City Council has duly adopted the City Resolution (hereinafter defined). The Authority has full legal right, power and authority to enter into this Purchase Contract, the Disclosure Dissemination Agent Agreement to be dated _____, 2012 (the "Disclosure Agreement") and the Escrow Deposit Agreement to be dated _____, 2012 (the "Escrow Agreement") and to sell and deliver the Bonds to the Underwriters as provided herein; the Bond Resolution is in full force and has not been rescinded; assuming the due authorization and execution by the other parties, this Purchase Contract, the Disclosure Agreement and the Escrow Agreement when executed by the Authority will be duly executed and delivered and will constitute the legal, valid and binding obligations of the Authority enforceable in accordance with their terms, except as the enforcement thereof may be affected by bankruptcy, insolvency, or other laws or the application by a court of equitable principles generally affecting creditors' rights and except as the enforcement of this Purchase Contract, the Disclosure Agreement and the Escrow Agreement may each be limited by federal or state securities laws or public policy considerations; the Lease and Use Agreements have been duly authorized, executed and delivered by the Authority and assuming the due authorization, execution and delivery thereof by the other parties thereto, are legal, valid and binding obligations of the Authority enforceable in accordance with their terms, except as the enforcement thereof may be affected by bankruptcy, insolvency, or other laws or the application by a court of equitable principles generally affecting creditors' rights and except as the enforcement of the Lease and Use Agreements may be limited by federal or state securities laws or public policy considerations; and the Authority and the City have duly authorized and approved the consummation by the Authority of all other transactions contemplated by the Bond Resolution, the Final Official Statement, the Disclosure Agreement, the Escrow Agreement and this Purchase Contract to have been performed or consummated at or prior to the Delayed Delivery Pre-Closing Date, as defined in Paragraph 7 of this Purchase Contract or the Delayed Delivery Closing Date, as applicable.

(d) The execution and delivery of the Bonds, this Purchase Contract, the Disclosure Agreement, and the Escrow Agreement, the adoption and implementation of the Bond Resolution and compliance with the obligations on the Authority's part contained herein and therein, will not conflict with or constitute a material breach of or material default under the Act or any federal or Florida constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, Bond Resolution, Lease and Use Agreement, or other agreement or other instrument to which the Authority is a party or to which the Authority or any of its properties or other assets is otherwise subject, nor will any such execution, delivery, adoption, implementation or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or other assets of the Authority under the terms of any such provision, law, regulation, document or instrument, except as provided or permitted by the Bonds and the Bond Resolution.

(e) The Bonds, when issued, registered and delivered in accordance with the Bond Resolution and sold to the Underwriters as provided herein and in accordance with the provisions of the Bond Resolution, will be Refunding Bonds under the Bond Resolution and will constitute valid and legally enforceable limited obligations of the Authority in accordance with their terms and the terms of the Bond Resolution, in conformity with the Bond Resolution and the Act, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization or other laws or the application by a court of equitable principles; and the Bond Resolution will provide, for the benefit of the holders from time to time of the Bonds, a legally valid and irrevocable lien upon and pledge of the Revenues. Such pledge of and lien on Revenues shall be on a parity with the lien and pledge thereon of the Outstanding Bonds and any Additional Bonds and Refunding Bonds hereafter issued in accordance with the Bond Resolution.

(f) The information contained in the Preliminary Official Statement (except for the information relating to DTC and its book-entry system of registration as to which no view shall be expressed) was, as of its date and is as of the date hereof; the information contained in the Final Official Statement (except for the information relating to DTC and its book-entry system of registration as to which no view shall be expressed) will be, as of its date and as of the Delayed Delivery Pre-Closing Date; and the information contained in the Supplemented Final Official Statement (except for the information relating to DTC and its book-entry system of registration as to which no view shall be expressed) will be, as of the date thereof as of the Delayed Delivery Closing Date (as defined in Section 9 thereof), true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) Except as disclosed in the Final Official Statement, as of the date thereof up to and including the Delayed Delivery Pre-Closing Date and Supplemented Final Official Statement as of the date thereof up to and including the Delayed Delivery Closing Date, the Authority has not been in default at any time on or after December 31, 1975, as to principal or interest with respect to any obligation issued or guaranteed by the Authority.

(h) Except as described in the Final Official Statement, as of the date thereof up to and including the Delayed Delivery Pre-Closing Date and Supplemented Final Official Statement as of the date thereof up to and including the Delayed Delivery Closing Date, there is no action, suit, proceeding or investigation, at law or in equity before or by any court, governmental agency or public board or body, pending or, to the best knowledge of the Authority, threatened:

(i) Which may affect the existence of the Authority or the titles of its officers to their respective offices;

(ii) Which may affect or which seeks to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds, or the collection or disbursement of the

Revenues to pay the principal of and interest on the Bonds and premiums, if any, and to make other payments under the Bond Resolution;

(iii) Which in any way contests or affects the validity or enforceability of the Bonds, the Bond Resolution, the Disclosure Agreement, the Escrow Agreement, this Purchase Contract, the Lease and Use Agreements or any of them;

(iv) Wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition of the Authority or the operation of the Airport System or adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes;

(v) Which contests in any way the completeness or accuracy of the Final Official Statement or the Supplemented Final Official Statement, as applicable or which contests the powers of the Authority or any authority or proceedings for the issuance, sale or delivery of the Bonds, or the due adoption of the Bond Resolution or the execution and delivery of this Purchase Contract, the Disclosure Agreement, the Escrow Agreement or the Lease and Use Agreements;

nor, to the best knowledge of the Authority, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bond Resolution, the Disclosure Agreement, the Escrow Agreement, this Purchase Contract or the Lease and Use Agreements, or the ability of the Authority to satisfy its obligations under any of such documents.

(i) The Authority will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Representative as the Representative may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Representative may designate, and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided that the Authority shall not be obligated to qualify to do business or to take any action that would subject it to jurisdiction or general service of process in any state or jurisdiction where it is not now so subject. It is understood that the Authority is not responsible for compliance with or the consequences of failure to comply with applicable "Blue Sky" laws, or for any expenses incurred in such compliance. The Underwriters shall have responsibility for such compliance and expenses. The Underwriters shall indemnify the Authority from any cost or expense related to violations by the Underwriters or their agents of federal or state securities laws in connection with the sale of the Bonds; provided that such violation is not due to an act or omission to take a contractually required act on the part of the Authority.

(j) If between the date that the Final Official Statement or the Supplemented Final Official Statement, as applicable, becomes available and until the earlier of (i) 90 days from the end of the “underwriting period,” as determined in the Rule (an event the Underwriters are required to notify the Authority about pursuant to Paragraph 2(b) above), or (ii) the time when the Final Official Statement or the Supplemented Final Official Statement, as applicable, is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the end of the underwriting period, any event shall occur which would or might cause the information contained in the Final Official Statement or the Supplemented Final Official Statement, as applicable, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority shall promptly notify the Representative thereof, and if in the reasonable opinion of the Representative such event requires the preparation and publication of a supplement or amendment to the Final Official Statement, the Authority shall cooperate with the Representative in supplementing or amending the Final Official Statement or the Supplemented Final Official Statement, as applicable, the printing of which will be at the Authority’s expense, in such form and manner and at such time or times as may be reasonably called for by the Representative.

(k) The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certificates may not be relied upon.

(l) Except as disclosed in the Final Official Statement as of the date thereof up to and including the Delayed Delivery Pre-Closing Date and the Supplemented Final Official Statement as of the date thereof up to and including the Delayed Delivery Closing Date, the Authority has not failed to comply with any prior undertakings to provide continuing disclosure pursuant to Rule 15c2-12(b)(5) issued by the Securities and Exchange Act of 1934, as amended.

(m) The approval of a Majority-In-Interest of the Signatory Airlines is not required by the terms of the Lease and Use Agreements in connection with the issuance of the Bonds.

7. **Delayed Delivery Pre-Closing.** At 1:00 p.m., Eastern standard time, on _____, 2012, or at such later time or on such later date as may be mutually agreed upon by the Authority and the Representative (such date herein called the “Delayed Delivery Pre-Closing Date”), the Authority shall, subject to the terms and conditions hereof, deliver the documents hereinafter mentioned in Section 8(e) (the “Delayed Delivery Pre-Closing”). The Delayed Delivery Pre-Closing shall occur at the offices of Broad and Cassel, or such other place as shall have been mutually agreed upon by the Authority and the Representative. If the Delayed Delivery Pre-Closing is completed in accordance with the provisions of this Purchase Contract, the Underwriters shall be obligated to purchase the Bonds and pay the purchase price therefor and the Authority shall be obligated to issue and deliver such Bonds on the Delayed

Delivery Closing Date, subject to the Delayed Delivery Closing Conditions and Termination Provisions set forth in Sections 10 and 11(b), respectively, of this Purchase Contract.

8. **Delayed Delivery Pre-Closing Conditions.** The Underwriters are entering into this Purchase Contract in reliance upon the representations, warranties and agreements of the Authority contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Delayed Delivery Pre-Closing, and upon the performance of the covenants and agreements herein, as of the date hereof and as of the Delayed Delivery Pre-Closing Date. Accordingly, the Underwriters' obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds on the Delayed Delivery Closing Date shall be conditioned upon the performance of the covenants and agreements to be performed hereunder and under such other documents and instruments to be delivered, and to the satisfaction of the following conditions, at or prior to the Delayed Delivery Pre-Closing Date:

(a) The representations and warranties of the Authority contained herein shall be true, complete and correct on the date hereof and on and as of the Delayed Delivery Pre-Closing Date, as if made on the Delayed Delivery Pre-Closing Date.

(b) On the date of execution hereof and on the Delayed Delivery Pre-Closing Date, the Bond Resolution shall have been duly adopted and the Disclosure Agreement and the Escrow Agreement shall have been duly approved by the Authority; the Bond Resolution and the City Council Resolution shall be in full force and effect, and shall not have been amended, modified or supplemented, except to the extent to which the Underwriters shall have given their prior written consent.

(c) At the time of the Delayed Delivery Pre-Closing there will be no pending or threatened litigation or proceeding of any nature seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the pledge, collection or application of the Revenues to pay the principal of and interest on the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Resolution, the Purchase Contract, the Disclosure Agreement, the Escrow Agreement or the Lease and Use Agreements, contesting in any way the proceedings of the Authority taken with respect thereto, or contesting in any way the due existence or powers of the Authority or the title of any of the members of the Authority or officials of the Authority to their respective offices and the Underwriters will receive the certificate of the Chairman and the Secretary of the Authority to the foregoing effect, or if there is any such pending or threatened litigation or proceeding, an opinion of Broad and Cassel, Counsel to the Authority, to the effect that any such litigation is without merit, or if adversely decided would not adversely affect the validity or enforceability of the Bond Resolution, the Bonds, the Escrow Agreement, this Purchase Contract, the Disclosure Agreement or the Lease and Use Agreements or have a material adverse effect on the Authority's ability to perform its obligations thereunder.

(d) As of the Delayed Delivery Pre-Closing Date there shall have been no material adverse change in the financial condition of the Authority since September 30, 2011.

(e) At the Delayed Delivery Pre-Closing, the Underwriters shall receive the following documents, each dated as of the Delayed Delivery Pre-Closing Date:

(i) A certified copy of the Bond Resolution;

(ii) A certified copy of the City Council Resolutions adopted on June 19, 1978, August 30, 1978, May 12, 1980, February 26, 1981, March 16, 1983, December 19, 1984, November 20, 1985, March 19, 1986, January 7, 1987, August 19, 1987, July 14, 1988, March 5, 1992, April 9, 1992, November 18, 1992, June 16, 1993, November 5, 1997, November 19, 1997, August 19, 1998, April 21, 1999, May 1, 2002, June 19, 2002, September 18, 2002, April 16, 2003, June 20, 2007, March 19, 2008, May 20, 2009, November 16, 2009, March 22, 2010, October 20, 2010, March 7, 2011 and September 19, 2011 (collectively, the "City Resolution") approving the Bond Resolution;

(iii) A certified copy of the Operation and Use Agreement dated September 27, 1976 between the City and the Authority, as amended to the date hereof (the "Transfer Agreement");

(iv) A certified copy of the form of Lease and Use Agreement, and all supplements and amendments thereto, executed by the Authority and each of the Signatory Airlines (as defined in the Lease and Use Agreements between the Authority and each such Signatory Airline, such Lease and Use Agreements, as amended and supplemented, being referred to herein collectively as the "Lease and Use Agreements");

(v) A certified copy of the audited financial statements of the Authority as of and for the years ended September 30, 2010 and September 30, 2011 and the Report of Independent Accountants thereon of Moore Stevens Lovelace, P.A. and the unaudited financial statements of the Authority as of December 31, 2011;

(vi) The opinions dated the Delayed Delivery Pre-Closing Date, of Co-Bond Counsel, addressed to the Underwriters, to the effect that the information contained in the Final Official Statement under the headings "AUTHORIZATION OF THE SERIES 2012A BONDS," "THE REFUNDING PROGRAM," "DESCRIPTION OF THE SERIES 2012A BONDS," "SECURITY FOR THE SERIES 2012A BONDS," and "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION," (apart from any financial and statistical data contained therein as to which no opinion or belief needs to be expressed), insofar as such information constitutes summaries of the Bond Resolution and the Bonds, presents a fair and accurate summary of the provisions purported to be summarized and the information contained in the Final Official Statement under the sections captioned "TAX

MATTERS” to the extent it describes certain federal income tax consequences of the ownership of the Bonds, is correct in all material respects.

(vii) An opinion, dated the Delayed Delivery Pre-Closing Date and addressed to the Underwriters, of Broad and Cassel, Counsel to the Authority, in substantially the form attached hereto as Exhibit A and the opinion of the City’s Office of Legal Affairs, dated the Delayed Delivery Pre-Closing Date and addressed to the Underwriters, substantially in the form attached hereto as Exhibit B.

(viii) A certificate, dated the Delayed Delivery Pre-Closing Date, signed by the Chairman or Vice Chairman and the Secretary of the Authority, or other appropriate officials satisfactory to the Representative, to the effect that, to the best knowledge of such officials: (i) the representations of the Authority herein are true and correct in all material respects as of the Date of Closing; (ii) the Authority has performed all obligations to be performed hereunder as of the Delayed Delivery Pre-Closing Date; (iii) except as disclosed in the Final Official Statement, there is no litigation of which either of them have notice, and to the best knowledge of each of them no litigation is pending or threatened (A) to restrain or enjoin the issuance or delivery of any of the Bonds, (B) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Bond Resolution, the Disclosure Agreement, the Escrow Agreement, this Purchase Contract or the Lease and Use Agreements, (C) in any way contesting the corporate existence or powers of the Authority, (D) to restrain or enjoin the collection of revenues pledged or to be pledged to pay the principal of, premium, if any, and interest on the Bonds, (E) which may result in any material adverse change in the business, properties, assets and the financial condition of the Authority taken as a whole, or (F) asserting that the Final Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (iv) since September 30, 2011, no material adverse change has occurred in the financial position or results of operations of the Authority except as set forth in or contemplated by the Final Official Statement; (v) the Authority has not since September 30, 2011, incurred any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Final Official Statement; and (vi) the information contained in the Final Official Statement (other than the information relating to DTC and its book-entry system of registration as to which no representation is made) did not as of its date, and does not as of the Delayed Delivery Pre-Closing Date contain any untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading.

(ix) The opinions, dated the Delayed Delivery Pre-Closing Date and addressed to the Authority, of Greenberg Traurig P.A. and KnoxSeaton, Orlando,

Florida, Co-Disclosure Counsel for the Authority, in substantially the form attached hereto as Exhibit C, with a reliance letter to the Underwriters.

(x) An opinion, dated the Delayed Delivery Pre-Closing Date and addressed to the Underwriters, of Bryant Miller Olive P.A., Orlando, Florida, Counsel to the Underwriters, to the effect that (A) based upon their participation in the preparation of the Final Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Final Official Statement, as of the Delayed Delivery Pre-Closing Date nothing has come to the attention of such counsel causing them to believe that the Final Official Statement (as supplemented or amended pursuant to paragraph (j) of Section 6 hereof, if applicable), as of its date or as of the Delayed Delivery Pre-Closing Date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements made in the Final Official Statement (as supplemented or amended pursuant to paragraph (j) of Section 6 hereof, if applicable), in the light of the circumstances under which they were made, not misleading; provided that no view need be expressed as to (a) the information contained in the Final Official Statement under the headings "BOOK-ENTRY ONLY SYSTEM" and in the Appendices to the Final Official Statement and (b) financial, technical or statistical information and data included or incorporated by reference into the Final Official Statement or any Appendices thereto including the financial statements relating to the Authority included in Appendix C; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended; (C) the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (D) the Disclosure Dissemination Agent Agreement to be entered into by the Authority for the benefit of the registered owners of the Bonds satisfies the requirements of paragraph (b)(5) of the Rule.

(xi) A certificate of an authorized representative of The Bank of New York Mellon Trust Company, N.A. (the "Bank"), as Trustee, Escrow Agent, Paying Agent and Registrar to the effect that (A) the Bank is a national bank duly organized, validly existing and in good standing under the laws of the United States of America and is duly authorized to exercise trust powers in the State of Florida, (B) the Bank has all requisite authority, power, licenses, permits and franchises, and has full corporate power and legal authority to execute and perform its functions under the Bond Resolution and the Escrow Deposit Agreement (collectively, the "Bank Documents"), (C) the Escrow Deposit Agreement constitutes the legal, valid and binding obligation of the Bank enforceable in accordance with its terms except as the enforcement thereof may be affected by bankruptcy, insolvency, or other laws or the application by a court of equitable principles generally affecting creditors' rights and except as may be limited by federal state securities laws or public policy considerations, (D) the performance by the Bank of its functions under the Bank Documents will not result in any violation of the Articles of Association or Bylaws of the Bank, any court order to which the Bank is

subject or any agreement, indenture or other obligation or instrument to which the Bank is a party or by which the Bank is bound, and no approval or other action by any governmental authority or agency having supervisory authority over the Bank is required to be obtained by the Bank in order to perform its functions under the Bank Documents, (E) to the best of such authorized representative's knowledge, there is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending or, to his or her knowledge, threatened against or affecting the Bank wherein an unfavorable decision, ruling or finding on any issue raised by any party thereto is likely to materially and adversely affect the ability of the Bank to perform its obligations under the Bank Documents.

(xii) A certificate of the Authority confirming that the Aggregate Debt Service on the Outstanding Senior Bonds after the Delayed Delivery Closing is not greater than the Aggregate Debt Service of the Outstanding Senior Bonds before the issuance of the Bonds through the latest maturity of any Senior Bonds currently Outstanding.

(xiii) A Rule 15c2-12 Certificate with respect to the Preliminary Official Statement signed by the Chairman, Vice Chairman or other Authorized Officer of the Authority.

(xiv) Verification report from Causey Demgen & Moore, Inc. as to the accuracy of the arithmetical computation of the adequacy of the maturing principal amounts and interest earnings on the Escrow Investments and any uninvested amounts to be deposited in the Escrow Fund to pay when due all principal of an interest on the Refunded Bonds to the call date.

(xv) Such additional legal opinions (other than those opinions, the forms of which are attached hereto), certificates, instruments and other documents as the Representative may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Delayed Delivery Pre-Closing Date, of the Authority's representations and warranties contained herein and of the statements and information contained in the Final Official Statement and the due performance or satisfaction by the Authority on or prior to the Delayed Delivery Pre-Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

(f) Fitch Inc. ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P") shall have assigned their underlying ratings of "AA-," "Aa3" and "A+," respectively, to the Bonds and letters of confirmations of such ratings shall be made available at the Delayed Delivery Pre-Closing.

All of the evidence, opinions, letters, certificates, instruments and other documents, mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Representative and the Authority and they shall be deemed satisfactory to the Underwriters and the Authority if not objected to prior to Delayed Delivery Pre-Closing.

If the foregoing conditions have been satisfied, the Representative and the Authority shall deliver a certificate on the Delayed Delivery Pre-Closing Date, in substantially the form attached hereto as Exhibit G (the "Pre-Closing Completion Certificate"), acknowledging the same and confirming that the Underwriters shall be obligated to purchase the Bonds and pay the purchase price therefor and the Authority shall be obligated to issue and deliver such Bonds on the Delayed Delivery Closing Date, subject to the Delayed Delivery Closing Conditions and Termination Provisions set forth in Sections 10 and 11(b), respectively, of this Purchase Contract.

If the foregoing conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract are not satisfied, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the Authority shall be under any further obligation hereunder, except that the respective obligations of the Authority and the Underwriters set forth in Paragraph 12 hereof shall continue in full force and effect.

9. Delayed Delivery Closing. At 11:00 a.m., Eastern daylight savings time, on July __, 2012, or at such later time or on such later date as may be mutually agreed upon by the Authority and the Representative (such date herein called the "Delayed Delivery Closing Date"), the Authority shall, subject to the terms and conditions hereof, deliver the Bonds, bearing proper CUSIP numbers, in the definitive form of one fully registered Bond for each stated maturity of the Bonds, duly executed and authenticated. In addition, at such time, on the Delayed Delivery Closing Date, the Authority shall also deliver, to the Underwriters, subject to the terms and conditions hereof, the other documents hereinafter mentioned in Section 10(e). Subject to the terms and conditions hereof, the Underwriters shall accept delivery of the Bonds and pay the purchase price of the Bonds as set forth in paragraph 1 hereof in immediately available funds to the order of the Authority (such delivery of and payment for the Bonds herein called the "Delayed Delivery Closing"). The Delayed Delivery Closing shall occur at the offices of Broad & Cassel, or such other place as shall have been mutually agreed upon by the Authority and the Representative. Delivery of the Bonds shall be made solely by means of electronic book entries by DTC without physical delivery of the bonds to the Bondholders. The Authority shall have provided to the Underwriters the Final Official Statement, as supplemented for the Delayed Delivery Closing (the "Supplemented Final Official Statement"), in final form, no later than eleven (11) days prior to the Delayed Delivery Closing Date and in draft form for review by the Underwriters no later than twenty (20) days prior to the Delayed Delivery Closing Date.

10. Delayed Delivery Closing Conditions. The Underwriters are entering into this Purchase Contract in reliance upon the representations, warranties and agreements of the Authority contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Delayed Delivery Closing, and upon the performance of the covenants and agreements herein as of the Delayed Delivery Closing Date. Accordingly, the Underwriters' obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the consummation of the Delayed Delivery Pre-Closing and the satisfaction of the following additional conditions, at or prior to the Delayed Delivery Closing Date:

(a) The representations and warranties of the Authority contained herein shall be true, complete and correct on the date hereof and on and as of the Delayed Delivery Closing Date, as if made on the Delayed Delivery Closing Date.

(b) On the Delayed Delivery Closing Date, the Bond Resolution shall be in full force and effect, and shall not have been amended, modified or supplemented, except to the extent to which the Representative shall have given its prior written consent.

(c) At the time of the Delayed Delivery Closing there will be no pending or threatened litigation or proceeding of any nature seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the pledge or application of the Revenues (other than as disclosed in the Supplemented Final Official Statement) to pay the principal of and interest on the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Resolution, the Lease and Use Agreements, the Disclosure Agreement, the Escrow Agreement or this Purchase Contract or contesting in any way the proceedings of the Authority taken with respect thereto, or contesting in any way the due existence or powers of the Authority or the title of any of the members of the Board or officials of the Authority to their respective offices, or if such litigation does exist, the Underwriters will receive an opinion of Broad and Cassel, Counsel to the Authority, that any such litigation is without merit, or, if adversely decided, would not adversely affect the validity or enforceability of the Bond Resolution, the Bonds, the Escrow Agreement, this Purchase Contract, the Disclosure Agreement or the Lease and Use Agreements or have a material adverse effect on the Authority's ability to perform its obligations thereunder.

(d) Except as described in the Supplemented Final Official Statement, there shall have been no material adverse change in the financial condition of the Authority since September 30, 2011.

(e) The Authority shall have complied with its covenants and agreements under Sections 2(c) and 6(j) hereof and shall have provided the Supplemental Final Official Statement as required pursuant to Section 9 hereof.

(f) At the Delayed Delivery Closing, the Underwriters shall receive the following documents, each dated as of the Delayed Delivery Closing Date:

(i) The opinions dated the Delayed Delivery Closing Date, of Co-Bond Counsel, substantially in the form attached to the Final Official Statement as Appendix D;

(ii) The opinion dated the Delayed Delivery Closing, of Co-Bond Counsel, addressed to the Underwriters, stating that the Underwriters may rely upon the opinion referred to in (i) above as though addressed to them and to the effect that the information contained in the Supplemented Final Official Statement under the headings "AUTHORIZATION OF THE SERIES 2012A BONDS," "THE REFUNDING PROGRAM," "DESCRIPTION OF THE SERIES 2012A BONDS," "SECURITY FOR THE SERIES 2012A BONDS," and "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT FACILITIES BOND RESOLUTION," (apart from any financial and statistical data contained therein as to which no opinion or belief needs to be expressed), insofar as such information constitutes summaries of the Bond Resolution and the Bonds, presents a fair and accurate summary of the provisions purported to be summarized and the information contained in the Supplemented Final Official Statement under the sections captioned "TAX MATTERS" to the extent it describes certain federal income tax consequences of the ownership of the Bonds, is correct in all material respects.

(iii) An opinion dated the Delayed Delivery Closing Date, of Co-Bond Counsel, to the effect that the Refunded Bonds (as described in the Supplemented Final Official Statement) have been defeased and are no longer Outstanding under or subject to the lien of the Bond Resolution.

(iv) An opinion, dated the Delayed Delivery Closing Date and addressed to the Underwriters, of Broad and Cassel, Counsel to the Authority, in substantially the form attached hereto as Exhibit C and the opinion of the City's Office of Legal Affairs, dated the Delayed Delivery Closing Date and addressed to the Underwriters, substantially in the form attached hereto as Exhibit D.

(v) A certificate, dated the Delayed Delivery Closing Date, signed by the Chairman or Vice Chairman and the Secretary or other Authorized Officer of the Authority, or other appropriate officials satisfactory to the Representative, to the effect that, to the best knowledge of such officials: (i) the representations of the Authority herein are true and correct in all material respects as of the Delayed Delivery Closing Date; (ii) the Authority has performed all obligations to be performed hereunder as of the Delayed Delivery Closing Date; (iii) except as disclosed in the Supplemented Final Official Statement, there is no litigation of which either of them have notice, and to the best knowledge of each of them no litigation is pending or threatened (A) to restrain or

enjoin the issuance or delivery of any of the Bonds, (B) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Bond Resolution, the Lease and Use Agreements, the Disclosure Agreement, the Escrow Agreement or this Purchase Contract, (C) in any way contesting the corporate existence or powers of the Authority, (D) to restrain or enjoin the collection of revenues pledged or to be pledged to pay the principal of, premium, if any, and interest on the Bonds, (E) which may result in any material adverse change in the business, properties, assets and the financial condition of the Authority taken as a whole, or (F) asserting that the Supplemented Final Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (iv) since September 30, 2011, no material adverse change has occurred in the financial position or results of operations of the Authority except as set forth in or contemplated by the Supplemented Final Official Statement; (v) the Authority has not since September 30, 2011, incurred any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Supplemented Final Official Statement; (vi) there has been no event of default under the Bond Resolution or with respect to the Refunded Bonds; and (vii) the information contained in the Supplemented Final Official Statement (other than information relating to DTC and its book-entry system of registration as to which no view had been expressed) did not as of its date, and does not as of the Delayed Delivery Closing Date contain any untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading.

(vi) An opinion, dated the Delayed Delivery Closing Date and addressed to the Authority, of Co-Disclosure Counsel for the Authority, substantially in the form attached hereto as Exhibit F, with a reliance letter to the Underwriters.

(vii) An opinion, dated the Delayed Delivery Closing Date and addressed to the Underwriters, of Bryant Miller Olive P.A., Orlando, Florida, Counsel to the Underwriters, to the effect that (A) based upon their participation in the preparation of the Supplemented Final Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Supplemented Final Official Statement (as supplemented or amended pursuant to paragraph (j) of Section 6 hereof, as applicable), as of the Delayed Delivery Closing Date nothing has come to the attention of such counsel causing them to believe that the Supplemented Final Official Statement (as supplemented or amended pursuant to paragraph (j) of Section 6 hereof, as applicable), as of its date or as of the Delayed Delivery Closing Date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements made in the light of the circumstances under which they were made, not misleading; provided that no view need be expressed as to (a) the information contained in the

Supplemented Final Official Statement under the headings “BOOK-ENTRY ONLY SYSTEM” and in the Appendices to the Supplemented Final Official Statement and (b) financial, technical or statistical information and data included or incorporated by reference into the Supplemented Final Official Statement or any Appendices thereto including the financial statements relating to the Authority included in Appendix C; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended; (C) the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (D) the Disclosure Dissemination Agent Agreement to be entered into by the Authority for the benefit of the registered owners of the Bonds satisfies the requirements of paragraph (b)(5) of the Rule.

(viii) An executed Disclosure Dissemination Agent Agreement in the form attached to the Supplemented Final Official Statement as Appendix E.

(ix) Fitch, Moody’s and S&P shall have assigned their underlying ratings to the Bonds (without regard to the level of such rating) and letters of confirmations of such ratings shall be made available at the Delayed Delivery Closing; provided, however, if one or more of the listed rating agencies are no longer in business and no longer provide any ratings, then such requirement to provide a rating from such rating agency shall be waived by the Underwriters.

(x) An executed Escrow Deposit Agreement.

(xi) Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably and in good faith in connection with the performance of its due diligence review request to evidence the truth and accuracy as of the Delayed Delivery Closing Date, of the Authority’s representations and warranties contained herein and of the statements and information contained in the Supplemented Final Official Statement and the due performance or satisfaction by the Authority on or prior to the Delayed Delivery Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

All of the evidence, opinions, letters, certificates, instruments and other documents, mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Representative and the Authority and they shall be deemed satisfactory to the Representative and the Authority if not objected to prior to the Delayed Delivery Closing Date.

If the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract are not satisfied, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the Authority shall be under any further obligation

hereunder, except that the respective obligations of the Authority and the Underwriters set forth in Paragraph 12 hereof shall continue in full force and effect.

11. Termination. (a) The Representative may terminate this Purchase Contract by notice to the Authority in the event that between the date hereof and the Delayed Delivery Pre-Closing Date (i) legislation shall be enacted by or introduced in the Congress of the United States or adopted by either House thereof or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made, with respect to federal taxation of revenues or other income of the general character expected to be derived under the Bond Resolution by the Authority upon interest received on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, which in the reasonable opinion of the Representative would materially adversely affect the market price of the Bonds; (ii) legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of Counsel for the Underwriters, has the effect of requiring the contemplated issuance or distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or of requiring the Bond Resolution to be qualified under the Trust Indenture Act of 1939, as amended; (iii) the United States shall become engaged in hostilities that have resulted in a declaration of war or a national emergency or any conflict involving the armed forces of the United States shall have occurred which in the reasonable opinion of the Representative materially adversely affects the market price of the Bonds (the parties agree that no such hostilities or conflict described in this subsection (iii) currently exists); (iv) there shall be in force on the Delayed Delivery Pre-Closing Date a general suspension of trading on the New York Stock Exchange as the result of an event affecting the national economy; (v) a general banking moratorium shall have been established by Federal, New York or Florida authorities; (vi) an order, decree or injunction of any court of competent jurisdiction, or any other ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Bonds as contemplated hereby or by the Final Official Statement or prohibiting the adoption or performance of the Bond Resolution; (vii) the President of the United States, the Office of Management and Budget, the Department of Treasury, the Internal Revenue Service or any other governmental body, department, agency or commission of the United States or the State of Florida shall take or propose to take any action or implement or propose regulations, rules or legislation which, in the reasonable judgment of the Representative, materially adversely affects the market price of the Bonds or causes any material information in the Final Official Statement, in light of the circumstances under which it appears, to be misleading in any material respect; (viii) any executive order shall be announced, or any legislation, ordinance, rule or regulation shall be proposed by or introduced in, or be enacted by any governmental body, department, agency or commission of the United States or the State of Florida or the State of New York, having jurisdiction over the subject matter, or a decision by any court of competent jurisdiction within

the United States or within the State of Florida or the State of New York shall be rendered which, in the reasonable opinion of the Representative, materially adversely affects the market price of the Bonds or causes any information in the Final Official Statement to be misleading in any material respect; (ix) any event shall have occurred or shall exist which, in the reasonable opinion of the Representative, would cause the information contained in the Final Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading as of such time and which would materially adversely affect the marketability of the Bonds; or (x) there shall have been any materially adverse change in the financial condition of the Authority that is not contemplated in the Final Official Statement, which in the reasonable opinion of the Representative, materially and adversely affects the market price or marketability of the Bonds.

(b) The Representative may terminate the Underwriters' remaining obligations under this Purchase Contract without liability therefor by notification to the Authority, if at any time on or after the Delayed Delivery Pre-Closing Date and on or prior to the Delayed Delivery Closing Date there is a Change in Law. A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States or introduced therein or recommended for passage by the President of the United States (if such enacted, introduced or recommended legislation has a proposed effective date which is on or before the Delayed Delivery Closing Date); (iii) any law, rule or regulation proposed or enacted by any governmental body, department or agency (if such proposed or enacted law, rule or regulation has a proposed effective date which is on or before the Delayed Delivery Closing Date); (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case (as provided in (i)-(iv) herein), would, (A) as to the Underwriters, legally prohibit (or have the retroactive effect of prohibiting, if enacted, adopted, passed or finalized) the Underwriters from (1) accepting delivery of and paying for the Bonds in accordance with the provisions of this Purchase Contract or (2) selling the Bonds or beneficial ownership interests therein to bona fide purchasers, (B) as to the Authority, would make the sale or issuance and delivery of the Bonds illegal (or have the retroactive effect of making such sale, issuance, or delivery illegal, if enacted, adopted, passed or finalized), (C) eliminate the exclusion from gross income of interest on the Bonds (or have the retroactive effect of eliminating such exclusion if enacted, adopted, passed, or finalized), or (D) require the Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended or the Bond Resolution to be qualified under the Trust Indenture Act of 1939, as amended (or have the retroactive effect of requiring such registration or qualification if enacted, passed, finalized, or adopted); provided, however, that such change in or addition to law, legislation, rule or regulation, or judgment, ruling or order described in (i) through (iv) above shall have become effective, been enacted, introduced or recommended, or been proposed or been issued, as the case may be, subsequent to the date of execution of the

Purchase Contract; or (v) a stop order, ruling, regulation, or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering, or sale of the Bonds, or the delivery of the Bond Resolution is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended. If the Change of Law involves the enactment of legislation which only diminishes the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes, interest payable on "state or local bonds," the Underwriters would not have the right to terminate their obligations hereunder and would be required to accept delivery of the Bonds.

12. Expenses.

(a) If the Bonds are sold by the Authority to the Underwriters, the Authority shall be obligated to pay the following expenses: (i) the cost of preparing and printing or other reproduction of the Bond Resolution, the Bonds, the Preliminary Official Statement, the Final Official Statement and the Supplemented Final Official Statement; (ii) the fees and expenses incurred by Nabors, Giblin & Nickerson, P.A. and Ruye H. Hawkins in their capacity as Co-Bond Counsel and the fees and expenses of Greenberg Traurig P.A. and KnoxSeaton, in their capacity as Co-Disclosure Counsel; (iii) the fees of Morgan Keegan & Company, Inc. and National Minority Consultants, Inc., the Authority's Financial Advisors; (iv) the fees and expenses of the Airport Consultant; (v) the fees and expenses of Broad and Cassel, in its capacity as counsel to the Authority; (vi) the fees and expenses of the rating agencies; (vii) the fees and expenses of the Bank, as the Trustee, Escrow Agent, Paying Agent and Registrar; and (viii) expenses incurred by the Underwriters on behalf of the Authority relating to food or lodging for the Authority staff members attending the bond pricing are to be reimbursed by the Authority through the proceeds of the Bonds or available funds of the Authority.

(b) Whether or not the Bonds are sold by the Authority to the Underwriters, the Underwriters shall be obligated to pay their own expenses, including the fees and expenses incurred by their counsel, Bryant Miller Olive P.A., Orlando, Florida, and shall be permitted to pay such expenses from their discount. The Underwriters shall not be obligated to pay any of the expenses described in (a) above.

13. Notices. Any notice or other communication to be given to the Authority under this Purchase Contract may be given by delivering the same in writing to the address set forth above and any notice or other communications to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to Merrill Lynch, Pierce, Fenner & Smith Incorporated, 250 S. Park Avenue, Suite 400, Winter Park, Florida 32789.

14. Parties in Interest.

(a) This Purchase Contract is made solely for the benefit of the Authority and the Underwriters (including the successors or assigns of the Underwriters) and no other

person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Authority contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; or (iii) any termination of this Purchase Contract, but only to the extent provided by the last paragraph of Sections 8 and 10 hereof.

(b) No covenant, stipulation, obligation or agreement contained in this Purchase Contract shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Authority in his or her individual capacity and neither the members of the Authority nor any official executing this Purchase Contract shall be liable personally under this Purchase Contract or be subject to any personal liability or accountability by reason of the execution hereof.

15. No Liability. Neither the Chairman of the Authority nor any of the members thereof, nor any officer, agent or employee of the Authority, shall be charged personally by the Underwriters with any liability, or held liable to the Underwriters under any term or provision of this Purchase Contract because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

16. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof on behalf of the Authority by the Chairman and attestation by the General Manager, all in accordance with the requirements set forth in the Bond Resolution and the Act, and shall be valid and enforceable at the time of such acceptance.

17. Counterparts. This Purchase Contract may be executed in several counterparts, which together shall constitute one and the same instrument.

18. Florida Law Governs. The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of Florida without regard to conflict of law principles.

19. Entire Agreement. This Purchase Contract when accepted by the Authority in writing as heretofore specified shall constitute the entire agreement between the Authority and the Underwriters.

20. Indemnification. The Authority agrees to indemnify and hold harmless the Underwriters and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Underwriters and their directors, officers, agents, and employees up to an amount equal to any limitation found in any sovereign immunity statute applicable to the Authority, against any and all losses, claims, damages, liabilities, and expenses arising out of a breach of any of the Authority's representations included in this Purchase Agreement (including a breach the result of which would require in connection with a public offering of the Bonds any security to be registered under the Securities

Act or any indenture to be qualified under the Trust Indenture Act of 1939, as amended), or a breach of the Disclosure Agreement, or any statement or information in the Preliminary Official Statement or in the Official Statement other than under the headings "BOOK-ENTRY ONLY SYSTEM," "TAX MATTERS" and "UNDERWRITING" that is untrue or incorrect in any material respect, or any omission or alleged omission of any statement or information in Preliminary Official Statement or the Official Statement, other than in the foregoing sections and information, which is required to be stated therein or is necessary to make the statements therein not misleading.

The Underwriters will indemnify and hold harmless the Authority, each of its members, directors, officers, and employees, and each person who controls the Authority within the meaning of Section 15 of the Securities Act, or Section 20 of the Exchange Act, against any and all losses, claims, damages, liabilities and expenses arising out of the inaccuracy or material omission from any written information relating to the Underwriters furnished by them specifically for use in the preparation of the Preliminary Official Statement or the Official Statement. This indemnity will be in addition to any liability which the Underwriters may otherwise have. The Authority acknowledges that the statements under the caption "UNDERWRITING" in the Preliminary Official Statement and the Official Statement constitute the only information furnished in writing by or on behalf of the Underwriters for inclusion in the Preliminary Official Statement and the Official Statement.

In case any claim shall be made or action brought against an indemnified party for which indemnity may be sought against any indemnifying party, as provided above, the indemnified party shall promptly notify the indemnifying party in writing setting forth the particulars of such claim or action and the indemnifying party shall assume the defense thereof, including the retaining of counsel acceptable to such indemnified party and the payment of all expenses and shall have the right to negotiate and consent to settlement. An indemnified party shall have the right to retain separate counsel in any such action and to participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of such indemnified party unless the employment of such counsel has been specifically authorized by the indemnifying party or the indemnifying party shall not have employed counsel reasonably acceptable to the indemnified party to have charge of the defense of such action or proceeding or the indemnified party shall have reasonably concluded that there may be defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to direct the defense of such action or proceeding on behalf of the indemnified party), in any of which events, such legal or other expenses shall be borne by the indemnifying party. No party shall be liable for any settlement of any action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any action with or without written consent of the indemnifying party, the indemnifying party agrees to indemnify and hold harmless the indemnified parties to the extent of the indemnities set forth above from and against any loss or liability by reason of such settlement or judgment.

If the indemnification provided for above is unenforceable, or is unavailable to an indemnifying party in respect of any losses, claims, damages, or liabilities (or actions in respect thereof) of the type subject to indemnification herein, then the indemnifying party shall, in lieu of indemnifying such person, contribute to the amount paid or payable by such person as a result of such losses, claims, damages, or liabilities (or actions in respect thereof). In the case of the Authority and the Underwriters, contribution shall be in such proportion as is appropriate to reflect the relative fault of the Authority, on the one hand, and the Underwriters, on the other, in connection with the statements or omissions which resulted in such losses, claims damages or liabilities (or action in respect thereof), as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Authority or the Underwriters and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such untrue statement or omission. The Authority and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection. The amount paid or payable by any person as a result of the losses, claims, damages, or liabilities (or actions in respect thereof) referred to above shall be deemed to include any legal or other expenses reasonably incurred by such person in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this paragraph, however, each Underwriter shall not be required to contribute an amount in excess of the amount of its pro-rata compensation under this Purchase Contract and the Authority shall not be required to contribute any amount in excess of any limitation found in any sovereign immunity statute applicable to the Authority. No person guilty of fraudulent misrepresentation (within the meaning of Section 10(b) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

21. No Fiduciary Relationship. The Authority acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the Authority and the Underwriters, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as a principal and are not acting as municipal advisor, financial advisor, agent or fiduciary of the Authority and the Underwriters have financial and other interests that differ from those of the Authority, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Authority with respect to the offering contemplated by the Final Official Statement or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Authority on other matters) and the Underwriters have no obligation to the Authority with respect to the offering contemplated by the Final Official Statement except the obligations expressly set forth in this Purchase Contract, and (iv) the Authority has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

22. **Headings.** The headings of the Sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be part hereof.

[Remainder of page intentionally left blank]

[Signature Page — Purchase Contract — Greater Orlando Aviation Authority Airport Facilities
Refunding Revenue Bonds, Series 2012A of the City of Orlando, Florida]

Very truly yours,

By: _____

Name: Coleman W. Cordell

Title: Managing Director

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

As Representative for the Underwriters

[Signature Page — Purchase Contract — Greater Orlando Aviation Authority Airport Facilities
Refunding Revenue Bonds, Series 2012A of the City of Orlando, Florida]

Accepted at ____ a.m./p.m., Eastern Standard time, this ____ day of _____, 2012.

GREATER ORLANDO AVIATION AUTHORITY

By: _____
Name: _____
Title: _____

\$ _____
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REFUNDING REVENUE BONDS,
SERIES 2012A (AMT)
OF THE CITY OF ORLANDO, FLORIDA

Principal Amounts, Maturities, Interest Rates, Yields and Initial Cusip Nos.

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Initial</u> <u>Cusip No.</u>

Optional Redemption

[Insert]

[Insert any Mandatory Sinking Fund Redemption Requirements.]

DISCLOSURE STATEMENT

The undersigned, the Underwriters, propose to negotiate with the Greater Orlando Aviation Authority, an agency of the City of Orlando, Florida (the "Authority") for the sale of \$_____ original principal amount of its Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A of the City of Orlando, Florida (the "Bonds"), to be completed on this date. The Underwriters are acting as investment bankers to the Authority for the public offering of the Bonds. The total fee to be paid to the Underwriters pursuant to the Purchase Contract is equal to \$_____. Prior to the award of the Bonds, the following information is hereby furnished to the Authority:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the issuance of the Bonds:

	Amount	Per/Thousand
Underwriters' Counsel	\$	\$
SIFMA Muni Assessment & GASB		
Dalcomp		
Cusip Fee		
I-Deal Wire Charge		
I-Deal EOE		
DTC Fee		
Day Loan		
Out of Pocket Expenses		
TOTAL	\$	\$

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Underwriters in connection with the issuance of the Bonds to any person not regularly employed or retained by the Underwriters (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Underwriters, as set forth in paragraph (1) above.

(b) No person has entered into an understanding with the Underwriters, or to the knowledge of the Underwriters, with the Authority, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Authority and the Underwriters or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Bonds.

3. The amount of the underwriting spread (the difference between the price at which the Bonds will be initially offered to the public by the Underwriters and the price to be paid to the Authority for the Bonds) expected to be realized by the Underwriters is \$_____ which includes the following:

	Amount	Per/Thousand
Average Takedown	\$	\$
Total Expenses		
TOTAL	\$	\$

4. Truth-in-Bonding Statement. The Bonds are being issued to (1) currently refund certain of the Authority's outstanding Airport Facilities Revenue Bonds, Series 2002B (AMT) of the City of Orlando, Florida and (2) pay certain costs of issuance of the Bonds. The Bonds are expected to be repaid over a period of approximately ____ years. Assuming a true interest cost rate of ____%, the total interest paid over the life of the Bonds will be \$_____. Assuming a true interest cost rate of ____%, authorizing the Bonds will result in an average of \$_____ of the Authority's Revenues not being available to finance other services of the Authority each year for approximately ____ years.

5. The names and addresses of the Underwriters connected with the Bonds are as follows:

Merrill Lynch, Pierce, Fenner & Smith
Incorporated
250 S. Park Avenue, Suite 400
Winter Park, Florida 32789

J.P. Morgan Securities LLC
383 Madison Ave., 23rd Floor
New York, New York 10179

Citigroup Global Markets Inc.
200 Crescent Court, Suite 830
Dallas, Texas 75201

Loop Capital Markets, LLC
88 Pine Street
New York, New York 10005

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Statement on behalf of the Underwriters this ____ day of _____, 2012.

By: _____

Name: Coleman W. Cordell

Title: Managing Director

Merrill Lynch, Pierce, Fenner & Smith

Incorporated

As Representative for the Underwriters

EXHIBIT A

**Form of Opinion of Broad & Cassel to be delivered on the
Delayed Delivery Pre-Closing Date**

_____, 2012

Greater Orlando Aviation Authority
Orlando, Florida

Merrill Lynch, Pierce, Fenner &
Smith Incorporated
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC
Loop Capital Markets LLC
c/o Merrill Lynch, Pierce, Fenner &
Smith Incorporated
Winter Park, Florida

The Bank of New York Mellon Trust Company, N.A.
Jacksonville, Florida

RE: \$_____ ***GREATER ORLANDO AVIATION AUTHORITY AIRPORT
FACILITIES REFUNDING REVENUE BONDS, SERIES 2012A (AMT) OF THE
CITY OF ORLANDO, FLORIDA***

Dear Ladies and Gentlemen:

We have acted as counsel to the Greater Orlando Aviation Authority (the "Authority"), an agency of the City of Orlando, Florida (the "City") in connection with the execution and delivery of the Forward Delivery Purchase Contract (the "Purchase Contract") dated _____, 2012 between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Representative") on behalf of itself and the Underwrites listed therein (the "Underwriters") pertaining to the \$_____ Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Bonds").

The Bonds will be issued under and pursuant to the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, adopted

by the Authority on June 13, 1978 and approved by the City Council of the City on June 19, 1978, as supplemented and amended from time to time, which amendments were codified by the Authority on September 17, 2008 (the "Airport Facilities Bond Resolution"), and as specifically supplemented and amended by those certain Supplemental Airport Facilities Revenue Bond Resolutions adopted by the Authority on **[September 21, 2011, as approved by the City on September 19, 2011]**, authorizing the issuance of the Bonds (the "Supplemental Resolutions"). The Airport Facilities Bond Resolution, as supplemented and amended by the Supplemental Resolutions, is referred to herein as the "Bond Resolution".

The opinions rendered herein are given at the request of the Authority pursuant to paragraph 8(e)(vii) of the Purchase Contract.

Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Bond Resolution.

We do not express any opinion concerning any law other than the laws of Florida and the federal laws of the United States of America. We specifically exclude any opinion as to the applicability or effect of any federal or state laws, rules, or regulations relating to taxation (including, but not limited to, the taxation of income, arbitrage rules and rebate analysis) or to the enforceability or effect of any waiver or limitation on any laws, rules or regulations relating to the sovereign immunity of the Authority for tort liability, whether through indemnity or otherwise. We also specifically exclude any opinion as to the offer or sale of securities (except as expressly stated in opinion paragraphs 9 and 10 below with respect to the Official Statement). No opinion is expressed with regard to any document or agreement not governed by Florida law.

No opinion is rendered herein with respect to the effective date of any document or agreement if such effective date is prior to the date hereof. In addition, we express no opinion with respect to the exclusion from gross income for federal income tax purposes of interest on the Bonds.

This opinion has been prepared and is to be construed in accordance with the Report on Standards for Florida Opinions dated April 8, 1991 issued by the Business Law Section and the Real Property Section of the Florida Bar, as amended and supplemented (the "Report"). The Report is incorporated by reference into this opinion.

In rendering the following opinions we have relied, with your approval, as to factual matters that affect our opinions (and excluding legal conclusions), solely on our examination of the following documents (and we have assumed, with your permission, that all statements made therein are true, complete and accurate as of the effective date hereof), and have made no independent investigation or verification of the facts asserted to be true and correct therein:

1. The Constitution of the State of Florida and Chapter 98-492, Laws of Florida, as amended (collectively, the "Act");
2. Certified copy, dated _____, 2012, of the Bond Resolution;
3. Certified copy, dated _____, 2012, of the Resolution (the "City Resolution") duly adopted [**September 19, 2011**] by the City Council of the City;
4. The Purchase Contract;
5. Official Statement of the Authority regarding the Bonds, dated _____, 2012 (the "Official Statement");
6. The Lease and Use Agreements [**better describe**] (the "Lease and Use Agreements");
7. Certificates of City Clerk Regarding the City Resolution (the "City Certificate");
8. The opinion of the City Attorney's Office dated _____, 2012 (the "City Opinion");
9. A Certificate in favor of Broad and Cassel from the Authority attached hereto as Exhibit A;
10. All other documents, certificates, representations and warranties made and delivered by the Authority and by the Financial Advisors to the Authority in connection with the issuance of the Bonds.

In rendering the following opinions, we have made no assumptions other than those set forth herein or in the Report. In our examination of the foregoing, we have assumed the genuineness of all signatures except for the signatures of the Authority on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. We have also assumed the valid adoption and continued effect of the City Resolution, the due authentication of the Bonds by the Trustee, and the enforceability and performance of the obligations of the Underwriter under the Purchase Contract.

Based upon the foregoing, and subject to the qualifications and limitations stated herein and in the Report, we are of the opinion that:

1. The Authority is a duly created and validly existing agency of the City under the provisions of the Act, and is authorized to operate, maintain and improve the Airport System and to fix and establish fees and other charges in respect of such Airport System, collect Revenues, and perform all of its obligations under the Bond Resolution in those respects.
2. The execution and delivery of the Purchase Contract, the Escrow Agreement and the Disclosure Dissemination Agent Agreement by the Authority have been duly and lawfully authorized by the Authority.
3. The Purchase Contract and the Lease and Use Agreements have been executed and delivered by the Authority.
4. Assuming proper authorization, execution and delivery of the Purchase Contract and the Lease and Use Agreements by, and the enforceability thereof against, the other parties thereto, the Purchase Contract and the Lease Use Agreements are valid and binding obligations of the Authority, enforceable against the Authority in accordance with Florida law.

The foregoing opinion concerning the validity, binding effect, and enforceability of the Purchase Contract and the Lease and Use Agreements (for purposes of this paragraph, the "Authority Documents") means that, with respect to the Authority only, (a) the Authority Documents are not invalid in their entirety because of a specific statutory prohibition or public policy and are not subject in their entirety to contractual defenses; and (b) subject to the remainder of this paragraph, some remedy is available if the Authority is in material default under the Authority Documents. This opinion does not mean that any particular remedy is available upon a material default or every provision of the Authority Documents will be upheld or enforced in any or each circumstance by a court. Furthermore, the validity and binding effect and enforceability of the Authority Documents may be limited or otherwise affected by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar statutes, rules, regulations or other laws affecting the enforcement of creditors' rights and remedies generally, (ii) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law) because of an equitable principle or a requirement as to commercial reasonableness, conscionability or good faith, (iii) compliance with, and limitations imposed by, procedural requirements of state laws, including the Uniform Commercial Code, relating to the exercise of remedies by a lender or secured party, and (iv) limitations based on statutes or on public policy limiting a person's right to waive the benefits of constitutional rights, statutory provisions or common law rights.

5. No consent, waiver, authorization or any other action not previously given to, or taken by, any person, board or body, public or private, is required as of this date for the Authority to adopt the Supplemental Resolutions, to issue the Bonds, to enter into the Disclosure Dissemination Agent Agreement, the Escrow Agreements and the Purchase Contract, or to perform its obligations under any of the foregoing documents. No opinion is expressed as to the applicability of or compliance with "blue sky" or securities laws of any state or the United States of America.
6. The execution and delivery by the Authority of the Bonds, the adoption by the Authority of the Supplemental Resolutions, the authorization, execution and delivery by the Authority of the Purchase Contract, the Escrow Agreement and the Disclosure Dissemination Agent Agreement and compliance by the Authority with the provisions of each of the foregoing do not and will not conflict with or constitute a violation of any applicable law or administrative regulation of the State of Florida or the United States of America or, to our knowledge, constitute a breach of any applicable judgment or decree or of any material term of any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject.
7. The Authority had the right and power under the Act to adopt the Bond Resolution, and the Bond Resolution was duly and lawfully approved, adopted and executed by the Authority, is in full force and effect, and no other authorization by the Authority is required for the Bond Resolution to be effective.
8. The Bond Resolution (including without limitation the pledge of Revenues and all Funds established by the Bond Resolution for the payment of the principal of, and interest on, the Airport Facilities Revenue Bonds issued and outstanding thereunder in accordance with their terms and the provisions of the Bond Resolution) is a valid and binding obligation of the Authority, enforceable against the Authority in accordance with Florida law.

The foregoing opinion concerning the validity, binding effect, and enforceability of the Bond Resolution means that, with respect to the Authority only, (a) the Bond Resolution is not invalid in its entirety because of a specific statutory prohibition or public policy and is not subject in its entirety to contractual defenses; and (b) subject to the remainder of this paragraph, some remedy is available if the Authority is in material default under the Bond Resolution. This opinion does not mean that any particular remedy is available upon a material default or every provision of the Bond Resolution will be upheld or enforced in any or each circumstance by a court. Furthermore, the validity and binding effect and enforceability of the Bond Resolution may be limited or otherwise affected by (i) bankruptcy, insolvency, reorganization, moratorium,

fraudulent conveyance or other similar statutes, rules, regulations or other laws affecting the enforcement of creditors' rights and remedies generally, (ii) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law) because of an equitable principle or a requirement as to commercial reasonableness, conscionability or good faith, (iii) compliance with, and limitations imposed by, procedural requirements of state laws, including the Uniform Commercial Code, relating to the exercise of remedies by a lender or secured party, and (iv) limitations based on statutes or on public policy limiting a person's right to waive the benefits of constitutional rights, statutory provisions or common law rights.

9. Except as expressly set forth in this paragraph and paragraph 10 below, we have not verified and therefore are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Official Statement. We have, however, participated in the preparation of the Official Statement and have had general discussions with representatives of the Authority and representatives of Morgan Keegan & Company, Inc., Winter Park, Florida, and National Minority Consultants, Inc., Winter Park, Florida (Financial Advisors to the Authority). We have also examined such documents and other instruments as we have deemed necessary or appropriate in connection with the preparation of the Official Statement. In the course of the activities described above, no facts came to our attention that would lead us to believe the Official Statement (apart from (a) the information contained in the appendices, (b) the financial, engineering or statistical data, or any estimates or projections, included in the Official Statement, and (c) the matters set forth in the Official Statement under the captions "BOOK-ENTRY ONLY SYSTEM," "AUTHORITY FINANCIAL INFORMATION," "TAX MATTERS," "RATINGS," and "UNDERWRITING," as to all of which we were not called upon to and do not express any opinion), as of the date of the Official Statement or as of the date hereof, (i) contained any untrue statement of material fact, or (ii) omitted to state any material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading.
10. Except as set forth in the Official Statement, to our knowledge, there is no litigation pending or threatened (a) challenging the creation, organization or existence of the Authority, (b) seeking to restrain or enjoin the execution, issuance or delivery of the Bonds, (c) contesting or affecting the validity of the Bonds or the Bond Resolution, (d) contesting the powers of the Authority to issue the Bonds, or the use of the Revenues for repayment of the Bonds, or the adoption of the Bond Resolution, or (e) wherein an unfavorable decision, ruling or finding would have a materially adverse effect upon the transactions contemplated by the Official Statement or the validity or enforceability of the Purchase Contract or the Lease and Use Agreements. To our knowledge, and based

solely on the judgment of management of the Authority as reflected in the Opinion Certificate attached hereto, there is no litigation pending in which a final adverse decision is likely to materially adversely affect the financial condition or operations of the Authority.

The information contained in the Official Statement under the caption "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM" (except for the information provided under the caption "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM — Taxation of Facilities, Rentals and Services") and AUTHORITY FINANCIAL INFORMATION was provided by the Authority and we have not verified and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements under such caption.

The opinions set forth in paragraphs 2, 3, 4 and 5 above assume that the Purchase Contract has been duly authorized, executed and delivered by the Underwriters. This opinion, specifically as set forth in paragraphs 4, 5, 6, 7 and 8 above, relies on the City Opinion and assumes the due adoption by the City of its resolutions, including the City Resolution, approving the Bond Resolution.

This letter shall not be deemed or treated as an offering circular, prospectus or official statement, and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Bonds.

We have not passed upon and therefore express no opinion as to the compliance by the Authority, or any other party involved in this financing with, or the necessity of such parties to comply with, any federal or state registration requirements or security statutes, regulations or rulings, with respect to the offer and sale of the Bonds.

This opinion is furnished to you by us as counsel for the Authority and is solely for your benefit and the benefit of the Authority and is rendered solely in connection with the transaction to which this opinion relates. This opinion may be relied upon only in connection with this transaction and may not be relied upon by any other person or entity (regardless of whether such other person or entity is related or affiliated with you) without our prior written consent.

Very truly yours,

BROAD AND CASSEL

EXHIBIT A

OPINION CERTIFICATE

The undersigned, the **GREATER ORLANDO AVIATION AUTHORITY**, an agency of the City of Orlando (the "Authority"), does hereby certify to Broad and Cassel that the following statements are true, correct and complete, and not misleading in any manner:

1. General.

This certification is being given by the Authority for the purpose of inducing Broad and Cassel to give certain legal opinions on behalf of the Authority, in connection with the Bonds (as defined below). All terms capitalized but not defined herein shall have the meaning ascribed to such terms in the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, adopted by the Authority on June 13, 1978 and approved by the City Council of the City on June 19, 1978, as supplemented and amended from time to time, which amendments were restated by the Authority on **[September 17, 2008]** (the "Bond Resolution").

2. Definition.

"Agreements" shall mean those agreements, documents and instruments listed on Schedule I attached hereto.

"Bonds" shall mean the Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT), of the City of Orlando, Florida.

3. Formation.

The Authority was created as an agency of the City of Orlando, Florida pursuant to the Constitution of the State of Florida and Chapter 98-492, Laws of Florida, as amended (collectively, the "Act"). The Authority was organized in accordance with the Act.

4. Organization.

No formal or informal resolution or decision has been made or paper filed in connection with the termination, cessation of existence, bankruptcy or insolvency of the Authority, or in connection with any similar proceeding for debtor or creditor relief relating to the Authority, nor has the undersigned received any notice of any third party making any filing or threatening to make a filing regarding any such proceeding involving the Authority, nor to the undersigned's knowledge, has any circumstance occurred which is likely to lead to any such proceeding involving the Authority.

5. Actions of the Authority.

(a) The Bond Resolution, including all amendments and supplements listed in the closing certificates of the Authority delivered in connection with the Bonds, was approved, adopted and executed by the Authority.

(b) The Supplemental Airport Facilities Revenue Bond Resolutions adopted by the Authority on **[September 21, 2011]**, (the "Supplemental Resolutions") authorizing the issuance of the Bonds were approved, adopted and executed by the Authority and approved by the City of Orlando (the "City").

(c) No actions have been taken by the Authority or any other party to terminate, invalidate or revoke the Bond Resolution, the Supplemental Resolutions or any parts thereof.

(d) The Authority has not committed a default which with the passage of time, or the giving of notice, or both will become an Event of Default under the Bond Resolution.

(e) No further authorization by the Authority, and no further third party consent is required for the Authority's issuance of the Bonds.

(f) The Authority has authorized the execution and delivery of the Agreements.

(g) All actions taken by the Authority or any of its agents in connection with the Agreements have been ratified, confirmed and approved in all respects.

(h) The Operation and Use Agreement dated September 27, 1976, as amended to date, between the City and the Authority (the "Operation and Use Agreement") was adopted by the Authority and has not been terminated by the Authority and the Authority has not received any notice of termination from the City. The Authority has not committed a default which with the passage of time, or the giving of notice, or both will become an event of default under the Operation and Use Agreement.

6. Lease and Use Agreements.

(a) The issuance of the Bonds under the Bond Resolution does not require any approval of or additional notice to the Airlines that have executed Airline-Airport Lease and Use Agreements with the Authority.

(b) [The projects funded with the proceeds of the bonds being refunded were approved by the Signatory Airlines under the Airline — Airport Lease and Use Agreements that expired on September 30, 2008.]

7. Validity.

The Authority has not received any notice of, nor is it aware that, any provision set forth in the Bonds is contrary or otherwise in violation of public policy or any laws or regulations.

8. Miscellaneous.

(a) Authorized Officers of the Authority have executed the Bonds and delivered the same to all other parties thereto intending to cause the Authority to be legally bound thereby and to form immediately binding agreements, and no unsatisfied conditions or other contingencies are outstanding or were outstanding at the time of execution and delivery of the Bonds which might obviate the Authority's intention to be legally bound thereby.

(b) The signatures of the Authorized Officers of the Authority on all Bonds are genuine.

(c) The descriptions of the Bonds, the Bond Resolution, and the Lease and Use Agreements contained in the Official Statement relating to the Bonds (the "Official Statement") are accurate.

(d) The Official Statement does not contain any untrue statement. In addition, the Official Statement does not omit to state any fact necessary to make the statements made therein not misleading.

(e) The statements contained in the Official Statement under the captions "THE AUTHORITY," "AUTHORIZATION OF THE SERIES 2012A BONDS," "OTHER INDEBTEDNESS AND INTEREST RATE SWAP," "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM — Taxation of Facilities, Rentals and Services," and "AUTHORITY FINANCIAL INFORMATION" are accurate and complete.

(f) The Authority has not suffered any material adverse financial consequences which could have a material adverse effect on the ability of the Authority to perform its obligations under the Agreements, nor are there any pending regulatory compliance matters or pending financial matters which could materially adversely affect the Authority.

(g) There is no litigation pending or threatened against the Authority (a) challenging the creation, organization or existence of the Authority, (b) seeking to restrain or enjoin the execution, issuance or delivery of any of the Bonds, (c) contesting or affecting the validity of the Bonds or the Bond Resolution, (d) contesting the powers of the Authority to issue

the Bonds, or the use of the Revenues for repayment of the Bonds, or the adoption of the Bond Resolution, or (e) in any way contesting or affecting the validity of the Agreements. There is no litigation that, if decided against the Authority, is likely to have a materially adverse affect on the financial condition or operations of the Authority.

(h) The undersigned has read and understands the Agreements and related documents and the factual representations contained therein are true, correct and complete.

(i) The undersigned has reviewed Broad and Cassel's proposed legal opinion and has no knowledge of any error, inaccuracy or misleading statement made therein.

(j) The foregoing is intended only for the benefit of Broad and Cassel and may not be relied upon by any other person or entity.

Broad and Cassel may rely on the foregoing without any independent investigation in rendering certain of its legal opinions as required under the Bond Resolution. If the statements contained herein are not true, correct and complete or are misleading as of the date hereof, the undersigned shall immediately notify Broad and Cassel of the same in writing.

DATED as of the ____ day of _____, 2012.

GREATER ORLANDO AVIATION AUTHORITY

By: _____
Jacki M. Churchill, Chief Financial Officer

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this ____ day of _____, 2012, by Jacki M. Churchill, as the Chief Financial Officer of the Greater Orlando Aviation Authority. She is personally known to me or has produced _____ as identification.

(Signature of Notary Public)

(Typed name of Notary Public) Notary Public, State of Florida Commission No.

My commission expires:

Schedule I

The Agreements

1. That certain Forward Delivery Purchase Contract dated as of _____, 2012 between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of itself and the Underwriters listed therein.
2. The Bonds.
3. The Disclosure Dissemination Agent Agreement to be dated as of _____, 2012, between the Authority and Digital Assurance Certification, L.L.C.
4. The Escrow Deposit Agreement to be dated as of _____, 2012, between the Authority and The Bank of New York Mellon Trust Company, N.A. relating to the Bonds.
5. Any and all other documents and agreements executed in connection with the above.

EXHIBIT B

**Form of Opinion of City's Office of Legal Affairs to be delivered on the
Delayed Delivery Pre-Closing Date**

_____, 2012

Greater Orlando Aviation Authority
One Airport Boulevard
Orlando, Florida 32827-4399

Nabors, Giblin & Nickerson, P.A.
2502 N. Rocky Point Drive, Suite 1060
Tampa, Florida 33607

The Bank of New York Mellon Trust
Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

Broad and Cassel
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801

Merrill Lynch, Pierce, Fenner &
Smith Incorporated
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC
Loop Capital Markets, LLC
c/o Merrill Lynch, Pierce, Fenner &
Smith Incorporated
250 S. Park Avenue, Suite 400
Winter Park, Florida 32789

Re: \$_____ *Greater Orlando Aviation Authority Airport Facilities Refunding
Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the
"Bonds")*

Ladies and Gentlemen:

The City Attorney's Office of the City of Orlando, Florida (the "City") serves as legal counsel to the City.

We have examined and are familiar with the proceedings of the City Council of the City (the "City Council") at which:

(a) a Resolution was adopted by the City Council on June 19, 1978, approving the Airport Facilities Revenue Bond Resolution (the "Bond Resolution") Authorizing Airport Facilities Revenue Bonds of the City, adopted by the Greater Orlando Aviation Authority (the "Authority") on June 13, 1978;

(b) Resolutions were adopted by the City Council on August 30, 1978, February 26, 1981, December 19, 1984, August 25, 1986, January 7, 1987, August 31, 1987, July 14, 1988, March 5, 1992, April 9, 1992, November 19, 1992, June 14, 1993, November 3, 1997, August 17, 1998, May 24, 1999, June 24, 2002, September 23, 2002, May 19, 2003, July 9, 2007, March 17, 2008, October 6, 2008, April 27, 2009, November 16, 2009, March 22, 2010, October 18, 2010, March 7, 2011 and September 19, 2011 (the "Resolutions") amending and supplementing the Bond Resolution and authorizing the issuance of additional series of bonds under the Bond Resolution and certain related acts under or related to the Bond Resolution.

We have also made such investigations and have examined such laws, ordinances, resolutions and certificates as we have deemed relevant and necessary in connection with the opinions expressed below. We are the opinion that:

1. The meetings held by the City Council on June 19, 1978, August 30, 1978, February 26, 1981, December 19, 1984, August 25, 1986, January 7, 1987, August 31, 1987, July 14, 1988, March 5, 1992, April 9, 1992, November 19, 1992, June 14, 1993, November 3, 1997, August 17, 1998, May 24, 1999, June 24, 2002, September 23, 2002, May 19, 2003, July 9, 2007, March 17, 2008, October 6, 2008, April 27, 2009, November 16, 2009, March 22, 2010, October 18, 2010, March 7, 2011 and September 19, 2011 were duly called and held in accordance with the laws of the State of Florida and the City.

2. The Resolutions were duly and lawfully adopted by the City Council, are in full force and effect and the Resolutions and bonds authorized thereunder, including in particular the Bonds, are binding and enforceable against the City, subject to the limitations on sources of payment set forth in the Resolutions for the bonds approved thereunder and except in so far as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights.

3. The issuance of the Bonds has been duly authorized and approved by the City and no further action is required by the City Council, and no consent, waiver, authorization or any other action by any person, board or body, public or private, is required in connection with or as a condition precedent to, the sale, issuance and delivery of the Bonds or the approval of the Supplemental Resolution adopted by the Authority authorizing issuance of the Bonds.

In rendering the opinions set forth above (i) we have not been requested to pass upon, and have not passed upon, the validity of any Lease and Use Agreement or Fueling System Lease Agreement between the Authority and air carriers utilizing the Airport System, (ii) we have not been called upon to and do not express any opinions as to the information and data contained in the Official Statement and (iii) we have not provided nor verified any information contained in the Official Statement and are not passing upon nor assuming any responsibility for the accuracy, completeness or fairness of any statements therein.

We render this opinion as of the date hereof and undertake no obligation to update any matters contained herein. This opinion is furnished solely for the benefit of the addressees in connection with the issuance of the Bonds and may not be relied upon by any other persons without the express written consent of the City Attorney's Office.

Sincerely,

City of Orlando, Florida City
Attorney's Office

By: _____
Wesley C. Powell
Assistant City Attorney

EXHIBIT C

**Form of Opinion of Co-Disclosure counsel to be on the
Delayed Delivery Pre-Closing Date**

_____, 2012

Greater Orlando Aviation Authority
Orlando International Airport
One Jeff Fuqua Boulevard
Orlando, FL 32827-4399

**Re: \$_____ Greater Orlando Aviation Authority Airport Facilities Refunding
Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida**

Ladies and Gentlemen:

We have acted as Co-Disclosure Counsel to the Greater Orlando Aviation Authority (the "Authority" in connection with the offering of the \$_____ Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Series 2012A Bonds"). Capitalized but undefined terms used herein shall have the meanings assigned thereto in the Forward Delivery Purchase Contract dated _____, 2012 (the "Purchase Contract"), between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Representative"), on behalf of itself and the underwriters named therein, and the final Official Statement of the Authority dated _____, 2012 (the "Final Official Statement") relating to the Series 2012A Bonds, as applicable.

As Co-Disclosure Counsel, we have examined unexecuted copies of the Final Official Statement, the Bond Resolution and the City Resolution. We have reviewed the Final Official Statement generally and have discussed certain information and statements therein with representatives of the Authority, the Representative, Nabors, Nickerson & Giblin, P.A., Tampa, Florida and Ruye H. Hawkins, P.A., in their capacity as Co-Bond Counsel ("Co-Bond Counsel"), Broad and Cassel, in its capacity as counsel to the Authority ("Issuer's Counsel"), and Morgan Keegan & Company, Inc. and National Minority Consultants, Inc., the Authority's Co-Financial Advisors. We have also reviewed certain proceedings of the Authority and the City of Orlando, Florida (the "City"), and originals or copies identified to our satisfaction of such agreements, proceedings, resolutions, opinions, certificates and other documents furnished to us as we have considered necessary to enable us to render this opinion. We have assumed, but not independently verified, the genuineness of signatures on documents submitted to us as originals, the authenticity thereof and the conformity with the originals of any documents submitted to us as copies or specimens.

Consistent with the scope of our engagement, we do not express any opinion or view herein on the authorization, sale and issuance of the Series 2012A Bonds, the validity of Bond Resolution, the City Resolution or the Series 2012A Bonds, or the tax-exempt status of the Series 2012A Bonds.

To the extent that the opinions expressed herein relate to or are dependent upon the determination that the proceedings and actions relating to authorization, sale and issuance of the Series 2012A Bonds are lawful and valid under the laws of the State of Florida (the "State"), the effect thereof on the tax-exempt status of the Series 2012A Bonds, or that the Series 2012A Bonds are valid and legally binding obligations of the Authority enforceable in accordance with their terms, we understand that you are relying upon the opinions delivered on the date hereof of Co-Bond Counsel and Issuer's Counsel, and no opinion is expressed herein as to any such matters.

The scope of our engagement with respect to the offering of the Series 2012A Bonds was not to establish factual matters and because of the wholly or partially non-legal character of many of the determinations involved in the preparation of the Final Official Statement we are not passing on and do not assume any responsibility for, except as set forth in the following paragraph, the accuracy or completeness of the contents of the Final Official Statement (including, without limitation, any appendices, schedules and exhibits thereto) and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements.

Based upon the foregoing and subject to the qualifications and limitations stated in this opinion, we are of the opinion that based upon our participation as Co-Disclosure Counsel and without having undertaken to determine independently the accuracy or completeness of the contents of the Final Official Statement, no facts came to our attention which have caused us to believe that the information in the Final Official Statement (excluding any financial, statistical, demographic and numerical information, any forecasts, estimates, assumptions or expressions of opinion, and information regarding DTC and its book-entry only system of registration, as to which no opinion is expressed) as of its date and as of the date of this opinion contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The opinions or statements expressed above are based solely on the laws of the State and of the United States of America as currently in effect and not the laws of any other jurisdiction. Accordingly, we express no opinion nor make any statement regarding the effect or application of the laws of any other state or jurisdiction.

This opinion is rendered as of the date hereof pursuant to Section 8(e)(ix) of the Purchase Contract. Except as provided in Section 10(f)(vi) of the Purchase Contract, we expressly disclaim any obligation to update any matter in this opinion or advise you of any matters which may come to our attention subsequent to the date hereof.

This opinion is furnished by us as Co-Disclosure Counsel, is solely for the benefit of the addressee hereof, and is rendered solely in connection with the transaction to which this opinion relates. This opinion may not be used or relied upon or published or communicated to any party, other than the addressee hereof, for any purpose whatsoever without our prior written approval in each instance.

Respectfully,

EXHIBIT D

Form of Opinion of Broad and Cassel to be delivered on the
Delayed Delivery Closing Date

_____, 2012

Greater Orlando Aviation Authority
Orlando, Florida

Merrill Lynch, Pierce, Fenner &
Smith Incorporated
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC
Loop Capital Markets LLC
c/o Merrill Lynch, Pierce, Fenner &
Smith Incorporated
Winter Park, Florida

The Bank of New York Mellon
Trust Company, N.A.
Jacksonville, Florida

RE: \$_____ *GREATER ORLANDO AVIATION AUTHORITY AIRPORT
FACILITIES REFUNDING REVENUE BONDS, SERIES 2012A (AMT) OF THE
CITY OF ORLANDO, FLORIDA*

Dear Ladies and Gentlemen:

We have acted as counsel to the Greater Orlando Aviation Authority (the "Authority"), an agency of the City of Orlando, Florida (the "City") in connection with the issuance by the Authority of its \$_____ Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Bonds").

The Bonds are being issued under and pursuant to the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, adopted by the Authority on June 13, 1978 and approved by the City Council of the City on June 19, 1978, as supplemented and amended from time to time, which amendments were codified by the Authority on **[September 17, 2008]** (the "Airport Facilities Bond Resolution"), and as specifically supplemented and amended by those certain Supplemental Airport Facilities

Revenue Bond Resolutions adopted by the Authority on September 21, 2011, as approved by the City on **[September 19, 2011]**, authorizing the issuance of the Bonds (the "Supplemental Resolutions"). The Airport Facilities Bond Resolution, as supplemented and amended by the Supplemental Resolutions, is referred to herein as the "Bond Resolution".

The opinions rendered herein are given at the request of the Authority pursuant to Section 202(1)(6) of the Bond Resolution and paragraph 10(e)(iv) of that certain Forward Delivery Purchase Contract dated as of _____, 2012 (the "Purchase Contract"), between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated, on behalf of itself and the other underwriters listed in the Purchase Contract (the "Underwriters").

Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Bond Resolution.

We do not express any opinion concerning any law other than the laws of Florida and the federal laws of the United States of America. We specifically exclude any opinion as to the applicability or effect of any federal or state laws, rules, or regulations relating to taxation (including, but not limited to, the taxation of income, arbitrage rules and rebate analysis) or to the enforceability or effect of any waiver or limitation on any laws, rules or regulations relating to the sovereign immunity of the Authority for tort liability, whether through indemnity or otherwise. We also specifically exclude any opinion as to the offer or sale of securities (except as expressly stated in opinion paragraphs 9 and 10 below with respect to the Official Statement). No opinion is expressed with regard to any document or agreement not governed by Florida law.

No opinion is rendered herein with respect to the effective date of any document or agreement if such effective date is prior to the date hereof. In addition, we express no opinion with respect to the exclusion from gross income for federal income tax purposes of interest on the Bonds or with respect to the exemption of the Bonds from the State of Florida intangible personal property tax.

This opinion has been prepared and is to be construed in accordance with the Report on Standards for Florida Opinions dated April 8, 1991 issued by the Business Law Section and the Real Property Section of the Florida Bar, as amended and supplemented (the "Report"). The Report is incorporated by reference into this opinion.

In rendering the following opinions we have relied, with your approval, as to factual matters that affect our opinions (and excluding legal conclusions), solely on our examination of the following documents (and we have assumed, with your permission, that all statements made therein are true, complete and accurate as of the effective date hereof), and have made no independent investigation or verification of the facts asserted to be true and correct therein:

11. The Constitution of the State of Florida and Chapter 98-492, Laws of Florida, as amended (collectively, the "Act");
12. Certified copy, dated _____, 2012, of the Bond Resolution;
13. Certified copy, dated _____, 2012, of the Resolution (the "City Resolution") duly adopted [September 19, 2011] by the City Council of the City;
14. A specimen of the Bonds;
15. The Purchase Contract;
16. The Disclosure Dissemination Agent Agreement dated as of _____, 2012, between the Authority and Digital Assurance Certification, L.L.C. (the "Disclosure Dissemination Agent Agreement");
17. The Escrow Deposit Agreement, dated as of October _____, 2011, between the Authority and The Bank of New York Mellon Trust Company, N.A. relating to the Bonds (the "Escrow Agreement").
18. Supplemented Official Statement of the Authority regarding the Bonds, dated _____, 2012 (the "Supplemented Official Statement");
19. The Lease and Use Agreements [better describe] (the "Lease and Use Agreements");
20. Certificates of City Clerk Regarding the City Resolution (the "City Certificate");
21. The opinion of the City Attorney's Office dated _____, 2012 (the "City Opinion");
22. A Certificate in favor of Broad and Cassel from the Authority attached hereto as Exhibit A;
23. All other documents, certificates, representations and warranties made and delivered by the Authority and by the Financial Advisors to the Authority in connection with the issuance of the Bonds.

In rendering the following opinions, we have made no assumptions other than those set forth herein or in the Report. In our examination of the foregoing, we have assumed the

genuineness of all signatures except for the signatures of the Authority on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. We have also assumed the valid adoption and continued effect of the City Resolution, the due authentication of the Bonds by the Trustee, and the enforceability and performance of the obligations of the Underwriter under the Purchase Contract.

Based upon the foregoing, and subject to the qualifications and limitations stated herein and in the Report, we are of the opinion that:

11. The Authority is a duly created and validly existing agency of the City under the provisions of the Act, and is authorized to operate, maintain and improve the Airport System and to fix and establish fees and other charges in respect of such Airport System, collect Revenues, and perform all of its obligations under the Bond Resolution in those respects.
12. The execution and delivery of the Purchase Contract, the Escrow Agreement and the Disclosure Dissemination Agent Agreement by the Authority have been duly and lawfully authorized by the Authority.
13. The Purchase Contract, the Escrow Agreement and the Disclosure Dissemination Agent Agreement have been executed and delivered by the Authority.
14. Assuming proper authorization, execution and delivery of the Purchase Contract, the Lease and Use Agreements, the Escrow Agreement and the Disclosure Dissemination Agent Agreement by, and the enforceability thereof against, the other parties thereto, the Purchase Contract, the Escrow Agreement and the Disclosure Dissemination Agent Agreement are valid and binding obligations of the Authority, enforceable against the Authority in accordance with Florida law.

The foregoing opinion concerning the validity, binding effect, and enforceability of the Purchase Contract, the Lease and Use Agreements, the Escrow Agreement and the Disclosure Dissemination Agent Agreement (for purposes of this paragraph, the "Authority Documents") means that, with respect to the Authority only, (a) the Authority Documents are not invalid in their entirety because of a specific statutory prohibition or public policy and are not subject in their entirety to contractual defenses; and (b) subject to the remainder of this paragraph, some remedy is available if the Authority is in material default under the Authority Documents. This opinion does not mean that any particular remedy is available upon a material default or every provision of the Authority Documents will be upheld or enforced in any or each circumstance by a court. Furthermore, the validity and binding effect and enforceability of the Authority

Documents may be limited or otherwise affected by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar statutes, rules, regulations or other laws affecting the enforcement of creditors' rights and remedies generally, (ii) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law) because of an equitable principle or a requirement as to commercial reasonableness, conscionability or good faith, (iii) compliance with, and limitations imposed by, procedural requirements of state laws, including the Uniform Commercial Code, relating to the exercise of remedies by a lender or secured party, and (iv) limitations based on statutes or on public policy limiting a person's right to waive the benefits of constitutional rights, statutory provisions or common law rights.

15. No consent, waiver, authorization or any other action not previously given to, or taken by, any person, board or body, public or private, is required as of this date for the Authority to adopt the Supplemental Resolutions, to issue the Bonds, to enter into the Disclosure Dissemination Agent Agreement, the Escrow Agreements and the Purchase Contract, or to perform its obligations under any of the foregoing documents. No opinion is expressed as to the applicability of or compliance with "blue sky" or securities laws of any state or the United States of America.
16. The execution and delivery by the Authority of the Bonds, the adoption by the Authority of the Supplemental Resolutions, the authorization, execution and delivery by the Authority of the Purchase Contract, the Escrow Agreement and the Disclosure Dissemination Agreement and compliance by the Authority with the provisions of each of the foregoing do not and will not conflict with or constitute a violation of any applicable law or administrative regulation of the State of Florida or the United States of America or, to our knowledge, constitute a breach of any applicable judgment or decree or of any material term of any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject.
17. The Authority had the right and power under the Act to adopt the Bond Resolution, and the Bond Resolution was duly and lawfully approved, adopted and executed by the Authority, is in full force and effect, and no other authorization by the Authority is required for the Bond Resolution to be effective.
18. The Bond Resolution (including without limitation the pledge of Revenues and all Funds established by the Bond Resolution for the payment of the principal of, and interest on, the Bonds in accordance with their terms and the provisions of the Bond Resolution) is a valid and binding obligation of the Authority, enforceable against the Authority in accordance with Florida law.

The foregoing opinion concerning the validity, binding effect, and enforceability of the Bond Resolution means that, with respect to the Authority only, (a) the Bond Resolution is not invalid in its entirety because of a specific statutory prohibition or public policy and is not subject in its entirety to contractual defenses; and (b) subject to the remainder of this paragraph, some remedy is available if the Authority is in material default under the Bond Resolution. This opinion does not mean that any particular remedy is available upon a material default or every provision of the Bond Resolution will be upheld or enforced in any or each circumstance by a court. Furthermore, the validity and binding effect and enforceability of the Bond Resolution may be limited or otherwise affected by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar statutes, rules, regulations or other laws affecting the enforcement of creditors' rights and remedies generally, (ii) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law) because of an equitable principle or a requirement as to commercial reasonableness, conscionability or good faith, (iii) compliance with, and limitations imposed by, procedural requirements of state laws, including the Uniform Commercial Code, relating to the exercise of remedies by a lender or secured party, and (iv) limitations based on statutes or on public policy limiting a person's right to waive the benefits of constitutional rights, statutory provisions or common law rights.

19. Except as expressly set forth in this paragraph and paragraph 10 below, we have not verified and therefore are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Supplemented Official Statement. We have, however, participated in the preparation of the Supplemented Official Statement and have had general discussions with representatives of the Authority and representatives of Morgan Keegan & Company, Inc., Winter Park, Florida, and National Minority Consultants, Inc., Winter Park, Florida (Financial Advisors to the Authority). We have also examined such documents and other instruments as we have deemed necessary or appropriate in connection with the preparation of the Supplemented Official Statement. In the course of the activities described above, no facts came to our attention that would lead us to believe the Supplemented Official Statement (apart from (a) the information contained in the appendices, (b) the financial, engineering or statistical data, or any estimates or projections, included in the Supplemented Official Statement, and (c) the matters set forth in the Supplemented Official Statement under the captions "BOOK-ENTRY ONLY SYSTEM," "AUTHORITY FINANCIAL INFORMATION," "TAX MATTERS," "RATINGS," and "UNDERWRITING," as to all of which we were not called upon to and do not express any opinion), as of the date of the Supplemented Official Statement or as of the date hereof, (i) contained any untrue statement of material fact, or (ii)

omitted to state any material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading.

20. Except as set forth in the Supplemented Official Statement, to our knowledge, there is no litigation pending or threatened (a) challenging the creation, organization or existence of the Authority, (b) seeking to restrain or enjoin the execution, issuance or delivery of any of the Bonds, (c) contesting or affecting the validity of the Bonds or the Bond Resolution, (d) contesting the powers of the Authority to issue the Bonds, or the use of the Revenues for repayment of the Bonds, or the adoption of the Bond Resolution, or (e) wherein an unfavorable decision, ruling or finding would have material, adverse effect upon the transactions contemplated by the Supplemented Official Statement or the validity or enforceability of the Purchase Contract, the Lease and Use Agreements, the Escrow Agreement or the Disclosure Dissemination Agent Agreement. To our knowledge, and based solely on the judgment of management of the Authority as reflected in the Opinion Certificate attached hereto, there is no litigation pending in which a final adverse decision is likely to materially adversely affect the financial condition or operations of the Authority.

The information contained in the Supplemented Official Statement under the caption "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM" (except for the information provided under the caption "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM — Taxation of Facilities, Rentals and Services") and AUTHORITY FINANCIAL INFORMATION was provided by the Authority and we have not verified and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements under such caption.

The opinions set forth in paragraphs 2, 3, 4 and 5 above assume that the Purchase Contract has been duly authorized, executed and delivered by the Underwriter. This opinion, specifically as set forth in paragraphs 4, 5, 6, 7 and 8 above, relies on the City Opinion and assumes the due adoption by the City of its resolutions, including the City Resolution, approving the Bond Resolution.

This letter shall not be deemed or treated as an offering circular, prospectus or official statement, and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Bonds.

We have not passed upon and therefore express no opinion as to the compliance by the Authority, or any other party involved in this financing with, or the necessity of such parties to comply with, any federal or state registration requirements or security statutes, regulations or rulings, with respect to the offer and sale of the Bonds.

This opinion is furnished to you by us as counsel for the Authority and is solely for your benefit and the benefit of the Authority and is rendered solely in connection with the transaction to which this opinion relates. This opinion may be relied upon only in connection with this transaction and may not be relied upon by any other person or entity (regardless of whether such other person or entity is related or affiliated with you) without our prior written consent.

Very truly yours,

BROAD AND CASSEL

EXHIBIT A

OPINION CERTIFICATE

The undersigned, the **GREATER ORLANDO AVIATION AUTHORITY**, an agency of the City of Orlando (the "Authority"), does hereby certify to Broad and Cassel that the following statements are true, correct and complete, and not misleading in any manner:

9. General.

This certification is being given by the Authority for the purpose of inducing Broad and Cassel to give certain legal opinions on behalf of the Authority, in connection with the Bonds (as defined below). All terms capitalized but not defined herein shall have the meaning ascribed to such terms in the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, adopted by the Authority on June 13, 1978 and approved by the City Council of the City on June 19, 1978, as supplemented and amended from time to time, which amendments were restated by the Authority on September 17, 2008 (the "Bond Resolution").

10. Definition.

"Agreements" shall mean those agreements, documents and instruments listed on Schedule I attached hereto.

"Bonds" shall mean the Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT), of the City of Orlando, Florida.

11. Formation.

The Authority was created as an agency of the City of Orlando, Florida pursuant to the Constitution of the State of Florida and Chapter 98-492, Laws of Florida, as amended (collectively, the "Act"). The Authority was organized in accordance with the Act.

12. Organization.

No formal or informal resolution or decision has been made or paper filed in connection with the termination, cessation of existence, bankruptcy or insolvency of the Authority, or in connection with any similar proceeding for debtor or creditor relief relating to the Authority, nor has the undersigned received any notice of any third party making any filing or threatening to make a filing regarding any such proceeding involving the Authority, nor to the undersigned's knowledge, has any circumstance occurred which is likely to lead to any such proceeding involving the Authority.

13. Actions of the Authority.

(i) The Bond Resolution, including all amendments and supplements listed in the closing certificates of the Authority delivered in connection with the Bonds, was approved, adopted and executed by the Authority.

(j) The Supplemental Airport Facilities Revenue Bond Resolutions adopted by the Authority on September 21, 2011, (the "Supplemental Resolutions") authorizing the issuance of the Bonds were approved, adopted and executed by the Authority and approved by the City of Orlando (the "City").

(k) No actions have been taken by the Authority or any other party to terminate, invalidate or revoke the Bond Resolution, the Supplemental Resolutions or any parts thereof.

(l) The Authority has not committed a default which with the passage of time, or the giving of notice, or both will become an Event of Default under the Bond Resolution.

(m) No further authorization by the Authority, and no further third party consent is required for the Authority's issuance of the Bonds.

(n) The Authority has authorized the execution and delivery of the Agreements.

(o) All actions taken by the Authority or any of its agents in connection with the Agreements have been ratified, confirmed and approved in all respects.

(p) The Operation and Use Agreement dated September 27, 1976, as amended to date, between the City and the Authority (the "Operation and Use Agreement") was adopted by the Authority and has not been terminated by the Authority and the Authority has not received any notice of termination from the City. The Authority has not committed a default which with the passage of time, or the giving of notice, or both will become an event of default under the Operation and Use Agreement.

14. Lease and Use Agreements.

(c) The issuance of the Bonds under the Bond Resolution does not require any approval of or additional notice to the Airlines that have executed Airline-Airport Lease and Use Agreements with the Authority.

(d) The projects funded with the proceeds of the bonds being refunded were approved by the Signatory Airlines under the Airline — Airport Lease and Use Agreements that expired on September 30, 2008.

15. Validity.

The Authority has not received any notice of, nor is it aware that, any provision set forth in the Bonds is contrary or otherwise in violation of public policy or any laws or regulations.

16. Miscellaneous.

(k) Authorized Officers of the Authority have executed the Bonds and delivered the same to all other parties thereto intending to cause the Authority to be legally bound thereby and to form immediately binding agreements, and no unsatisfied conditions or other contingencies are outstanding or were outstanding at the time of execution and delivery of the Bonds which might obviate the Authority's intention to be legally bound thereby.

(l) The signatures of the Authorized Officers of the Authority on all Bonds are genuine.

(m) The descriptions of the Bonds, the Bond Resolution, and the Lease and Use Agreements contained in the Official Statement relating to the Bonds (the "Official Statement") are accurate.

(n) The Official Statement does not contain any untrue statement. In addition, the Official Statement does not omit to state any fact necessary to make the statements made therein not misleading.

(o) The statements contained in the Official Statement under the captions "THE AUTHORITY," "AUTHORIZATION OF THE SERIES 2012A BONDS," "OTHER INDEBTEDNESS AND INTEREST RATE SWAP," "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM — Taxation of Facilities, Rentals and Services," and "AUTHORITY FINANCIAL INFORMATION" are accurate and complete.

(p) The Authority has not suffered any material adverse financial consequences which could have a material adverse effect on the ability of the Authority to perform its obligations under the Agreements, nor are there any pending regulatory compliance matters or pending financial matters which could materially adversely affect the Authority.

(q) There is no litigation pending or threatened against the Authority (a) challenging the creation, organization or existence of the Authority, (b) seeking to restrain or enjoin the execution, issuance or delivery of any of the Bonds, (c) contesting or affecting the validity of the Bonds or the Bond Resolution, (d) contesting the powers of the Authority to issue

the Bonds, or the use of the Revenues for repayment of the Bonds, or the adoption of the Bond Resolution, or (e) in any way contesting or affecting the validity of the Agreements. There is no litigation that, if decided against the Authority, is likely to have a materially adverse affect on the financial condition or operations of the Authority.

(r) The undersigned has read and understands the Agreements and related documents and the factual representations contained therein are true, correct and complete.

(s) The undersigned has reviewed Broad and Cassel's proposed legal opinion and has no knowledge of any error, inaccuracy or misleading statement made therein.

(t) The foregoing is intended only for the benefit of Broad and Cassel and may not be relied upon by any other person or entity.

Broad and Cassel may rely on the foregoing without any independent investigation in rendering certain of its legal opinions as required under the Bond Resolution. If the statements contained herein are not true, correct and complete or are misleading as of the date hereof, the undersigned shall immediately notify Broad and Cassel of the same in writing.

DATED as of the ____ day of _____, 2012.

GREATER ORLANDO AVIATION AUTHORITY

By: _____
Jacki M. Churchill, Chief Financial Officer

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this ____ day of _____, 2012, by Jacki M. Churchill, as the Chief Financial Officer of the Greater Orlando Aviation Authority. She is personally known to me or has produced _____ as identification.

(Signature of Notary Public)

(Typed name of Notary Public) Notary Public, State of Florida Commission No.

My commission expires:

Schedule I

The Agreements

6. That certain Forward Delivery Purchase Contract dated as of _____, 2012 between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of itself and the Underwriters listed therein.
7. The Bonds.
8. The Disclosure Dissemination Agent Agreement dated as of _____, 2012, between the Authority and Digital Assurance Certification, L.L.C.
9. The Escrow Deposit Agreement, dated as of _____, 2012, between the Authority and The Bank of New York Mellon Trust Company, N.A.
10. Any and all other documents and agreements executed in connection with the above.

EXHIBIT E

Form of Opinion of City's Office of Legal Affairs to be delivered on the
Delayed Delivery Closing Date

_____, 2012

Greater Orlando Aviation Authority
One Airport Boulevard
Orlando, Florida 32827-4399

Nabors, Giblin & Nickerson, P.A.
2502 N. Rocky Point Drive, Suite 1060
Tampa, Florida 33607

The Bank of New York Mellon Trust
Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

Broad and Cassel
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801

Merrill Lynch, Pierce, Fenner &
Smith Incorporated
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC
Loop Capital Markets, LLC
c/o Merrill Lynch, Pierce, Fenner &
Smith Incorporated
250 S. Park Avenue, Suite 400
Winter Park, Florida 32789

Re: \$_____ *Greater Orlando Aviation Authority Airport Facilities Refunding
Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the
"Bonds")*

Ladies and Gentlemen:

The City Attorney's Office of the City of Orlando, Florida (the "City") serves as legal counsel to the City.

We have examined and are familiar with the proceedings of the City Council of the City (the "City Council") at which:

(c) a Resolution was adopted by the City Council on June 19, 1978, approving the Airport Facilities Revenue Bond Resolution (the "Bond Resolution") Authorizing Airport Facilities Revenue Bonds of the City, adopted by the Greater Orlando Aviation Authority (the "Authority") on June 13, 1978;

(d) Resolutions were adopted by the City Council on August 30, 1978, February 26, 1981, December 19, 1984, August 25, 1986, January 7, 1987, August 31, 1987, July 14, 1988, March 5, 1992, April 9, 1992, November 19, 1992, June 14, 1993, November 3, 1997, August 17, 1998, May 24, 1999, June 24, 2002, September 23, 2002, May 19, 2003, July 9, 2007, March 17, 2008, October 6, 2008, April 27, 2009, November 16, 2009, March 22, 2010, October 18, 2010, March 7, 2011 and September 19, 2011 (the "Resolutions") amending and supplementing the Bond Resolution and authorizing the issuance of additional series of bonds under the Bond Resolution and certain related acts under or related to the Bond Resolution.

We have also made such investigations and have examined such laws, ordinances, resolutions and certificates as we have deemed relevant and necessary in connection with the opinions expressed below. We are the opinion that:

4. The meetings held by the City Council on June 19, 1978, August 30, 1978, February 26, 1981, December 19, 1984, August 25, 1986, January 7, 1987, August 31, 1987, July 14, 1988, March 5, 1992, April 9, 1992, November 19, 1992, June 14, 1993, November 3, 1997, August 17, 1998, May 24, 1999, June 24, 2002, September 23, 2002, May 19, 2003, July 9, 2007, March 17, 2008, October 6, 2008, April 27, 2009, November 16, 2009, March 22, 2010, October 18, 2010, March 7, 2011 and September 19, 2011 were duly called and held in accordance with the laws of the State of Florida and the City.

5. The Resolutions were duly and lawfully adopted by the City Council, are in full force and effect and the Resolutions and bonds authorized thereunder, including in particular the Bonds, are binding and enforceable against the City, subject to the limitations on sources of payment set forth in the Resolutions for the bonds approved thereunder and except in so far as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights.

6. The issuance of the Bonds has been duly authorized and approved by the City and no further action is required by the City Council, and no consent, waiver, authorization or any other action by any person, board or body, public or private, is required in connection with or as a condition precedent to, the sale, issuance and delivery of the Bonds or the approval of the Supplemental Resolution adopted by the Authority authorizing issuance of Bonds.

In rendering the opinions set forth above (i) we have not been requested to pass upon, and have not passed upon, the validity of any Lease and Use Agreement or Fueling System Lease Agreement between the Authority and air carriers utilizing the Airport System, (ii) we have not been called upon to and do not express any opinions as to the information and data contained in the Official Statement and (iii) we have not provided nor verified any information contained in the Official Statement and are not passing upon nor assuming any responsibility for the accuracy, completeness or fairness of any statements therein.

We render this opinion as of the date hereof and undertake no obligation to update any matters contained herein. This opinion is furnished solely for the benefit of the addressees in connection with the issuance of the Bonds and may not be relied upon by any other persons without the express written consent of the City Attorney's Office.

Sincerely,

City of Orlando, Florida City
Attorney's Office

By: _____
Wesley C. Powell
Assistant City Attorney

EXHIBIT F

**Form of Opinion of Co-Disclosure Counsel to be delivered on the
Delayed Delivery Closing Date**

_____, 2012

Greater Orlando Aviation Authority
Orlando International Airport
One Jeff Fuqua Boulevard
Orlando, FL 32827-4399

**Re: \$_____ Greater Orlando Aviation Authority Airport Facilities Refunding
Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida**

Ladies and Gentlemen:

We have acted as Co-Disclosure Counsel to the Greater Orlando Aviation Authority (the "Authority" in connection with the offering of the \$_____ Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Series 2012A Bonds"). Capitalized but undefined terms used herein shall have the meanings assigned thereto in the Forward Delivery Purchase Contract dated _____, 2012 (the "Purchase Contract"), between the Authority and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Representative"), on behalf of itself and the underwriters named therein, and the Supplemented Final Official Statement of the Authority dated _____, 2012 (the "Supplemented Final Official Statement") relating to the Series 2012A Bonds, as applicable.

As Co-Disclosure Counsel, we have examined unexecuted copies of the Final Official Statement, the Supplemented Final Official Statement, the Bond Resolution and the City Resolution. We have reviewed the Supplemented Final Official Statement generally and have discussed certain information and statements therein with representatives of the Authority, the Representative, Nabors, Nickerson & Giblin, P.A., Tampa, Florida and Ruye H. Hawkins, P.A., in their capacity as Co-Bond Counsel ("Co-Bond Counsel"), Broad and Cassel, in its capacity as counsel to the Authority ("Issuer's Counsel"), and Morgan Keegan & Company, Inc. and National Minority Consultants, Inc., the Authority's Co-Financial Advisors. We have also reviewed certain proceedings of the Authority and the City of Orlando, Florida (the "City"), and originals or copies identified to our satisfaction of such agreements, proceedings, resolutions, opinions, certificates and other documents furnished to us as we have considered necessary to enable us to render this opinion. We have assumed, but not independently verified, the genuineness of signatures on documents submitted to us as originals, the authenticity thereof and the conformity with the originals of any documents submitted to us as copies or specimens.

Consistent with the scope of our engagement, we do not express any opinion or view herein on the authorization, sale and issuance of the Series 2012A Bonds, the validity of Bond Resolution, the City Resolution or the Series 2012A Bonds, or the tax-exempt status of the Series 2012A Bonds.

To the extent that the opinions expressed herein relate to or are dependent upon the determination that the proceedings and actions relating to authorization, sale and issuance of the Series 2012A Bonds are lawful and valid under the laws of the State of Florida (the "State"), the effect thereof on the tax-exempt status of the Series 2012A Bonds, or that the Series 2012A Bonds are valid and legally binding obligations of the Authority enforceable in accordance with their terms, we understand that you are relying upon the opinions delivered on the date hereof of Co-Bond Counsel, Issuer's Counsel and the City's Office of Legal Affairs, and no opinion is expressed herein as to any such matters.

The scope of our engagement with respect to the offering of the Series 2012A Bonds was not to establish factual matters and because of the wholly or partially non-legal character of many of the determinations involved in the preparation of the Supplemented Final Official Statement we are not passing on and do not assume any responsibility for, except as set forth in the following paragraph, the accuracy or completeness of the contents of the Supplemented Final Official Statement (including, without limitation, any appendices, schedules and exhibits thereto) and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements.

Based upon the foregoing and subject to the qualifications and limitations stated in this opinion, we are of the opinion that based upon our participation as Co-Disclosure Counsel and without having undertaken to determine independently the accuracy or completeness of the contents of the Supplemented Final Official Statement, no facts came to our attention which have caused us to believe that the information in the Supplemented Final Official Statement (excluding any financial, statistical, demographic and numerical information, any forecasts, estimates, assumptions or expressions of opinion, and information regarding DTC and its book-entry only system of registration, as to which no opinion is expressed) as of its date and as of the date of this opinion contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The opinions or statements expressed above are based solely on the laws of the State and of the United States of America as currently in effect and not the laws of any other jurisdiction. Accordingly, we express no opinion nor make any statement regarding the effect or application of the laws of any other state or jurisdiction.

This opinion is rendered as of the date hereof pursuant to Section 10(f)(vi) of the Purchase Contract. We expressly disclaim any obligation to update any matter in this opinion or advise you of any matters which may come to our attention subsequent to the date hereof.

This opinion is furnished by us as Co-Disclosure Counsel, is solely for the benefit of the addressee hereof, and is rendered solely in connection with the transaction to which this opinion relates. This opinion may not be used or relied upon or published or communicated to any party, other than the addressee hereof, for any purpose whatsoever without our prior written approval in each instance.

Respectfully,

EXHIBIT G

Pre-Closing Completion Certificate

GREATER ORLANDO AVIATION AUTHORITY (the "Authority") and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Representative"), on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Loop Capital Markets, LLC (collectively with the Representative, the "Underwriters"), with respect to the issuance by the Authority of its Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Bonds"), HEREBY CERTIFY as to the following:

The Delayed Delivery Pre-Closing has been completed in accordance with the provisions of the Purchase Contract (defined below). Pursuant to Section 7 of the Purchase Contract, the Underwriters shall be obligated to purchase the Bonds and pay the purchase price therefor and the Authority shall be obligated to issue and deliver such Bonds on the Delayed Delivery Closing Date, subject to the Delayed Delivery Closing Conditions and Termination Provisions set forth in Sections 10 and 11(b), respectively, of the Purchase Contract.

Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Forward Delivery Purchase Contract dated as of _____, 2012 (the "Purchase Contract"), between the Authority and the Representative on behalf of itself and the Underwriters.

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED, as Representative of the
Underwriters

By: _____

Name: Coleman W. Cordell

Title: Managing Director

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

As Representative for the Underwriters

GREATER ORLANDO AVIATION AUTHORITY

By: _____

Name: _____

Title: _____

APPENDIX C

FORM OF THE LEASE AND USE AGREEMENTS

The various Lease and Use Agreements with the Signatory Airlines are substantially similar to each other. The following is a form of the Lease and Use Agreement.

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AIRLINE-AIRPORT LEASE AND USE AGREEMENT
FOR
ORLANDO INTERNATIONAL AIRPORT

BY AND BETWEEN
GREATER ORLANDO AVIATION AUTHORITY
ORLANDO, FLORIDA

AND

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Exhibit D -	Sample Reporting Forms
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AIRLINE-AIRPORT LEASE AND USE AGREEMENT

THIS AIRLINE-AIRPORT LEASE AND USE AGREEMENT ("Agreement") is made and entered into this _____ day of _____, _____ (the "Effective Date") by and between the Greater Orlando Aviation Authority, a public and governmental body existing under and by virtue of the laws of the State of Florida (hereinafter referred to as "AUTHORITY") and _____, a corporation organized and existing under the laws of the State of _____ and authorized to do business in the State of Florida (hereinafter referred to as "AIRLINE").

WITNESSETH:

WHEREAS, the City of Orlando has the ownership, custody, control and management of Orlando International Airport (which, as it may exist from time to time, is hereafter called the "Airport," the current boundaries of which are as set forth in Exhibit A attached hereto) located in the City of Orlando, County of Orange, State of Florida; and

WHEREAS, pursuant to an agreement dated September 27, 1976, as amended, with the City of Orlando, City Document No. 13260-1, AUTHORITY has custody, control, and management of the Airport, and under its governmental responsibilities, operates the Airport for the accommodation of air commerce transportation; and

WHEREAS, AUTHORITY has the right to lease, license, or otherwise provide for the use of land, property and facilities of the Airport and has full power and authority to enter into this Agreement in respect thereof; and

WHEREAS, AIRLINE is engaged in the business of transportation by air of persons, property, mail, parcels and/or cargo; and

WHEREAS, AIRLINE desires to lease certain premises, and obtain certain rights, services and privileges in connection with the use of the Airport and its facilities, and AUTHORITY is willing to grant and lease the same to AIRLINE upon the terms and conditions hereinafter stated; and

WHEREAS, AIRLINE and AUTHORITY agree to enter into this Agreement, specifying the rights and obligations of the parties with respect to the use and occupancy of the Airport by AIRLINE;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, AUTHORITY and AIRLINE do hereby mutually undertake, promise and agree, each for itself and its successors and assigns, as follows:

ARTICLE 1: DEFINITIONS

The following words, terms and phrases wherever used in this Agreement shall for the purposes of this Agreement have the following meanings:

- 1.01 Accommodation Fee shall have the meaning set forth in Section 16.02C below.
- 1.02 Affiliate shall mean any Air Transportation Company that (i) is a parent or wholly owned subsidiary of AIRLINE, or (ii) otherwise operates under essentially the same trade name as AIRLINE at the Airport and uses essentially the same livery as AIRLINE.
- 1.03 Agreement shall mean this Airline-Airport Lease and Use Agreement between AUTHORITY and AIRLINE, as the same may be amended, modified or altered from time to time pursuant to the terms hereof.
- 1.04 Air Transportation Business shall mean that business operated by AIRLINE at the Airport for the commercial transportation by air of persons, property, mail, parcels and/or cargo.
- 1.05 Air Transportation Company shall mean a legal entity engaged in the business of scheduled or non-scheduled commercial transportation by air of persons, property, mail, parcels and/or cargo.
- 1.06 Airfield shall mean those portions of the Airport, including the Terminal Aircraft Aprons, providing for the landing, taking off, and taxiing of aircraft, including without limitation, approach and turning zones, runway protection zones, safety areas, infield areas, landing and navigational aids, service roads, fencing, buffer areas, fuel farm, fuel hydrant and delivery systems, clear zones, aviation or other easements, runways, a fully integrated taxiway system, runway and taxiway lights, and other appurtenances related to the aeronautical use of the Airport, including any property purchased for noise mitigation purposes, as set forth in Exhibit A and as may be revised from time to time by AUTHORITY in its reasonable discretion.
- 1.07 Airfield Cost Center shall include all Debt Service, O&M Expenditures, Amortization, and operating Revenues allocated to, or generated by, the Airfield.
- 1.08 AIRLINE shall mean the Air Transportation Company executing this Agreement.
- 1.09 Airline Airport Affairs Committee (or AAAC) shall mean collectively the authorized representatives of each Signatory Airline which shall meet from time to time with representatives of AUTHORITY to receive information and provide input from the Signatory Airlines with regard to selected operation and development matters of the Airport.
- 1.10 Airline Equipment shall mean loading bridges, pre-conditioned air, ground power/400Hz, potable water, fire bottles and related equipment used to transport passengers between the Terminal and an aircraft.

1.11 Airline Equipment Charge shall mean a per gate charge determined by dividing the Airline Equipment Expenses by the total number of gates at Orlando International Airport at which Airline Equipment is used, times the number of such gates leased that month at Orlando International Airport by AIRLINE. An example of such calculation is set forth on Exhibit E.

1.12 Airline Equipment Expenses shall mean the aggregate annual cost to AUTHORITY of acquiring and maintaining all Airline Equipment, which cost (a) shall include Debt Service, O&M Expenditures and Amortization, but (b) shall not include the acquisition cost of items purchased by AIRLINE or by AUTHORITY with PFC's or funds from federal or state grants.

1.13 Airline Premises shall mean those areas in the Terminal assigned to AIRLINE as Exclusive Use Premises, Preferential Use Premises, or Common Use Premises, each as defined herein, and shown in Exhibit C attached hereto, as such may be revised from time to time as provided herein. Premises at the Airport, but not in the Terminal or on the Terminal Aircraft Apron, leased by AIRLINE (e.g. hangers) shall not be governed by the terms hereof, but shall be governed by a separate agreement between AUTHORITY and AIRLINE.

1.14 Airline Supported Areas shall mean the Airfield Cost Center and the Terminal Cost Center.

1.15 Airport shall mean Orlando International Airport, owned by the City of Orlando and operated by AUTHORITY, the current boundaries of which are more particularly shown in Exhibit A attached hereto, including all real property easements or any other interest therein as well as all improvements and appurtenances thereto, structures, buildings, fixtures, and all tangible personal property or interest in any of the foregoing, now or hereafter owned leased or operated by AUTHORITY. Exhibit A may be modified from time to time, and at any time, in the exclusive discretion of AUTHORITY to reflect changes in the boundaries of the Airport. Any modified Exhibit A shall become part of this Agreement and replace any prior Exhibit A, without any further action of the parties hereto, upon delivery by Authority to Airline of such modified Exhibit A.

1.16 Airport Exclusive Revenue Sources shall mean that certain real property referred to as the "Poitras Property" and identified as such on attached Exhibit A. All Revenues generated from Airport Exclusive Revenue Sources shall be maintained in a segregated fund and shall be applied, when deemed appropriate by the AUTHORITY, toward capital development projects.

1.17 Applicable Signatory Airline Revenue Share Percentage shall mean thirty percent (30%) for Fiscal Years ending September 30, 2009 and September 30, 2010 and twenty five percent (25%) for each Fiscal Year thereafter.

1.18 Airport System shall mean all real property owned or operated from time to time by the AUTHORITY, and any interest therein, including improvements thereto, structures, buildings, fixtures, and other personal property, which comprise part of the Airport, Orlando

Executive Airport or any airport hereafter owned by the AUTHORITY or by the City of Orlando and leased or operated by AUTHORITY.

1.19 Amortization shall mean the annualized cost of capital assets and projects (including renewal and replacement projects and expenditures and Airline Equipment) funded with AUTHORITY funds, amortized over the reasonably expected life of the respective asset, project or expenditure, with interest at six percent (6%) per annum, and charged to the Cost Center(s) to which the asset, project or expenditures relates or to Airline Equipment Expenses, as appropriate.

1.20 Apron Use Fee shall mean the fee charged by AUTHORITY for use of the Terminal Aircraft Apron, as more particularly described in Section 7.01B below.

1.21 AUTHORITY shall mean the Greater Orlando Aviation Authority, created pursuant to Chapter 57-1658, Special Laws of Florida 1957, as replaced by Chapter 98-492, Laws of Florida, as amended, and, for purposes of carrying out and exercising the obligations, rights and duties of such entity hereunder, its board and executive staff, as the context requires.

1.22 Average Terminal Rental Rate shall have the meaning set forth in Section 7.02B.

1.23 Bond Resolution shall mean the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, adopted by AUTHORITY on June 13, 1978, as the same has and may hereafter, from time to time, be amended and supplemented by Supplemental Resolution, as defined in the Bond Resolution.

1.24 Bonds shall mean the Airport Facilities Revenue Bonds issued by AUTHORITY pursuant to the Bond Resolution.

1.25 Capital Expenditure shall mean an expenditure equal to or greater than \$250,000, made to acquire, purchase or construct a single capital item or project for the purpose(s) of improving, maintaining or developing the Airport, and shall include expenses incurred for development, study, analysis, review, design, or planning efforts for such capital item or project.

1.26 Chargeable Landings shall mean all Revenue Landings and those Non-Revenue Landings whenever the same aircraft subsequently departs the Airport as a revenue flight.

1.27 City shall mean the City of Orlando, Florida.

1.28 Common Use Charges shall have the meaning set forth in Section 7.02C(1) below.

1.29 Common Use Formula shall mean that formula which prorates twenty percent (20%) of an applicable rate, use, charge or fee equally among all Signatory Airlines, and eighty percent (80%) of such rate, use, charge or fee among all Signatory Airlines, based on the ratio of each Signatory Airline's Enplaned Passengers annually at the Airport, to the total of all Enplaned Passengers annually at the Airport of all Signatory Airlines.

1.30 Common Use Premises shall mean those non-preferential areas of the Airport (excluding Public Space), used in common by AIRLINE and other authorized users of the Airport, along with all facilities, improvements, equipment and services available in such areas which are, or hereafter may be, designated as common-use, as shown in Exhibit C attached hereto, as such may be amended from time to time as described herein.

1.31 Cost Centers shall mean those distinct areas or functional activities of the Airport System used for the purposes of accounting for Revenues, O&M Expenditures, Amortization and Debt Service, as designated from time to time by the AUTHORITY.

1.32 Debt Service shall mean any principal, interest, premium, and other fees and amounts either paid or accrued for, or required under applicable documents to be paid or accrued for, Bonds, Subordinated Indebtedness or Other Indebtedness, exclusive of amounts funded by PFC collections.

1.33 Deplaned Passenger shall mean any passenger disembarking an aircraft at the Terminal, including any such passenger that shall subsequently board another aircraft of the same or a different Air Transportation Company or the same aircraft, previously operating under a different flight number.

1.34 Effective Date shall have the meaning set forth in the first paragraph of this Agreement.

1.35 Enplaned Passenger shall mean any passenger boarding an aircraft at the Terminal, including any such passenger that previously disembarked from another aircraft of the same or a different Air Transportation Company or from the same aircraft, previously operating under a different flight number.

1.36 Environmental Laws shall have the meaning set forth in Section 17.05A(1)(a) below.

1.37 Event of Default shall have the meaning set forth in Section 12.01.

1.38 Exclusive Use Premises shall mean those portions of the Terminal and Terminal Aircraft Aprons assigned to AIRLINE, as shown in Exhibit C attached hereto (as may be amended from time to time as described herein), on an exclusive basis.

1.39 Executive Director shall mean the Executive Director of AUTHORITY, and shall include such person or persons as may from time to time be authorized in writing by AUTHORITY or by the Executive Director or applicable law to act for the Executive Director with respect to any or all matters pertaining to this Agreement.

1.40 Extraordinary Coverage Protection shall have the meaning set forth in Section 7.05D.

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

1.42 Facility Fee shall mean a per use fee payable by an Air Transportation Company for the right to use Airport facilities for the processing of passengers and baggage (e.g. gate, check-in counter, holdroom, etc.), which facilities are not leased by such Air Transportation Company pursuant to a Space/Use Agreement or similar contractual lease arrangement.

1.43 Fiscal Year shall mean the annual accounting period of AUTHORITY for its general accounting purposes which, at the time of entering into this Agreement, is the period of twelve consecutive months, ending with the last day of September of any year.

1.44 Ground Transportation Cost Center shall include all Debt Service, Amortization, O&M Expenditures and operating Revenues allocated to or generated by those areas on the Airport designated from time to time by AUTHORITY for public automobile parking, automobile rental agencies, taxi, bus and limousine parking areas, and other nonaeronautical transportation related accommodations and services for the public arriving at or leaving the Terminal, as designated as such from time to time by AUTHORITY on Exhibit A.

1.45 Hotel shall mean the hotel facility, including guest rooms, meeting rooms restaurants and lobby areas, located in the landside terminal building, and identified on Exhibit A (as may be amended from time to time as described herein).

1.46 Hotel Cost Center shall include all Debt Service, Amortization, O&M Expenditures and operating Revenues allocated to or generated by the Hotel.

1.47 Identified Affiliate shall have the meaning set forth in Section 5.03 below.

1.48 MUFIDs shall have the meaning set forth in Section 5.01J below.

1.49 Landing Fee shall mean the amount payable by AIRLINE for the use of the Airfield, as described in Section 7.01 below.

1.50 Landing Fee Rate shall mean a fee rounded to the nearest cent per thousand pounds, calculated as set forth in Section 7.01 below.

1.51 Majority-in-Interest shall mean, with respect to issues pertaining to the Terminal Cost Center, (a) more than fifty percent (50%) of all Signatory Airlines at the Airport on the date the particular consideration is requested and (b) Signatory Airlines which paid, in the aggregate, more than fifty percent (50%) of total Terminal rental payments in the six (6) full months preceding the month in which the particular consideration is requested; and, with respect to issues pertaining to the Airfield Cost Center, (y) more than fifty percent (50%) of all Signatory Airlines at the Airport on the date the particular consideration is requested, and (z) Signatory Airlines having, in the aggregate, more than fifty percent (50%) of the total Maximum Gross Landed Weight at the Airport for the six (6) full months preceding the month in which the particular consideration is requested.

1.52 Maximum Gross Landed Weight shall mean the maximum gross certificated landing weight in one thousand pound units for each aircraft operated at the Airport by AIRLINE, as certificated by the FAA or its successor.

1.53 Net Airfield Requirement shall mean all Operating Expenditures, Operating Reserve Requirements, Amortization and Debt Service reasonably allocated by AUTHORITY to the Airfield Cost Center in a Fiscal Year, times ninety percent (90%), minus all landing fees collected by AUTHORITY from all non-Signatory Airlines during such Fiscal Year and all other Revenues reasonably assigned by AUTHORITY to the Airfield Cost Center and collected by the AUTHORITY during such Fiscal Year (including in particular all Revenues received by AUTHORITY from the use or operation of the fuel hydrant system, but specifically excluding Landing Fees paid by Signatory Airlines, Apron Use Fees, non-Signatory ramp fees and “remain overnight” fees).

1.54 Net Shared Revenues shall mean (a) all Revenues generated by the operation of the Airport for a Fiscal Year (with the exception of, and not including, Revenues generated from the operation, use, sale, lease or other exploitation of Airport Exclusive Revenue Sources), (b) minus all Debt Service, Amortization and O&M Expenditures for such Fiscal Year.

1.55 Net Terminal Requirement shall mean all Operating Expenditures (including Operating Reserve Requirements), Amortization and Debt Service reasonably allocated by AUTHORITY to the Terminal Cost Center in a Fiscal Year, minus all Airline Equipment Charges, all Facility Fees paid by Signatory or non-Signatory Airlines, all FIS fees, all fees paid for the use of CUTE, CUSS and CUPPS equipment, and all unamortized tenant finish payments received with respect to the Continental hangar, in each case, collected by AUTHORITY during such Fiscal Year.

1.56 Non-Airline Revenues shall mean those rentals, fees, charges and other income received by AUTHORITY from all Airport operations, including income from lessees, permittees, concessionaires, users, and patrons other than Air Transportation Companies.

1.57 Non-Revenue Landing shall mean any aircraft landing by AIRLINE at the Airport for a flight for which AIRLINE receives no revenue, which shall include any flight, that after having taken off from the Airport and without making a landing at any other airport, returns to land at the Airport because of meteorological conditions, mechanical or operating causes, or any other reason of emergency or precaution.

1.58 Operating Expenditures (or O&M Expenditures) shall mean all Operating Expenses, reduced by any reimbursements or grants received from governmental entities to offset Operating Expenses, plus all expenditures other than Capital Expenditures, all repair, replacement, operating, maintenance and other reserves (including the Operating Reserve Requirement) required or deemed prudent in the reasonable discretion of AUTHORITY, and expenditures for the purpose of paying the cost of rebuilding, reconstructing, altering, replacing and renewing the facilities of the Airport (other than expenditures of casualty insurance proceeds), and construction and acquisition of improvements to capital assets of the Airport.

1.59 Operating Expenses shall mean all direct, indirect or general administrative current expenses, paid, payable or accrued, of AUTHORITY to operate, maintain, and conduct ordinary current repairs or replacements of or at the Airport and shall include, without limiting the generality of the foregoing, insurance premiums, insurance claims and related costs, self insurance retentions, administrative fees, administrative expenses of AUTHORITY, employment compensation and costs, engineering, architectural, legal, accounting and airport consultant fees and costs, replacement and/or repair of all vehicles, rolling stock and moveable equipment, fees and expenses relating to any Bonds not included in Debt Service, and such other current expenses of AUTHORITY incurred in connection with the operation of the Airport. Operating Expenses shall not include any allowance for depreciation or obsolescence of capital assets used at the Airport, or any operating expenses of special purpose facilities buildings where the lessees thereof are obligated to pay such operating expenses. Direct operating expenses shall be allocated to the Cost Center to which those expenses relate, as determined in the reasonable discretion of AUTHORITY. Indirect operating expenses shall be allocated to Cost Centers by the AUTHORITY in its reasonable discretion, which allocations may be amended from time to time in the reasonable discretion of AUTHORITY.

1.60 Operating Reserve Requirement (or O&M Reserve Requirement) shall mean the operating reserve amount required to be created and maintained in accordance with the Bond Resolution.

1.61 Other Buildings and Grounds Cost Center shall include all Debt Service, Amortization, O&M Expenditures and operating Revenues allocated to or generated by those areas of the Airport not in the Airfield Cost Center, Terminal Cost Center, Ground Transportation Cost Center, Hotel Cost Center or Other Cost Center.

1.62 Other Cost Center shall include all Debt Service, Amortization, O&M Expenditures, and operating Revenues allocated to or generated by those areas of the Airport specifically designated from time to time by AUTHORITY in its reasonable discretion as not belonging in another Cost Center.

1.63 Other Indebtedness shall mean any debt incurred by AUTHORITY for Airport purposes which is outstanding and not authenticated and delivered under and pursuant to the Bond Resolution or any Subordinated Bond Resolution.

1.64 Passenger Facility Charge (or PFC) shall mean the fees authorized by 49 U.S.C. 40117 and regulated by 14 CFR Part 158 as such statute and regulations currently exist or as they may be amended during the Term of this Agreement.

1.65 Performance Security shall have the meaning set forth in Section 7.08A below.

1.66 PFC Act shall have the meaning set forth in Section 18.03 below.

1.67 Preferential Use Premises shall mean those portions of the Terminal and Terminal Aircraft Aprons assigned to AIRLINE, as shown in Exhibit C attached hereto (as may be

amended from time to time as described herein), to which AIRLINE shall have priority over other users, subject to the provisions of Article 16.

1.68 Public Space shall mean all utility rooms, ductways, janitorial rooms and closets, stairways, hallways, holdroom corridor, elevators, escalators, entrance-ways, public lobbies and areas, public toilet areas and other areas used for the operation, maintenance or security of the Terminal, even if used solely by AUTHORITY, as such may be designated from time to time as described herein.

1.69 Rentable Square Feet with respect to the Terminal shall mean the number of square feet of space in the Terminal that is rentable to tenants, including office and administrative space used by AUTHORITY, but specifically excluding Public Space and Hotel space; which rentable space shall be as shown on Exhibit C attached hereto, as such may be amended from time to time by the AUTHORITY. Untenable areas committed for leasing to a future tenant when renovated shall not be considered rentable during the period of such commitment until the lease period commences.

1.70 Requesting Airlines shall have the meaning set forth in Section 16.02 below.

1.71 Revenue Landing shall mean any aircraft landing by AIRLINE at the Airport for which AIRLINE receives revenue.

1.72 Revenues shall mean income received or accrued by AUTHORITY in accordance with generally accepted accounting practices, including investment earnings, from or in connection with the ownership or operation of the Airport or any part thereof, or the leasing or use thereof; provided, however, Revenues shall specifically exclude: (a) gifts, grants and other funds which are restricted by their terms to purposes inconsistent with the payment of general Operating Expenses or payment of Debt Service; (b) insurance proceeds; (c) any unrealized gains on securities held for investment by or on behalf of the Authority; (d) any gains resulting from changes in valuation of any Swap; (e) any unrealized gains from the reappraisal or revaluation of assets; (f) the proceeds of debt; (g) PFC's and the interest earned therefrom, (h) customer facility charges and interest earned therefrom; (i) investment income derived from any moneys or securities placed in escrow or trust to defease Debt Service; (j) any arbitrage earnings which are required to be paid to the United State of America pursuant to Section 148 of the Code; and (k) interest earnings or other investment earnings on any account in the construction fund established by any supplement to the Bond Resolution unless otherwise provided in such supplement.

1.73 Revenue Sharing Payments shall have the meaning set forth in Section 8.03 below.

1.74 Signatory Airline shall mean an Air Transportation Company that has an agreement with AUTHORITY substantially similar to this Agreement (with the exception of differences permitted by Section 18.19 below), and leases at least one preferential gate and other

space in the Terminal that (a) is deemed sufficient by the Executive Director to support its operation, and (b) totals at least 5,000 square feet.

1.75 Space/Use Agreement shall mean a rental agreement between the AUTHORITY and a user of Airport facilities, which rental of such facilities is not otherwise governed by a Signatory Airline agreement substantially similar to this Agreement (with the exception of differences permitted by Section 18.19 below).

1.76 Subordinated Indebtedness shall mean any bonds or other financing instrument or obligation subordinate to the Bonds, issued pursuant to any Subordinated Bond Resolution.

1.77 Subordinated Bond Resolution shall mean a bond resolution, indenture or related document granting a pledge subordinate to the pledge granted by the Bond Resolution, and authorizing the issuance by AUTHORITY of Subordinated Indebtedness, as such may be supplemented or amended from time to time.

1.78 Substantial Completion shall mean the date on which AUTHORITY's architects and/or engineers certify any premises at the Airport to be substantially complete as to permit use and occupancy.

1.79 Term shall mean the period of time during which AIRLINE's activities at the Airport shall be governed by this Agreement. Said Term shall begin on the later of October 1, 2008 or the Effective Date, and, except as otherwise set forth herein, terminate on the date set forth in Article 3.

1.80 Terminal Aircraft Aprons shall mean those areas of the Airport that are designated for the parking of passenger aircraft and support vehicles, and the loading and unloading of passenger aircraft.

1.81 Terminal shall mean the passenger terminal building, including all landside and airside passenger terminal facilities, as set forth in Exhibit A attached hereto, as such may be amended from time to time as permitted herein.

1.82 Terminal Cost Center shall include all Debt Service, Amortization, O&M Expenditures, and operating Revenues allocated to or generated by the Terminal (other than with respect to Terminal space designated from time to time as the Hotel and other than Airline Equipment Expenses and Airline Equipment Charges), and specifically including all Debt Service for Bonds, Subordinated Indebtedness and Other Indebtedness (a) related to the proposed South Terminal outstanding as of the Effective Date or (b) related to the Continental hangar.

1.83 TSA shall mean the Transportation Security Administration of the Department of Homeland Security, or any successor.

Additional words and phrases used in this Agreement but not defined herein shall have the meanings as defined under the Bond Resolution or, if not so set forth, shall have their usual and customary meaning.

ARTICLE 2: EFFECTIVE DATE AND TRANSITION PROVISIONS

2.01 Effective Date. This Agreement, along with the determination of rentals, fees, and charges set forth herein, shall be effective on the Effective Date.

2.02 Cancellation of Prior Agreements. At the Effective Date, any and all prior agreements between AIRLINE and AUTHORITY for the lease and use of the Airfield and Terminal facilities at the Airport, including any terms, conditions and restrictions under any MII ballots approved in connection with such prior agreements, shall terminate and be of no further force and effect, except that (a) any obligations of payment by AIRLINE to AUTHORITY under such agreements, and (b) any other obligations intended to survive termination pursuant to the terms of such agreements, shall survive termination until such obligations have been satisfied.

2.03 Existing Tenant Finish Balances. Debt Service payable on or after October 1, 2008 with respect to tenant finish costs incurred prior thereto and funded with bond proceeds shall be deemed to be Debt Service and recovered through Terminal rents as a component of Net Terminal Requirement; with the exception that recovery of Debt Service applicable to the Continental hanger (as identified on Exhibit A) will be recovered directly from Continental Airlines.

ARTICLE 3: TERM

This Agreement shall commence on the later of October 1, 2008 or the Effective Date and terminate at midnight on September 30, 2013, unless canceled sooner as provided herein; provided, however, that the obligation of AIRLINE to pay amounts owed hereunder for use of the Airport through September 30, 2013 shall survive expiration or earlier termination until such amounts are paid in full.

ARTICLE 4: PREMISES

4.01 Airline Premises.

A. AUTHORITY does hereby lease and demise to AIRLINE, and AIRLINE does hereby lease and accept from AUTHORITY, the Exclusive Use Premises, Preferential Use Premises, and Common Use Premises, each as set forth from time to time on Exhibit C. At such time as (a) the Airline Premises, including space used by any Identified Affiliate (as defined in Section 5.03), is, in the reasonable discretion of the Executive Director, insufficient to support AIRLINE's operations, as evidenced by actual use or occupancy by AIRLINE of space not leased by AIRLINE, and AIRLINE fails to promptly and permanently vacate use or occupancy of such premises following notice from AUTHORITY to vacate or lease such premises, or (b) use of the Airline Premises, including space used by any Identified Affiliate, exceeds the legal capacity for such premises, AUTHORITY shall be entitled to require AIRLINE to lease additional space reasonably sufficient for its needs. AUTHORITY is hereby authorized to amend Exhibits A and C for purposes of identifying any new or additional space leased hereunder by AIRLINE. AIRLINE hereby accepts the Airline Premises, including any future Airline Premises, "as is", generally in the same condition in which such space or any part thereof now is. AIRLINE agrees that the AUTHORITY shall have no obligation to do any work on, or make any improvements to or with respect to the Airline Premises or the condition thereof, unless otherwise specifically agreed to by AUTHORITY.

B. Any changes to Airline Premises, except as set forth herein, shall be evidenced by an amendment to this Agreement pursuant to Section 18.18.

C. AUTHORITY may, in its reasonable discretion, (i) make changes in the Airport boundaries, the categories of space (e.g. Public Space to rentable space) or the configuration or amount of space, and (ii) identify new, destroyed, demolished, untenable, decommissioned or re-commissioned facilities or space. In any such event, or upon any change in Airline Premises made hereunder or to the premises leased by any other party, AUTHORITY may amend Exhibits A and/or C, as appropriate, and, upon notice to AIRLINE, such amended Exhibit shall replace any previous corresponding exhibits and shall become a part of this Agreement; provided, however, that the boundaries of the Airline Premises may not be arbitrarily and unilaterally changed by AUTHORITY without the prior written consent of AIRLINE or as otherwise permitted herein.

D. AIRLINE and AUTHORITY agree that it is important to maximize the efficiency of space leased and used in the Terminal, while also adhering to reasonable standards and levels of customer service for the traveling public. Throughout the Term of this Agreement, AIRLINE and AUTHORITY will continue to monitor and evaluate Terminal operations in an effort to achieve a reasonable balance between efficient airline operations and level of customer service for the traveling public. Should AUTHORITY notify AIRLINE of its concern with regards to potential customer service issues,

AIRLINE agrees to discuss with AUTHORITY, and take reasonable action to address and alleviate, the customer service issues.

E. AIRLINE may satisfy temporary or seasonal needs for additional Terminal space (i.e. a change in demand for space expected to be temporary caused by unusual or special circumstances) through the use of a Space/Use Agreement. Rental rates payable by AIRLINE under the Space/Use Agreement shall, for the first three (3) months of the Space/Use Agreement term, be the rates charged to Signatory Airlines for comparable space. Thereafter, rental rates payable by AIRLINE shall be the rates charged to non-Signatory Airlines for comparable space. At any time during the term of any Space/Use Agreement, AIRLINE may request that the space leased thereunder be added to this Agreement. If such request is denied by the AUTHORITY, the rental rates payable by AIRLINE after such denial under the Space/Use Agreement shall be the rates charged to Signatory Airlines for comparable space; provided, however, that if AUTHORITY subsequently grants its permission to include such space hereunder and AIRLINE declines or refuses to include such space hereunder, the rates payable by AIRLINE shall again be the rates charged to non-Signatory Airlines for comparable space. The rental rates for space leased under a Space/Use Agreement not due to temporary or seasonal needs, but, for example, as a device to avoid committing such space under this Agreement, shall be the rates charged to non-Signatory Airlines for comparable space.

4.02 Terminal Equipment. Terminal equipment owned or acquired by AUTHORITY for use by AIRLINE shall remain the property, and under the control, of AUTHORITY.

4.03 Employee Parking. AUTHORITY will make reasonable efforts, for the fee described in Section 7.05 below, to make area(s) at the Airport available for vehicular parking and transportation to the Terminal for AIRLINE's personnel employed at the Airport; provided, however, such area(s) shall not be used for the storage of vehicles or trailers; and usage of the area(s) is subject to Section 7.05B and to reasonable and non-discriminatory rules and regulations established by AUTHORITY.

4.04 Federal Inspection Facilities. AUTHORITY shall designate areas in the Terminal, or elsewhere on the Airport, to be used by agencies of the United States for the inspection of international passengers and their baggage, and for the exercise of the responsibilities of said agencies with respect to the movement of persons, property, and cargo to and from the United States.

4.05 Transfer of Operations.

A. In the event new or expanded facilities are developed at the Airport, and Authority either agrees, or determines under Section 4.05B, to relocate AIRLINE, in whole or in part, to the new or expanded facilities, AUTHORITY shall give notice to AIRLINE of the estimated Substantial Completion date at least one hundred eighty (180) days prior thereto. AIRLINE shall have the right to install in its Exclusive Use Premises and Preferential Use Premises in such new or expanded facilities, its own equipment and

furnishings sixty (60) days prior to the estimated date of Substantial Completion or such other date as may be agreed to by the parties subject to the provisions of Section 9.01 below. AIRLINE shall begin its operations from any new or expanded Airline Premises on the date of Substantial Completion thereof, unless otherwise agreed by AUTHORITY.

B. AUTHORITY has the right at any time, and from time to time, to relocate any Airline Premises to alternative Terminal locations and facilities if AUTHORITY determines, in its reasonable discretion, that such relocation is required to accommodate a new Air Transportation Company, to make available sufficient contiguous space to accommodate the expansion or growth of another Signatory Airline, to replace damaged or destroyed premises, or to utilize Airport Terminal facilities in a fair and efficient manner; provided that if, and to the extent, the relocated premises are Exclusive Use Premises or Preferential Use Premises (1) AUTHORITY will provide AIRLINE at least one hundred eighty (180) days advance notice of such relocation, (2) except as described below, AUTHORITY will reimburse the reasonable out of pocket costs incurred by AIRLINE to complete such relocation (including, without limitation, all installation costs), and (3) the new Airline Premises shall be comparable in size (e.g. 30 feet of counter space to approximately 30 feet of counter space) and character (e.g. 2 gates to 2 gates, Class 1 space to Class 1 space), though not necessarily identical or comparable in square footage, quality, appearance, layout or appointments, to the Airline Premises being vacated. AUTHORITY shall have no obligation to reimburse AIRLINE for costs incurred by AIRLINE to comply with any relocation requested by AIRLINE or required by AUTHORITY hereunder if such relocation is necessary, in the reasonable judgment of AUTHORITY, to accommodate AIRLINE's expansion or growth.

C. AIRLINE may request in writing to AUTHORITY to relocate any Airline Premises, which request may be accepted or denied by AUTHORITY in its exclusive discretion. AIRLINE shall pay all costs of any relocation requested by AIRLINE.

D. No relocation of Airline Premises, either temporarily or permanently, shall have any effect on AIRLINE's obligation to pay rentals, rates and charges herein, except for any change caused by a difference in total square footage of the entire Airline Premises or of the classes of space within the Airline Premises.

4.06 Calculation of Leased Holdroom Space. The number of square feet of holdroom space leased by AIRLINE hereunder shall, for purposes of calculating Terminal rental payments due under this Agreement, be calculated as follows: total square footage of all holdroom space in an airside Terminal wing in which AIRLINE leases a gate, divided by the number of operational gates in such wing, times the number of gates in such wing leased by AIRLINE.

ARTICLE 5: USE OF THE AIRPORT AND RELATED FACILITIES

5.01 AIRLINE Rights and Privileges. In addition to all rights granted elsewhere in this Agreement, AIRLINE shall have the right, subject to AUTHORITY rules, policies and procedures and to the terms hereof, to use, in common with others so authorized by AUTHORITY, all Airline Premises, including related facilities, equipment, and improvements, the Airfield and Terminal Aircraft Aprons for the operation of AIRLINE's Air Transportation Business and all activities reasonably necessary to such operations, including but not limited to:

A. The landing, taking off, flying over, taxiing and towing of AIRLINE's aircraft and, in areas designated by AUTHORITY, the extended parking, servicing, deicing, loading or unloading, storage, or maintenance of AIRLINE's aircraft and support equipment in areas designated or approved by AUTHORITY, subject to Sections 5.01F, 5.01G, and 5.02C below, and to the availability of space, and subject to such reasonable charges and regulations as AUTHORITY may establish; provided, however, AIRLINE shall not permit the use of the Airfield by any aircraft operated or controlled by AIRLINE which exceeds the design strength or capability of the Airfield as described in the then-current FAA approved Airport Layout Plan or other engineering evaluations performed subsequent thereto, including the then-current Airport Certification Manual.

B. The sale of air transportation tickets and services, the processing of passengers and their baggage for air travel, the sale, handling, and providing of mail, freight, and express services, and reasonable and customary airline activities.

C. The training of personnel in the employ of or to be employed by AIRLINE or its contractors and the testing of aircraft and other equipment being utilized at the Airport in areas designated or approved by AUTHORITY in the operation of AIRLINE's Air Transportation Business; provided, however, said training and testing shall be incidental to the use of the Airport in the operation by AIRLINE of its Air Transportation Business and shall not unreasonably hamper or interfere with the use of the Airport and its facilities by others entitled to the use of same. AUTHORITY reserves the right to restrict or prohibit such training and testing operations which it deems to interfere with the use of the Airport.

D. The sale, disposition, or exchange of AIRLINE's aircraft, engines, accessories, gasoline, oil, grease, lubricants, fuel, or other similar equipment or supplies; provided, however, AIRLINE shall not sell or permit to be sold aviation fuels or propellants except (i) to such Air Transportation Company which is a successor company to AIRLINE, (ii) for use in aircraft of others which are being used solely in the operation of AIRLINE's Air Transportation Business, including, but not limited to, AIRLINE's Affiliates, (iii) when a comparable grade and type of fuel desired by others is not available at the Airport except from AIRLINE, or (iv) in accordance with sales of fuel by or on behalf of Signatory Airlines through the Airport's fuel hydrant system, to the extent the AUTHORITY and Signatory Airlines have an agreement for Signatory Airlines to operate the fuel flowage systems at the Airport.

E. The purchase at the Airport or elsewhere, of fuels, lubricants, and any other supplies and services, from any person or company, subject to Section 5.01D and to AUTHORITY's right to require that each provider of services and/or supplies to AIRLINE secures a permit from AUTHORITY to conduct such activity at the Airport, pays required fees, and abides by all reasonable rules and regulations established by AUTHORITY. Nothing herein shall be construed to permit AIRLINE to store aviation fuels at the Airport. Fuel tenders are prohibited on Terminal Aircraft Aprons serviced by the fuel hydrant system. The granting of the right to store and dispense aviation fuels shall be subject to the execution of a separate agreement between AIRLINE and AUTHORITY.

F. The servicing by AIRLINE or its suppliers of aircraft and other equipment being utilized at the Airport by AIRLINE on the Terminal Aircraft Aprons or such other locations as may be designated by the Executive Director; provided that routine servicing or maintenance of ground equipment on Terminal Aircraft Aprons is not permitted, unless specifically authorized by AUTHORITY.

G. The loading and unloading of persons, property, cargo, parcels and mail by motor vehicles or other means of conveyance reasonably approved by AUTHORITY on Terminal Aircraft Aprons or such other locations as may be designated by the Executive Director; provided AIRLINE shall not use Terminal Aircraft Aprons immediately adjacent to the Terminal to load or unload all-cargo aircraft unless otherwise authorized in writing by AUTHORITY.

H. The provision, either alone or in conjunction with other Air Transportation Companies or through a nominee, of porter/skycap service for the convenience of the public, at no cost to AUTHORITY.

I. The installation and maintenance, at AIRLINE's sole cost and expense, of identifying signs in AIRLINE's Exclusive Use Premises and Preferential Use Premises; provided that AIRLINE may not install any permanent signage in any Preferential Use Premises without the prior consent of AUTHORITY, which may be withheld in AUTHORITY's reasonable discretion. All signage shall be subject to standards and policies of AUTHORITY in effect from time to time. Permanent signage approved by AUTHORITY and existing prior to the adoption or amendment of any policy by AUTHORITY shall not be deemed to be in violation of such adopted or amended policy. Furthermore, the general type and design of such signs shall be compatible with and not detract from the pattern and decor of the Terminal areas, in the reasonable discretion of AUTHORITY. Subject to the foregoing, AIRLINE may install on the walls behind ticket counters, in holdrooms and on loading bridges, if any, temporary signage (including electronic signage displays that may be easily changed, such as LCD monitors) identifying AIRLINE or displaying AIRLINE's company logo; provided that any such installation must be performed in accordance with the standards and policies of AUTHORITY in effect from time to time.

J. The installation, maintenance, and operation, at no cost to AUTHORITY, of such radio communication, company telephone system, computer, meteorological and aerial navigation equipment and facilities on AIRLINE's Exclusive Use Premises and Preferential Use Premises as may be necessary or convenient for the operation of its Air Transportation Business; provided, however, that (1) except for equipment and facilities already in place on the Effective Date, such installations and the subsequent use of such equipment shall be subject to applicable law, regulation and AUTHORITY policy, (2) the location of all such equipment and facilities shall be determined by AUTHORITY in its exclusive discretion, (3) AIRLINE is required to use AUTHORITY's telephone system in all locations other than Exclusive Use Premises, and (4) AIRLINE is encouraged to use AUTHORITY's wireless communications systems (e.g. WIFI) in all locations in the Terminal and AIRLINE agrees that any use by AIRLINE of wireless communications systems not provided by AUTHORITY shall not interfere with any AUTHORITY wireless communications system. AUTHORITY shall have unrestricted access to all AIRLINE communication equipment located on Airline Premises if any AUTHORITY equipment or systems interfaces with such AIRLINE equipment. Prior to any written approval, AIRLINE shall provide the Executive Director with all necessary supporting documentation related to such installations. AIRLINE shall be required to use AUTHORITY's compatible multi-user flight information display systems (MUFIDS); provided that AIRLINE may install and maintain its own MUFIDS if it is compatible in all material respects, in the exclusive discretion of AUTHORITY, with AUTHORITY's MUFIDS.

K. Such rights of way as may reasonably be required by AIRLINE for communications, computer equipment, telephone, interphone, conveyor systems and power, and other transmission lines in AIRLINE's Exclusive Use Premises and Preferential Use Premises, subject to the availability of space and/or ground areas as determined by the Executive Director. AUTHORITY reserves the right to require the execution of a separate agreement between AUTHORITY and AIRLINE for the lease and use of such space and/or ground area outside Terminal areas or for the provision of such service directly to AIRLINE.

L. The installation of personal property, including furniture, furnishings, supplies, machinery, and equipment, in AIRLINE's Exclusive Use Premises and, subject to prior approval by AUTHORITY, Preferential Use Premises, as AIRLINE may deem necessary, useful or prudent for the operation of its Air Transportation Business. Title to such personal property shall remain with AIRLINE, subject to the provisions of this Agreement.

M. The construction of modifications, finishes and improvements in Airline Premises as AIRLINE may deem necessary or prudent for the operation of its Air Transportation Business, subject to the provisions of Article 9.

N. AIRLINE shall have rights of ingress to and egress from the Airport and Airline Premises for AIRLINE's officers, employees, agents, and invitees, including passengers,

suppliers of materials, furnishers of services, aircraft, equipment, vehicles, machinery and other property; subject to 49 CFR Part 1542, the airport security program, applicable laws, and any rules, regulations and operating directives established by AUTHORITY governing (i) the general public, including AIRLINE's passengers, (ii) access to non-public areas at the Airport by AIRLINE's employees, suppliers of materials, and furnishers of services, or (iii) safety and security; provided, however, any such rules and regulations and operating directives of AUTHORITY shall not unreasonably interfere with the operation of AIRLINE's Air Transportation Business if at all possible. In addition to the foregoing, AUTHORITY may at any time temporarily or permanently close, re-route, or consent to or request the closing or re-routing of any roadway or access to the Airport, so long as a means of ingress to and egress from the Airport and the Airline Premises is concurrently made available to AIRLINE. AIRLINE hereby releases and discharges AUTHORITY from any and all claims, demands, or causes of action which AIRLINE may now or at any time hereafter have arising or alleged to arise out of such a closing or re-routing. AUTHORITY shall have no liability or obligation to AIRLINE for temporary blockages or closings of means of ingress to or egress from the Airport and the Airline Premises caused by factors beyond the reasonable control of AUTHORITY.

O. Subject to any restrictions in AUTHORITY's agreements with its food and beverage concessionaires, nothing in this paragraph shall prohibit AIRLINE from (i) providing food and beverages, at AIRLINE's sole cost and expense, or installing or maintaining vending machines or AIRLINE credit union automated teller machines in its non-public Exclusive Use Premises or, subject to the prior approval of AUTHORITY, its non-public Preferential Use Premises, for the sole use of AIRLINE's employees, the type, kind, and locations subject to the approval of the Executive Director, (ii) providing, under a separate agreement with AUTHORITY and subject to AUTHORITY's policies, including the payment of fees based on gross receipts, for its own flight kitchen for catering services to its passengers and crews for consumption aboard aircraft or (iii) from entering into a separate agreement for the distribution without charge of food and beverage in a non-public "VIP room" or similar private club at the Airport.

P. The rights and privileges granted to AIRLINE pursuant to this Article 5 may be exercised on behalf of AIRLINE by other Signatory Airlines or contractors authorized by AUTHORITY to provide such services at the Airport, subject to the prior written approval of AUTHORITY and further subject to all laws, rules, regulations, fees and charges and Article 15 as may be applicable to the activities undertaken. Nothing herein shall be construed as exempting contractors or service providers who provide services to Signatory Airlines from any obligation to pay privilege fees and other amounts to AUTHORITY pursuant to AUTHORITY policy, as such exists from time to time.

Q. AIRLINE may exercise on behalf of any other Air Transportation Company having an operating agreement or permit with AUTHORITY any of the rights granted AIRLINE herein, so long as AIRLINE is concurrently exercising those same rights in the operation of AIRLINE's own Air Transportation Business at the Airport, subject to the

provisions of Section 7.05, Article 15 and the AUTHORITY's rules, regulations and operating directives for the Airport.

R. AIRLINE may only enter into revenue generating agreements, such as for advertising or the provision of pay telephones by the public, in its non-public airline clubs and VIP rooms, and shall not enter into any such revenue generating agreements anywhere else within the Terminal.

5.02 Exclusions and Reservations.

A. AIRLINE is prohibited from conducting any business or engaging in any activities at the Airport other than the conduct of its Air Transportation Business, except as otherwise permitted in this Agreement.

B. AIRLINE shall not knowingly interfere or permit interference by its contractors, agents, permittees, and invitees with the use, operation, or maintenance of the Airport, including but not limited to, the effectiveness or accessibility of the drainage, sewage, water, communications, fire protection, utility, electrical, or other systems installed or located from time to time at the Airport; and AIRLINE shall not engage in any activity prohibited by AUTHORITY's approved FAR Part 150 Noise Compatibility Study, as may be amended or supplemented from time to time.

C. As soon as possible after an AIRLINE's disabled aircraft is released from the control or jurisdiction of all applicable authorities, AIRLINE shall remove any such disabled aircraft from the Airfield and Terminal Aircraft Aprons, shall place any such disabled aircraft only in such storage areas as may be reasonably approved by the Executive Director, and shall store such disabled aircraft only upon such terms and conditions as may be reasonably established by AUTHORITY. In the event AIRLINE shall fail to remove any of its disabled aircraft as expeditiously as possible, AUTHORITY may, but shall not be obligated to, cause the removal of such disabled aircraft. AIRLINE shall pay to AUTHORITY, upon receipt of invoice, the costs incurred for such removal plus ten percent (10%). Nonpayment of such invoice shall be deemed a default of this Agreement, pursuant to Section 12.01B below.

D. AIRLINE shall not do or permit to be done anything, either by act or failure to act, that shall cause the cancellation or violation of the provisions, or any part thereof, of any policy of insurance for the Airport, or that shall cause a hazardous condition so as to increase the risks normally attendant upon operations permitted by this Agreement. If AIRLINE shall do or permit to be done any act not permitted under this Agreement, or fail to do any act required under this Agreement, regardless of whether such act shall constitute a breach of this Agreement, which act or failure, in and of itself, causes an increase in AUTHORITY's insurance premiums, AIRLINE shall immediately remedy such actions and/or pay the increase in premiums, upon notice from AUTHORITY to do so.

E. AIRLINE shall not maintain or operate in the Terminal or elsewhere at the Airport a cafeteria, restaurant, bar, or cocktail lounge for the purpose of selling food and beverages to the public or to AIRLINE's employees and passengers, except as may be permitted under Section 5.01O, above.

F. AUTHORITY may, at its sole option, install or cause to be installed advertising and revenue generating devices or concessions, including vending machines and power poles, in Common Use Premises and Preferential Use Premises; provided, however, that any advertising in AIRLINE's Preferential Use Premises shall not promote competing Air Transportation Companies, power poles will only be installed in AIRLINE holdrooms with AIRLINE's prior consent, and such installations shall not unreasonably interfere with AIRLINE's operations authorized hereunder or substantially diminish the square footage contained in Airline Premises. AUTHORITY may also, at its sole option, install pay telephones and business center amenities in any part of the Terminal excluding airline clubs, holdrooms and VIP rooms. Such installations shall not unreasonably interfere with AIRLINE's operations authorized hereunder or substantially diminish the square footage contained in Airline Premises. AUTHORITY shall be entitled to reasonable access upon Airline Premises to install or service such telephones, vending machines and amenities. Income generated by such telephones and business center amenities shall be accounted for in the same manner as other Non-Airline Revenues of the Airport.

G. AUTHORITY may install at the request of AIRLINE, at AIRLINE's Exclusive Use Premises and/or Preferential Use Premises, a Common Use Passenger Processing System (CUPPS), Common Use Self-Service (CUSS) equipment, Common Use Terminal Equipment (CUTE) and/or other equipment designed to facilitate the handling and processing of passengers and baggage in the Terminal. AUTHORITY shall be entitled to reasonable access upon Airline Premises to install and maintain such hardware/software for any of such equipment. Such installations shall not unreasonably interfere with AIRLINE's operations authorized hereunder.

H. The rights and privileges granted AIRLINE pursuant to this Agreement, and in particular this Article 5, shall be subject to any and all rules, regulations and operating policies, procedures and directives established by AUTHORITY, as may be amended from time to time, and to the provisions of Article 7 below.

I. Any and all rights and privileges not specifically granted to AIRLINE for its use of and operations at the Airport pursuant to this Agreement are hereby reserved for and to AUTHORITY.

5.03 Affiliates. Upon written request by AIRLINE to AUTHORITY, and provided the requirements of this Section are satisfied, any Affiliate of AIRLINE identified in such written request ("Identified Affiliate") shall pay fees, rates and charges as if the Identified Affiliate were a Signatory Airline, without payment of any additional charges or premiums (a) for as long as AIRLINE remains a signatory to this Agreement, (b) for as long as the Identified Affiliate

remains an Affiliate of AIRLINE, and (c) if Identified Affiliate enters into an agreement with AUTHORITY for operations at the Airport, which agreement shall be in a form specified by AUTHORITY from time to time. AIRLINE hereby agrees to and shall guaranty full payment of all fees, rates and charges incurred by Identified Affiliate at the Airport. All Enplaned Passengers, landed weights and other statistics of an Identified Affiliate of a Signatory Airline shall be aggregated with the statistics of such Signatory Airline for purposes of computing any charges for Common Use Premises, any Extraordinary Coverage Protection payments, and any revenue sharing under Section 8.05 below; provided, however, that only Identified Affiliates who are a parent or wholly owned subsidiary of a Signatory Airlines shall be aggregated with the Signatory Airline for revenue sharing purposes. AUTHORITY may invoice AIRLINE and its Identified Affiliates separately for amounts owed hereunder, or may invoice AIRLINE for the aggregate amounts owed by AIRLINE and its Identified Affiliates hereunder. AIRLINE shall be responsible for any and all unpaid fees, rates and charges of any Identified Affiliate and any failure of an Identified Affiliate to pay such amounts when due shall be deemed a failure of AIRLINE. AIRLINE may at any time give AUTHORITY at least ninety (90) days prior written notice that an Affiliate of AIRLINE shall no longer be considered an Identified Affiliate of AIRLINE for purposes of this Agreement, and AIRLINE shall have no responsibility for any fees, rates and charges incurred by Affiliate after the conclusion of such notice period, but shall remain liable for fees, rates and charges incurred by Affiliate prior to the conclusion of such notice period.

5.04 AIRLINE Representations and Covenants.

A. AIRLINE represents and warrants that it holds all certificates, permits, licenses, insurance or other entitlements required by federal, state or local laws, rules, or regulations in order to enable the AIRLINE to conduct its operations and engage in the Air Transportation Business at the Airport, and that said certificates, permits, licenses or other entitlements are and will be kept current, valid and complete throughout the Term.

B. AIRLINE shall, at its sole cost and expense, comply and cause its employees, agents, contractors, licensees and invitees to comply, with all present and future applicable laws, rules or regulations of all applicable federal, state and local governmental or quasi-governmental authorities, subdivisions, departments, agencies and the like, including any rules and regulations of the AUTHORITY, which impose any duty upon the Authority or the Airline with respect to the use, occupancy or alteration of the Premises. Airline shall obtain any permits necessary to occupy the Airline Premises and shall promptly pay all fines, penalties, and expenses to remedy or correct any violations of applicable laws, and damages that may arise out of or be imposed because of its failure to comply with the provisions of this paragraph.

C. AIRLINE shall faithfully observe and comply with any rules which AUTHORITY may from time to time make and communicate in writing to AIRLINE, provided that such rules apply to all similarly situated tenants and are reasonably related to the safety, care, appearance, reputation, operation or maintenance of the Airport, or the comfort of tenants, passengers or others using such areas or facilities.

D. Except as otherwise provided herein, AIRLINE shall have the right to obtain supplies or services from suppliers, vendors or contractors of its own choice for its operations at the Airport, provided that AUTHORITY reserves the right to license and regulate all persons or companies doing business on the Airport and to impose reasonable and non-discriminatory charges for the privilege of conducting any such business and to prohibit persons from engaging in aeronautical activities, the provision of ground transportation services or any commercial activities at the Airport, except in accordance with this Agreement and agreements, concession contracts, permits or operating agreements entered into between AUTHORITY and such persons. A charge will not be considered discriminatory for the purposes of this Agreement if the charge is more for businesses located on the Airport than for businesses located off the Airport.

E. AIRLINE shall comply with all applicable state and federal regulations relating to Airport security and shall control the Airline Premises so as to prevent or deter unauthorized persons from obtaining access to the air operations area of Airport. AIRLINE shall also be required during the Term, at AIRLINE's sole cost and expense, to take such security precautions, with respect to the Airline Premises and the Airline's operations and service personnel related thereto, as AUTHORITY may, from time to time, reasonably require pursuant to generally applicable policies or directives of the AUTHORITY. AIRLINE further agrees to reimburse AUTHORITY for all fines or charges imposed by any applicable governmental authority against the AUTHORITY as a result of AIRLINE's violation of any laws, rules and regulations promulgated by such authority.

F. AIRLINE acknowledges that a portion of the Airline Premises is to be used by the traveling public. AIRLINE shall make available such space to its passengers and to the traveling public on a nondiscriminatory basis, including ensuring accessible paths of travel for disabled persons, and shall make reasonable efforts to coordinate its activities and operations with abutting tenants and the AUTHORITY so as to maximize efficient use of available space.

G. AIRLINE covenants and agrees that it shall not injure, deface or otherwise harm the Airline Premises in any manner that will constitute waste, and that it shall not cause or permit any unlawful conduct, unreasonable annoyance or nuisance to exist on the Airline Premises, nor permit any activity or omission which constitutes or results in unlawful conduct, unreasonable annoyance or nuisance, nor permit the emission of any objectionable noise, vibration or odor, nor overload the floor of the Airline Premises, nor permit any use of the Airline Premises which will invalidate or increase the premiums on any of the AUTHORITY's insurance; provided that the conduct of the AIRLINE's Air Transportation Business in accordance with applicable law shall not be deemed a nuisance or an unreasonable annoyance.

H. AIRLINE agrees to use reasonable efforts to participate in any lawful Airport-wide programs or initiatives of general applicability as the AUTHORITY may require upon notice to the AIRLINE; provided such program or initiative shall not result in any material cost or expense or result in any undue burden to AIRLINE.

ARTICLE 6: OPERATION AND MAINTENANCE OF THE AIRPORT

6.01 Designation of Operation and Maintenance Responsibilities. In addition to the obligations of AIRLINE and AUTHORITY set forth in this Article 6, responsibilities for maintenance, cleaning, and operation of the Airport shall be as set forth in Exhibit F, attached hereto and made a part hereof. AIRLINE and AUTHORITY shall each timely perform their respective obligations as described on Exhibit F.

6.02 AUTHORITY Obligations.

A. AUTHORITY shall, with reasonable diligence and in order of priority determined by AUTHORITY in its discretion, prudently develop, improve, and at all times maintain and operate the Airport with qualified personnel and keep the Airport in an orderly, clean, neat and sanitary condition, and in good repair, unless such maintenance, operation, or repair shall be AIRLINE's obligation pursuant to Section 6.03 or Exhibit F.

B. AUTHORITY shall, to the extent it is legally able so to do, use reasonable efforts to keep the Airport and its aerial approaches free from ground obstruction for the safe and proper use thereof by AIRLINE.

C. AUTHORITY shall not be liable to AIRLINE for temporary failure to furnish all or any of such services to be provided in accordance with this Section 6.02 or Exhibit F when such failure is due to mechanical breakdown not caused by AUTHORITY's sole negligence or is due to any other cause beyond the reasonable control of AUTHORITY.

D. AUTHORITY shall maintain throughout the Term (i) loading bridges; (ii) preconditioned air systems; (iii) associated 400 Hertz units; (iv) inbound and outbound baggage handling systems; (v) lightning detection systems; (vi) water cabinets, and (vii) other systems that may be acquired by AUTHORITY after the Effective Date. AUTHORITY shall provide and maintain holdroom seating, gate podiums and the equipment described in Section 5.02G.

E. AUTHORITY shall, in the operation of the Airport, comply with all local, state and federal laws, rules and regulations.

F. To the extent AUTHORITY is requested to make repairs or otherwise maintain AIRLINE's Exclusive Use Premises, AUTHORITY shall charge AIRLINE a reasonable cost for such service (including both time and materials), which cost AIRLINE shall pay promptly upon receipt of an invoice therefor.

6.03 AIRLINE Obligations.

A. AIRLINE shall, at all times, preserve and keep Airline Premises, including loading bridges and related equipment, in an orderly, clean, neat, and sanitary condition, free from trash and debris resulting from AIRLINE's operations, provided, however, this

requirement shall not be construed to mean AIRLINE shall have janitorial responsibilities designated to be those of AUTHORITY pursuant to Exhibit F.

B. AIRLINE shall keep, at its own expense, its Terminal Aircraft Aprons free of fuel, oil, debris, and other foreign objects.

C. AIRLINE shall operate and maintain at its own expense any improvements and/or equipment installed by AIRLINE for the exclusive use of AIRLINE.

D. Should AIRLINE fail to perform any of its material obligations hereunder, AUTHORITY shall have the right to enter the Airline Premises and perform such activities; provided, however, other than in a case of emergency, AUTHORITY shall give AIRLINE reasonable advance written notice of non-compliance, not to exceed ten (10) days, prior to the exercise of this right. If such right is exercised, AIRLINE shall pay AUTHORITY, upon receipt of invoice, the cost of such services plus ten percent (10%). Nonpayment of such invoice shall be deemed a default of this Agreement, pursuant to Section 12.01B below.

ARTICLE 7: RENTALS, FEES, AND CHARGES

AIRLINE shall pay AUTHORITY rentals for use of Airline Premises, and fees and charges for the other rights, licenses, and privileges granted hereunder during the Term of this Agreement, in each case as described by, and payable in accordance with, the following:

7.01 Landing Fees.

A. AIRLINE shall pay to AUTHORITY each month, pursuant to Section 7.07 below, an amount equal to the then current Landing Fee Rate, determined as set forth below, as applied to AIRLINE's total landed weight for the preceding month (the "Landing Fee"). AIRLINE's total landed weight for each month shall be equal to the sum of the products obtained by multiplying the Maximum Gross Landed Weight of each type of AIRLINE's aircraft by the number of Chargeable Landings of each such aircraft during such month, determined in accordance with Section 7.06 below. The Landing Fee Rate shall be determined by AUTHORITY in its reasonable discretion by dividing the Net Airfield Requirement by the aggregate Maximum Gross Landed Weight of all Signatory Airlines for the applicable period. An example of such calculation is described in Exhibit E attached hereto.

B. AIRLINE shall pay to AUTHORITY each month, pursuant to Section 7.07 below, an apron use fee calculated in accordance with attached Exhibit E ("Apron Use Fee").

7.02 Terminal Rentals.

A. AIRLINE shall pay to AUTHORITY, pursuant to Section 7.07 below, an amount equal to the sum of AIRLINE's rental payments for Exclusive Use Premises and Preferential Use Premises, as calculated pursuant to Section 7.02B below, and Common Use Premises, as calculated pursuant to Section 7.02C below.

B. AIRLINE's annual rental payment for Exclusive Use Premises and Preferential Use Premises shall equal the sum of the products obtained by multiplying the applicable rental rates for the applicable period, calculated in accordance with Exhibit E, by the amount of the corresponding class of space leased by AIRLINE as Exclusive Use Premises and Preferential Use Premises that period, as set forth in Exhibit C. The average rental rate of all classes of space applicable to each period shall be determined by AUTHORITY in its reasonable discretion by dividing the Net Terminal Requirement by the Rentable Square Feet ("Average Terminal Rental Rate"). An example of such calculation is set forth in Exhibit E attached hereto. Actual rental rates for different classes of space shall be determined by AUTHORITY in accordance with attached Exhibit E, based on the Average Terminal Rental Rate.

C. (1) The aggregate monthly rental payments owed by all Signatory Airlines for Common Use Premises shall be ninety two percent (92%) times the annual aggregate rental amount owed for all Common Use Premises based on the rental rates applicable to

such Common Use Premises, determined in accordance with Section 7.02B above, divided by twelve (12). AIRLINE's share of the aggregate monthly rental payments for Common Use Premises ("Common Use Charges") shall be determined by applying the Common Use Formula, as calculated with respect to AIRLINE, to the aggregate rental payment owed that month. AIRLINE shall pay to AUTHORITY each month, pursuant to Section 7.07 below, AIRLINE'S Common Use Charges for its use of Common Use Premises.

(2) For purposes of the Common Use Formula, AIRLINE shall include in its monthly report of Enplaned Passengers and Deplaned Passengers the total number of Enplaned Passengers and Deplaned Passengers handled or otherwise accommodated by AIRLINE, including for its Identified Affiliates.

D. AIRLINE shall pay the Airline Equipment Charge pursuant to Section 7.07.

7.03 Extraordinary Service Charges. Throughout the Term of the Agreement, AIRLINE shall pay AUTHORITY for additional equipment and services provided by AUTHORITY for AIRLINE's use (e.g., club room finishes, or any other systems or equipment that are unique or special to AIRLINE's operation) pursuant to authorizations executed by AIRLINE. AIRLINE's charges for AUTHORITY purchased and/or provided equipment and services shall be as set forth in a separate agreement with AUTHORITY, and all such charges received by AUTHORITY shall be allocated to the Terminal Cost Center.

7.04 Aircraft Parking Charges. AIRLINE shall pay to AUTHORITY aircraft parking charges as established from time to time by AUTHORITY for aircraft remotely parked overnight on the ramp and away from the Terminal Aircraft Aprons leased by AIRLINE. All such charges received by AUTHORITY shall be allocated to the Airfield Cost Center.

7.05 Other Fees and Charges.

A. AUTHORITY expressly reserves the right to assess and collect the following fees and charges, each as established from time to time by AUTHORITY, which amounts, when allocated, shall be allocated to and between Cost Centers deemed most appropriate in the reasonable discretion of AUTHORITY:

(1) Fees for services provided by AIRLINE for Air Transportation Companies, or for AIRLINE by Air Transportation Companies, pursuant to Sections 5.01P and 5.01Q of this Agreement, if such services or concessions would otherwise be available from a concessionaire or licensee of AUTHORITY; provided, however, that no fees shall be collected in connection with services provided by AIRLINE to AIRLINE'S Identified Affiliates or to AIRLINE by its Identified Affiliates.

(2) Fees and charges for services, equipment or facilities not otherwise enumerated in this Agreement, but provided by AUTHORITY or its contractors and utilized by AIRLINE, including, but not limited to, fees and charges for special

maintenance of Airline Premises, use of equipment such as CUPPS, CUSS and CUTE (which fee shall be as calculated in accordance with Exhibit E), Federal Inspection Services (FIS) facility fees and/or Facility Fees.

(3) All costs, charges or expenses for the provision of any services or facilities which AUTHORITY is required or mandated to provide by any governmental entity (other than AUTHORITY acting within its proprietary capacity) having jurisdiction over the Airport. AUTHORITY shall, upon request and to the extent not prohibited by applicable law, rule or regulation, identify for AIRLINE the particular rule, order or mandate resulting in such costs, charges or expenses.

B. AUTHORITY reserves the right to charge AIRLINE or its employees a fee based on AUTHORITY's cost of providing services and facilities for the employee parking area(s) provided at the Airport. All such charges received by AUTHORITY shall be allocated to the Ground Transportation Cost Center.

C. AIRLINE shall pay all applicable sales, use, intangible and ad valorem taxes of any kind, payable in connection with the rental of Airline Premises, the real property and any improvements thereto or the leasehold estate created herein, or which result from AIRLINE's occupancy or use of Airline Premises or otherwise from this Agreement, whether levied against AIRLINE or AUTHORITY. AIRLINE shall also pay any other taxes or assessments against the Airline Premises or leasehold estate created herein. AIRLINE may reserve the right to contest such taxes and withhold payment of such taxes upon written notice to AUTHORITY of its intent to do so, so long as the nonpayment of such taxes does not result in a lien against the real property or any improvements thereon of a direct liability on the part of AUTHORITY. AUTHORITY agrees to immediately forward to AIRLINE any notices of such taxes and assessments due upon receipt of same.

D. The Signatory Airlines shall pay, as additional rental payments, an amount necessary in any Fiscal Year to satisfy AUTHORITY's rate covenant, as set forth in Section 711 of the Bond Resolution, or any successor thereto ("Extraordinary Coverage Protection"). Any shortfalls in annual receipts required by the AUTHORITY's rate covenant shall not be satisfied with prior year surpluses or AUTHORITY cash balances, even if such exist; but shall be satisfied by the Extraordinary Coverage Protection payments described herein. AIRLINE's share of such Extraordinary Coverage Protection payments shall equal the total required payment times a fraction, the numerator of which is the estimated number of annual Enplaned Passengers for Airline for the Fiscal Year such payment is due and the denominator of which is the estimated number of annual Enplaned Passengers of all Signatory Airlines that actually make an Extraordinary Coverage Protection payment. The estimated number of Enplaned Passengers and the required amount of the Extraordinary Coverage Protection payment shall be determined by AUTHORITY in its reasonable discretion. All Extraordinary Coverage Protection payments shall be due within fifteen (15) days after notice from AUTHORITY. The AUTHORITY may provide notice of the requirement for Extraordinary Coverage

Protection payments at any time, and from time to time, during a Fiscal Year that it appears, in the AUTHORITY's reasonable discretion, that such payments will be required pursuant to the terms hereof; provided, however, that the AUTHORITY shall afford the Signatory Airlines a reasonable opportunity to discuss the requirement with the AUTHORITY prior to requiring such payment.

7.06 Information to be Supplied by AIRLINE.

A. Not later than ten (10) days after the end of each month, AIRLINE shall file with AUTHORITY separate written or electronic reports on forms provided by AUTHORITY and included as samples in Exhibit D attached hereto, for activity conducted by AIRLINE during said month, and for activity handled by AIRLINE for each Air Transportation Company not having an agreement with AUTHORITY providing for its own submission of activity data to AUTHORITY. Such activity reporting shall include, but not be limited to, revenue and non-revenue Enplaned Passengers, Deplaned Passengers, pounds of cargo and mail, Chargeable Landings by aircraft type and Maximum Gross Landed Weight by aircraft type.

B. AUTHORITY shall have the right, but shall not be required, to rely on said activity reports in determining rentals, fees and charges due hereunder. AUTHORITY may also rely on alternative sources of information, such as FAA statistics and electronic data collection systems, to determine rentals, fees and charges due hereunder. Use of such alternative sources by AUTHORITY shall not relieve AIRLINE of its reporting obligations hereunder. To the extent there is a discrepancy between the information provided by AIRLINE and information gathered from other sources, AUTHORITY's determination as to the most reliable and accurate information shall be conclusive and binding on the parties, absent fraud or manifest error. AIRLINE shall have full responsibility for the accuracy of said reports. Payment deficiencies of more than ten percent (10%) by category of rentals, fees, and charges due on an annual basis hereunder that are due to incomplete or inaccurate activity reports shall be subject to interest charges, at a rate of eighteen percent (18%) per annum.

C. AIRLINE shall at all times maintain and keep records reflecting the activity statistics of AIRLINE's activities at the Airport to be reported pursuant to Section 7.06A. Such records shall be retained by AIRLINE for a period of three (3) years subsequent to the activities reported therein, or such other retention period as set forth in FAR Part 249, and upon prior written notice to AIRLINE shall be made available at Orlando, Florida for audit and/or examination by AUTHORITY or its duly authorized representative during all normal business hours. AIRLINE shall produce such books and records at Orlando, Florida within thirty (30) calendar days of AUTHORITY's notice to do so or pay all reasonable expenses, including but not limited to transportation, food, and lodging, necessary for an auditor selected by AUTHORITY to audit said books and records at AIRLINE's facilities. The cost of such audit, with the exception of the aforementioned expenses, shall be borne by AUTHORITY; provided, however, the total cost of said audit shall be borne by AIRLINE if either or both of the following conditions exist:

(1) The audit reveals an underpayment of more than ten percent (10%) by category of rentals, fees, and charges due on an annual basis hereunder, as determined by said audit;

(2) AIRLINE has failed to maintain true and complete records in accordance with this Section 7.06C.

7.07 Payments.

A. Payments of one-twelfth (1/12) of the total annual rentals, as may be adjusted from time to time, for AIRLINE's Exclusive Use Premises and Preferential Use Premises shall be due in advance, without demand or invoice, on the first day of each month. Said rentals and charges shall be deemed delinquent if payment is not received by the tenth (10) day of the month.

B. Payment of AIRLINE's Landing Fees, Apron Use Fees and aircraft parking charges under Section 7.04 shall be due fifteen (15) days from AUTHORITY's issuance of invoice, and shall be deemed delinquent if not received within ten (10) days after the due date.

C. Payment of AIRLINE's Common Use Charges, Airline Equipment Charges and any recurring charges under Section 7.05 (such as for CUPPS, CUSS or CUTE equipment), shall be due fifteen (15) days from AUTHORITY's issuance of invoice, and shall be deemed delinquent if not received within ten (10) days of the due date.

D. Payment for all other fees and charges due hereunder, shall be due as of the due date stated on AUTHORITY's invoice. Said fees and charges shall be deemed delinquent if payment is not received within thirty (30) days of the due date of such invoice.

E. AUTHORITY shall provide notice of any and all payment delinquencies, including any deficiencies which may be due as a result of AUTHORITY's estimates of activity pursuant to Section 7.07F below, or due to an audit performed pursuant to Section 7.06C above; provided, however, interest at the rate of eighteen percent (18%) per annum shall accrue against any and all delinquent payment(s) from the due date until the date payments are received by AUTHORITY. This provision shall not preclude AUTHORITY from canceling this Agreement for default in the payment of rentals, fees, or charges, as provided for in Section 12.01B below, or from exercising any other rights contained herein or provided by law. In the event AUTHORITY sends AIRLINE an invoice in error (as opposed to an invoice based on estimates or budgets that happens to differ from the final trued-up amount due, which would not be deemed an invoice sent in error) and AIRLINE pays such invoice, AUTHORITY shall promptly refund the erroneous payment, plus interest at a rate of eighteen percent (18%) per annum, accruing from the date payment was received by AUTHORITY.

F. In the event AIRLINE fails to submit its monthly activity reports as required in Section 7.06A, AUTHORITY shall estimate the rentals, fees, and charges based upon the highest month of the previous twelve (12) month's activity reported by AIRLINE and issue an invoice to AIRLINE for same. If no activity data is available, AUTHORITY shall reasonably estimate such activity and invoice AIRLINE for same. AIRLINE shall be liable for any deficiencies in payments based on estimates made under this provision; payment for said deficiencies shall be deemed due as of the date such rental fee or charge was due and payable. If such estimate results in an overpayment by AIRLINE, AUTHORITY shall apply such overpayment as a credit against subsequent amounts due for such rentals, fees, and charges from AIRLINE; provided, however, AIRLINE shall not be entitled to any credit for interest on payments of such estimated amounts.

G. In the event AIRLINE's obligations with respect to Airline Premises or rights, licenses, or privileges granted hereunder shall commence or terminate on any date other than the first or last day of the month, AIRLINE's rentals, fees, and charges shall be prorated on the basis of the number of days such premises, facilities, rights, licenses, services, or privileges were enjoyed during that month.

H. All payments due and payable hereunder shall be paid in lawful money of the United States of America, without set off, by check made payable to AUTHORITY and delivered to:

Via Express Mail

Via Wire Transfer

Via U.S. Mail

7.08 Security for Performance.

A. Unless AIRLINE has provided regularly scheduled flights to and from the Airport during the eighteen (18) months prior to the Effective Date of this Agreement without the occurrence of any act or omission that would have been an event enumerated in Section 12.01 of this Agreement, if this Agreement had been in effect during that period, AIRLINE shall provide AUTHORITY on the Effective Date of this Agreement with a contract bond, irrevocable letter of credit or other similar security acceptable to AUTHORITY ("Performance Security") in an amount equal to the estimate of three (3) months' rentals, fees and charges payable by AIRLINE (excluding PFC's) pursuant to this Article 7, to guarantee the faithful performance by AIRLINE of its obligations under this Agreement and the payment of all rentals, fees and charges due hereunder. AIRLINE shall be obligated to maintain such Performance Security in effect until the expiration of eighteen (18) consecutive months during which period AIRLINE commits no event enumerated in Section 12.01 of this Agreement. Such Performance Security shall be in a form and with a company reasonably acceptable to AUTHORITY and licensed to do business in the State of Florida. In the event that any such Performance Security shall be for a period less than the full period required by this Section 7.08A or if

Performance Security shall be canceled, AIRLINE shall provide a renewal or replacement Performance Security for the remaining required period at least sixty (60) days prior to the date of such expiration or cancellation. The amount of Performance Security required to be maintained by AIRLINE may be adjusted from time to time by AUTHORITY based on updated estimates of rentals, fees and charges payable by AIRLINE. AIRLINE shall deposit increased Performance Security promptly after receipt of notice of adjustment from AUTHORITY. AUTHORITY may waive any requirement herein in its exclusive discretion.

B. In the event AUTHORITY is required to draw down or collect against AIRLINE's Performance Security for any reason, AIRLINE shall, within ten (10) business days after AUTHORITY's written demand, take such action as may be necessary to replenish the existing Performance Security to its original amount (three months' estimated rentals, fees, and charges) or to provide additional or supplemental Performance Security from another source so that the aggregate of all Performance Security is equal to three months' estimated rentals, fees, and charges payable by AIRLINE pursuant to this Article 7.

C. If AIRLINE is not required to have Performance Security in place at any time, then, upon the occurrence of any act or omission by AIRLINE that is an event enumerated in Section 12.01, or upon the failure of AIRLINE to pay any rentals, fees or charges hereunder when due for sixty (60) consecutive days, or upon AIRLINE's election to assume this Agreement under Federal Bankruptcy Rules and Regulations and Federal Judgeship Act of 1984 or any successor statute, as such may be amended, supplemented, or replaced, AUTHORITY, by written notice to AIRLINE given at any time within ninety (90) days after the date such event becomes known to AUTHORITY, may impose or reimpose the Performance Security requirements of Section 7.08A on AIRLINE. In such event, AIRLINE shall provide AUTHORITY with the required Performance Security within ten (10) days from its receipt of such written notice and shall thereafter maintain such Performance Security in effect until the requirements for removal of the Performance Security set forth in Section 7.08A are met.

D. If AIRLINE shall fail to obtain and/or keep in force such Performance Security required hereunder, such failure shall be grounds for immediate cancellation of this Agreement pursuant to Section 12.01. AUTHORITY'S rights under this Section 7.08 shall be in addition to all other rights and remedies provided to AUTHORITY under this Agreement.

E. AIRLINE and AUTHORITY agree that this Agreement constitutes an 'executory contract' for the purposes of Section 365 of the United States Bankruptcy Code (Title 11 USC) subject to assumption or rejection, and subject to the terms and conditions of assumption or rejection, as provided in said Section 365. Furthermore, AIRLINE and AUTHORITY agree that any Performance Security provided by AIRLINE are not 'property of the estate' for purposes of Section 541 of the United States Bankruptcy Code (Title 11 USC), it being understood that any Performance Security is property of the third

party providing it (subject to AUTHORITY's ability to draw against the Performance Security).

F. AIRLINE and AUTHORITY agree that, to the extent permitted by applicable law, all PFCs collected by AIRLINE with respect to Enplaned Passengers at the Airport, are property of AUTHORITY when collected, and, to the extent held by AIRLINE, are being held in trust for AUTHORITY.

7.09 No Further Charges. Except as provided in this Agreement, or as may be permitted or required by any governmental entity (other than AUTHORITY, acting within its proprietary capacity) having jurisdiction over the Airport, no further rentals, fees, or charges shall be charged against or collected from AIRLINE, its passengers, its shippers and receivers of freight, its suppliers or material, its contractors or furnisher or services, by AUTHORITY, acting in its capacity as Airport proprietor, for the premises, facilities, rights, licenses, and privileges granted to AIRLINE herein.

ARTICLE 8: CHANGES IN RATES FOR RENTALS, FEES, AND CHARGES

8.01 Annual Rate Changes.

A. Prior to the end of each Fiscal Year during the Term of this Agreement, AUTHORITY shall notify AIRLINE of the proposed schedule of initial rates for rentals, fees, and charges for the ensuing Fiscal Year. Such rates shall be determined and presented to AIRLINE substantially in conformance with the methods and format set forth in Article 7 and Exhibit E attached hereto.

B. If calculation of the new rates for rentals, fees, and charges is not completed by AUTHORITY and the notice provided in Section 8.01A is not given on or prior to the end of the then current Fiscal Year, the rates for rentals, fees, and charges then in effect shall continue to be paid by AIRLINE until such calculations are concluded and such notice is given. Upon the completion of such calculations and the giving of such notice, AUTHORITY shall determine the difference(s), if any, between the actual rentals, fees, and charges paid by AIRLINE to date for the then current Fiscal Year and the rates for rentals, fees, and charges that would have been paid by AIRLINE if said rates had been in effect beginning on the first day of the Fiscal Year. Such differences shall be applied to the particular rentals, fees, or charges for which a difference(s) in rates resulted in an overpayment or underpayment, and shall be remitted by AIRLINE or credited or refunded by AUTHORITY in the month immediately following the calculation of the new Fiscal Year rates and the giving of written notice to AIRLINE by AUTHORITY.

C. AIRLINE acknowledges that AUTHORITY'S determination of Net Airfield Requirement, Net Terminal Requirement, Landing Rate, Landing Fee, Apron Use Fee, Terminal rentals, Common Use Charges and other fees and charges due hereunder, is based on estimates by AUTHORITY of many factors and AIRLINE agrees to pay monthly rentals, fees and charges as determined by AUTHORITY based on such estimates, subject to a true-up calculation by AUTHORITY of total rentals, fees and charges owed by AIRLINE for a particular Fiscal Year to be completed, within 120 days after the end of such Fiscal Year or as soon as possible after audited financial information is available to AUTHORITY, whichever is later. For clarification, the true-up calculation shall be based, to the extent possible, on actual results for a Fiscal Year, and shall be calculated by the AUTHORITY in a manner consistent with the true-up calculation for all Signatory Airlines. AUTHORITY may recover or pay, as the case may be, amounts owing to or from AUTHORITY as a result of such true-up by, in its discretion, (a) adjusting revenue sharing payments owed under Section 8.03 below, (b) adjusting future rentals, fees and charges due from AIRLINE under this Article 7 by an amount deemed reasonable by AUTHORITY or (c) by making payment to, or requiring payment from, AIRLINE. AIRLINE and AUTHORITY each agrees to make payment of any amount due hereunder within thirty (30) days, if the payment in (c) above is the true up methodology chosen.

D. AUTHORITY may recalculate its Landing Fee, Apron Use Fee, Terminal rental rates and Common Use Charges any time the unaudited monthly financial data collected by the AUTHORITY indicates (a) that the amounts projected to be owed by AIRLINE or any other Signatory Airline for that Fiscal Year are reasonably likely to fall short of, or exceed, the amounts to be paid by such AIRLINE or Signatory Airline under then current rates by at least ten percent (10%) or (b) the amounts projected to be collected in the Airfield Cost Center or in the Terminal Cost Center for that Fiscal Year are reasonably likely to fall short of, or exceed, the amounts required to be collected in such Cost Centers for such Fiscal Year by at least ten percent (10%).

8.02 Changes in Rates, Fees and Charges. Adjustments to rates for rentals, fees, and charges, but not the methodology of calculating them, shall apply without the necessity of formal amendment of this Agreement.

8.03 Revenue Sharing.

A. For each Fiscal Year, AUTHORITY will pay to the Signatory Airlines, in the aggregate, an amount equal to (a) one hundred percent (100%) of any Extraordinary Coverage Protection payments made with respect to such year, but only to the extent of Net Shared Revenues and to the extent of uncommitted funds in the Improvement and Development Fund (as defined in the Bond Resolution), and (b) the Applicable Signatory Airline Revenue Share Percentage of any balance of Net Shared Revenues after subtracting an amount equal to Extraordinary Coverage Protection payments made with respect to such year ("Revenue Sharing Payment"). AIRLINE's share of the total Revenue Sharing Payments due hereunder for a Fiscal Year shall, with respect to (a) above, be equal to the proportion of Extraordinary Coverage Protection payments made by AIRLINE and with respect to (b) above, shall equal a fraction of such amount, the numerator of which is the total number of Enplaned Passengers for AIRLINE for that Fiscal Year and the denominator of which is the total number of Enplaned Passengers for all Signatory Airlines for that Fiscal Year. Only Air Transportation Companies who were Signatory Airlines on the last day of a Fiscal Year shall be entitled to any payments hereunder for such Fiscal Year. Only the number of Enplaned Passengers counted during such time as an Air Transportation Company was a Signatory Airline during a particular Fiscal Year, but not when an Air Transportation Company was not a Signatory Airline during such Fiscal Year, shall be considered for purposes of any calculation hereunder. Furthermore, if an Air Transportation Company ceases being a Signatory Airline at some point in a Fiscal Year ("First Signatory Term") and later becomes a Signatory Airline again in the same Fiscal Year ("Second Signatory Term"), only Enplaned Passengers counts for such Air Transportation Company during the Second Signatory Term, but not the First Signatory Term, shall be considered for purposes of any calculation hereunder.

B. AUTHORITY shall use commercially reasonable efforts to estimate the Revenue Sharing Payment to be made to AIRLINE within sixty (60) days after the conclusion of each Fiscal Year and, to the extent AUTHORITY is comfortable with such estimate, shall pay to AIRLINE eighty percent (80%) of such estimated Revenue Sharing Payment

within such sixty (60) day period. AUTHORITY shall pay to AIRLINE the balance of each Revenue Sharing Payment owed to AIRLINE within thirty (30) days after AUTHORITY determines the actual Revenue Sharing Payment owed to AIRLINE for the prior Fiscal Year, which is expected to be following the completion of audited financial statements for such Fiscal Year.

8.04 AUTHORITY Covenants.

A. AUTHORITY covenants that for purposes of assigning and allocating costs, it shall utilize generally accepted accounting practices utilized for airports operating as an enterprise fund, and include only those charges properly attributable to the Airport.

B. AUTHORITY shall use Revenues of the Airport on the Airport System, in accordance with the provisions of the Bond Resolution and applicable law.

ARTICLE 9: CAPITAL EXPENDITURES AND IMPROVEMENTS

9.01 Need for Capital Expenditures. The parties hereto recognize that Capital Expenditures to preserve, protect, enhance, expand, renovate or otherwise improve the Airport or any part thereof, will be required during the Term of this Agreement. Any such Capital Expenditures to be paid for or financed with Revenues shall be subject to the provisions of Sections 9.02 and 9.03, below.

9.02 Capital Expenditures Subject to Signatory Airline Consideration.

A. AUTHORITY shall notify AIRLINE in writing of its intent to undertake any Capital Expenditures not excluded from Majority-in-Interest consideration pursuant to Section 9.03, and shall provide AIRLINE with the following information associated with such Capital Expenditures:

(1) A description of the proposed Capital Expenditure(s), together with cost estimates;

(2) AUTHORITY's anticipated means of financing or paying the costs of the proposed Capital Expenditure(s); and

(3) The planned allocation of the costs thereof to the Airfield Cost Center or the Terminal Cost Center and the projected impact on AIRLINE rates and charges.

B. Within twenty (20) days after AUTHORITY's delivery of the notice set forth above, AIRLINE may request in writing, a meeting with AUTHORITY for the purpose of discussing the proposed Capital Expenditure(s). Should such a request be made, AUTHORITY shall schedule a meeting with Signatory Airlines collectively within sixty (60) days after AUTHORITY's original notice. AUTHORITY agrees to consider comments and recommendations of the Signatory Airlines with respect to proposed Capital Expenditure(s).

C. Unless Signatory Airlines constituting a Majority-in-Interest shall issue written disapprovals to AUTHORITY for a particular Capital Expenditure that is subject to Majority-in-Interest consideration within thirty (30) days after the date set for the meeting between the AUTHORITY and the Signatory Airlines, time being of the essence, AUTHORITY may proceed with such Capital Expenditures. AUTHORITY may also proceed at any time with Capital Expenditures not requiring Majority-in-Interest consideration, as set forth in Section 9.03, and with any other improvements or developments not defined as a Capital Expenditure herein.

D. In the event of a Majority-in-Interest disapproval of a proposed Capital Expenditure subject to Majority-in-Interest consideration, AUTHORITY shall have the option to convene a second meeting with the Signatory Airlines within forty five (45) days following the date of disapproval for the purpose of providing additional information relative to the proposed Capital Expenditure and to request reconsideration.

The reconsidered Capital Expenditure shall be subject to Majority-in-Interest disapproval, as set forth in subparagraph C above.

E. AUTHORITY may issue Bonds, Subordinated Indebtedness, or Other Indebtedness to finance any Capital Expenditures permitted by this Article 9. All costs associated with Capital Expenditures permitted by this Article 9, including but not limited to, Operating Expenditures (including appropriate reserves therefor) shall be included in the determination of rates for rentals, fees, and charges in accordance with Article 7 above.

9.03 Capital Expenditures Not Subject to Signatory Airline Consideration. The following Capital Expenditures shall be permitted to be undertaken by the AUTHORITY at any time and shall not be subject to consideration or disapproval by the Signatory Airlines:

A. New development, planning, replacement, renovation, construction or expansion projects to the extent applicable to the Airfield Cost Center that have a gross project cost equal to or less than Five Million Dollars (\$5,000,000).

B. New development, renovation, planning, replacement, construction or expansion projects to the extent applicable to the Terminal Cost Center with gross project cost equal to or less than Five Million Dollars (\$5,000,000).

C. Projects for the increased requirements of any Signatory Airline(s) if such Signatory Airline(s) agree to increased rentals, fees, and charges sufficient to cover the annual debt service associated with the project.

D. Projects required by the FAA, the Department of Transportation or other governmental authority, other than AUTHORITY, having jurisdiction over the Airport; provided, however, that AUTHORITY shall, upon request and to the extent not prohibited by applicable law, rule or regulation or such governmental authority, substantiate the requirement by identifying for AIRLINE the particular rule, order or mandate issued by such governmental authority.

E. Projects to repair or replace casualty damage to Airport property which must be rebuilt or replaced in order for AUTHORITY to meet its obligations pursuant to this Agreement, the Bond Resolution, or agreements with other lessees at the Airport, or which are funded from insurance proceeds.

F. Facilities or equipment for which the tenant(s) or other user(s) thereof shall be required to pay directly, or reimburse AUTHORITY for, all capital costs, including finance costs, associated with such facilities during the Term of this Agreement.

G. Improvements or additions, including the associated costs therefor, necessary or reasonable in the judgment of the AUTHORITY to settle lawful claims, satisfy judgments, or comply with judicial orders against AUTHORITY by reason of its ownership, operation, maintenance, or use of the Airport.

H. Expenditures of an emergency nature which, if not made within the time established for the Majority-in-Interest disapproval process, would result in the closing or inoperability of any portion of the Airport.

I. Projects to the extent applicable to Cost Centers other than the Airfield Cost Center and the Terminal Cost Center.

J. The projects identified in Exhibit B, including an additional twenty-five percent (25%) cost escalation for each project. The AUTHORITY agrees to continue reviewing its capital improvement plan during the Term of the Agreement to undertake projects that are appropriate in its judgment, to continue to support growth and demand for, and the operation and maintenance of, facilities at the Airport.

9.04 Alterations and Improvements by AIRLINE. In accordance with Section 5.01M above, AIRLINE may construct and install, at AIRLINE's sole expense, such improvements in its non-public Exclusive Use Premises and non-public Preferential Use Premises as AIRLINE deems to be necessary for its operations; provided, however, that the plans and specifications, location, and, in the Executive Director's exclusive discretion, construction schedule for such improvements shall be approved by the Executive Director in writing prior to the commencement of any and all such construction or installation and that AIRLINE complies with the requirements of AUTHORITY in effect from time to time. Said approval shall not be unreasonably withheld, conditioned or delayed. No reduction or abatement of rentals, fees, and charges shall be allowed for any interference with AIRLINE's operations by such construction.

9.05 Security.

A. Surety Bonds.

(1) Prior to the commencement of any improvements greater than \$250,000 at the Airport, AIRLINE shall obtain, or cause to be obtained, and deliver to AUTHORITY and record in the public records of Orange County, payment and performance bonds in sums equal to the full amount of the construction contract awarded by AIRLINE for the improvements, as described more fully herein.

(2) Such bonds shall name AUTHORITY as an obligee thereunder and shall be drawn from such company acceptable to AUTHORITY and licensed to do business in the State of Florida, subject to AUTHORITY's reasonable approval.

(3) All payment bonds required hereunder with any contractor or contractors of AIRLINE, as principal, shall be in the sum equal to the full amount of the construction contract awarded by AIRLINE for the improvements. Such bond shall name AUTHORITY as an obligee thereunder and shall guarantee payment of all wages for labor and services engaged, and of all bills for materials, supplies, and equipment used in the performance of said construction contract.

(4) All performance bonds required hereunder shall name AUTHORITY as an obligee thereunder, and shall be drawn in from such company reasonably acceptable to AUTHORITY and licensed to do business in the State of Florida; shall guarantee the faithful performance of necessary construction and completion of improvements in accordance with approved final plans and detailed specifications, and shall protect AUTHORITY against any losses and liability, damages, expenses, claims, and judgments caused by or resulting from any failure to perform completely the work described.

(5) Bonds required hereunder shall be submitted in the forms reasonably acceptable to AUTHORITY from time to time, and AIRLINE shall be responsible for taking such steps as necessary to ensure that such bonds shall fully comply, both in form and substance, with the requirements of Section 255.05, Fla. Stat., any successor thereto and any other applicable law or regulation. AIRLINE shall provide AUTHORITY with a true copy of the recorded bonds as evidence of such recording.

(6) Any construction or installation work by or for AIRLINE at the Airport shall not unreasonably interfere with the operation of the Airport, or otherwise unreasonably interfere with the permitted activities of other Terminal tenants and users. Upon completion of approved construction and within sixty (60) days after AIRLINE's receipt of a certificate of occupancy, a complete set of as-built drawings shall be delivered to the Executive Director in a media type and format acceptable to AUTHORITY for the permanent record of AUTHORITY.

B. Sureties' Qualifications.

(1) All bonds required under this Section shall be written with a surety meeting the following requirements: (i) rated by the latest edition of A.M. Best Company Insurance Guide no less than "A-" as to management and no less than "VIII" as to strength for Contracts in which the total contract price exceeds \$1,000,000 and no less than "B+" as to management and no less than "VI" as to strength for Contracts in which the total contract price is \$1,000,000 or less; and (ii) be authorized to transact business in the State of Florida. The surety shall hold a certificate of authority authorizing it to write surety bonds in Florida and the surety bond shall be countersigned by a licensed Florida agent appointed by the surety, and shall also maintain a current certificate of authority as an acceptable surety on Federal Bonds in accordance with U.S. Department of Treasury Circular 570, current revision. If the amount of the bond exceeds the underwriting limitations set forth in Circular 570, in order to qualify, the net retention of the surety company shall not exceed the underwriting limitation in Circular 570 and the surety shall provide evidence satisfactory to AUTHORITY that the amount in excess of the net retention is protected by co-insurance, reinsurance, or other methods in accordance with Treasury Circular 297, Revised September 1, 1978 (31 CFR Section 223.10, Section 223.11).

(2) Notwithstanding anything contrary in this Agreement or Subsection, in the event the total contract price does not exceed \$500,000, as determined in accordance with

Section 287.0935, Florida Statutes, bonds with a surety company in compliance with the following requirements shall be acceptable: (i) The surety company is licensed to do business in the State of Florida; (ii) The surety company holds a certificate of authority authorizing it to write surety bonds in Florida; (iii) The surety company has twice the minimum surplus and capital required by the Florida Insurance Code at the time the invitation to bid is issued; (iv) The surety company is otherwise in compliance with the provisions of the Florida Insurance Code; and (iv) The surety company holds a currently valid certificate of authority issued by the United States Department of the Treasury under 31 U.S.C. §§ 9304 to 9308. In order to qualify as an acceptable surety company, an Affidavit for Surety Company shall be executed by an Officer of the surety bond insurer as evidence that a surety company is in compliance with the foregoing requirements.

(3) It is further mutually agreed between AIRLINE and AUTHORITY that if at any time, AUTHORITY shall deem the surety or sureties upon any bond to be unsatisfactory, or if for any reason such bond (because of increases in the work or otherwise) ceases to be adequate, AIRLINE shall, at its expense, within five (5) days after the receipt of notice from AUTHORITY to do so, furnish or cause to be furnished an additional or replacement bond or bonds in such form, amount, and with such surety or sureties as shall be satisfactory to AUTHORITY.

C. Alternate Form of Security.

In lieu of a payment bond and a performance bond in the amount of any contract between AIRLINE and a contractor, pursuant to Section 255.05, Fla. Stat., AIRLINE may furnish or caused to be furnished to AUTHORITY an alternate form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or security of a type listed in Part II of Chapter 625, Fla. Stat., in the amount of the underlying contract. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bond for which the alternative form of security is being substituted. The determination of the value of an alternative form of security shall be made by AUTHORITY.

9.06 Contractor Insurance. AIRLINE shall require contractors to maintain, and provide evidence satisfactory to AUTHORITY of, insurance (including, but not limited to, worker's compensation/employer's liability insurance, commercial general liability insurance, automobile liability insurance, and builder's risk insurance), in such amounts and in such manner as AUTHORITY may reasonably require. AUTHORITY may require additional insurance for any alterations or improvements approved hereunder, in such limits as AUTHORITY reasonably determines to be necessary.

9.07 Responsibility for Construction. Any construction or installation by or for the benefit of AIRLINE shall be at the sole risk of AIRLINE and shall be in accordance with the Tenant Work Permit Program and all applicable state and local codes and laws and subject to inspection by the Executive Director.

9.08 Ownership of Improvements. All improvements made to Airline Premises and additions and alterations thereto made by AIRLINE, except those financed by AUTHORITY, shall be and remain the property of AIRLINE until expiration of the Term of this Agreement. Upon termination or cancellation of this Agreement, said additions and alterations shall become the property of AUTHORITY or at AUTHORITY's option removed by AIRLINE; provided, however, that any trade fixtures, signs, equipment and other movable personal property of AIRLINE not permanently affixed to Airline Premises shall remain the property of AIRLINE, subject to the terms of Article 14.

ARTICLE 10: DAMAGE OR DESTRUCTION

10.01 Partial Damage. If any part of Airline Premises, or adjacent facilities directly and substantially affecting the use of Airline Premises, shall be partially damaged by fire or other casualty or by any AUTHORITY required construction or renovation project, but said circumstances do not render Airline Premises untenable as reasonably determined by AUTHORITY, the same shall be repaired, constructed or renovated to usable condition with due diligence by AUTHORITY as hereinafter provided. No abatement of rentals shall accrue to AIRLINE so long as Airline Premises remain tenantable.

10.02 Substantial Damage. If any part of Airline Premises, or adjacent facilities directly and substantially affecting the use of Airline Premises, shall be so extensively damaged by fire or other casualty or by any AUTHORITY required construction or renovation project, as to render any portion of the Airline Premises untenable, but capable of being repaired, as reasonably determined by AUTHORITY, the same shall be repaired to usable condition with due diligence by AUTHORITY as hereinafter provided. If such repairs have not been commenced (defined as any material construction related activity, such as preparing plans, applying for permits, etc.) by AUTHORITY within ninety (90) days after such damage, and AIRLINE has not been provided comparable alternative facilities, AIRLINE shall have the option to terminate its agreement related to the facilities so damaged. In the case of damage described herein, the rentals payable hereunder with respect to AIRLINE's affected Airline Premises shall be paid up to the time of such damage and shall thereafter be abated equitably in proportion as the part of the area rendered untenable bears to total Airline Premises until such time as the damaged Airline Premises are again tenable or comparable alternative facilities are made available to AIRLINE. AUTHORITY shall use its best efforts to provide AIRLINE with comparable, alternative facilities sufficient to allow AIRLINE to continue its operations while repairs are being completed, at a rental rate applicable to such alternative facilities; provided, however, that AIRLINE shall not be required to lease more alternative space than was rendered untenable in accordance with this Section.

10.03 Destruction.

A. If any part of Airline Premises, or adjacent facilities directly and substantially affecting the use of Airline Premises, shall be damaged by fire or other casualty or by any AUTHORITY required construction or renovation project, and is so extensively damaged as to render any portion of said Airline Premises untenable and not economically feasible to repair, as reasonably determined by AUTHORITY, AUTHORITY shall notify AIRLINE within a period of forty five (45) days after the date of such damage of its decision whether to reconstruct or replace said space; provided, however, AUTHORITY shall be under no obligation to replace or reconstruct such premises. The rentals payable hereunder with respect to affected Airline Premises shall be paid up to the time of such damage and thereafter shall abate until such time as replacement or reconstructed space becomes available for use by AIRLINE.

B. In the event AUTHORITY elects to reconstruct or replace affected Airline Premises, AUTHORITY shall use its best efforts to provide AIRLINE with comparable, alternative facilities sufficient to allow AIRLINE to continue its operation while reconstruction or replacement facilities are being completed; provided, however, that AIRLINE shall not be required to occupy and pay for more alternative space than was rendered untenable in accordance with this Section.

C. In the event AUTHORITY elects to not reconstruct or replace damaged Airline Premises, AUTHORITY shall either relocate AIRLINE, pursuant to Section 4.05B above, or if no premises are available to accomplish such relocation, to terminate this Agreement as to the damaged facilities. In such event, AUTHORITY agrees to amend this Agreement to reflect related additions and deletions to Airline Premises. In the event AIRLINE is not relocated and, after termination of this Agreement as to the damaged facilities, the remaining tenable portion of the Airline Premises is not sufficient to maintain operations at the Airport, AIRLINE may terminate this entire Agreement upon at least sixty (60) days advance notice given within ninety (90) days after receipt by AIRLINE of notice of termination of this Agreement as to the damaged facilities.

10.04 Damage Caused By AIRLINE. Notwithstanding any provision of this Article 10 to the contrary, in the event that due to the negligence or willful act or omission of AIRLINE, its employees, its agents, or licensees, Airline Premises shall be damaged or destroyed by fire, other casualty or otherwise, there shall be no abatement of rent during the repair or replacement of said Airline Premises. To the extent that the costs of repairs are not fully recovered from any insurance proceeds payable to AUTHORITY by reason of such damage or destruction, AIRLINE shall pay the amount of such additional costs to AUTHORITY. Upon the evacuation of any premises by AIRLINE, whether due to relocation, termination of this Agreement or otherwise, AIRLINE shall reimburse AUTHORITY for the cost to repair any damage to such premises, other than normal wear and tear.

10.05 AUTHORITY's Responsibilities. AUTHORITY shall maintain commercially reasonable property insurance; provided, however, that AUTHORITY's obligations to repair, reconstruct, or replace any part of the affected Airline Premises or adjacent facilities under the provisions of this Article 10 shall in any event be limited to restoring affected Airline Premises or adjacent facilities to (1) substantially the same condition that existed at the date of damage or destruction, or (2) to the extent of insurance proceeds and other funds available to AUTHORITY for such repair, reconstruction, or replacement, whichever is less; provided further that AUTHORITY shall in no way be responsible for the insuring of, or the restoration or replacement of any equipment, furnishings, property, improvements, signs, or other items installed and/or owned by AIRLINE.

ARTICLE 11: INDEMNIFICATION AND INSURANCE

11.01 Indemnification by Airline.

A. Indemnification for Claims. AIRLINE agrees to protect, defend, reimburse, indemnify and hold each of the AUTHORITY, the City, their respective agents, employees, board members and elected officers (hereinafter collectively referred to as "AUTHORITY Indemnitee") free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including actually incurred reasonable attorney's fees and appellate cost) and causes of action of every kind and character, whether or not meritorious, including but not limited to, claims or damages relating to any damage to property (including but not limited to, any environmental damage) personal injury, or bodily injury (including death) incurred or sustained by any person or organization (including, but not limited to, by an AUTHORITY Indemnitee) against or incurred by any AUTHORITY Indemnitee and arising out of, or incident to, or in connection with, (a) AIRLINE's use, operation, maintenance or occupancy of the Airline Premises, or (b) the operation of AIRLINE's Air Transportation Business, including the use or access by AIRLINE's ticketed passengers of the Airport; or (c) the performance, non-performance or purported performance of AIRLINE under this Agreement or (d) any breach of the terms of this Agreement by AIRLINE; provided, however, nothing contained in this Section shall require indemnification by AIRLINE of an AUTHORITY Indemnitee from or against any loss, liability or claim to the extent arising from the gross negligence or willful misconduct of such AUTHORITY Indemnitee.

B. Notice and Defense of Claims. Upon the filing by anyone of a claim with AUTHORITY for damages arising out of incidents for which AIRLINE herein agrees to indemnify and hold AUTHORITY or another AUTHORITY Indemnitee harmless, AUTHORITY shall promptly notify AIRLINE of such claim and, in the event that AIRLINE does not settle or compromise such claim, then AIRLINE shall undertake the legal defense of such claim both on behalf of AIRLINE and on behalf of each involved AUTHORITY Indemnitee. It is specifically agreed, however, that in the event of any conflict between an AUTHORITY Indemnitee, including AUTHORITY, and AIRLINE, an AUTHORITY Indemnitee may, at its option, provide its own legal defense and that AIRLINE will promptly reimburse any such AUTHORITY Indemnitee for the reasonable cost, including attorney's fees, incurred by or on behalf of AUTHORITY Indemnitee in the legal defense of such claim.

C. No Voluntary Waiver of Immunity. AIRLINE and AUTHORITY agree that the obligation of AIRLINE to indemnify an AUTHORITY Indemnitee is not intended to waive any sovereign immunity otherwise applicable to an AUTHORITY Indemnitee.

D. Consideration, Survival of Indemnity Obligation and Additional Remedy. AIRLINE recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of good and

valuable consideration provided by AUTHORITY in support of this indemnification in accordance with laws of the State of Florida. This clause shall survive the termination of this Agreement as to claims arising during the Term thereof. Compliance with the insurance requirements of this Article 11 shall not relieve AIRLINE of, or otherwise limit, AIRLINE's obligation to indemnify an AUTHORITY Indemnatee as set forth in this Article 11.

11.02 Insurance.

A. Except to the extent AUTHORITY, at its sole discretion otherwise agrees to the contrary, during the Term of this Agreement, AIRLINE shall provide, pay for and maintain the types and amounts of insurance described herein. All such insurance shall be issued by insurers which are eligible to do business in the State of Florida. In addition, all such insurers shall have and maintain throughout the period for which coverage is required, evidence of financial integrity and responsibility reasonably acceptable to AUTHORITY.

B. The insurance coverage and limits required shall be evidenced by properly executed certificates of insurance. These certificates shall be signed by the authorized representative of the insurance company shown on the certificate and will show all deductibles or self-insurance retentions and show the AUTHORITY as an additional insured on airline liability/commercial general liability primary and excess coverage. In addition, certified, true, and exact copies of all insurance policies shall be made available to AUTHORITY, at AUTHORITY's cost, on a timely basis, if requested by AUTHORITY.

C. All required insurance coverages of AIRLINE shall be primary to any insurance or self-insurance program of AUTHORITY. In addition, any insurance, or self-insurance maintained by AUTHORITY shall be excess of, and shall not contribute with, the insurance provided by AIRLINE.

D. The acceptance of delivery to AUTHORITY of any certificate of insurance evidencing the insurance coverages and limits required in this Agreement does not constitute approval or acceptance by AUTHORITY that the insurance requirements in this Agreement have been met.

E. No operations shall commence at the Airport unless and until the required certificates of insurance are in effect and approved by AUTHORITY.

F. The insurance coverages and limits required of AIRLINE under this Agreement are designed to meet the minimum requirements of AUTHORITY. They are not designed as a recommended insurance program for AIRLINE. AIRLINE is responsible for insuring its real and personal property located at the Airport. AIRLINE, alone, shall be responsible for the sufficiency of its own insurance program. Should AIRLINE have

any question concerning its exposures to loss under this Agreement, or the possible insurance coverages needed therefor, it should seek professional advice.

G. AIRLINE shall give AUTHORITY thirty (30) days prior written notice by registered or certificated mail of any cancellation, intent not to renew, or material reduction in any policy's coverage instigated by AIRLINE and prompt notice of any such event instigated by an insurance company. Said notices shall be sent pursuant to Section 18.22 of this Agreement.

H. Renewal Certificates of Insurance must be provided to AUTHORITY as soon as practical but in every instance prior to expiration of current coverages.

I. Should at any time AIRLINE not, in the opinion of AUTHORITY, provide or maintain the insurance coverages required in this Agreement, AUTHORITY may terminate or suspend this Agreement.

J. The amounts and types of insurance shall conform to the following minimum requirements.

(1) Workers Compensation and Employer's Liability Insurance shall be maintained in force by AIRLINE during the Term of this Agreement for all employees engaged in the operations on the Airport under this Agreement. The limits of coverage shall not be less than:

Workers' Compensation	Florida Statutory
Employer's Liability	\$1,000,000 Limit Each Accident
	\$1,000,000 Limit Disease Aggregate
	\$1,000,000 Limit Disease Each Employee

(2) Airline Liability Insurance/Commercial General Liability shall be maintained by AIRLINE for the life of this Agreement. Coverage shall include, but not be limited to, Premises and Operations, Personal Injury, Contractual Liability, Products and Completed Operations Coverage, Hangarkeepers, Liquor Liability, Terrorism or War Risk and Allied Perils (to the extent available from, or subsidized by, the federal government), and Environmental Liability. Coverage shall be applicable to the operation of all owned, non-owned, leased or hired, licensed and unlicensed motor vehicles and ground equipment operating within the Aircraft Operations Area (AOA) at the Airport. The limits of coverage shall not be less than:

Airline Liability:

Bodily & Personal Injury & Property Damage Liability	\$200,000,000 Combined Single Limit Each Occurrence & Aggregate

Sublimits to be provided through the Airline Liability or separate policy:

Liquor Liability Coverage – for any facility of AIRLINE serving alcoholic beverages on the Airport in an amount not less than \$1,000,000 per occurrence.

Hangarkeepers Liability Coverage – in an amount adequate to cover any non-owned property in the care, custody, and control of AIRLINE on the Airport, but in any event in an amount not less than \$5,000,000 per occurrence.

Motor Vehicle Liability Coverage – to cover all licensed and unlicensed motor vehicles and ground equipment owned, non-owned, or hired by AIRLINE which are operated in the AOA. This coverage will be in an amount not less than \$5,000,000 per person and per occurrence.

Terrorism or War Risk and Allied Perils (to the extent available from, or subsidized by, the federal government) – in an amount not less than \$50,000,000.

Environmental Liability – in an amount not less than \$10,000,000 for sudden and accidental pollution, or, to the extent not prohibited by any applicable law, AIRLINE may provide for reasonable limits of self insurance against environmental liability risks. All amounts paid to AUTHORITY by AIRLINE on account of any self-insurance program shall be deemed insurance proceeds for purposes of this Agreement. To the extent AIRLINE self-insures as to environmental liability, the protections afforded AUTHORITY by AIRLINE shall be the same as if insurance were provided by a third-party insurer and AIRLINE shall have all the obligations and liabilities of a third party insurer hereunder (e.g. obligation to provide a defense).

(3) Aircraft Liability Insurance shall be maintained by AIRLINE during the Term of this Agreement for all owned, non-owned, leased or hired aircraft, including passenger coverage. The limits of coverage shall not be less than:

Bodily & Personal Injury & Property Damage Liability	\$200,000,000 Combined Single Limit Each Occurrence & Aggregate

(4) Business Automobile Liability Insurance shall be maintained by AIRLINE during the Term of this Agreement as to the ownership, maintenance, and use of all owned, non-owned, leased or hired vehicles. The limits of coverage shall not be less than:

Bodily & Personal Injury & Property Damage Liability	\$1,000,000 Combined Single Limit Each Occurrence & Aggregate

(5) Umbrella Liability Insurance or Excess Liability Insurance may be used to reach the limits of liability required by this Article 11.

ARTICLE 12: CANCELLATION BY AUTHORITY

12.01 Events of Default. The events described below shall be deemed Events of Default by AIRLINE hereunder:

(1) The conduct by AIRLINE of any business or performance of any acts at the Airport not specifically authorized herein or by other agreements between AUTHORITY and AIRLINE, and such business or acts do not cease within thirty (30) days after receipt of AUTHORITY's written notice to cease such business or acts.

(2) The failure by AIRLINE to cure a default in the performance of any of the terms, covenants, and conditions required herein (except Performance Security requirements, insurance requirements, and payment of rentals, fees, and charges, all as provided for below) within thirty (30) days after receipt of written notice by AUTHORITY of such default; or, if by reason of the nature of such default, the same cannot be cured within thirty (30) days following receipt by AIRLINE of written demand from AUTHORITY to do so, AIRLINE fails to commence curing such default within such thirty (30) days following such written notice, or having so commenced, shall fail thereafter to continue with diligence the curing thereof and, in any event, fails to cure such default within a reasonable time or ninety (90) days after receipt of notice of such default, whichever is earlier. AIRLINE shall have the burden of proof to demonstrate (i) that the default cannot be cured within thirty (30) days, and (ii) that it is proceeding with diligence to cure said default, and that such default can be cured within the earlier of a reasonable period of time or ninety (90) days.

(3) The failure by AIRLINE to pay any part of the rentals, fees, and charges due hereunder and the continued failure to pay such amounts in full within fifteen (15) days after AUTHORITY's written notice of such default; provided, however, that if a dispute arises between AUTHORITY and AIRLINE with respect to any obligation or alleged obligation of AIRLINE to make payments to AUTHORITY, payments under protest by AIRLINE of the amount due shall not waive any of AIRLINE'S rights to contest the validity or amount of such payment. In the event any court or other body having jurisdiction determines all or any part of the protested payment shall not be due, then AUTHORITY shall promptly reimburse AIRLINE or credit against future payments by AIRLINE any amount determined as not due.

(4) The failure by AIRLINE to provide and keep in force Performance Security in accordance with Section 7.08.

(5) The failure by AIRLINE to obtain and keep in force insurance coverage in accordance with Section 11.02.

(6) The appointment of a trustee, custodian, or receiver of all or a substantial portion of AIRLINE's assets.

(7) The divestiture of AIRLINE's estate herein by operation of law, by dissolution, or by liquidation, (not including a merger or sale of assets).

(8) The insolvency of AIRLINE; or if AIRLINE shall take the benefit of any present or future insolvency statute, shall make a general assignment for the benefit of creditors, or shall seek a reorganization or the readjustment of its indebtedness under any law or statute of the United States or of any state thereof including the filing by AIRLINE of a voluntary petition of bankruptcy or the institution of proceedings against AIRLINE for the adjudication of AIRLINE as a bankrupt.

(9) The abandonment by AIRLINE of the Airline Premises, or its conduct of business at the Airport; and, in this connection, suspension of operations for a period of thirty (30) days will be considered abandonment in the absence of a labor dispute or other governmental action in which AIRLINE is directly involved.

(10) The failure by AIRLINE to remit PFCs in accordance with Section 18.03.

12.02 Continuing Responsibilities of AIRLINE. Notwithstanding the occurrence of any Event of Default, AIRLINE shall remain liable to AUTHORITY for all rentals, fees, and charges payable hereunder and for all preceding breaches of any obligation under this Agreement. Furthermore, unless AUTHORITY elects to cancel this Agreement, AIRLINE shall remain liable for and promptly pay all rentals, fees, and charges accruing hereunder through the end of the Term.

12.03 AUTHORITY's Remedies. Upon the occurrence of an Event of Default, the following remedies, which shall be cumulative, shall be available to AUTHORITY:

A. AUTHORITY may exercise any remedy provided by law or in equity, including but not limited to the remedies hereinafter specified.

B. AUTHORITY may cancel this Agreement, effective upon the date specified in the notice of cancellation. Upon such date, AIRLINE shall be deemed to have no further rights hereunder and AUTHORITY shall have the right to take immediate possession of AIRLINE's Airline Premises.

C. AUTHORITY may reenter the Airline Premises and may remove all AIRLINE persons and property from same upon the date of reentry specified in AUTHORITY's written notice of reentry to AIRLINE. Upon any removal of AIRLINE property by AUTHORITY hereunder, AIRLINE property may be stored at a public warehouse or elsewhere at AIRLINE's sole cost and expense.

D. AUTHORITY may relet Airline Premises and any improvements thereon or any part thereof at such rentals, fees, and charges and upon such other terms and conditions as AUTHORITY, in its sole discretion, may deem advisable, with the right to make alterations, repairs or improvements on said Airline Premises. In reletting the Airline Premises, AUTHORITY shall be obligated to make a good faith effort to obtain terms

comparable to those contained herein and otherwise seek to mitigate any damages it may suffer as a result of AIRLINE's Event of Default.

E. In the event that AUTHORITY relets Airline Premises, rentals, fees, and charges received by AUTHORITY from such reletting shall be applied: (i) first to the payment of any indebtedness other than rentals, fees, and charges due hereunder from AIRLINE to AUTHORITY; (ii) then to the payment of any cost of such reletting; and (iii) finally to the payment of rentals, fees, and charges due from AIRLINE. Any excess rentals, fees and charges received by AUTHORITY from reletting shall be held by AUTHORITY and applied in payment of future rentals, fees, and charges owed by AIRLINE as the same may become due and payable hereunder. If that portion of such rentals, fees, and charges received from such reletting and applied to the payment of rentals, fees, and charges owed by AIRLINE hereunder is less than the rentals, fees, and charges that would have been payable during applicable periods by AIRLINE hereunder, then AIRLINE shall pay such deficiency to AUTHORITY. AIRLINE shall also pay to AUTHORITY, as soon as ascertained, any reasonable costs and expenses incurred by AUTHORITY in such reletting not covered by the rentals, fees, and charges received from such reletting.

F. No reentry or reletting of Airline Premises by AUTHORITY shall be construed as an election on AUTHORITY'S part to cancel this Agreement unless a written notice of cancellation is given to AIRLINE.

G. AIRLINE shall pay to AUTHORITY all other costs incurred by AUTHORITY in the exercise of any remedy in this Article 12, including, but not limited to, reasonable attorney fees, disbursements, court costs, and expert fees.

12.04 Remedies Under Federal Bankruptcy Laws. Notwithstanding the foregoing, upon the filing by or against AIRLINE of any proceeding under federal bankruptcy laws, if AIRLINE has defaulted in the performance of any provision of this Agreement within the six (6) months preceding such filing, AUTHORITY shall have the right to cancel this Agreement, in addition to other remedies provided under provisions of the Federal Bankruptcy Rules and Regulations and Federal Judgeship Act of 1984, as such may be subsequently amended, supplemented, or replaced. Such cancellation shall be by written notice to AIRLINE within sixty (60) days from the date of AIRLINE's initial filing in bankruptcy court.

ARTICLE 13: CANCELLATION BY AIRLINE

13.01 AUTHORITY Events of Default. The events described below shall be deemed “AUTHORITY Events of Default”:

A. AUTHORITY fails to keep, perform, or observe any material term, covenant, or condition herein contained, to be kept, performed, or observed by AUTHORITY and such failure continues for thirty (30) days after receipt of written notice of such failure from AIRLINE; or, if by its nature such default cannot be cured within such thirty (30) day period, AUTHORITY shall not commence to cure such default within said thirty (30) days and thereafter to cure or remove the same as promptly as reasonably practicable; provided, however, AUTHORITY's performance under this Section shall be subject to the provisions of Section 18.25 of this Agreement.

B. Airport is closed to flights in general or to the flights of AIRLINE, for reasons other than those circumstances within AIRLINE's control, and Airport fails to be reopened to such flights within sixty (60) consecutive days from such closure.

C. The Airport is permanently closed as an air carrier airport by act of any federal, state, or local government agency having competent jurisdiction; or AIRLINE is unable to use Airport for a period of at least forty-five (45) consecutive days due to any law or any order, rule or regulation of any governmental authority having jurisdiction over the operations of the Airport; or any court of competent jurisdiction issues an injunction preventing AUTHORITY or AIRLINE from using Airport for airport purposes, for reasons other than those circumstances within AIRLINE's control or resulting from AIRLINE's actions, and such injunction remains in force for a period of at least forty-five (45) consecutive days.

D. The United States Government or any authorized agency thereof (by executive order or otherwise) assumes the operation, control, or use of the Airport in such a manner as to substantially restrict AIRLINE from conducting its operations, if such restriction continues for a period of sixty (60) consecutive days or more.

13.02 AIRLINE's Remedy. So long as AIRLINE is not in default of any obligation in this Agreement, including but not limited to payments due to AUTHORITY hereunder, AIRLINE may cancel this Agreement upon the occurrence of an AUTHORITY Event of Default upon delivery of written notice of cancellation to AUTHORITY any time prior to such AUTHORITY Event of Default being cured. All obligations of AIRLINE to pay rentals, fees, and charges shall cease as of the date of such cancellation and AIRLINE shall surrender the Airline Premises in accordance with Article 14 hereof. AIRLINE may also exercise any remedy provided by law or in equity.

ARTICLE 14: SURRENDER OF AIRLINE PREMISES

14.01 Surrender and Delivery. Upon expiration or cancellation of this Agreement, AIRLINE shall promptly and peaceably surrender to AUTHORITY its Airline Premises and all improvements thereon to which AUTHORITY is entitled in good and fit condition, reasonable wear and tear as well as damage or repair which is the responsibility of AUTHORITY hereunder excepted; provided, however, nothing in this Section 14.01 shall be construed to modify the obligations of the parties set forth in Article 9, Article 10, and Article 11.

14.02 Removal of Property. Provided AIRLINE is not in default for payment of rentals, fees, and charges hereunder, AIRLINE shall have the right at any time during the Term of this Agreement to remove from the Airport its aircraft, tools, equipment, trade fixtures, and other personal property, title to which shall remain in AIRLINE, unless otherwise set forth in this Agreement, and shall remove such aircraft, tools, equipment, trade fixtures, and other personal property within five (5) business days following termination of this Agreement, whether by expiration of time or otherwise, as provided herein, subject to any valid lien which AUTHORITY may have thereon for unpaid rentals, fees, and charges. AIRLINE shall not abandon any portion of its property at the Airport without the written consent of AUTHORITY. Any and all property not removed by AIRLINE within fifteen (15) business days following the date of termination of this Agreement shall, at the option of AUTHORITY, (i) become the property of AUTHORITY at no cost to AUTHORITY; (ii) be stored by AUTHORITY, at no cost to AUTHORITY; or (iii) be sold at public or private sale at no cost to AUTHORITY, with the proceeds thereof being retained by the AUTHORITY. Except as may be agreed to otherwise by AUTHORITY and AIRLINE, all AUTHORITY property damaged by or as a result of the removal of AIRLINE's property shall be restored by AIRLINE to the condition existing before such damage at AIRLINE's expense.

14.03 Holding Over. In the event AIRLINE uses its Airline Premises without the written consent of AUTHORITY after this Agreement has been canceled or expires, AIRLINE shall be deemed a tenant at sufferance during the period of such use and shall pay the rate for rentals, fees, and charges established by AUTHORITY for Air Transportation Companies which are not Signatory Airlines during such period.

ARTICLE 15: ASSIGNMENT, SUBLETTING, AND HANDLING AGREEMENTS

15.01 Assignment and Subletting by AIRLINE.

A. AIRLINE shall not, directly or indirectly, assign, sell, hypothecate, or otherwise transfer this Agreement, or any portion of Airline Premises, without the prior written consent of AUTHORITY; provided, however, AIRLINE may assign this Agreement to any person, firm or corporation with which AIRLINE may merge or consolidate or which may succeed to the business of AIRLINE or which purchases all or substantially all of AIRLINE'S assets. AUTHORITY may withhold its consent hereunder on any reasonable basis, including the availability for lease of alternative space.

B. AIRLINE shall not sublease Airline Premises, other than to an Identified Affiliate, without the prior written consent of AUTHORITY, which consent may be withheld if AUTHORITY has alternative unleased space available or if AUTHORITY can make such space available for lease within a reasonable time; otherwise, such prior consent shall not be unreasonably withheld, delayed or conditioned. Use of AIRLINE's Exclusive Use Premises, Preferential Use Premises or any part thereof, by anyone other than AIRLINE, except in accordance with Article 16 below, shall be deemed a sublease.

C. AIRLINE shall include with its request for permission to assign or sublease, a copy of the proposed assignment or sublease agreement. The assignment or sublease agreement submitted with AIRLINE's request shall include the following information: (i) the term; (ii) the area or space to be assigned or subleased; (iii) the sublease rentals to be charged; and (iv) the provision that assignee or sublessee must execute a separate agreement with AUTHORITY for operating at the Airport. Any other information reasonably requested by AUTHORITY pertaining to said sublease or assignment shall be promptly provided by AIRLINE. A fully executed copy of such sublease or assignment shall be submitted to AUTHORITY for final approval prior to the occupancy of Airline Premises, or any portion thereof, by the assignee or sublessee.

D. Nothing in this Article 15 shall be construed to release AIRLINE from its obligations under this Agreement, including but not limited to, the payment of rentals, fees, and charges provided herein, with respect to the Airline Premises, including such portion of the Airline Premises assigned or sublet, unless otherwise agreed in writing by AUTHORITY.

15.02 Handling Agreements. In the event AIRLINE agrees to ground handle any portion of the operations of another Air Transportation Company, other than an Identified Affiliate, AIRLINE shall provide AUTHORITY advance written notice of such proposed activities, including a description of the type and extent of services to be provided, and shall comply with all policies of AUTHORITY in effect from time to time applicable to such activity, including, without limitation, policies relating to the payment to AUTHORITY of a percentage of fees received by AIRLINE for such service.

ARTICLE 16: AVAILABILITY OF ADEQUATE FACILITIES

16.01 Declaration of Intent.

The parties acknowledge the objective of AUTHORITY to offer to all Air Transportation Companies desiring to serve Airport access to the Airport and to provide adequate gate positions and space in the Terminal. Recognizing that physical and financial limitations may preclude timely expansion of the Terminal and Terminal Aircraft Apron areas to meet the stated requests of AIRLINE and/or such other Air Transportation Companies for additional facilities, AUTHORITY hereby states, and AIRLINE acknowledges and agrees with, its intent to pursue the objective of achieving a balance in the overall utilization of the Terminal and Terminal Aircraft Apron areas to be achieved, if necessary, through relocating or sharing, from time to time, of gate positions, ticket counters, and other passenger handling facilities.

16.02 Accommodation on Preferential Use Premises.

A. AIRLINE is prohibited from allowing any non-Identified Affiliate Air Transportation Company ("Requesting Airline") from using any gate leased by AIRLINE, without the written consent of AUTHORITY. All requests received by AIRLINE to use gate facilities made by any Requesting Airline shall be referred by AIRLINE to AUTHORITY. At the request of AUTHORITY, AIRLINE shall cooperate with AUTHORITY to accommodate the needs of a Requesting Airline by permitting such Requesting Airline to utilize AIRLINE's Preferential Use Premises, including gates, ticket counters, and/or baggage makeup, for the time period(s) necessary to permit passenger check-in, loading and unloading operations in conjunction with the scheduled operations of such Requesting Airline, or as may be necessary to accommodate unscheduled flights, including charters or diversion due to weather, in any case at times when the use of such facilities shall not interfere with AIRLINE's operations or those of its approved sublessees, licensees, or permittees. Notwithstanding the foregoing, it is the intent of AUTHORITY when possible to accommodate a Requesting Airline on an unassigned gate and other unassigned facilities, prior to utilizing AIRLINE's Preferential Use Premises.

B. AUTHORITY will require Requesting Airlines to coordinate all use of Terminal facilities directly with AUTHORITY. AUTHORITY shall have exclusive discretion as to the assignment of Terminal facilities, including AIRLINE'S Preferential Use Premises, to be used by any Requesting Airline, subject to the parameters described in this Section 16.02. AIRLINE may make written request to AUTHORITY to accommodate a Requesting Airline at AIRLINE'S Preferential Use Premises due to certain economies to be gained, such as the facilitation of ground handling services. AUTHORITY will make reasonable efforts to comply with any such request by AIRLINE, subject to a determination by AUTHORITY that such compliance is not in the best interests of the Airport.

C. If AUTHORITY assigns AIRLINE'S Preferential Use Premises to a Requesting Airline for passenger check-in, loading and unloading operations, AUTHORITY shall pay to AIRLINE eighty five percent (85%) of the fees and charges collected from the Requesting Airline on account of such operations at AIRLINE'S Preferential Use Premises ("Accommodation Fee"); except that AIRLINE shall not be entitled to an Accommodation Fee for any assignment of a Requesting Airline at AIRLINE'S Preferential Use Premises made at the request of AIRLINE. If a Requesting Airline is assigned the Preferential Use Premises of both AIRLINE and another Signatory Airline (e.g. gate of AIRLINE and ticket counter of the other Signatory Airline), AUTHORITY shall divide the Accommodation Fee among AIRLINE and the other Signatory Airline in a manner deemed reasonable by AUTHORITY.

D. In determining if AIRLINE shall be required to accommodate a Requesting Airline, AUTHORITY shall consider AIRLINE's capabilities, capacity, facilities, and personnel therefor, after taking into account AIRLINE's own requirements and contractual obligations, the compatibility of said Requesting Airline's proposed operations with those of AIRLINE, and the need for labor harmony.

E. If AIRLINE accommodates a Requesting Airline, then such Requesting Airline shall be required to vacate AIRLINE's gate position at least sixty (60) minutes prior to AIRLINE's next scheduled flight arrival at such gate position.

F. During the period of use of AIRLINE's facilities by a Requesting Airline pursuant to this Article 16, AIRLINE shall be relieved of its obligation under this Agreement to indemnify and save harmless AUTHORITY, its officers, directors, employees, or agents with regard to any claim for property damage or personal injury arising out of or in connection with the Requesting Airline's use of its Preferential Use Premises, unless such damage or injury is caused by AIRLINE, its officers, directors, employees or agents who have come upon its Preferential Use Premises in connection with AIRLINE's occupancy hereunder.

16.03 Reassignment of Preferential Use Premises.

AUTHORITY reserves the right upon written notice to reassign one or more of an AIRLINE's preferentially assigned gates to another Signatory Airline(s) if: (1) AIRLINE's scheduled average for any individual gate utilization falls below four (4) flights per gate per day; (2) AUTHORITY determines that there is a reasonable need for the preferential use of such gate(s) by another Signatory Airline(s); and (3) such other Signatory Airline meets the required four (4) flights per gate per day minimum. Prior to such reassignment becoming effective, AIRLINE shall have a ninety (90) day period to adjust its schedule to four (4) flights per gate per day so as not to be subject to such reassignment. In the event of reassignment, AIRLINE will be entitled to reimbursement for a portion of its cost of providing tenant improvements to the reassigned gate area, amortized over a reasonable useful life of such improvements, determined in the reasonable discretion of AUTHORITY. The costs associated with extraordinary tenant

improvements will not be reimbursed by AUTHORITY. When determining specific Preferential Use Premises to be reassigned, AUTHORITY will use reasonable efforts to not reassign facilities that will disrupt the continuity and staffing of AIRLINE's operation.

16.04 Regional/Commuter Operations.

A. To the extent practical, aircraft that are capable of connecting to a loading bridge must use a Terminal Aircraft Apron equipped with a loading bridge for the enplaning and deplaning of passengers.

B. Aircraft that are not capable of connecting to a loading bridge will use those areas of the Terminal Aircraft Aprons designated by AUTHORITY and will be accessed from the ramp level through commuter facilities unless otherwise approved by AUTHORITY.

ARTICLE 17: GOVERNMENT INCLUSION

17.01 Government Agreements. This Agreement shall be subordinate to, and shall be automatically modified to comply with, the provisions of any existing or future agreements between AUTHORITY and the United States Government or other governmental authority, relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal or other governmental funds for the development of the Airport, to the extent that the provisions of any such existing or future agreements are generally required by the United States or other governmental authority as a condition to receiving such funds. AUTHORITY agrees to provide AIRLINE written advance notice of any provisions which would adversely modify the material terms of this Agreement.

17.02 Federal Government's Emergency Clause. All provisions of this Agreement shall be subordinate to the rights of the United States of America to operate the Airport or any part thereof during time of war or national emergency. Such rights shall supersede any provisions of this Agreement inconsistent with the operations of the Airport by the United States of America.

17.03 Nondiscrimination.

A. AIRLINE for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby agree as a covenant running with the land that (i) no person on the grounds of race, color, creed, sex, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Airline Premises, (ii) in the construction of any improvements on, over, or under Airline Premises and the furnishing of services thereon, no person on the grounds of race, color, creed, sex, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination, and (iii) AIRLINE shall use the Airline Premises in compliance with all other requirements imposed by or pursuant to 14 CFR 152 and Title VI of the Civil Rights Act of 1964 and 49 CFR, Subtitle A, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Title and Regulations may be amended.

B. AIRLINE acknowledges that the provisions of 49 CFR, Part 23, Disadvantaged Business Enterprises ("DBE"), as such regulations may be amended, and such other similar regulations may be enacted, may be applicable to the activities of AIRLINE under the terms of this Agreement, unless exempted by said regulations, and AIRLINE hereby agrees to comply with the regulatory agencies, in reference thereto. These requirements may include, but not be limited to, compliance with DBE participation goals, the keeping of certain records of good faith compliance efforts, which would be subject to review by the various agencies, the submission of various reports and, if so directed, the contracting of specified percentages of goods and services contracts to DBEs.

17.04 Security. AIRLINE, its officers, employees, agents, and those under its control, shall comply with all security measures required of AIRLINE by the AUTHORITY, TSA, FAA

or contained in any Airport master security plan approved by the TSA or FAA. If AIRLINE, its officers, employees, agents, or those under its control shall fail or refuse to comply with said measures and such non-compliance results in a monetary penalty being assessed against AUTHORITY, then, in addition to any other remedies available to AUTHORITY, AIRLINE shall be responsible for, and shall reimburse AUTHORITY in the full amount of, any such monetary penalty or other damages.

17.05 Environmental.

A. General Conditions.

(1) Notwithstanding any other provisions in this AGREEMENT, and in addition to any and all other requirements of this AGREEMENT or any other covenants, representations or warranties of AIRLINE, AIRLINE hereby expressly covenants, warrants and represents to AUTHORITY, in connection with AIRLINE's operations at the Airport the following :

(a) AIRLINE is knowledgeable of all applicable federal, state, regional, and local environmental laws (including common law), ordinances, rules, regulations, resolutions, policies, guidelines and orders, which apply to AIRLINE's operations at the Airport (collectively, "Environmental Laws") and acknowledges that such Environmental Laws change from time-to-time, and AIRLINE agrees to keep informed of any such future changes.

(b) AIRLINE agrees to comply with all Environmental Laws which apply to AIRLINE's operations. AIRLINE agrees to hold harmless and indemnify AUTHORITY for any violation by AIRLINE of such applicable Environmental Laws and for any non-compliance by AIRLINE with any permits issued to AIRLINE or AUTHORITY pursuant to such Environmental Laws, which hold harmless and indemnity shall include, but not be limited to, enforcement actions to assess, abate, remediate, undertake corrective measures or monitor environmental conditions and for any monetary penalties, costs, expenses, or damages, including natural resource damages, imposed against AIRLINE, its employees, invitees, suppliers, or service providers or AUTHORITY by reason of AIRLINE's violation or non-compliance.

(c) AIRLINE agrees to cooperate with any investigation, audit or inquiry by AUTHORITY or any governmental or quasi-governmental agency, regarding possible violation of any Environmental Law upon the Airport.

(d) AIRLINE agrees that all remedies of AUTHORITY as provided herein with regard to violation of any Environmental Laws shall be deemed cumulative in nature and shall survive termination of this Agreement.

(e) AIRLINE agrees that any notice of violation, notice of non-compliance, or other enforcement action relating to the Airport shall be provided to

AUTHORITY promptly after receipt by AIRLINE or AIRLINE's agent. Any violation or notice of violation or non-compliance with any Environmental Laws shall be deemed a default under this Agreement. Such default may be cured within ten (10) days of receipt of notice of default from AUTHORITY, or such longer period as may be required to effect a cure provided AIRLINE commences a cure within said ten (10) days and thereafter diligently prosecutes the cure to completion. Any such default which is not cured shall be grounds for termination of this Agreement.

(2) In entering this Agreement, AUTHORITY expressly relies on the covenants, representations, and warranties of AIRLINE as stated herein.

B. Stormwater.

(1) Notwithstanding any other provisions or terms of this Agreement, AIRLINE acknowledges that certain properties within the Airport, or on AUTHORITY owned land, are subject to stormwater rules and regulations. AIRLINE agrees to observe and abide by such stormwater rules and regulations as may be applicable to AUTHORITY's property and uses thereof.

(2) AIRLINE acknowledges that any stormwater discharge permit issued to AUTHORITY may name AIRLINE as a co-permittee. AUTHORITY and AIRLINE both acknowledge that close cooperation is necessary to insure compliance with any stormwater discharge permit terms and conditions, as well as to insure safety and to minimize cost of compliance. AIRLINE acknowledges further that it may be necessary to undertake such actions to minimize the exposure of stormwater to "significant materials" generated, stored, handled or otherwise used by AIRLINE, as such term may be defined by applicable stormwater rules and regulations, by implementing and maintaining "best management practices" as that term may be defined in applicable stormwater rules and regulations.

(3) AUTHORITY will provide AIRLINE with written notice of any stormwater discharge permit requirements applicable to AIRLINE and with which AIRLINE will be obligated to comply from time-to-time, including, but not limited to: certification of non-stormwater discharges; collection of stormwater samples; preparation of stormwater pollution prevention or similar plans; implementation of best management practices; and maintenance of necessary records. Such written notice shall include applicable deadlines. AIRLINE agrees that within ten (10) days of receipt of such written notice, it shall notify AUTHORITY in writing if it disputes any of the stormwater permit requirements it is being directed to undertake. If AIRLINE does not provide such timely notice, AIRLINE will be deemed to assent to undertake such stormwater permit requirements. In that event, AIRLINE agrees to undertake, at its sole expense, unless otherwise agreed to in writing between AUTHORITY and AIRLINE, those stormwater permit requirements for which it has received written notice from AUTHORITY, and AIRLINE agrees that it will hold harmless and indemnify AUTHORITY for any violations or non-compliance with any such permit requirements.

C. Solid and Hazardous Waste.

(1) AIRLINE shall comply with all applicable federal, state and local laws relating to solid or hazardous waste, and any rules and regulations promulgated thereunder, including but not limited to, insuring that the transportation, storage, handling and disposal of such hazardous wastes are conducted in full compliance with applicable law.

(2) AIRLINE agrees to provide AUTHORITY, upon request, copies of all hazardous waste permit application documentation, permits, monitoring reports, transportation, responses, storage, disposal and contingency plans and material safety data sheets, within ten (10) days of any such requests by AUTHORITY. AIRLINE is required to have, and to implement as needed, a written plan addressing containment and clean up of fuel and/or oil spills.

D. Air Quality. AIRLINE agrees to comply with all applicable laws relating to the quality of air in any confined or indoor spaces.

ARTICLE 18: GENERAL PROVISIONS

18.01 Subordination to Bond Resolution.

A. This Agreement and all rights granted to AIRLINE hereunder are expressly subordinated and subject to the lien, covenants (including the rate covenants), and provisions of the pledges, transfer, hypothecation, or assignment made by AUTHORITY in the Bond Resolution. AUTHORITY and AIRLINE agree that to the extent required by the Bond Resolution or law, the holders of the Bonds or their designated representatives shall have the right to exercise any and all rights of AUTHORITY hereunder.

B. AUTHORITY shall notify AIRLINE in advance of any amendments or supplements to the Bond Resolution that would materially alter the terms and provisions of this Agreement or materially impact the levels of rentals, fees, and charges paid by AIRLINE (herein referred to as Material Amendments).

C. For any Material Amendments desired solely by AUTHORITY for its own purposes, AUTHORITY and AIRLINE shall use commercially reasonable efforts to agree on the implementation. However, in the event AUTHORITY and AIRLINE cannot agree on the implementation of any Material Amendments desired solely by AUTHORITY for its own purposes, AIRLINE, in addition to cancellation rights provided elsewhere in this Agreement, shall have the right to cancel this Agreement upon thirty (30) days advance written notice given to AUTHORITY within sixty (60) days after the effective date of such Material Amendment.

D. With respect to property leased by AUTHORITY to AIRLINE hereunder which was or is to be acquired by AUTHORITY with proceeds of Bonds, the interest on which is, or is intended to be, excludable from the gross income of the holders of such Bonds for federal income tax purposes, the parties hereby covenant to protect the tax-exempt status of the Bonds.

E. AIRLINE agrees to execute all instruments, certificates, or other documents reasonably requested by AUTHORITY to assist AUTHORITY and bond counsel in determining and assuring that Bonds are issued in compliance with applicable rules and regulations of the Internal Revenue Service and the Securities and Exchange Commission and AIRLINE shall provide whatever additional relevant information is reasonably requested by AUTHORITY initially or on an ongoing basis in connection with complying with any of those rules and regulations.

18.02 Nonwaiver. No waiver of default by either party of any of the terms, covenants, or conditions of this Agreement to be performed, kept, and observed by the other party shall be construed to be or act as a waiver of any subsequent default of any of the terms, covenants, and conditions to be performed, kept, and observed by the other party and shall not be deemed a waiver of any right on the part of the other party to cancel this Agreement as provided herein.

18.03 Passenger Facility Charge. AUTHORITY reserves the right to assess and collect PFC's subject to the terms and conditions set forth in the Aviation Safety and Capacity Expansion Act of 1990, Section 9110 (the "PFC Act") and implementing regulations as may be supplemented or amended from time to time. AIRLINE shall collect and pay all PFC's for which it is responsible under applicable law or regulation.

18.04 Rights Non-Exclusive. Notwithstanding anything herein contained that may be or appear to the contrary, the rights, privileges, and licenses granted under this Agreement, are "non-exclusive" and AUTHORITY reserves the right to grant similar privileges to others.

18.05 Quiet Enjoyment.

A. AUTHORITY agrees that, so long as AIRLINE's payment of rentals, fees, and charges is timely and AIRLINE keeps all covenants and agreements contained herein, AIRLINE shall peaceably have and enjoy its Airline Premises and all rights, privileges, and licenses of the Airport, its appurtenances and facilities granted herein, subject to the terms and conditions herein contained.

B. Consistent with the nature of AIRLINE's business, AIRLINE agrees that occupancy of its Airline Premises will be lawful and quiet and that it will not knowingly use or permit the use of Airline Premises in any way that would violate the terms of this Agreement, create a nuisance, or disturb other tenants or the general public. AIRLINE shall be responsible for the activity of its officers, employees, agents, and others under its control with respect to this provision.

18.06 Performance. The parties expressly agree that time is of the essence in this Agreement. Failure by a party to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall relieve the other party, without liability, of any obligation to accept such performance.

18.07 Avigation Rights. AUTHORITY reserves unto itself, its successors, and assigns for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Airport, including Airline Premises, for navigation or flight in the said airspace for landing on, taking off from, or operating at the Airport.

18.08 Rules and Regulations and Operational Directives.

A. AIRLINE, its officers, employees, agents, and others under its control shall observe and obey all laws, regulations, and orders of the federal, state, county, municipal governments and AUTHORITY (acting in its governmental capacity) which may be applicable to AIRLINE'S operations at the Airport.

B. AUTHORITY may from time to time adopt, amend, or revise the Airport's rules and regulations, policies and procedures and operating directives governing the conduct of operations at the Airport, for reasons of safety, health, preservation of the property, or for the maintenance of the good and orderly appearance of the Airport. AIRLINE, its

officers, employees, agents, and others under its control shall faithfully comply with and observe such reasonable and non-discriminatory rules and regulations, policies and procedures and operating directives; provided AIRLINE has first received written notice of, and, other than rules and policies adopted on an emergency basis, an opportunity to comment on, such rules and regulations, policies and procedures and operating directives.

C. AIRLINE shall be strictly liable and responsible for obtaining, maintaining current, and fully complying with, any and all permits, licenses, and other governmental authorizations, however designated, as may be required at any time throughout the entire Term of this Agreement by any federal, state, or local governmental entity or any court of law having jurisdiction over AIRLINE or AIRLINE's operations and activities.

18.09 Inspection. AIRLINE shall allow AUTHORITY's authorized representatives access to Airline Premises for the purpose of examining and inspecting such premises; for purposes necessary, incidental to, or connected with the performance of its obligations under this Agreement; or, in the exercise of its governmental functions. Except in the case of an emergency, AUTHORITY shall conduct such inspections during reasonable business hours, after reasonable prior notice to AIRLINE and in the presence of AIRLINE's representative.

18.10 No Individual Liability. No member, officer, agent, director, or employee of AUTHORITY or AIRLINE shall be charged personally or held contractually liable by or to the other party under the terms or provisions of this Agreement or because of any breach thereof or because of its or their execution or attempted execution.

18.11 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship between the parties hereto. It is understood and agreed that neither the method of computation of rentals, fees, and charges, nor any other provisions contained herein, nor any acts of the parties hereto, creates a relationship other than the relationship of landlord and tenant.

18.12 Capacity to Execute. The individuals executing this Agreement personally warrant that they have full authority to execute this Agreement on behalf of the entity for whom they are acting herein.

18.13 No Construction Against the Drafter. The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein. The parties further acknowledge that this Agreement is the result of extensive negotiations between the parties and shall not be construed against AUTHORITY by reason of the preparation of this Agreement by AUTHORITY.

18.14 Successors and Assigns Bound. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

18.15 Incorporation of Exhibits. All exhibits and attachments referred to in this Agreement are intended to be and are hereby specifically made a part of this Agreement.

18.16 Titles. Paragraph titles are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope or extent of any provision of this Agreement.

18.17 Severability. In the event that any covenant, condition, or provision of this Agreement is held to be invalid by any court of competent jurisdiction, the invalidity of such covenant, condition, or provision shall not materially prejudice either AUTHORITY or AIRLINE in their respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement.

18.18 Amendments. Except as otherwise provided herein, no amendment, modification or alteration of the terms of this Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof, and duly executed by the parties hereto.

18.19 Most Favored Nation. Except for the incentive programs and arrangements set forth on Exhibit G hereto, or as may be permitted by applicable law, rule or regulation for incentive programs, promoting competition, establishing peak period pricing or otherwise, AUTHORITY covenants and agrees not to enter into any basic airline use and lease agreement with any Air Transportation Company that (i) makes substantially similar use of the Airport, (ii) operates substantially similar aircraft, and (iii) utilizes substantially similar facilities to that of AIRLINE, which agreement contains more favorable terms than this Agreement, or to grant to any such Air Transportation Company rights or privileges with respect to the Airport which are not afforded to AIRLINE hereunder unless substantially the same terms, rights, privileges, and facilities are concurrently made available to AIRLINE. The AUTHORITY incentive programs and arrangements set forth on Exhibit G do not violate this section.

18.20 Other Agreements. Other than as set forth herein, nothing contained in this Agreement shall be deemed or construed to nullify, restrict, or modify in any manner the provisions of any other lease or contract between AUTHORITY and AIRLINE authorizing the use of the Airport, its facilities, and appurtenances.

18.21 Approvals. Unless otherwise stated, whenever this Agreement calls for approval by AUTHORITY, such approval shall be evidenced by the written approval of the Executive Director.

18.22 Notice.

A. All notices, requests, consents, and approvals served or given under this Agreement shall be served or given in writing with proof of delivery. If intended for AUTHORITY, notices shall be delivered to:

Executive Director
Greater Orlando Aviation Authority
Orlando International Airport
One Airport Boulevard
Orlando, FL 32827-4399

or to such other address as may be designated by AUTHORITY by written notice to AIRLINE.

B. Notices to AIRLINE shall be delivered to:

Attn.: _____

or to such other address as may be designated by AIRLINE by written notice to AUTHORITY.

18.23 Agent For Service. It is expressly understood and agreed that if AIRLINE is not a resident of the State of Florida, or is an association or partnership without a member or partner resident of said state, AIRLINE shall appoint an agent for the purpose of service of process in any court action between it and AUTHORITY arising out of or based upon this Agreement. AIRLINE shall, upon request, notify AUTHORITY, in writing, of the name and address of said agent. Such service shall be made as provided by the laws of the State of Florida for service upon a non-resident engaging in business in the State. It is further expressly agreed, covenanted, and stipulated that, if for any reason, such service of process is not possible, as an alternative method of service of process, AIRLINE may be personally served out of the State of Florida by the registered mailing of such service at the address set forth in Section 18.22.

18.24 Governing Law and Legal Forum. This Agreement is to be read and construed in accordance with the laws of the State of Florida. Exclusive venue for all dispute resolution, including litigation, concerning or arising out of this Agreement shall be in Orange County, Florida. The parties submit to the personal jurisdiction of the state and federal courts in and for Orange County, Florida.

18.25 Force Majeure. Except as herein provided, neither AUTHORITY nor AIRLINE shall be deemed to be in default hereunder if either party is prevented from performing any of its obligations hereunder, other than the payment of rentals, fees, and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of God, acts of the public enemy, weather conditions, riots, rebellion, or sabotage, or any other circumstances for which it is not responsible or which are not within its control.

18.26 Entire Agreement. It is understood and agreed that this instrument contains the entire agreement between the parties hereto. It is further understood and agreed by AIRLINE that AUTHORITY and AUTHORITY's agents have made no representations or promises with respect to this Agreement or the making or entry into this Agreement, except as expressly set forth herein, and that no claim or liability or cause for termination shall be asserted by AIRLINE against AUTHORITY for, and AUTHORITY shall not be liable by reason of, the breach of any representations or promises not expressly stated in this Agreement. This Agreement supersedes any and all term sheets, models and drafts related hereto.

18.27 Third-Party Beneficiary. The parties hereto agree that the City is a third party beneficiary to this Agreement with full rights of enforcement herein. Otherwise, except for the City, there are no third-party beneficiaries to this Agreement

IN WITNESS WHEREOF, the parties hereto have set their hands and corporate seals
on this _____ day of _____, 2008.

WITNESSES:

**GREATER ORLANDO AVIATION
AUTHORITY**

Print Name:_____

By:_____
Chairman

Print Name:_____

Attest:_____(SEAL)
Assistant Secretary

WITNESSES:

AIRLINE:

Print Name:_____

By:_____
Print Name:_____
Title:_____

Print Name:_____

Attest:_____(SEAL)

APPENDIX D

**AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT
AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2010
AND 2011**

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INDEPENDENT AUDITOR'S REPORT

The Authority Board
Greater Orlando Aviation Authority
Orlando, Florida

We have audited the accompanying basic financial statements of the Greater Orlando Aviation Authority (the "Authority") as of and for the years ended September 30, 2011 and 2010, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the management of the Authority. Our responsibility is to express our opinion on these basic financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

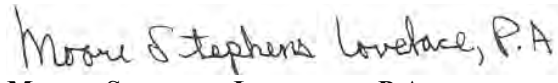
In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2011 and 2010 and the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2012 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Authority Board
Greater Orlando Aviation Authority

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the Authority's basic financial statements. The introductory section, supplemental schedules, and the statistical section, listed in the table of contents, are presented for additional analysis and are not a required part of the basic financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
January 24, 2012



Management's Discussion And Analysis





Management's Discussion and Analysis (Unaudited)

The following discussion and analysis of the Greater Orlando Aviation Authority (the Authority) provides an introduction to the basic financial statements for the fiscal years ended September 30, 2011 and 2010 with selected comparative information for the fiscal year ended September 30, 2009. This discussion has been prepared by management and should be read in conjunction with the basic financial statements, footnotes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the Authority's finances.

Overview of the Financial Statements

The Authority is structured as an enterprise fund with separate accounts for Orlando International Airport and Orlando Executive Airport. The financial statements are prepared on the accrual basis of accounting. Therefore, revenues are recognized when earned and expenses are recognized when incurred. Capital assets are capitalized and depreciated, except for land and assets held for future use, over their useful lives. See "Notes to the Financial Statements" for a summary of the Authority's significant accounting policies and practices.

The Balance Sheets present information on all of the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of the Authority's financial position.

The Statements of Revenues, Expenses and Changes in Net Assets present information showing how the Authority's net assets changed during the year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will result in cash flows in future fiscal periods.

The Statements of Cash Flows report the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in these statements. A reconciliation follows these statements to assist in the understanding of the difference between cash flows from operating activities and operating income.

Authority Activity Highlights

During fiscal year 2011, enplanements at Orlando International Airport increased 3.7% from fiscal year 2010 and the number of flight operations increased 2.3% as airlines expanded international and domestic seat capacity. Enplanements were up 2.0% in fiscal year 2010 over fiscal year 2009 due to a recovering economy as more people started to travel again. The number of flight operations was up 0.9% in fiscal year 2010 over fiscal year 2009 as the airlines increased domestic seat capacity.

A number of construction projects were completed during fiscal year 2011. Terminal projects include the completion of International Terminal Improvements, Vertical Circulation and Central Plant Improvements, Airline Relocation, Public Restroom Refurbishment, Automated People Mover, and improvements to the Airport In-Line Baggage Screening. Other projects completed include the East Airfield Development Area Mitigation Credits.

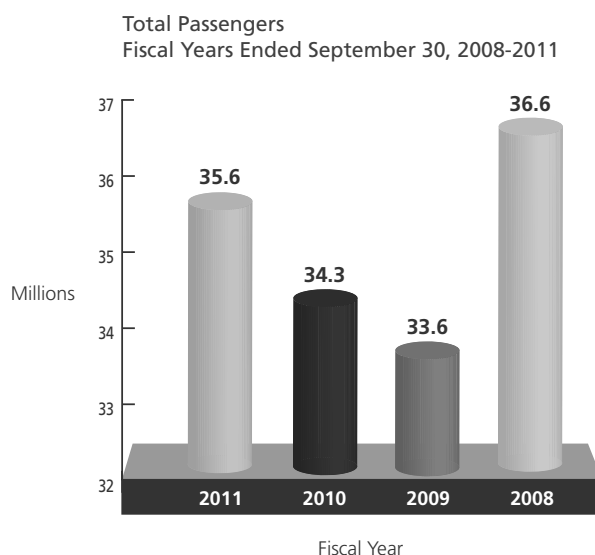
The following chart shows total enplaned passengers and flight operations (landings and take-offs) at Orlando International Airport for three-year comparative period:

Enplanements and Operations Activity for 2009 to 2011

	2011	2010	2009
Enplaned Passengers	17,770,320	17,131,096	16,798,602
Operations	294,078	287,492	284,998

The Authority's total passengers served during fiscal year 2011 increased approximately 1.3 million from fiscal year 2010. This follows an increase of 0.7 million total passengers during fiscal year 2010 and a decrease of 3.0 million total passengers during fiscal year 2009. The Authority continues to monitor changes in passenger levels, making adjustments when necessary to accommodate the demands on the airport facilities.

The following graph represents total passenger activity at Orlando International Airport for the fiscal years ended September 30:



Financial Highlights

Revenues

The Authority operates under an Airline-Airport Lease and Use Agreement (ALUA) with certain airlines (the Signatory Airlines) serving the Airport. The ALUA which expires on September 30, 2013, provides for a compensatory rate-making methodology for use of the terminal facilities, a cost center residual rate-making methodology to establish landing fees for the use of the airfield, revenue sharing between the Authority and Signatory Airlines, and an Extraordinary Coverage Protection provision.

The ALUA provides for the sharing of revenues after the payment of debt service and other fund deposit requirements (net remaining revenues) with the Signatory Airlines. For fiscal years 2009 and 2010, the net remaining revenues were divided between the Authority and the Signatory Airlines using an allocation percentage of 70% and 30%, respectively. The net remaining revenues for fiscal year 2011 are divided between the Authority and Signatory Airlines using an allocation percentage of 75% and 25%, respectively. This allocation percentage will remain in effect for fiscal years 2012 and 2013.

For the year ended September 30, 2011, no Signatory Airline's revenue under the ALUA represented more than 5% of operating revenues. The Signatory Airline revenues for fiscal years 2011, 2010 and 2009 represented about 24%, 24% and 25%, respectively, of total operating revenue. The Authority's total revenues increased in fiscal year 2011 mainly due to an increase in airline revenues and concession revenues including new rental car concession agreements effective April 1, 2010. Those results are as follows:

Total Revenues (in Thousands)

	2011	2010	2009
Total Operating Revenues	\$358,379	\$332,435	\$320,209
Total Nonoperating Revenues	101,858	98,787	97,958
Total Revenues	\$460,237	\$431,222	\$418,167

Operating Revenues

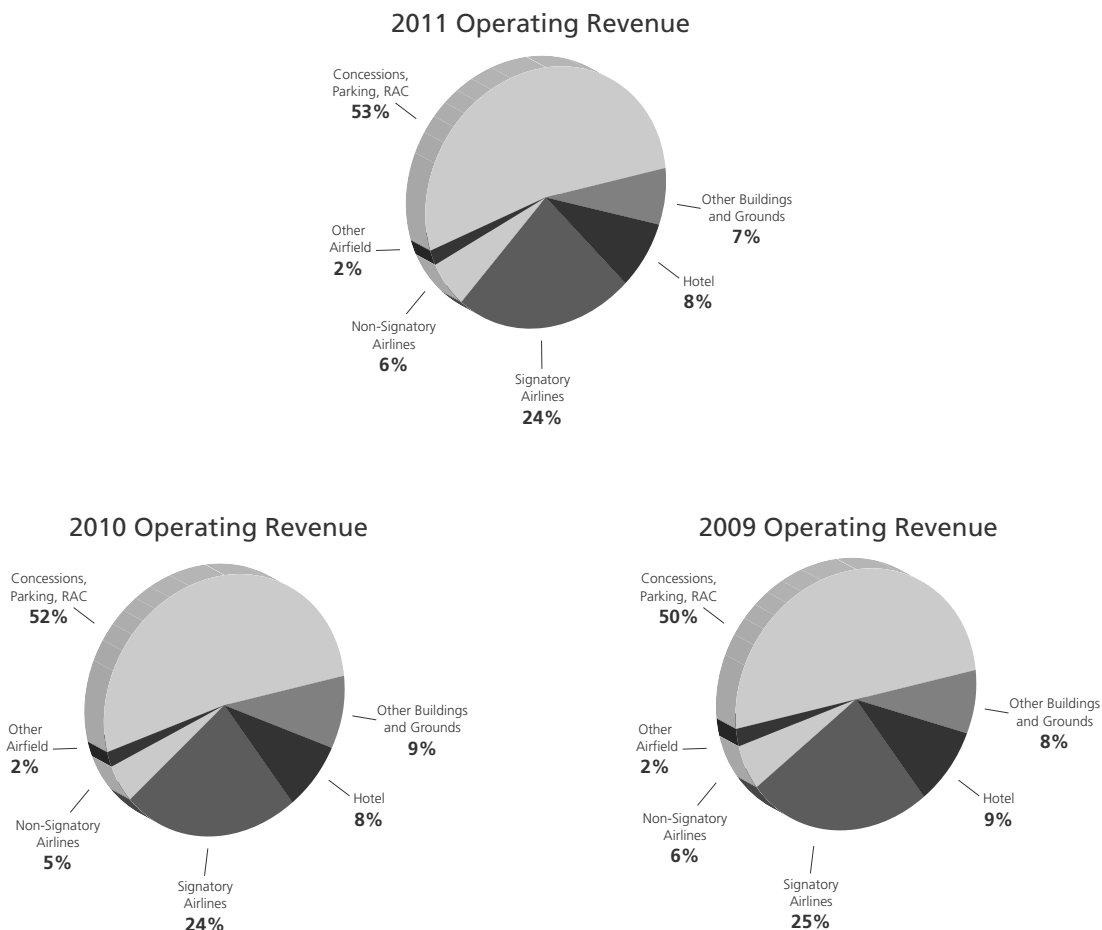
Overall, the operating revenues of the Authority increased \$25.9 million in fiscal year 2011, or 7.8% from the previous year due mostly to additional revenue derived from the new rental car concession agreements, greater Airline revenues, and increased concession revenues. Rental Car Concession revenues increased \$9.3 million or 13.5% over fiscal year 2010 due to the new agreements effective April 1, 2010. The increase of \$5.4 million or 6.7% in Signatory Airline revenues resulted from additional space rented, increase in landed weights, a slight increase in terminal rental rates and landing fees, and a decrease in revenue sharing provided to the Signatory Airlines under the ALUA. Non-signatory Airline revenue increased \$1.5 million or 8.2% as a result of the addition of several new airlines during fiscal year 2011. Food and Beverage Concession revenues and General Merchandise combined revenues increased \$3.3 million or 10.9%, while Other Terminal Area Concession revenues increased \$3.1 million or 13.1%. A slight increase of \$5.93 in the average room rate as well as an increase of 4.7% in occupancy rate caused hotel revenues to increase \$2.2 million or 7.6%.

Overall, the operating revenues of the Authority increased \$12.2 million in fiscal year 2010, or 3.8% from the previous year, primarily from the new rental car concession agreements and increased food and beverage concession revenues. Rental Car Concession revenues increased \$9.7 million or 16.4% from the previous fiscal year as a result of the new agreements effective April 1, 2010. Food and Beverage Concession revenues and General Merchandise revenues reflected a combined increase of \$2.2 million. In addition, parking revenues also had a slight increase. The hotel occupancy rate increased 5.7% but overall hotel revenue decreased due to the economic downturn resulting in a \$12.38 reduction in the average room rate.

Operating Revenues by Major Source (in Thousands)

	2011	2010	2009
Signatory Airlines			
Net Landing Fees	\$24,443	\$23,239	\$25,506
Terminal Area Rents	60,509	56,356	54,026
Signatory Airline Revenues	84,952	79,595	79,532
Non-Signatory Airlines			
Landing Fees	3,478	3,507	3,063
Terminal Area Rents	16,252	14,728	15,548
Non-Signatory Airline Revenues	19,730	18,235	18,611
Other Airfield Revenues	6,087	5,912	5,644
Concession			
General Merchandise	16,735	15,078	14,724
Food and Beverage	16,879	15,224	13,385
Rental Car (RAC)	78,386	69,081	59,355
Public Auto Parking	49,955	50,033	49,509
Other Terminal Area	26,945	23,822	22,852
Concession Revenues	188,900	173,238	159,825
Other Buildings and Grounds	28,320	27,219	27,985
Hotel	30,390	28,236	28,612
Total Operating Revenues	\$358,379	\$332,435	\$320,209

The following charts show major sources and the percentage of operating revenues for the years ended September 30, 2011, 2010, and 2009:



Nonoperating Revenues

Nonoperating revenues consist of investment income, passenger facility charges (PFCs), customer facility charges (CFCs), and other nonoperating revenue. Investment income was \$4.3 million in fiscal 2011, \$6.7 million in fiscal year 2010, and \$10.4 million in fiscal year 2009. Interest rates have remained low over the past three years. Long-term investments with higher interest rates have been reinvested at these low rates as they mature, resulting in reduced investment income. In addition, as the Authority refunded its existing debt at reduced interest rates, debt service reserve funds, that can be invested up to 15 years, were also reduced. PFC revenues were \$70.3 million in fiscal year 2011, \$68.3 million in fiscal year 2010, and \$64.3 million in fiscal year 2009. The growth in PFC revenues in fiscal years 2011 and 2010 is attributed to increased passenger traffic. The Authority approved the collection of CFCs effective October 1, 2008. Certain rental car companies (RACs) agreed to assess and collect CFCs to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental car related facilities. Revenue related to the collection of CFCs amounted to \$23.3 million during fiscal year 2011, \$21.9 million during fiscal year 2010, and \$21.8 million during fiscal year 2009.

Operating Expenses

An increase in Operating Expenses before Depreciation of \$16.0 million or 8.6% from fiscal year 2010 to 2011 resulted primarily from additional costs related to contractual services such as maintenance contracts, repairs and maintenance, and professional services. The Authority made significant reductions in personnel and contractual services during fiscal year 2009. Fiscal year 2010 was the first full year of these cost reductions that included the delay of various maintenance projects. During fiscal year 2011, several of these maintenance projects were implemented and certain contractual services such as terminal maintenance increased. In addition, several security related costs either previously performed by TSA or with receipt of grants were shifted to the Authority.

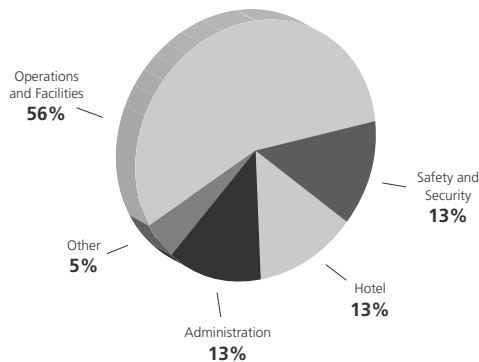
Operating Expenses before Depreciation decreased \$10.8 million, or 5.5% from fiscal year 2009 to 2010 as a result of reduced salary and benefit costs, and reduction in contractual services such as fleet maintenance, baggage systems, elevator/escalator, automated people mover, and various other contracts. Cost savings initiatives instituted in the prior year had full year impact on cost reductions in fiscal year 2010. During fiscal year 2010, the Authority wrote down certain design costs associated with a new terminal. In addition, the Authority received a grant to offset some of the security costs during fiscal year 2010.

Operating Expenses (in Thousands)

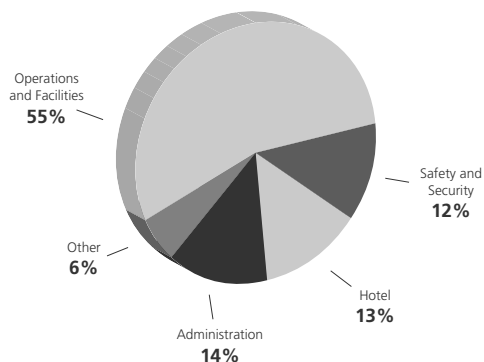
	2011	2010	2009
Operations and Facilities	\$114,146	\$102,082	\$108,818
Safety and Security	25,277	21,908	23,166
Administration	26,392	26,006	25,898
Hotel	25,776	24,613	25,151
Other	10,472	11,504	13,942
Total Operating Expenses Before Depreciation	202,063	186,113	196,975
Depreciation and Impairment Write-down	118,464	142,097	103,335
Total Operating Expenses	\$320,527	\$328,210	\$300,310

The following charts show major cost centers and the percentage of operating expenses (excluding depreciation and impairment write-down) for the years ended September 30, 2011, 2010, and 2009:

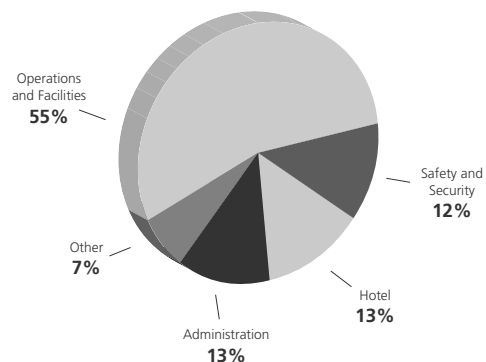
2011 Operating Expenses



2010 Operating Expenses



2009 Operating Expenses



Nonoperating Expenses

Nonoperating expenses consist of interest expense and Signatory Airline net revenue sharing as a result of the ALUA. Interest expense amounted to \$65.4 million in fiscal year 2011, \$68.2 million in fiscal year 2010, and \$66.8 million in fiscal year 2009. Signatory Airline net revenue sharing was \$16.4 million for fiscal year 2011, \$16.7 million for fiscal year 2010, and \$11.1 million for fiscal year 2009, the first year of the ALUA. The Signatory Airline net revenue sharing amount in fiscal year 2011 is substantially unchanged from the prior year. The increase from fiscal year 2009 to 2010 in the Signatory Airline net revenue sharing resulted from an increase in revenues from non airline revenues.

Total Expenses (in Thousands)

	2011	2010	2009
Total Operating Expenses	\$320,527	\$328,210	\$300,310
Total Nonoperating Expenses	81,755	84,989	77,942
Total Expenses	\$402,282	\$413,199	\$378,252

Changes in Net Assets

Capital contributions received from the federal, state and other governments amounted to \$16.5 million during fiscal year 2011. Grant funding received on major projects for fiscal year 2011 are as follows:

Capital Contributions (in Millions)

Airfield Rehabilitation	\$7.8
Remote Sorting Facility	5.1
Airport In-line Baggage Screening	1.5
Baggage System Improvements	0.9
Miscellaneous	1.2
Total Capital Contributions	\$16.5

The changes in net assets for the fiscal years ended September 30 are as follows:

Changes in Net Assets (in Thousands)

	2011	2010	2009
Operating Revenues	\$358,379	\$332,435	\$320,209
Operating Expenses	320,527	328,210	300,310
Operating Income	37,852	4,225	19,899
Nonoperating Revenues (Expenses)	20,103	13,798	20,016
Income Before Capital Contributions	57,955	18,023	39,915
Capital Contributions	16,509	40,559	38,037
Increase in Net Assets	\$74,464	\$58,582	\$77,952

Financial Position

The Balance Sheet presents the financial position of the Authority at the end of the fiscal year. The statement includes all assets and liabilities of the Authority. Net assets are the difference between total assets and total liabilities and are an indicator of the current fiscal health of the Authority. During fiscal year 2011, net assets increased by approximately \$74.5 million or 5.0% as compared with fiscal year 2010. The following is a summarized comparison of the Authority's assets, liabilities, and net assets at September 30:

Net Assets (in Thousands)

	2011	2010	2009
Assets and Deferrals:			
Current Assets			
Unrestricted Assets	\$203,347	\$215,306	\$188,910
Restricted Assets	513,244	461,254	367,028
Noncurrent Assets	155,681	169,591	91,037
Capital Assets	1,999,832	2,045,639	2,093,686
Deferred Swap Out Flows	25,502	21,557	15,346
Total Assets and Deferrals	2,897,606	2,913,347	2,756,007
Liabilities:			
Current (payable from unrestricted assets)	69,226	64,945	55,659
Current (payable from restricted assets)	123,465	119,772	202,758
Noncurrent Liabilities	1,143,242	1,241,421	1,068,963
Total Liabilities	1,335,933	1,426,138	1,327,380
Net Assets:			
Invested in Capital Assets, net of related debt	912,643	926,028	1,014,475
Restricted	449,215	380,959	255,904
Unrestricted	199,815	180,222	158,248
Total Net Assets	\$1,561,673	\$1,487,209	\$1,428,627

The majority of the Authority's net assets at September 30, 2011 represent its investment in capital assets less the related indebtedness outstanding used to acquire those capital assets. The Authority uses these capital assets to provide services to the airlines and to its passengers and visitors to the airports; consequently, these assets are not available for future spending. The Authority's investment in its capital assets is reported net of related debt. The resources required to repay this debt must be provided annually from operations since it is unlikely that the capital assets themselves will be liquidated to pay the liabilities.

Net assets restricted for debt service and capital acquisitions at September 30, 2011 represent funds that are subject to external restrictions under the Authority's Bond Resolution dated June 13, 1978, as amended, and PFCs that are restricted by federal regulations. The unrestricted portion of net assets, \$199.8 million at September 30, 2011, may be used to meet the Authority's ongoing obligations.

Airline Rates and Charges

The Authority negotiated the ALUA relating to the use of the Orlando International Airport, the rental of space, and the establishment of landing fees with 14 of the airlines effective October 1, 2008. For fiscal years 2009 through 2011, in the chart below, the actual landing fees and average terminal rental rate are shown. See the Airline-Airport Lease and Use Agreement (Note 17) for additional information.

Signatory Airline Rates and Charges

	Rates effective for FY 2011	Rates effective for FY 2010	Rates effective for FY 2009
Terminal Average Square Foot Rate	\$97.92	\$93.65	\$92.71
Landing Fee – per 1,000 lbs. Unit (gross)	1.2714	1.2399	1.3591
Cargo Landing Fee – per 1,000 lbs. Unit	1.61	1.67	1.65

Passenger Facility Charges

As part of the Safety and Capacity Expansion Act of 1990, the Authority received approval from the Federal Aviation Administration (FAA) to impose a passenger facility charge per eligible enplaned passenger at Orlando International Airport and has imposed the PFC since February 1993. Effective July 1, 2007 the charge increased from \$3 to \$4.50. PFCs may be used to pay either eligible capital improvements or debt service on bonds issued to finance projects eligible for PFC funding. Through September 2011, the Authority has approved applications to impose PFCs of approximately \$2.0 billion to fund project costs of various airport improvements. PFC collections to date (including investment earnings) are \$856.8 million. Expenditures on PFC approved projects and debt service to date are \$711.7 million.

Capital Acquisitions and Construction Activities

During fiscal year 2011, the Authority expended \$70.2 million on capital projects. This included \$5.3 million funded by FAA contributions, \$4.1 million funded by Florida Department of Transportation (FDOT) contributions, \$7.2 million funded by the Transportation and Security Administration (TSA), and \$1.8 million funded by CFCs. The balance was paid from tenant and other Authority funds, including bonds and PFCs. Of the grants noted previously, \$7.0 million funded by the TSA and \$0.1 million funded by the FAA are American Recovery and Reinvestment Act of 2009 (ARRA) grants. See the Schedule of Expenditures of Federal Awards and State Financial Assistance in the Compliance Section for additional information regarding grant expenditures. Major projects completed and the amounts transferred to fixed assets during the fiscal year are listed as follows (in millions):

East Airfield Development Area Mitigation Credits	\$11.0
International Terminal Improvements	8.2
Vertical Circulation & Central Plant Improvements	7.7
Airline Relocation	5.8
Public Restroom Refurbishment	4.9
Automated People Mover	4.4
Airport In-line Baggage Screening	3.1
Miscellaneous (Projects < \$5.0 million)	8.6
Total	\$53.7

Major projects under construction and the amounts expended during fiscal year 2011 are listed as follows (in millions):

Airfield Rehabilitation	\$10.1
Baggage System Improvements	10.0
East Airfield Development Area Mitigation Credits	8.2
Remote Sorting Facility	7.8
Vertical Circulation & Central Plant Improvements	7.0
International Terminal Improvements	6.6
Miscellaneous (Projects < \$5.0 million)	20.5
Total	\$70.2

More detailed information about the Authority's capital assets is presented in Note 6 to the financial statements.

Debt Activities

On September 20, 2011, the Authority issued \$70.0 million in Airport Facilities Refunding Revenue Bonds, Series 2011B (AMT) (the "Series 2011B Bonds") with a true interest rate of 4.59%. From the \$70.0 million issuance (less the \$0.1 million discount), and the \$2.4 million of Authority funds, \$71.5 million was deposited into the Bank of New York escrow account to refund the outstanding \$69.5 million of Airport Facilities Revenue Bonds, Series 1999A and pay associated interest of \$2.0 million. The remaining Series 2011B Bond proceeds of \$0.8 million were used to pay related issuance costs including underwriter's discount.

On March 17, 2011, the Authority issued \$6.4 million in Airport Facilities Refunding Revenue Bonds, Series 2011A (Non-AMT) (the "Series 2011A Bonds") with a true interest rate of 4.65%. The majority of the 2011A Bonds, in the amount of \$6.3 million, along with \$5.5 million of Authority available funds were deposited into the Bank of New York escrow account to refund \$11.5 million of outstanding Airport Facilities Revenue Bonds, Series 1999B and pay associated interest of \$0.3 million. The remaining Series 2011A Bond proceeds of \$0.1 million were used to pay related issuance costs.

Debt Administration

The Authority has outstanding revenue bonds which are secured by a pledge of and lien on Revenues and Net Revenues as defined in the Bond Resolution. This senior indebtedness is expressly senior and superior to the pledge and lien securing other parity indebtedness.

Senior Indebtedness

Pursuant to the Bond Resolution, the Authority has issued various series of Airport Facilities Revenue Bonds to finance additions and improvements at the airport. The aggregate principal amount of such bonds outstanding as of September 30, 2011 was \$1.1 billion.

Other Parity Subordinated Indebtedness

Other parity subordinated indebtedness as defined in the Master Trust Indenture consists of Gulf Breeze Loan Agreements; Airport Facilities Taxable Subordinated Revenue Bonds, Series 2002A; and Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997B. Other parity indebtedness is payable from revenues deposited into the Discretionary Account and is junior and subordinate to senior indebtedness of the Authority. As of September 30, 2011, the aggregate principal amount of all other parity-subordinated indebtedness was \$109.9 million, including \$90.1 million of secondary subordinated indebtedness and other such principal amounts as further discussed below.

Between 1991 and 1993, the Authority borrowed a total of \$35 million at a variable interest rate from the City of Gulf Breeze, Florida, Local Government Loan Program, to finance a portion of the costs of the Airport's hotel. On July 1, 1998, the Authority remarketed these bonds to fixed rates. The aggregate principal amount of such bonds outstanding as of September 30, 2011 was \$13.4 million.

In December 2009, the Authority entered into an agreement with Wachovia Bank, N.A. to provide the Authority with a \$100 million line of credit. The line of credit is to be used as interim financing for capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds and other permanent funding sources. The term of the line of credit is three years. As of September 30, 2011, the Authority has drawn \$1.2 million on this line of credit.

Special Purpose Facilities Bonds

The Authority has issued Special Purpose Facilities Taxable Revenue Bonds, Series 2009 to construct a Rental Car Quick Turn Around and Support Facility. These bonds are payable solely from and secured by a pledge of Pledged Revenues derived by the Authority from CFCs. The principal amount of such bonds outstanding as of September 30, 2011 was \$55.9 million.

Debt Service Coverage

Airport revenue bond covenants require that revenue available to pay debt service, as defined in the Bond Resolution, be equal to or greater than 125% of the debt service on the senior lien airport revenue bonds and 100% of the debt service on subordinated bonds and other parity indebtedness. Coverage ratios for the past three years are shown in the following table:

Coverage Ratios

	2011	2010	2009
Senior lien debt	1.70%	1.61%	1.47%
All indebtedness	1.55%	1.46%	1.33%

More detailed information about the Authority's noncurrent liabilities is presented in Note 11 to the financial statements.

Requests For Information

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the Authority's finances. Questions concerning any information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, FL 32827-4399.

A handwritten signature in black ink that reads "J. Churchill". The signature is written in a cursive, flowing style.

Jacki Churchill
Chief Financial Officer



Basic Financial Statements

These basic financial statements provide a summary of the financial position and operating results of the Authority which consists of two airports, Orlando International Airport and Orlando Executive Airport. They also serve as an introduction to the more detailed financial statements and supplemental schedules that are in the following subsections.





Greater Orlando Aviation Authority

Orlando, Florida

GREATER ORLANDO AVIATION AUTHORITY
BALANCE SHEETS
(in thousands)

ASSETS AND DEFERRALS	September 30, 2011	2010
Current Assets		
Unrestricted:		
Cash and cash equivalents	\$ 145,943	\$ 142,404
Accounts receivable, less allowance for uncollectibles of \$213 and \$256	10,679	10,209
Investments	40,990	56,227
Interest receivable	87	407
Due from other governmental agencies	761	394
Prepaid expenses and inventory	4,887	5,665
Total unrestricted assets	<u>203,347</u>	<u>215,306</u>
Restricted:		
Cash and cash equivalents	381,468	369,649
Accounts receivable	9,734	9,666
Investments	111,392	71,838
Interest receivable	773	1,168
Due from other governmental agencies	9,791	7,109
Prepaid expenses	86	1,824
Total restricted assets	<u>513,244</u>	<u>461,254</u>
Total current assets	<u>716,591</u>	<u>676,560</u>
Noncurrent Assets		
Investments, unrestricted	37,253	25,419
Investments, restricted	118,428	144,172
Total long-term investments	<u>155,681</u>	<u>169,591</u>
Capital assets, net of accumulated depreciation:		
Property and equipment	1,465,789	1,502,114
Property held for lease	489,378	515,402
Construction in progress	44,665	28,123
Total capital assets, net of accumulated depreciation	<u>1,999,832</u>	<u>2,045,639</u>
Total noncurrent assets	<u>2,155,513</u>	<u>2,215,230</u>
Total assets	<u>2,872,104</u>	<u>2,891,790</u>
Deferred swap outflows	<u>25,502</u>	<u>21,557</u>
Total Assets and Deferrals	<u>\$ 2,897,606</u>	<u>\$ 2,913,347</u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
BALANCE SHEETS
(in thousands)

LIABILITIES AND NET ASSETS	September 30, 2011	2010
Current Liabilities (Payable from Unrestricted Current Assets)		
Accounts payable and accrued liabilities	\$ 29,571	\$ 23,124
Deferred revenue	2,478	2,085
Deposits	5,977	5,666
Advance rent from tenants, current	7,885	6,658
Due to other governmental agencies	965	1,086
Accrued airline revenue sharing	22,350	26,326
Total current liabilities (payable from unrestricted current assets)	<u>69,226</u>	<u>64,945</u>
Current Liabilities (Payable from Restricted Assets)		
Accrued interest	26,721	30,100
Accounts payable and accrued liabilities	11,995	10,030
Deferred revenue	-	43
Due to other governmental agencies	2,305	2,643
Notes payable, current	1,182	-
Revenue bonds payable, current	81,262	76,956
Total current liabilities (payable from restricted assets)	<u>123,465</u>	<u>119,772</u>
Total current liabilities	<u>192,691</u>	<u>184,717</u>
Noncurrent Liabilities		
Revenue bonds payable, long-term	1,136,837	1,212,046
Advance rent from tenants, long-term	2,140	2,334
Other long-term liabilities	4,265	27,041
Total noncurrent liabilities	<u>1,143,242</u>	<u>1,241,421</u>
Total liabilities	<u>1,335,933</u>	<u>1,426,138</u>
Net Assets		
Invested in capital assets, net of related debt	912,643	926,028
Restricted:		
For debt service	180,812	181,358
For capital acquisitions	268,403	199,601
Unrestricted	199,815	180,222
Total net assets	<u>1,561,673</u>	<u>1,487,209</u>
Total Liabilities and Net Assets	<u>\$ 2,897,606</u>	<u>\$ 2,913,347</u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
(in thousands)

	Years Ended September 30,	
	2011	2010
Operating Revenues		
Airfield area	\$ 34,100	\$ 32,727
Terminal area	137,505	125,393
Ground transportation	138,369	128,662
Other buildings and grounds	18,015	17,417
Hotel	30,390	28,236
Total operating revenues	<u>358,379</u>	<u>332,435</u>
Operating Expenses		
Operations and facilities	114,146	102,082
Safety and security	25,277	21,908
Administration	26,392	26,006
Hotel	25,776	24,613
Other	10,472	11,504
Total operating expenses before depreciation and impairment write-down	<u>202,063</u>	<u>186,113</u>
Operating income before depreciation and impairment write-down	156,316	146,322
Depreciation and impairment write-down	<u>(118,464)</u>	<u>(142,097)</u>
Operating income	37,852	4,225
Nonoperating Revenues (Expenses)		
Investment income	4,268	6,681
Interest expense	(65,403)	(68,248)
Signatory Airline net revenue sharing	(16,352)	(16,741)
Passenger facility charges	70,277	68,327
Customer facility charges	23,295	21,946
Federal and state grants	1,157	1,474
Other	2,861	359
Income before capital contributions	<u>57,955</u>	<u>18,023</u>
Capital Contributions	<u>16,509</u>	<u>40,559</u>
Increase in net assets	<u>74,464</u>	<u>58,582</u>
Total Net Assets, Beginning of Year	<u>1,487,209</u>	<u>1,428,627</u>
Total Net Assets, End of Year	<u>\$ 1,561,673</u>	<u>\$ 1,487,209</u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended September 30,	
	2011	2010
Cash flows from operating activities		
Cash received from customers, tenants and governmental agencies	\$ 364,949	\$ 342,813
Cash paid to suppliers and governmental agencies	(144,157)	(135,371)
Cash paid to employees for services	(73,538)	(45,132)
Cash paid to airlines	(26,326)	(19,000)
Net cash provided by operating activities	<u>120,928</u>	<u>143,310</u>
Cash flows from noncapital financing activities		
Operating grants and passenger facilities charges received	<u>4,038</u>	<u>2,708</u>
Net cash provided by noncapital financing activities	<u>4,038</u>	<u>2,708</u>
Cash flows from capital and related financing activities		
Proceeds from issuance of bonds	76,395	319,058
Proceeds from line of credit	1,182	-
Passenger facility charges	69,599	67,826
Customer facility charges	23,417	21,499
Principal payments - bonds and notes	(157,951)	(220,541)
Bond issue costs and discount on bonds	(783)	(3,819)
Interest paid	(65,107)	(59,951)
Proceeds from sale of assets	759	36
Acquisition and construction of capital assets	(65,295)	(107,248)
Capital contributed by federal and state agencies	<u>13,330</u>	<u>32,703</u>
Net cash (used for) provided by capital and related financing activities	<u>(104,454)</u>	<u>49,563</u>
Cash flows from investing activities		
Purchase of investments	(596,032)	(620,980)
Proceeds from sale and maturity of investments	585,407	423,535
Interest received	<u>5,471</u>	<u>5,723</u>
Net cash used for investing activities	<u>(5,154)</u>	<u>(191,722)</u>
Net increase in cash and cash equivalents	15,358	3,859
Cash and Cash Equivalents, Beginning of Year	<u>512,053</u>	<u>508,194</u>
Cash and Cash Equivalents, End of Year ⁽¹⁾	<u>\$ 527,411</u>	<u>\$ 512,053</u>
(1) Cash and Cash Equivalents - Unrestricted Assets	\$ 145,943	\$ 142,404
Cash and Cash Equivalents - Restricted Assets	<u>381,468</u>	<u>369,649</u>
	<u>\$ 527,411</u>	<u>\$ 512,053</u>

(continued)

GREATER ORLANDO AVIATION AUTHORITY
STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended September 30,	
	<u>2011</u>	<u>2010</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	<u>\$ 37,852</u>	<u>\$ 4,225</u>
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and impairment write-down	118,464	142,097
(Increase) Decrease in operating assets		
Accounts receivable	(1,045)	867
Due from other governmental agencies	(77)	(55)
Prepaid expenses	778	35
Increase (Decrease) in operating liabilities		
Accounts payable and accrued liabilities	6,487	(733)
Due to other governmental agencies	(121)	(727)
Accrued airline revenue sharing	(20,328)	(8,678)
Deferred revenues	350	(3,444)
Deposits	311	115
Advanced rent from tenants	1,033	3,411
Other liabilities	(22,776)	6,197
Total adjustments	<u>83,076</u>	<u>139,085</u>
Net cash provided by operating activities	<u><u>\$ 120,928</u></u>	<u><u>\$ 143,310</u></u>

Noncash Investing, Capital and Financing Activities

(Decrease) Increase in fair value of investments	\$ (217)	\$ 102
South Narcoossee Road land donation/Army reserve and Navy property donations	\$ (25)	\$ 12,650

See accompanying notes to basic financial statements



Notes to Financial Statements

1. Summary of Significant Accounting Policies and Practices
2. Operation and Use Agreement - City of Orlando
3. Cash Deposits and Investments
4. Due from Other Governmental Agencies
5. Restricted Assets
6. Capital Assets
7. Lease and Concession Agreements
8. Pension Plans
9. Postemployment Benefits Other Than Pension Benefits
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12. Derivatives and Hedging Activities
13. Conduit Debt Obligations
14. Deferred Amount on Refunding of Bonds
15. Bond Issuance (Other than Refunding Issues)
16. Capital Contributions
17. Airline-Airport Lease and Use Agreement
18. Outstanding Contracts
19. Commitments and Contingencies
20. Environmental Liabilities
21. Subsequent Events



GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Organization and Purpose: The Greater Orlando Aviation Authority (Authority) was established by the Florida State Legislature pursuant to the Greater Orlando Aviation Authority Act, Chapter 57-1658, Special Laws of Florida, 1957, as amended. The Authority operates Orlando International Airport and Orlando Executive Airport. For reporting purposes, these airports are combined into a single enterprise fund.

Reporting Entity: In defining the Greater Orlando Aviation Authority for financial reporting purposes, management applied the requirements of Governmental Accounting Standards Board (GASB) Statements Number 14, *The Financial Reporting Entity* and GASB Statement Number 39, *Determining Whether Certain Organizations Are Component Units*. These statements establish the basis for defining the reporting entity and whether it is considered a component unit of another entity and whether other entities are component units. Based on these criteria, the reporting entity includes only the accounts of the Authority in the reporting entity. The Authority identified no potential component units to include in these basic financial statements nor identified any other entity that should include the Authority in its basic financial statements.

Basis of Presentation and Accounting: The Authority's financial statements are prepared using the flow of economic resources measurement focus using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when incurred. Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Authority applies all applicable GASB pronouncements as well as Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The principal operating revenues of the Authority are from sources such as airlines, concessions, rental cars and parking. Investment income, passenger and customer facility charges, federal and state operating grants and other revenues not related to the operations of the airport are considered nonoperating revenues. Operating expenses include the cost of airport and related facilities maintenance, administrative expenses, and depreciation on capital assets. Interest expense and Signatory Airline net revenue sharing are considered nonoperating expenses.

The GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (GASB 51), in June 2007, and was adopted by the Authority in fiscal year 2010. The objective of GASB 51 is to establish accounting and financial reporting requirements for intangible assets. The Statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. As of September 30, 2011, the Authority only has one type of intangible asset, software. Software that is internally developed or purchased by the Authority and is modified using more than minimal incremental effort before being placed into operation is considered internally generated software. Internally generated software costs should only be capitalized during the application development stage. Costs incurred during the preliminary project stage and post-implementation stage are to be expensed. Software that is not modified using more than minimal incremental effort will continue to be capitalized upon installation as is the Authority's current practice. No additional disclosures beyond those of existing capital assets disclosures are necessary.

The GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), in June 2008, and was adopted by the Authority in fiscal year 2010. GASB 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. In accordance with GASB 53, the Authority determines the effectiveness of its hedging instruments at the end of each reporting period and if deemed effective, records the fair value of the instruments and corresponding deferrals on the balance sheet. As long as the instruments remain effective, any subsequent changes to the fair value are reported as deferred inflows or outflows in the financial statements. As of September 30, 2011, the Authority has one derivative outstanding, the 1997B pay-fixed, receive-variable interest rate swap. This swap is deemed effective using the consistent critical terms method and has been properly recorded in the financial statements. Disclosures related to the interest rate swap are discussed in Note 12.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Cash and Cash Equivalents: Demand deposits, certificates of deposits, cash on hand and repurchase agreements with a maturity of three months or less from the date of purchase are considered to be cash and cash equivalents.

Accounts Receivables: Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible accounts is based on an analysis of past due amounts that are not covered by security deposits, letters of credit or contract bonds. When continued collection activity results in receipts of amounts previously reserved, revenue is recognized in the period collected.

Fair Value of Investments: The Authority accounts for all investments, regardless of time to maturity or their acquisition date, at fair value on the balance sheet with unrealized gains and losses charged or credited to investment income. The Authority uses quoted market prices to determine these fair values.

Prepaid Expenses and Inventory: Prepaid expenses consist primarily of insurance, employee benefits and any other expenditures expected to benefit future periods. Inventory primarily consists of fuel, repairs and maintenance items and office supplies held for consumption and is valued using the average cost method.

Restricted Assets and Liabilities: The Bond Resolution authorizing the issuance of the revenue bonds for Orlando International Airport requires the segregation of certain assets into restricted accounts and limits their use to specific items as defined by the document. Current liabilities payable from restricted assets are the liabilities that are to be retired by use of the restricted assets.

Noncurrent Assets: A portion of unrestricted and restricted assets is reported as noncurrent. This represents amounts of unrestricted and restricted investments with maturities greater than one year and capital assets, net of accumulated depreciation.

Lease and Concession Agreements: The Authority's operations consist of agreements for use of land, buildings, terminal space and privileges to airlines and concessionaires. With the exception of the Signatory Airline Lease and Use Agreement that is discussed separately, the agreements consist of (a) one year, cancelable space and use permits, and (b) non-cancelable agreements for land, buildings, terminal space and privileges, most of which expire between the years 2012 and 2016. The Authority accounts for revenue from these agreements under the operating method and reports revenue over the terms of the agreements.

Property and Equipment and Property Held for Lease: Property and equipment and property held for lease are recorded at cost when purchased or at fair value when donated, with a capitalization threshold of \$1,000. The Authority accounts for intangible assets as required under GASB Statement No. 51.

Depreciation: Property and equipment is depreciated on the straight-line basis over the estimated useful lives of the assets. The estimated useful lives of the property and equipment are as follows:

Building	10 to 50 years
Improvements	5 to 50 years
Equipment	3 to 30 years
Motor vehicles	5 to 15 years

Pension Plans: The Authority's policy is to fund accrued defined benefit pension costs which include normal costs for regular employees as actuarially determined. The Authority recognizes plan member contributions in the period in which contributions are due, and the Authority has made a formal commitment to provide contributions.

Other Post-Employment Benefit Plans: The Authority adopted GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (GASB 45). GASB 45 improves the relevance and usefulness of financial reporting by (a) requiring systematic, accrual-basis measurement

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

and recognition of Other Postemployment Benefits (OPEB) costs over a period that approximates employees' years of service and (b) providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the OPEB plan. The Authority obtains actuarial valuation reports for its OPEB plan and records the expenses and liabilities for OPEB as required under GASB 45. OPEB expense includes normal costs and prior service costs. Prior service costs are amortized over a period of thirty years. On September 30, 2011, the Authority funded its OPEB obligation as of fiscal year 2011 to a qualifying, irrevocable trust. The Authority discloses the information required by GASB 45 in Note 9.

Compensated Absences: The Authority recognizes expenses relating to compensated absences as incurred and includes the current portion of the liabilities in accrued expenses and the noncurrent portion in other long-term liabilities.

Passenger Facility Charges: The Federal Aviation Administration (FAA) approved the collection of passenger facility charges (PFCs). The Authority uses PFCs for pre-approved airport projects that meet at least one of the following criteria: preserve or enhance safety, security or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers. The airlines collect and remit this revenue to the Authority and the Authority records this as nonoperating revenues.

Customer Facility Charges: The Authority approved the collection of customer facility charges (CFCs) effective October 1, 2008. Certain rental car companies (RACs) agreed to assess and collect CFCs to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental automobile related facilities. The RACs collect and remit this revenue to the Authority and the Authority records this as nonoperating revenues.

Arbitrage Rebate: The U.S. Treasury issued regulations on calculating the rebate due the federal government on arbitrage profits, calculating arbitrage penalties, and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage profits arise when the Authority temporarily invests the proceeds of tax exempt debt in securities with higher yields. The Authority records the rebate payable and reduction in investment income in accordance with the rebate calculation.

Revenue Classifications: The components of the major operating revenue classifications are as follows:

- Airfield Area – Fees for landings of passenger and cargo aircraft, apron use, and fuel flow system rental and fees.
- Terminal Area – Airlines space rentals, privilege fees for the operation of terminal complex concessions of food, beverage, general merchandise, and other miscellaneous fees.
- Hotel – Revenue associated with rooms, food and beverage, telecommunications, and other rentals and income.
- Other Buildings and Grounds – Fees associated with fixed base operators, cargo apron use, in-flight catering and other building and land rentals.
- Ground Transportation – Revenue associated with rental car concessions, taxi, shuttle and bus ground transportation, and public parking.

Interest Rate Risk Management: The Authority uses interest rate swap agreements to reduce its debt service costs. The Authority has entered into an interest-rate swap agreement to reduce interest costs on the Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997B. The differential to be paid or received is accrued as interest expense or income and is recognized over the term of the agreement. The related amount payable to or receivable from the counterparty is included in accrued interest or interest receivable. In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the fair value of the swap is recognized in the financial statements. Disclosures related to interest-rate swaps are discussed in Note 12.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Capital Contributions: Capital contributions consist primarily of grants and contributions from federal and state governmental agencies, airlines, and tenants. The Authority recognizes contributions as earned as related project costs are incurred. The Authority recognizes donated property at fair value when received.

Interest During Construction: The Authority capitalizes interest during construction to Construction in Progress. Capitalized interest consists of interest cost on certain borrowings in excess of interest earned on related investments acquired with the proceeds of borrowings.

Signatory Airline Lease and Use Agreement: Effective October 1, 2008 the Authority entered into a new Lease and Use Agreement relating to the use of the Orlando International Airport, terminal rentals, the establishment of landing fees, apron use fees, common use charges and other fees and charges with each of fourteen airlines (collectively, the "Signatory Airlines"). The Lease and Use Agreements are effective through September 30, 2013. The key provisions of the Lease and Use Agreements include a change from a residual to a compensatory rate-making methodology for the terminal building, an amount of net remaining revenues for the Authority over the term of the Lease and Use Agreements, and an increase in amount of capital expenditures not subject to approval by the Signatory Airlines. Rates and charges are set up annually based on budget, reviewed periodically during the year, and a true-up calculation performed at year-end based on actual results. In the event the annual Revenues, as defined in the Lease and Use Agreement, shall be less than the requirement to satisfy the Authority's rate covenant, the Authority shall recover additional rates and charges, pursuant to a provision of the Lease and Use Agreements. The net revenue sharing due to the Signatory Airlines is presented as a nonoperating expense on the Statements of Revenues, Expenses, and Changes in Net Assets.

Advance Rent From Tenants: The current portion of advance rent from tenants primarily represents October revenues received in September. Amounts reported as noncurrent liabilities represent revenues to be recognized in years subsequent to the following fiscal year.

Bond Issue Costs and Bond Discounts and Premiums: The Authority defers bond issue costs and bond discounts and premiums in the year of issuance and amortizes deferrals using the effective interest method over the life of the issuance. Losses on bond refundings are deferred and amortized over the shorter of the remaining life of the original issue or the life of the new issue.

Estimates: The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated.

Reclassifications: Certain amounts in the prior year financial statements may have been reclassified to conform to the current year presentation

2. OPERATION AND USE AGREEMENT – CITY OF ORLANDO

The City of Orlando and the Authority signed an Operation and Use Agreement, dated September 27, 1976, which grants the Authority the right to occupy, operate, control and use Orlando International Airport and Orlando Executive Airport for a term of fifty years commencing on October 1, 1976. At the end of the term, unless otherwise extended, the Authority is obligated to return full ownership and control of all its assets to the City of Orlando.

The City of Orlando transferred assets, liabilities and equity to the Authority at the carrying amounts in the accounts of the Aviation Division of the City of Orlando, which reflected historical or estimated historical costs, with accumulated depreciation at September 30, 1976. The property and equipment, net of accumulated depreciation transferred from the Aviation Division of the City of Orlando to the Authority, amounted to approximately \$31.5 million.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

2. OPERATION AND USE AGREEMENT – CITY OF ORLANDO (continued)

The City of Orlando provides certain police and fire protection services to the Authority. Total charges for these services amounted to approximately \$9.5 million and \$8.4 million for 2011 and 2010, respectively. Approximately, \$6.6 million and \$5.6 million are recorded as liabilities due to the City of Orlando in connection with these services at September 30, 2011 and 2010, respectively.

3. CASH DEPOSITS AND INVESTMENTS

The Authority's cash and cash equivalents balances include amounts deposited with commercial banks in interest-bearing and non-interest bearing demand deposit accounts, as well as the Florida State Board of Administration's Local Government Surplus Investment Pool (LGIP). The commercial bank balances are entirely insured by federal depository insurance or by collateral pursuant to the Florida Security for Public Deposits Act of the State of Florida (the Act).

The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the Authority's deposits in qualified public depositories are considered totally insured. The qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125%, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State of Florida's Chief Financial Officer (State's CFO) or, with the approval of the State's CFO, to a bank, savings association, or trust company provided a power of attorney is delivered to the State's CFO.

The Authority follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires the adjustments of the carrying values of investments to fair value to be presented as a component of investment income. Investments are presented at fair value, which is based on available market values. The LGIP operated by the Florida State Board of Administration is a "2a-7-like" pool in accordance with GASB 31; therefore it is not presented at fair value but at its actual pooled share price which approximates fair value.

At September 30, 2011 and September 30, 2010, the fair value of all securities regardless of the balance sheet classification was as follows (in thousands):

	2011	2010
U.S. Treasury and government agency securities	\$ 265,723	\$ 294,150
Commercial paper	59,574	5,996
Local government investment pool	441	547
Investment in money market funds	293,367	269,600
Securities total	<u>\$ 619,105</u>	<u>\$ 570,293</u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

3. CASH DEPOSITS AND INVESTMENTS (continued)

These securities are classified on the balance sheet as follows (in thousands):

	2011	2010
Current assets		
Cash and cash equivalents	\$ 527,411	\$ 512,053
Investments	152,382	128,065
Noncurrent Assets		
Investments, unrestricted	37,253	25,419
Investments, restricted	118,428	144,172
Total cash and investments	835,474	809,709
Less cash on deposit	(216,369)	(239,416)
Total securities, at fair value	<u>\$ 619,105</u>	<u>\$ 570,293</u>

The Authority is authorized to invest in securities as described in its investment policy and in each bond resolution. As of September 30, 2011 and 2010, the Authority held the following investments as categorized below in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*:

Investment Maturities at September 30, 2011 (in thousands):

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
U.S. Treasury and government agency	\$ 154,356	\$ 70,452	\$ 1,003	\$ 39,912	\$ 265,723
Commercial paper	59,574	-	-	-	59,574
Local government investment pool	8	433	-	-	441
Money market funds	293,367	-	-	-	293,367
	<u>\$ 507,305</u>	<u>\$ 70,885</u>	<u>\$ 1,003</u>	<u>\$ 39,912</u>	<u>\$ 619,105</u>

Investment Maturities at September 30, 2010 (in thousands):

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
U.S. Treasury and government agency	\$ 127,026	\$ 136,434	\$ -	\$ 30,690	\$ 294,150
Commercial paper	5,996	-	-	-	5,996
Local government investment pool	37	-	510	-	547
Money market funds	269,600	-	-	-	269,600
	<u>\$ 402,659</u>	<u>\$ 136,434</u>	<u>\$ 510</u>	<u>\$ 30,690</u>	<u>\$ 570,293</u>

As of September 30, 2011, the Authority had \$0.6 million invested in the State Board of Administration (SBA) LGIP and Fund B with the majority of the funds invested in Fund B. The SBA does not allow participants to withdraw funds from Fund B. As maturities occur in Fund B, the SBA transfers the moneys from Fund B to LGIP. An entry to adjust the fair value of Fund B by \$0.2 million to reflect the approximate fair value of Fund B investments at September 30, 2011 reduced the combined value of the LGIP and Fund B to \$0.4 million.

On November 9, 2011, the SBA disclosed the weighted average life of investments held in Fund B as of September 30, 2011 as being 4.82 years. Therefore, as of September 30, 2011, the maturity date of investments held in Fund B was adjusted from March 25, 2018 to July 24, 2016. However, because Fund B consists of restructured or defaulted securities there is a considerable uncertainty regarding the weighted average life.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

3. CASH DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority generally holds investments to maturity. The Authority's investment policy requires the investment portfolio to be structured to provide sufficient liquidity to pay obligations as they become due. To the extent possible, investment maturities match known cash needs and anticipated cash flow requirements. Additionally, maturity limitations for investments related to the issuance of debt are outlined in the Bond Resolution relating to the specific bond issue. The Authority portfolio holds a number of callable securities. The schedules above present the maturity date of the securities.

Credit Risk: The Authority's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. Authority policy limits investments to the highest credit rating category of Moody's Investors Services (Moody's) and Standard & Poor's (S&P), and funds can only be invested in money market funds rated AAAm or AAAm-G by S&P. Investment in commercial paper is limited to those programs rated A-1, P-1, which is the highest rating category. Consistent with the Authority's investment policy and bond resolutions, instrumentality investments held in the portfolio were rated AA+ by S&P and Aaa by Moody's as of September 30, 2011.

On December 21, 2007, Standard and Poor's Ratings Services assigned its "AAAm" principal stability fund rating to LGIP. Fund B is not rated by any nationally recognized statistical rating agency. Additional information regarding the LGIP and Fund B may be obtained from the State Board of Administration.

Custodial Credit Risk: For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Authority's investment are either held in the name of the Authority or held in trust under the Authority's name.

Concentration of Credit Risk: At September 30, 2011, the Authority held investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents) with three issuers; Federal Home Loan Bank (16.63%), Federal Farm Credit Bank (5.04%) and Federal National Mortgage Association (7.23%). At September 30, 2010, the Authority held investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents) with three issuers; Federal Home Loan Bank (10.23%), Federal Home Loan Mortgage Corporation (14.33%) and Federal National Mortgage Association (7.25%). Each of the investments are rated either AA+ by S&P or Aaa by Moody's rating agency. Standard practice limits the maximum investment in any one issuer of commercial paper to \$5 million dollars.

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

4. DUE FROM OTHER GOVERNMENTAL AGENCIES

The following amounts were due from other governmental agencies as of September 30, 2011 and 2010 (in thousands):

	2011	2010
Unrestricted		
Transportation and Security Administration (TSA)	\$ 326	\$ -
Florida Department of Transportation (FDOT)	258	237
Orlando Orange County Expressway Authority (OOCEA)	177	157
Total Unrestricted	<u>\$ 761</u>	<u>\$ 394</u>
Restricted		
Transportation and Security Administration (TSA)	\$ 6,655	\$ 4,918
Federal Aviation Administration (FAA)	1,731	1,462
Florida Department of Transportation (FDOT)	1,350	538
General Service Administration (GSA)	-	135
Other	55	56
Total Restricted	<u>\$ 9,791</u>	<u>\$ 7,109</u>

5. RESTRICTED ASSETS

The Bond Resolution and the Master Indenture of Trust authorizing the issuance of the revenue bonds for Orlando International Airport require segregation of certain assets into restricted accounts. At September 30, 2011 and 2010, composition of restricted accounts is as follows (in thousands):

	2011	2010
Debt Service Accounts	\$ 195,027	\$ 198,398
Capital Acquisition Accounts	119,095	115,082
Bond Construction Accounts	92,399	126,152
Passenger Facility Charges Account	132,549	86,609
Customer Facility Charges Account	59,665	47,625
Operating Reserve Account	32,937	31,560
Total Restricted Assets	<u>\$ 631,672</u>	<u>\$ 605,426</u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

6. CAPITAL ASSETS

A summary of capital assets activity for the years ended September 30, 2011 and 2010 is as follows (in thousands):

	Balance October 1, 2010	Additions and Reclass- ifications	Deductions	Balance September 30, 2011
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 257,557	\$ 13,140	\$ 55	\$ 270,642
Assets Held for Future Use	78,221	-	-	78,221
	<u>335,778</u>	<u>13,140</u>	<u>55</u>	<u>348,863</u>
Other Property and Equipment				
Building	271,201	-	-	271,201
Improvements	1,670,835	29,954	14	1,700,775
Equipment	196,929	5,635	1,134	201,430
Motor Vehicles	19,318	901	659	19,560
	<u>2,158,283</u>	<u>36,490</u>	<u>1,807</u>	<u>2,192,966</u>
Accumulated Depreciation				
Building	111,976	8,562	-	120,538
Improvements	788,952	65,077	6	854,023
Equipment	75,854	10,650	1,130	85,374
Motor Vehicles	15,165	1,599	659	16,105
	<u>991,947</u>	<u>85,888</u>	<u>1,795</u>	<u>1,076,040</u>
Net Property and Equipment	<u>1,502,114</u>	<u>(36,258)</u>	<u>67</u>	<u>1,465,789</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,131	-	-	8,131
Other Property and Equipment				
Building	904,194	2,257	-	906,451
Improvements	76,377	4,295	-	80,672
Equipment	8,774	-	-	8,774
	<u>989,345</u>	<u>6,552</u>	<u>-</u>	<u>995,897</u>
Accumulated Depreciation				
Building	439,610	27,129	-	466,739
Improvements	42,046	4,194	-	46,240
Equipment	418	1,253	-	1,671
	<u>482,074</u>	<u>32,576</u>	<u>-</u>	<u>514,650</u>
Net Property and Equipment - Held for Lease	<u>515,402</u>	<u>(26,024)</u>	<u>-</u>	<u>489,378</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	28,123	70,220	53,678	44,665
Net Capital Assets	<u>\$ 2,045,639</u>	<u>\$ 7,938</u>	<u>\$ 53,745</u>	<u>\$ 1,999,832</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

6. CAPITAL ASSETS (continued)

	Balance October 1, 2009	Additions and Reclass- ifications	Deductions	Balance September 30, 2010
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 246,872	\$ 10,685	\$ -	\$ 257,557
Assets Held for Future Use	106,308	-	28,087	78,221
	<u>353,180</u>	<u>10,685</u>	<u>28,087</u>	<u>335,778</u>
Other Property and Equipment				
Building	271,194	7	-	271,201
Improvements	1,491,793	179,042	-	1,670,835
Equipment	94,690	103,357	1,118	196,929
Motor Vehicles	19,126	192	-	19,318
	<u>1,876,803</u>	<u>282,598</u>	<u>1,118</u>	<u>2,158,283</u>
Accumulated Depreciation				
Building	103,386	8,590	-	111,976
Improvements	726,059	62,893	-	788,952
Equipment	66,364	10,606	1,116	75,854
Motor Vehicles	13,464	1,701	-	15,165
	<u>909,273</u>	<u>83,790</u>	<u>1,116</u>	<u>991,947</u>
Net Property and Equipment	<u>1,320,710</u>	<u>209,493</u>	<u>28,089</u>	<u>1,502,114</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,131	-	-	8,131
Other Property and Equipment				
Building	861,209	42,985	-	904,194
Improvements	76,377	-	-	76,377
Equipment	-	8,774	-	8,774
	<u>937,586</u>	<u>51,759</u>	<u>-</u>	<u>989,345</u>
Accumulated Depreciation				
Building	413,949	25,661	-	439,610
Improvements	37,905	4,141	-	42,046
Equipment	-	418	-	418
	<u>451,854</u>	<u>30,220</u>	<u>-</u>	<u>482,074</u>
Net Property and Equipment - Held for Lease	<u>493,863</u>	<u>21,539</u>	<u>-</u>	<u>515,402</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	279,113	82,574	333,564	28,123
Net Capital Assets	<u>\$ 2,093,686</u>	<u>\$ 313,606</u>	<u>\$ 361,653</u>	<u>\$ 2,045,639</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

6. CAPITAL ASSETS (continued)

During 2011, the Authority capitalized interest in the amount of \$3.8 million to Construction in Progress (CIP), representing the excess of interest cost (\$4.0 million) on certain borrowings during the construction period over the interest earned (\$0.2 million) on related interest-bearing investments acquired with the proceeds of the borrowings.

During 2010, the Authority capitalized interest in the amount of \$4.0 million to CIP, representing the excess of interest cost (\$4.1 million) on certain borrowings during the construction period over the interest earned (\$0.1 million) on related interest-bearing investments acquired with the proceeds of the borrowings.

During the year ended September 30, 2010 an impairment write-down of \$28.1 million is included in Depreciation and Impairment Write-down on the Statements of Revenues, Expenses and Changes in Net Assets. The impairment write-down is a result of reducing the carrying amount of certain South Terminal design costs, which were determined to provide no future benefit to the Authority.

7. LEASE AND CONCESSION AGREEMENTS

The following is a schedule by years of minimum future revenues from non-cancelable agreements as of September 30 (in thousands):

2012	\$ 195,191
2013	187,425
2014	113,814
2015	99,017
2016	104,393
Later years	170,014
Total minimum future revenues	<u><u>\$ 869,854</u></u>

Minimum future revenues do not include contingent revenues which may be received under agreement for use of land and buildings on the basis of revenue or fuel flow fees earned. Contingent revenues amounted to approximately \$25 million and \$26 million for the years ended September 30, 2011 and 2010 respectively.

8. PENSION PLANS

The Authority maintains two defined benefit plans for its employees, a single-employer plan covering non-firefighter employees and a multi-employer plan for firefighters. Additionally, the Authority provides two defined contribution plans, a single-employer defined contribution retirement plan for non-firefighter employees and a multi-employer defined contribution plan for firefighters.

Single-Employer Defined Benefit Pension Plan

General: The Authority contributes to the Retirement Plan for Employees of the Greater Orlando Aviation Authority (DB Plan), a single-employer retirement plan. The DB Plan provides retirement and death benefits to DB Plan members and beneficiaries. Comerica, Inc. (Comerica) currently holds the assets of the Plan in various managed accounts. Comerica currently pays the DB Plan benefits. Gabriel, Roeder, Smith & Company issues a publicly available actuarial report that includes required supplementary information for the DB Plan. That report may be obtained by writing to Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, Florida 32827, Attention: Human Resources.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

8. PENSION PLANS (continued)

Plan Description: The Authority authorizes all employees hired before October 1, 1999, other than firefighters to participate in the DB Plan. The Authority authorizes employees hired after September 30, 1999 to participate in the Single-Employer Defined Contribution Retirement Plan (DC Plan). The Authority allowed employees who were participants of the DB Plan to convert to the DC Plan during the period February 23, 2001 to June 30, 2001. The Authority credits all service from date of hire. Retirement benefits equal 3% of the average of the three years of highest annual earnings multiplied by years of credited service with a maximum of 75% of the average earnings. In the event of early retirement, there is a 3% benefit reduction for each year prior to normal retirement. Normal retirement date is the first day of the month following, or coinciding with, the earliest of a participant's sixty-fifth birthday and seven years of credited service, or twenty-five years of credited service. An employee is 20% vested after the first year of credited service and achieves 100% vesting after five years of service. Benefit provisions are established and may be amended by the Authority Board.

If a vested participant dies after becoming eligible for early retirement, but prior to actual retirement, his eligible spouse or other named beneficiary receives an amount equal to that which would have been received if the participant separated from service on the date of death, survived to the earliest possible retirement age and retired on that date with an immediate 50% contingent annuity. This benefit is payable unless otherwise elected by the participant and spouse.

Funding Policy: The actuarial valuation used for funding determines the annual contribution requirements of the Authority. The Authority does not require plan members to contribute to the DB Plan.

The Authority's contributions to the DB Plan are actuarially determined. The rates for the years ended September 30, 2011 and 2010 were 45.08% and 41.03% of estimated annual covered payroll, respectively. The Authority's estimated annual covered payroll for employees under the DB Plan was \$11.9 million and \$14.1 million for the years ended September 30, 2011 and 2010, respectively.

Annual Pension Cost and Net Pension Obligation: The Authority's annual pension cost and net pension asset related to the DB Plan at September 30, 2011 were as follows (in thousands):

Annual required contribution (ARC)	\$ 5,347
Interest on net pension obligation	(82)
Adjustment to ARC	<u>177</u>
Annual pension cost	5,442
Contributions made	<u>(5,347)</u>
Decrease in net pension asset	95
Net pension asset - October 1, 2010	<u>1,097</u>
Net pension asset - September 30, 2011	<u><u>\$ 1,002</u></u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

8. PENSION PLANS (continued)

Three-Year Trend Information (in thousands)			
Fiscal Years Ended September 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2011	\$ 5,442	98.3 %	\$ 1,002
2010	5,867	98.3	1,097
2009	5,463	98.3	1,194

Funded Status and Funding Progress: As of October 1, 2010, the most recent actuarial valuation date, the DB Plan was 78.6% funded. The actuarial accrued liability for benefits was \$100.5 million, and the actuarial value of assets was \$79.0 million resulting in an unfunded actuarial accrued liability (UAAL) of \$21.5 million. The covered payroll was \$12.4 million, and the ratio of the UAAL to the covered payroll was 173.9%.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits. The Authority currently uses the Aggregate Actuarial Cost Method to determine the annual required contribution. Since this method does not identify or separately amortize unfunded actuarial accrued liabilities, information about the funded status and funding progress is presented using the Entry Age Actuarial Cost Method and the information is intended to serve as a surrogate for the funded status and funding progress of the plan.

Actuarial Methods and Assumptions: The October 1, 2009 actuarial valuation determined the required contribution for the 2011 fiscal year. The actuarial assumptions for fiscal years 2011 and 2010 include: (a) rate of return on investments of 7.5% per year, (b) projected salary increases of 5.0%, (c) inflation adjustments of 3.5%, and (d) expense loading is the average of actual expenses over the previous two years. Five-year smoothed market method values DB Plan assets. The Aggregate Actuarial Cost Method determines the DB Plan's actuarial valuation.

Single-Employer Defined Contribution Retirement Plan

Plan Description: The Single-Employer Defined Contribution Retirement Plan (DC Plan) provides benefits upon retirement to employees of the Authority. At September 30, 2011, there were 353 active plan members. The plan provides retirement and death benefits to plan participants and beneficiaries.

General: The DC Plan is administered by a committee appointed by the Authority Board. The Authority can modify, alter or amend the DC Plan.

The DC Plan authorizes employees, other than firefighters, hired on or after October 1, 1999, to participate. Eligible employees include regular full-time employees and regular part-time employees who are normally scheduled to work 20 or more hours per week. The DC Plan allows employees to participate after three full months of service. The DC Plan has separate accounts for each employee, and investments are self-directed by the employee. The Authority contributes 6% of base wages and up to another 4% as a matching contribution. The employee contributes up to 10%. The DC Plan allows the employee's first 4% contribution to be pre-tax or after-tax. Employee contributions and earnings are 100% vested. The Authority's contributions vest at 20% per year of service, starting at one year of service. Employees hired prior to October 1, 1999, continued in the Authority's DB Plan, or converted at their option from the DB Plan to the DC Plan during the period of February 23, 2001 to June 30, 2001.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

8. PENSION PLANS (continued)

The Authority's payroll for employees covered by the DC Plan was \$14.6 million and \$14.1 million for the year ending September 30, 2011 and 2010, respectively. The Authority contributed \$1.3 million for each of the years ending September 30, 2011 and 2010. Participants contributed \$0.6 million for each of the years ending September 30, 2011 and 2010.

Multiple-Employer Pension Plans

Plan Description: All firefighters employed by the Authority participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer defined benefit public retirement plan. The FRS provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan participants and beneficiaries. Florida Statutes establish benefit provisions. The FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Florida Retirement System, Division of Retirement, Post Office Box 9000, Tallahassee, Florida 32315-9000, or by calling (877) 377-1737.

Participation in the FRS is compulsory for all full-time and part-time firefighters employed by the Authority. The FRS categorizes participants as members of a special risk class. A member receives one month credit for each month in which any salary is paid for services performed. The FRS authorizes members who meet certain requirements to purchase additional service credits to increase their retirement benefit. The FRS provides vesting of benefits after six years of creditable service (or eight years if enrolled on or after July 1, 2011). Special risk members enrolled in the FRS before July 1, 2011 meet eligibility for normal retirement after: (a) six years of special risk creditable service and attaining age fifty-five, (b) a combined total of twenty-five years of special risk creditable service and military service and attaining age fifty-two, (c) twenty-five years of special risk creditable service, or (d) thirty years of any creditable service, regardless of age. Special risk members enrolled in the FRS on or after July 1, 2011 meet eligibility for normal retirement after: (a) eight years of special risk creditable service and attaining age sixty, (b) a combined total of thirty years of special risk creditable service and military service and attaining age fifty-seven, (c) thirty years of special risk creditable service, or (d) thirty-three years of any creditable service, regardless of age. The FRS allows early retirement any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age or date. Options at retirement include benefits for life or reduced benefits with beneficiary rights.

Funding Policy: Various acts of the Florida Legislature determine the funding methods and benefits. These acts provide employers, such as the Authority, requirements to contribute at the current actuarially determined rate of covered payroll for special risk members. Effective July 1, 2011, all FRS employees, with the exception of the Deferred Retirement Option Program (DROP) participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, are required to make pretax retirement contributions of 3% of their gross salary to the plan.

The employer contribution rate for the year ended September 30, 2011 was 23.25% from October 1, 2010 to June 30, 2011 and 14.10% from July 1, 2011 to September 30, 2011. The contribution rate for the year ended September 30, 2010 was 20.92% from October 1, 2009 to June 30, 2010 and 23.25% from July 1, 2010 to September 30, 2010. The contribution rate for the year ended September 30, 2009 was 20.92%. The Authority's contributions to the FRS for each of the years ended September 30, 2011, 2010, and 2009 were approximately \$800,000, which represents the required contributions for each year.

Multi-Employer Defined Contribution Retirement Plan

Effective July, 2002, the FRS offered its members the Florida Retirement System Investment Plan (Investment Plan) as a second retirement plan option. The Investment Plan is a defined contribution plan funded by employer contributions established by law. The employers' contributions are based on salary and FRS membership class, ranging from 6% for regular to 17% for special risk. Effective July 1, 2011, all FRS employees, with the exception of DROP participants and reemployed retirees who are initially reemployed under covered employment on or after

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

8. PENSION PLANS (continued)

July 1, 2010, are required to make pretax retirement contributions of 3% of their gross salary to the plan. Employees that do not elect this plan automatically enroll in the defined benefit plan. Employees vest after one year of service. Participants of the FRS have one lifetime option of transferring the value of their plan to the Investment Plan. As of September 30, 2011 and 2010, the Authority had one participant in this plan.

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description: The Greater Orlando Aviation Authority Healthcare Plan (GOAAHP) is a single-employer healthcare plan administered by the Authority. The GOAAHP provides postemployment healthcare benefits to those participants who, in accordance with Article 4 of the Retirement Plan for Employees of the Greater Orlando Aviation Authority and Article 5 of the Greater Orlando Aviation Authority Defined Contribution Retirement Plan, retire at a participants' normal retirement date or early retirement date and who receive pension benefits immediately upon termination. CBIZ Benefits and Insurance Services issues a publicly available actuarial report that includes required supplementary information for GOAAHP. The report may be obtained by writing to Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, Florida 32827, Attention: Human Resources. As of September 30, 2011, the GOAAHP provided benefits to 255 participants.

Funding Policy and Annual Cost: The Authority establishes and amends benefit provisions and contribution obligations. The Authority provides medical, dental, and vision coverage at no cost to employees who retired prior to August 2, 1997.

For employees that retire after August 2, 1997 and employees hired prior to October 1, 2006, eligibility for retirement health care benefits will be determined by the years of credited service, and whether the employee immediately begins to receive pension benefits. Employees who do not elect to receive pension benefits immediately upon termination of employment forfeit eligibility for any health care coverage under this policy. The Authority's premium contribution for employees retiring after August 2, 1997 and for employees hired prior to October 1, 2006 is as follows:

<u>Credited Service</u>	<u>Contribution</u>
20 or more years	100%
15 but less than 20 years	75%
10 but less than 15 years	50%
Less than 10 years	0%

The premiums for employees hired on or after October 1, 2006, will be paid by the employee at 100%. Dependent coverage is available at the retiree's expense provided the retiree is eligible to receive health benefits under this policy.

The Authority is not required to fund the GOAAHP. However, on September 30, 2011, the Authority funded its OPEB obligation to a qualifying, irrevocable trust in the amount of \$26.3 million. The annual contribution of the employer, an amount actuarially determined in accordance with GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other Than Pensions*, represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current rate is 16.7% of annual covered payroll. For the years ended September 30, 2011 and 2010, the Authority's actuarially determined annual OPEB costs (expenses) were \$5.3 million and \$7.2 million, respectively.

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

The following table shows the components of the Authority's annual OPEB cost for the years ended September 30, 2011 and 2010, the annual required contribution, and changes in the Authority's net OPEB obligation to GOAAHP (in thousands):

	2011	2010
Annual required contribution	\$ 5,580	\$ 7,432
Interest on net OPEB obligation	1,428	637
Adjustment to annual required contribution	(1,684)	(884)
Annual OPEB cost	5,324	7,185
Benefit payments	(1,059)	(1,103)
Trust contributions made	(26,253)	-
(Decrease) Increase in net OPEB obligation	(21,988)	6,082
Net OPEB obligation - beginning of year	21,988	15,906
Net OPEB obligation - end of year	\$ -	\$ 21,988

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the GOAAHP, and the net OPEB obligation for the fiscal years ended September 30, 2011, 2010, and 2009 is as follows (in thousands):

Fiscal Years Ended September 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 5,324	512.9 %	\$ -
2010	7,185	15.4	21,988
2009	7,010	11.0	15,906

Funded Status and Funding Process: The funded status of the plan as of October 1, 2011, the most recent actuarial valuation date, is as follows (in thousands):

Actuarial Accrued Liability (a)	\$ 48,038
Actuarial Value of Plan Assets (b)	26,253
Unfunded Actuarial Accrued Liability (a) – (b)	\$ 21,785
Funded Ratio (b) / (a)	54.6%
Covered Payroll (c) *	\$ 31,866
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll [(a) – (b)] / (c)	68.4%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the GOAAHP and the annual contribution of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

* Covered Payroll is the 2010-2011 actual regular salaries for active employees covered under the GOAAHP.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Actuarial Methods and Assumptions: Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan participants) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Authority and the GOAAHP participants to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial Valuation Date	October 1, 2011
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar amounts
Amortization Period\ (open)	30 years
Asset Valuation Method	N/A
Investment Rate of Return	6.5%
Projected Salary Increase	N/A

Healthcare Inflation Rate:

Year	Medical Rate	Dental Rate	Vision Rate
2012	9.0%	5.0%	5.0%
2013	7.5	5.0	5.0
2014	7.0	5.0	5.0
2015	6.5	5.0	5.0
2016+	6.0	5.0	5.0

The required schedule of funding progress presented as required supplementary information immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the actuarial accrued liability for benefits.

During the fiscal year 2011, the Authority changed its interest rate of return from 4.0% to 6.5% as a result of funding the OPEB obligation to a qualifying, irrevocable trust.

10. RISK MANAGEMENT

The Authority developed risk mitigation strategies for loss prevention to address exposure to various risks. One of those risk mitigation strategies is the purchase of commercial insurance for losses related to torts and other liabilities, theft of, damage to and destruction of assets, and natural disasters. The supplemental section of the Comprehensive Annual Financial Report of the Authority discusses specific details regarding insurance coverage and deductibles.

Effective October 1, 2000, the Authority became self-insured for workers compensation and employer's liability insurance up to \$150,000 per occurrence. The Authority purchases excess coverage for workers compensation and employer's liability claims to provide stop loss coverage for claims in excess of \$150,000 per occurrence with limits that are consistent with statutory requirements. Johns Eastern Company, Inc. provides claims administration and associated reporting. The Authority records workers compensation liabilities when it is probable that a loss occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for the claims that have been incurred but not reported (IBNR). The Authority includes liabilities for unpaid claims at year-end in accrued expenses as current liabilities.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

10. RISK MANAGEMENT (continued)

The Authority has a third party actuary perform a review of claim history for all claim years which open claims are outstanding. The actuary projects the ultimate claim payment obligation (including IBNR) for each year's claim experience. The Authority recorded this estimate as a liability. No settlements exceeded excess insurance coverage in the past three years.

Changes in the Authority's workers compensation claims liability are as follows as of September 30, 2011 and 2010 (in thousands):

	<u>2011</u>	<u>2010</u>
Unpaid claims and claims adjustment expenses at beginning of year	\$ 555	\$ 555
Incurred claims and claims adjustment expenses:		
Provisions for insured events of the current fiscal year	303	227
Decrease in provision for insured events of prior years	<u>(12)</u>	<u>(120)</u>
Total incurred claims and claims adjustment expenses	<u>291</u>	<u>107</u>
Payments:		
Claims and claims adjustment expenses attributable to insured events of prior years	(116)	(32)
Claims and claims adjustment expenses attributable to insured events of current year	<u>(113)</u>	<u>(75)</u>
Total payments	<u>(229)</u>	<u>(107)</u>
Total unpaid claims and claims adjustment expenses at end of year	<u>\$ 617</u>	<u>\$ 555</u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

11. NONCURRENT LIABILITIES

A summary of noncurrent liability activity for the years ended September 30, 2011 and 2010 is as follows (in thousands):

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1997	\$ 17,880	\$ -	\$ 8,690	\$ 9,190	\$ 9,190	\$ -
Series 1998	12,910	-	2,620	10,290	2,425	7,865
Series 1999A	84,370	-	84,370	-	-	-
Series 1999B	11,760	-	11,760	-	-	-
Series 2002A	46,205	-	1,120	45,085	1,165	43,920
Series 2002B	108,500	-	485	108,015	505	107,510
Series 2003A	53,470	-	440	53,030	445	52,585
Series 2007A	141,485	-	-	141,485	-	141,485
Series 2008A	239,140	-	27,725	211,415	29,525	181,890
Series 2008C	63,238	-	6,551	56,687	6,852	49,835
Series 2009A	98,550	-	-	98,550	-	98,550
Series 2009B	11,275	-	-	11,275	-	11,275
Series 2009C	87,110	-	1,155	85,955	1,490	84,465
Series 2010A	79,705	-	-	79,705	-	79,705
Series 2010B	84,105	-	-	84,105	15,740	68,365
Series 2011A	-	6,355	-	6,355	270	6,085
Series 2011B	-	70,040	-	70,040	-	70,040
Subordinated Indebtedness						
Series 1998C Gulf Breeze	15,680	-	2,305	13,375	2,420	10,955
Series 2002A Taxable	10,265	-	3,820	6,445	4,060	2,385
Secondary Subordinated Indebtedness						
Series 1997B	90,055	-	-	90,055	-	90,055
Special Purpose Facilities Bonds						
Series 2009CFC	62,800	-	6,910	55,890	7,175	48,715
Total Revenue Bonds	1,318,503	76,395	157,951	1,236,947	81,262	1,155,685
Less unamortized discounts and (premiums)	2,074	986	(230)	3,290	-	3,290
Less unamortized deferred amounts	48,984	1,313	9,237	41,060	-	41,060
Add interest rate swap-fair value	21,557	3,945	-	25,502	-	25,502
Net Revenue Bonds	1,289,002	78,041	148,944	1,218,099	81,262	1,136,837
Notes Payable						
Line of Credit	-	1,182	-	1,182	1,182	-
Total Notes Payable	-	1,182	-	1,182	1,182	-
Other Liabilities						
Advanced rent from tenants (1)	2,528	-	194	2,334	194	2,140
Other Postemployment Benefits	21,988	5,324	27,312	-	-	-
Compensated Absences (1)	3,997	2,850	2,631	4,216	3,031	1,185
Pollution Remediation Liability (1)	4,311	172	282	4,201	1,121	3,080
Total Other Liabilities	32,824	8,346	30,419	10,751	4,346	6,405
Total Noncurrent Liabilities	\$ 1,321,826	\$ 87,569	\$ 179,363	\$ 1,230,032	\$ 86,790	\$ 1,143,242

- (1) Advance rent from tenants due within one year is included with other current advanced rents from tenants on the balance sheet; compensated absences and the pollution remediation liability due within one year is included in current accounts payable and accrued liabilities on the balance sheet.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

11. NONCURRENT LIABILITIES (continued)

	Balance October 1, 2009	Additions	Deductions	Balance September 30, 2010	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1997	\$ 26,080	\$ -	\$ 8,200	\$ 17,880	\$ 8,690	\$ 9,190
Series 1998	15,725	-	2,815	12,910	2,620	10,290
Series 1999A	184,255	-	99,885	84,370	14,845	69,525
Series 1999B	12,035	-	275	11,760	290	11,470
Series 2002A	47,285	-	1,080	46,205	1,120	45,085
Series 2002B	108,965	-	465	108,500	485	108,015
Series 2003A	53,895	-	425	53,470	440	53,030
Series 2007A	141,485	-	-	141,485	-	141,485
Series 2008A	248,070	-	8,930	239,140	27,725	211,415
Series 2008B	17,455	-	17,455	-	-	-
Series 2008C	69,500	-	6,262	63,238	6,551	56,687
Series 2009A	98,550	-	-	98,550	-	98,550
Series 2009B	11,275	-	-	11,275	-	11,275
Series 2009C	-	87,110	-	87,110	1,155	85,955
Series 2010A	-	79,705	-	79,705	-	79,705
Series 2010B	-	84,105	-	84,105	-	84,105
Subordinated Indebtedness						
Series 1998C Gulf Breeze	17,880	-	2,200	15,680	2,305	13,375
Series 2002A Taxable	13,875	-	3,610	10,265	3,820	6,445
Secondary Subordinated Indebtedness						
Series 1997B	90,055	-	-	90,055	-	90,055
Special Purpose Facilities Bonds						
Series 2009CFC	-	62,800	-	62,800	6,910	55,890
Total Revenue Bonds	1,156,385	313,720	151,602	1,318,503	76,956	1,241,547
Less unamortized discounts and (premiums)	3,780	(1,430)	276	2,074	-	2,074
Less unamortized deferred amounts	56,604	2,160	9,780	48,984	-	48,984
Add interest rate swap-fair value	15,346	6,211	-	21,557	-	21,557
Net Revenue Bonds	1,111,347	319,201	141,546	1,289,002	76,956	1,212,046
Notes Payable						
Commercial Paper	68,955	-	68,955	-	-	-
Less unamortized discounts	4	-	4	-	-	-
Total Notes Payable	68,951	-	68,951	-	-	-
Other Liabilities						
Advanced rent from tenants (1)	2,722	-	194	2,528	194	2,334
Other Postemployment Benefits	15,906	7,185	1,103	21,988	-	21,988
Compensated Absences (1)	4,431	2,504	2,938	3,997	2,874	1,123
Pollution Remediation Liability (1)	3,986	540	215	4,311	381	3,930
Total Other Liabilities	27,045	10,229	4,450	32,824	3,449	29,375
Total Noncurrent Liabilities	\$ 1,207,343	\$ 329,430	\$ 214,947	\$ 1,321,826	\$ 80,405	\$ 1,241,421

- (1) Advanced rent from tenants due within one year is included with other current advanced rents from tenants on the balance sheet; compensated absences and the pollution remediation liability due within one year is included in current accounts payable and accrued liabilities on the balance sheet.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

11. NONCURRENT LIABILITIES (continued)

A schedule of debt maturities is as follows (in thousands):

	Fiscal Year	Principal	Interest
Revenue Bonds			
	2012	\$ 81,262	\$ 53,599
	2013	82,857	51,296
	2014	119,533	45,883
	2015	72,910	42,098
	2016	76,495	38,357
	2017-2021	365,770	132,451
	2022-2026	218,385	59,078
	2027-2031	135,240	31,915
	2032-2036	47,790	14,532
	2037-2040	36,705	3,782
Total Revenue Bonds		<u>1,236,947</u>	<u>\$ 472,991</u>
Less unamortized premiums and discounts		(3,290)	
Less unamortized deferred amounts		(41,060)	
Add interest rate swap-fair value		25,502	
Net Revenue Bonds		<u>\$ 1,218,099</u>	
Notes Payable			
	2012	1,182	
Total Notes Payable		<u>\$ 1,182</u>	

A description of the bonds and notes payable is as follows:

Airport Facilities Revenue Bonds

The Authority has pledged future airport revenues, net of specified operating expenses, to repay \$1.2 billion in Airport Facilities Revenue Bonds issued from 1997 to 2011. Proceeds from the bonds provided financing for various airport capital projects and refundings for previously issued debt. The bonds are payable solely from the airport system revenues and are payable through the year 2040. The Authority has agreed to maintain rates and charges each year to provide net revenues, as defined in the applicable bond agreements, equal to at least 1.25 times the sum of the aggregate debt service on senior lien bonds each fiscal year and at least 1.00 times on all other debt. Total principal and interest remaining on the bonds as of September 30, 2011 is \$1.6 billion with annual requirements ranging from \$125.4 million in 2012 to \$10.1 million in the final year, with the highest requirements of \$156.0 million in fiscal year 2014. For the twelve month period ended September 30, 2011, principal and interest requirements were \$132.0 million and total airport net revenues pledged for the year were \$204.4 million.

Senior Lien Bonds:

\$26,080,000 Airport Facilities Revenue Bonds, Series 1997, dated November 15, 1997, of which a portion is due on October 1 of each year beginning 2009 through 2011. Interest at 5.75% due semi-annually on April 1 and October 1; unamortized discount of \$0 and \$29,000.

\$46,640,000 Airport Facilities Refunding Revenue Bonds, Series 1998, dated August 15, 1998 of which a portion is due October 1 of each year beginning 1999 through 2013; and \$4,110,000 in Term Bonds due October 1, 2017. Interest at 5.25% to 5.50% due semi-annually on April 1 and October 1; unamortized premium of \$52,000 and \$76,000.

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11. NONCURRENT LIABILITIES (continued)

\$53,070,000 Airport Facilities Revenue Bonds, Series 2002A, dated May 9, 2002, of which a portion is due October 1 of each year beginning 2003 through 2022; \$1,850,000 in Term Bonds due October 1, 2021; \$11,085,000 in Term Bonds due October 1, 2027; and \$14,235,000 in Term Bonds due October 1, 2032. Interest at 4.00% to 5.25% due semi-annually on April 1 and October 1; unamortized discount of \$908,000 and \$980,000.

\$111,445,000 Airport Facilities Revenue Bonds, Series 2002B (AMT), dated May 9, 2002, of which a portion is due October 1 of each year beginning in 2003 through 2019; \$3,045,000 in Term Bonds due October 1, 2017; \$63,430,000 in Term Bonds due October 1, 2021; and \$12,560,000 in Term Bonds due October 1, 2032. Interest at 4.25% to 5.50% due semi-annually on April 1 and October 1; unamortized discount of \$1,953,000 and \$2,155,000.

\$79,630,000 Airport Facilities Refunding Revenue Bonds, Series 2003A, dated July 3, 2003, of which a portion is due October 1 of each year beginning 2004 through 2018. Interest at 3.00% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$1,494,000 and \$1,847,000.

\$141,485,000 Airport Facilities Refunding Revenue Bonds, Series 2007A, dated August 9, 2007, of which a portion is due October 1 of each year beginning in 2012 through 2023. Interest at 4.50% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$2,140,000 and \$2,462,000.

\$248,070,000 Airport Facilities Refunding Revenue Bonds, Series 2008A, dated March 31, 2008, of which a portion is due October 1 of each year beginning in 2009 through 2018. Interest at 5.00% to 5.25% due semi-annually on April 1 and October 1; unamortized premium of \$2,023,000 and \$2,599,000.

\$75,000,000 Airport Facilities Revenue Bonds, Series 2008C, dated October 8, 2008, of which a portion is due the 1st of each month beginning November 2008 through 2013. Interest at 3.99% is also due the 1st of each month; unamortized discount of \$51,000 and \$81,000.

\$98,550,000 Airport Facilities Refunding Revenue Bonds, Series 2009A, dated June 16, 2009, of which a portion is due October 1 of each year beginning in 2015 through 2021; \$14,420,000 in Term Bonds due October 1, 2022; and \$5,000,000 in Term Bonds due October 1, 2023. Interest at 5.38% to 6.25% due semi-annually on April 1 and October 1; unamortized discount of \$258,000 and \$290,000.

\$11,275,000 Airport Facilities Refunding Revenue Bonds, Series 2009B, dated June 16, 2009, of which a portion is due October 1 of each year beginning in 2014 through 2015. Interest at 4.78% to 5.13% due semi-annually on April 1 and October 1; unamortized discount of \$104,000 and \$136,000.

\$87,110,000 Airport Facilities Revenue Bonds, Series 2009C, dated December 17, 2009 of which a portion is due October 1 of each year beginning in 2010 through 2029; \$19,095,000 in Term Bonds due October 1, 2034; and \$24,385,000 in Term Bonds due October 1, 2039. Interest at 3.00% to 5.00% due semi-annually on April 1 and October 1; unamortized discount of \$819,000 and \$865,000.

\$79,705,000 Airport Facilities Revenue Bonds, Series 2010A, dated April 15, 2010, of which a portion is due October 1 of each year beginning in 2014 through 2025; \$25,515,000 in Term Bonds due October 1, 2032; and \$27,305,000 in Term Bonds due October 1, 2039. Interest at 3.60% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$286,000 and \$302,000.

\$84,105,000 Airport Facilities Refunding Revenue Bonds, Series 2010B, dated April 15, 2010, of which a portion is due October 1 of each year beginning in 2011 through 2018. Interest at 3.00% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$2,072,000 and \$2,784,000. These bonds, along with an associated premium, refunded \$85,725,000 of the Airport Facilities Revenue Bonds, Series 1999A.

\$6,355,000 Airport Facilities Refunding Revenue Bonds, Series 2011A, dated March 17, 2011, of which a portion is due October 1 of each year beginning in 2011 through 2028. Interest at 4.65% percent due semi-annually on April 1

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11. NONCURRENT LIABILITIES (continued)

and October 1; unamortized discount of \$57,000. These bonds, along with Authority funds, refunded \$11,470,000 of the Airport Facilities Revenue Bonds, Series 1999B.

\$70,040,000 Airport Facilities Refunding Revenue Bonds, Series 2011B, dated September 20, 2011, of which a portion is due October 1 of each year beginning in 2019 through 2028. Interest at 3.25% to 5.00% percent due semi-annually on April 1 and October 1; unamortized discount of \$925,000. These bonds refunded \$69,525,000 of the outstanding Airport Facilities Revenue Bonds, Series 1999A.

Subordinated Indebtedness:

\$19,290,000 Airport Facilities Subordinated Revenue Bonds, Series 1998C, dated June 1998, principal payable December 1 of each year beginning 2008 through 2015. Interest at 4.80% to 5.05% due semi-annually on June 1 and December 1; unamortized discount of \$17,000 and \$24,000.

\$30,015,000 Airport Facilities Taxable Subordinated Refunding Revenue Bonds, Series 2002A, dated June 28, 2002, of which a portion is due October 1 of each year beginning 2003 through 2012. Interest at 5.59% to 5.64% due semi-annually on April 1 and October 1; unamortized discount of \$8,000 and \$28,000.

Secondary Subordinated Indebtedness:

\$90,055,000 Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997, (Series 1997B) dated December 1997, principal payable October 1 of each year beginning 2023 through 2027. Variable interest rate, that was 0.23% at September 30, 2011, due quarterly on January 1, April 1, July 1 and October 1; unamortized discount of \$5,609,000 and \$5,759,000. At the time these bonds were issued, the Authority purchased a bond insurance policy from MBIA Insurance Corporation in lieu of executing a liquidity facility for this variable rate debt. The insurance policy is in effect for the full life of the bonds. The rate that the Authority currently pays for the Series 1997B debt service is currently based on the Securities Industry and Financial Markets Association (SIFMA) Index, a variable rate per annum determined and reset weekly plus 9 basis points.

Special Purpose Facilities Bonds:

\$62,800,000 Special Purpose Airport Facilities Taxable Revenue Bonds, Series 2009, dated October 7, 2009, of which a portion is due October 1 of each year beginning in 2010 through 2017. Interest at 2.76% to 5.47% due semi-annually on April 1 and October 1; unamortized discount of \$638,000 and \$16,000.

Notes Payable

Commercial Paper - On October 7, 2009, the Authority issued the Series 2009 Bonds, \$25,000,000 of which refunded Commercial Paper Notes-Series C under Program A which was previously issued as an interim financing source for various capital projects. The remaining \$17,000 of Series C Commercial Paper was repaid with Authority funds. On November 5, 2009, the Letter of Credit for Program B expired and no Program B Commercial Paper Notes remained outstanding under Program B. The Agent for the Program B, CP Banks, gave notice to the Authority of the intent of CP Banks to terminate the Program A Letter of Credit on February 3, 2010. On December 17, 2009, the Authority issued the 2009C Bonds which refunded \$39,679,000 of Commercial Paper Notes-Series B under Program A. The remaining \$4,259,000 of Series B Commercial Paper was repaid by the Authority on January 13, 2010. No Commercial Paper is outstanding in the financial statements as of September 30, 2011 and 2010.

Line of Credit - In December 2009, the Authority entered into an agreement with Wachovia Bank, N.A. (now Wells Fargo) to provide the Authority with a \$100 million line of credit. The line of credit is to be used as interim financing for capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds and other permanent funding sources. The term of the line of credit is three years. As of September 30, 2011, the Authority has drawn \$1,182,000 on this line of credit.

GREATER ORLANDO AVIATION AUTHORITY
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11. NONCURRENT LIABILITIES (continued)

A schedule of projected debt service requirements for the 1997B Secondary Subordinated variable rate bonds is as follows (in thousands):

Variable Rate Bonds Projected Debt Service Requirement (in thousands)				
Calendar Year	Variable Rate Bonds		Interest Rate Swaps, Net	Total
	Principal	Interest (1)		
2012	\$ -	\$ 208	\$ 3,799	\$ 4,007
2013	-	208	3,799	4,007
2014	-	208	3,799	4,007
2015	-	208	3,799	4,007
2016	-	208	3,799	4,007
2017-2021	-	1,040	18,997	20,037
2022-2026	69,405	825	15,074	85,304
2027	20,650	48	871	21,569
	\$ 90,055	\$ 2,953	\$ 53,937	\$ 146,945

(1) Interest rates are estimated based on the rate as of September 30, 2011, which was 0.23%.

12. DERIVATIVES AND HEDGING ACTIVITIES

Objective of the swap: The Authority entered into a pay-fixed, receive-variable interest rate swap associated with the Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997B (the 1997B Gulf Breeze Swap) to reduce the impact of fluctuations in interest rates on the variable rate debt.

Fair value and classification: Because interest rates have declined, the 1997B Gulf Breeze Swap had a negative fair value as of September 30, 2011. The fair value decreased by \$3.9 million from the September 30, 2010 amount. The fair values for each period were obtained from the swap counterparty, Goldman Sachs Mitsui Marine Derivative Products, L.P. (GSMMDP). In accordance with GASB Statement No. 53, *Accounting and Reporting for Derivative Instruments*, the fair value is reflected as a liability in the revenue bonds payable, long-term section on the balance sheet with a corresponding outflow in deferrals. The fair value of the deferred outflows in connection with the swap was \$25.5 million and \$21.6 million for the years ended September 30, 2011 and 2010, respectively.

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

12. DERIVATIVES AND HEDGING ACTIVITIES (continued)

Terms and risks: The notional amount of the 1997B Gulf Breeze Swap matches the principal amount of the associated debt. The Authority's swap agreement contains scheduled reductions to outstanding notional amounts that approximate scheduled or anticipated reductions in the outstanding principal amounts from debt repayments. The terms, fair value and risks of the outstanding swap as of September 30, 2011 and September 30, 2010, were as follows (in thousands):

Associated Bond Issue	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Sept. 30, 2011 Fair Values	Swap Termination Date	Counterparty Credit Rating
1997B	\$ 90,055	Jan. 1, 2003	4.45%	SIFMA*	\$ (25,502)	Oct. 1, 2027	AAA/Aa1

Associated Bond Issue	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Sept. 30, 2010 Fair Values	Swap Termination Date	Counterparty Credit Rating
1997B	\$ 90,055	Jan. 1, 2003	4.45%	SIFMA*	\$ (21,557)	Oct. 1, 2027	AAA/Aa1

*The Securities Industry and Financial Market Association Municipal Swap Index

Credit Risk: As of September 30, 2011, the Authority was not exposed to credit risk because the pay-fixed, receive-variable 1997B Gulf Breeze Swap had a negative fair value. Should interest rates change and the fair value of the swap become positive, the Authority would be exposed to credit risk in the amount of the derivative's fair value.

Termination Risk: Goldman Sachs Mitsui Marine Derivative Products, L.P. (GSMMDP) has the right to terminate the 1997B Gulf Breeze Swap upon the occurrence of certain insolvency events with respect to MBIA Insurance Corporation ("MBIA"), the insurer of the payments due from the Authority under the 1997B Gulf Breeze Swap, or the occurrence of certain credit downgrades of MBIA. MBIA Inc. established an intermediate holding company, MuniCo Holdings, Inc., to which the stock of MBIA Insurance Corp. of Illinois, which was renamed National Public Finance Guarantee Corporation ("National"), was transferred. National is managed as a separate entity and dedicated solely to insuring U.S. public finance debt. Its insured portfolio consists primarily of MBIA Insurance Corp.'s U.S. public finance portfolio. If GSMMDP has notified GOAA that an insurance event has occurred and continuing and GOAA has not, within 30 days of receiving such notice (a) provided a Credit Support Provider acceptable to GSMMDP; (b) executed a collateral agreement with GSMMDP; or (c) provided documentation from S&P establishing a rating of "A-" or better or a rating from Moody's of "A3" or better for GOAA's long term unsecured debt, GSMMDP can elect to exercise their right to terminate the 1997B Gulf Breeze Swap. Such an early termination would result in a cash settlement, based upon market conditions at the time of termination. The 1997B Gulf Breeze Swap also contains early termination and cash settlement provisions at the election of the Authority.

Basis Risk: Under the 1997B Gulf Breeze Swap, GSMMDP has the right to convert the SIFMA Index based rate to a rate based upon percentage of London Interbank Offered Rate ("LIBOR") upon the occurrence of certain taxability events. Such a conversion could result in the Authority having to pay the difference between the LIBOR-based rate and the tax-exempt variable rate.

Market-access Risk: The 1997B Gulf Breeze Swap exposes the Authority to market-access risk for issues where access to the markets is limited or where that credit access will become more costly. Depending on the market conditions and the Authority's credit position, an interim placement may not offer the same level of economic benefit as originally intended. Market access also may become an issue if the Authority decides to terminate or

GREATER ORLANDO AVIATION AUTHORITY
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Years Ended September 30, 2011 and 2010

12. DERIVATIVES AND HEDGING ACTIVITIES (continued)

modify the existing swap, either because it is no longer economically beneficial or because the related debt should be restructured. The Authority would evaluate the potential effects of this risk when considering any event where market access becomes an issue.

13. CONDUIT DEBT OBLIGATIONS

As of September 30, 2011 and 2010, the Authority has outstanding the following series of conduit debt obligations (in thousands):

	<u>2011</u>	<u>2010</u>
Special Purpose Facilities Revenue Bonds issued to provide for the acquisition, construction and equipping of a Fixed Base Operator Facility; payable solely from and secured by a pledge of loan payments to be received from a loan agreement and from proceeds of the letter of credit provided by the borrower. The bonds are scheduled to mature June 1, 2021.	\$ 4,100	\$ 4,100
Special Purpose Facilities Revenue Bonds issued to provide for the construction of a flight training facility and the acquisition of flight training equipment; payable solely from a pledge of loan payments to be received from a loan agreement and a pledge of lease payments to be received from a lease agreement and an Unconditional Guaranty Agreement. The Bonds are scheduled to mature October 1, 2023 (\$13,100) and October 1, 2035 (\$6,900).	20,000	20,000
Special Purpose Facilities Revenue Bonds issued to provide for the acquisition, construction and equipping of a corporate training facility and an aircraft maintenance hanger facility; payable solely from a pledge of lease payments to be received from the lease agreement and secured by the Leasehold Mortgage. The Bonds are scheduled to mature November 15, 2026 (\$15,000) and November 15, 2036 (\$32,315). However, they do have an optional redemption provision with the period beginning November 15, 2011. The Authority does not have plans to execute the option redemption provision at this time.	47,315	47,315

These bonds are special limited obligations of the Authority, payable as described above. The bonds do not constitute a debt, liability or obligation of the Authority, the City of Orlando, or the State of Florida or any political subdivisions thereof and accordingly have not been reported in the accompanying financial statements.

14. DEFERRED AMOUNT ON REFUNDING OF BONDS

On September 20, 2011, the Authority issued \$70.0 million in Airport Facilities Refunding Revenue Bonds, Series 2011B (AMT) (the "Series 2011B Bonds") with a true interest rate of 4.59%. From the \$70.0 million issuance (less the \$0.1 million discount), and the \$2.4 million of Authority funds, \$71.5 million was deposited into the Bank of New York escrow account to refund the outstanding \$69.5 million of Airport Facilities Revenue Bonds, Series 1999A and pay associated interest of \$2.0 million. The remaining Series 2011B Bond proceeds of \$0.8 million were used to pay related issuance costs including underwriter's discount.

GREATER ORLANDO AVIATION AUTHORITY
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14. DEFERRED AMOUNT ON REFUNDING OF BONDS (continued)

The refunding resulted in a loss of \$1.1 million between the amount of the Series 2011B Bonds and the net carrying amount of the refunded bonds. This deferred loss is reported in the financial statements as a deduction from bonds payable and will be charged to operations over the life of the 2011B bonds using the effective-interest method. The Authority completed the advance refunding to reduce its total debt service payment over the next 17 years by approximately \$5.2 million and to obtain an economic gain (difference between the present values of the defeased and new debt service payments) of approximately \$3.1 million.

On March 17, 2011, the Authority issued \$6.4 million in Airport Facilities Refunding Revenue Bonds, Series 2011A (Non-AMT) (the "Series 2011A Bonds") with a true interest rate of 4.65%. The majority of the 2011A Bonds, in the amount of \$6.3 million, along with \$5.5 million of Authority available funds were deposited into the Bank of New York escrow account to refund \$11.5 million of outstanding Airport Facilities Revenue Bonds, Series 1999B and pay associated interest of \$0.3 million. The remaining Series 2011A Bond proceeds of \$0.1 million were used to pay related issuance costs.

The refunding resulted in a loss of \$0.2 million between the amount of the Series 2011A Bonds and the net carrying amount of the refunded bonds. This deferred loss is reported in the financial statements as a deduction from bonds payable and will be charged to operations over the life of the 2011A bonds using the effective-interest method. The Authority completed the advance refunding to reduce its total debt service payment over the next 17 years by approximately \$9.2 million and to obtain an economic gain (difference between the present values of the defeased and new debt service payments) of approximately \$6.0 million.

On April 15, 2010, the Authority issued \$84.1 million in Airport Facilities Refunding Revenue Bonds, Series 2010B (AMT) (the "Series 2010B Bonds") with a true interest rate of 3.51%. The Series 2010B Bonds were issued for the purpose of providing funds to refund \$85.7 million of the Airport Facilities Revenue Bonds, Series 1999A (the "Series 1999A Bonds") and pay associated interest and certain costs of issuance of the Series 2010B Bonds. From the \$84.1 million issuance and \$4.0 million premium, \$87.2 million was deposited to the Refunding Escrow Account and \$0.9 million of the proceeds were used to pay cost of issuance including underwriter's discount.

The partial refunding of the Series 1999A Bonds resulted in a loss of \$2.2 million between the amount of the Series 2010B Bonds and the net carrying amount of the refunded bonds. This deferred loss is reported in the accompanying financial statements as a deduction from bonds payable and will be charged to operations over the life of the Series 2010B bonds using the effective-interest method. The Authority completed the advance refunding to reduce its total debt service payment over the next 8 years by approximately \$4.5 million and to obtain an economic gain (difference between the present values of the defeased and new debt service payments) of approximately \$3.8 million.

15. BOND ISSUANCE (OTHER THAN REFUNDING ISSUES)

On April 15, 2010 the Authority issued \$79.7 million in Airport Facilities Revenue Bonds, Series 2010A (Non-AMT) (the "Series 2010A Bonds") with a true interest rate of 4.81%. The Series 2010A Bonds were issued for the purpose of providing funds, along with other available Authority funds of \$7.7 million, to finance costs of the 2010 Projects, consisting of Baggage System Improvements, Vertical Circulation and Central Plant Improvements, which are partially PFC Projects; make a deposit to the Composite Reserve Subaccount in an amount sufficient to cause the balance to equal the Composite Reserve Requirement, pay capitalized interest on the 2010A Bonds, and to pay certain costs of issuance of the Series 2010A Bonds.

On December 17, 2009 the Authority issued \$87.1 million in Airport Facilities Revenue Bonds, Series 2009C (the "Series 2009C Bonds") with a true interest rate of 4.95%. The Series 2009C Bonds were issued for the purpose of providing funds to pay costs and expenses related to improvements to Airside 1 and 3 (the "2009 PFC Project"), make a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account in an amount required to bring the balance equal to the Composite Reserve Requirement, repay the PFC Fund and a portion of the Authority's commercial paper debt that was used to provide interim financing for certain costs of the 2009 PFC Project, and to pay certain costs of issuance of the Series 2009C Bonds.

GREATER ORLANDO AVIATION AUTHORITY
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15. BOND ISSUANCE (OTHER THAN REFUNDING ISSUES) (continued)

On October 7, 2009 the Authority issued \$62.8 million in Special Purpose Facilities Taxable Revenue Bonds, Series 2009 (the "Series 2009 Bonds") with a true interest rate of 4.65%. The Series 2009 Bonds were issued for the purpose of providing funds, along with other available Authority funds of \$5.0 million, to pay costs and expenses associated with the design, construction and relocation of automobile rental facilities at the Orlando International Airport, fund the Debt Service Reserve Fund and Coverage Fund requirements, refund the Authority's taxable commercial paper debt used to provide interim financing and to pay certain costs of issuance of the Series 2009 Bonds. The Series 2009 Bonds are payable solely from and secured by a pledge of Pledged Revenues derived by the Authority from Customer Facility Charges or "CFCs".

16. CAPITAL CONTRIBUTIONS

Grants and other contributions used to acquire capital assets are classified as capital contributions in the Statements of Revenues, Expenses, and Changes in Net Assets. Capital contributions consisted of the following at September 30, 2011 and 2010 (in thousands):

	2011	2010
Federal Grants	\$ 12,466	\$ 32,634
State of Florida Grants/Other Grants	4,043	7,925
Total Capital Contributions	<u>\$ 16,509</u>	<u>\$ 40,559</u>

17. AIRLINE-AIRPORT LEASE AND USE AGREEMENT

On October 1, 2008, the Authority entered into Airline-Airport Lease and Use Agreements (ALUA) with certain airlines serving the Airport (the Signatory Airlines) which expire on September 30, 2013. The ALUA sets forth the terms and conditions governing use of the Airfield and Apron areas of the Airport and the use and occupancy of space in the Landside Terminal and Airside Buildings. The ALUA provides for a compensatory rate-making methodology for use of the terminal facilities, a cost center residual rate-making methodology to establish landing fees for the use of the airfield, revenue sharing between the Authority and Signatory Airlines, and an Extraordinary Coverage Protection provision.

The ALUA establishes the procedure for reviewing the fees and charges at least annually so that for each fiscal year, revenues less operation and maintenance expenses, amounts required to be deposited into the Operation and Maintenance Reserve Account, the Capital Expenditures Account, and the Renewal and Replacement Account established under the Bond Resolution shall be equal to or greater than 1.25 times the aggregate principal and interest (other than capitalized interest) to become due and payable in such fiscal year on the then outstanding bonds. In the event the annual analysis of revenue is less than the requirement, the Authority can recover additional rates and charges, pursuant to an Extraordinary Coverage Protection provision from each Signatory Airline to cover any shortfall of the Authority's Rate Covenant. The Signatory Airlines also approved an increased scope of capital expenditures not subject to Majority-In-Interest approval.

The ALUA provides for the sharing of net revenues after the payment of debt service and other fund deposit requirements with the Signatory Airlines. For fiscal years 2009 and 2010, the net remaining revenues are divided between the Authority and the Signatory Airlines using an allocation percentage of 70% and 30%, respectively. The net remaining revenues will be divided between the Authority and the Signatory Airlines using an allocation percentage of 75% and 25%, respectively, for fiscal years 2011 through 2013. The net remaining revenues are deposited into the Discretionary Account and a liability is established for the Signatory Airline share. Checks are issued to the Signatory Airlines in the subsequent fiscal year. For the year ended September 30, 2011 Signatory Airline net revenue sharing totaled approximately \$16.4 million as it relates to the ALUA.

For year ended September 30, 2011, no Signatory Airline's revenues under the ALUA represented more than 5% of operating revenues.

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18. OUTSTANDING CONTRACTS

As of September 30, 2011, the Authority had entered into construction contracts totaling approximately \$464.3 million for construction, engineering services and equipment, approximately \$62.4 million of which remains unincurred. Grants will be utilized to fund a portion of these projects.

19. COMMITMENTS AND CONTINGENCIES

Grants: The Authority receives grants from federal and state assistance programs. Amounts received or receivable under these programs are subject to audit and adjustment. The amount, if any, of disallowed claims, including amounts already collected, cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

City of Orlando: The Operation and Use Agreement with the City of Orlando (Note 2) provided for certain future payments by the Authority to the City of Orlando in the amount of \$2.0 million in total plus 6% interest. The Agreement provides that all principal payments will be deferred and interest payments will be abated during the full term of airport revenue bonds issued for the construction of major new terminal facilities, runways or appurtenances at Orlando International Airport. It is improbable that this liability and related interest will be paid since the term of the revenue bonds issued for such items and the outstanding revenue bonds balance will extend beyond the terms of the Agreement. As of September 30, 2011, this contingent liability of the Authority amounted to approximately \$1.7 million.

Rental Car Agencies: The Authority has agreed to reimburse several car rental agencies for the unamortized residual value of their leasehold improvements at Orlando International Airport, if their leases are terminated by the Authority prior to their expiration dates. As of September 30, 2011, this contingent liability of the Authority amounted to approximately \$3.0 million.

Wetland Mitigation: Pursuant to environmental permits issued by the U. S. Army Corps of Engineers, the FDEP and the South Florida Water Management District (collectively, the Environmental Agencies), the Authority has been required to provide mitigation for impacts which Authority projects had on existing wetlands. Wetland mitigation includes the preservation of both upland and wetland land in their natural state, the enhancement of existing wetlands, and the creation of new wetland areas. Wetland mitigation may also include funding the acquisition of environmentally sensitive lands by third parties.

The Authority has completed the wetland mitigation activities for mitigation enhancements projects at the site of the Disney Wilderness Preserve. The mitigation was for wetland impacts to areas associated with the future South Terminal and Fourth Runway and related development areas. The mandated agency success criteria has been achieved and long term maintenance endowments have been fully funded. In 2011, the Authority completed the purchase of approximately \$11.5 million in mitigation credits from approved mitigation banks to offset proposed impacts to the East Airfield development area. Unlike the migration projects discussed previously, such purchases satisfy permit requirements and do not require ongoing endowments. The mitigation banks assume the full responsibility to complete the off-site mitigation improvements.

Construction Disputes: The Authority is not aware of any current dispute arising from the construction of improvements in which the contractors involved may seek additional compensation.

20. ENVIRONMENTAL LIABILITIES

The Authority has certain polluted sites primarily from chemical and fuel spills, asbestos, and former landfills whereas the Authority is named or will be named a responsible or potentially responsible party or where pollution remediation has already commenced with monitoring being completed as necessary. The Authority recorded a pollution remediation liability as of October 1, 2008, measured at \$4.1 million, using the expected cash flow technique. Under this technique, the Authority estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of

GREATER ORLANDO AVIATION AUTHORITY
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20. ENVIRONMENTAL LIABILITIES (continued)

goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The possibility of recovery of some of these costs from outside governmental funding or other parties exists; however, the Authority only recognizes these recoveries in the financial statements as they become probable. A summary of the changes in liability for the year ended September 30, 2011 and 2010, is as follows (in thousands):

	Balance October 1, 2010	Additions or Adjustments	Payments Current Year	Balance September 30, 2011
Pollution remediation liability	\$ 4,311	\$ 172	\$ (282)	\$ 4,201
Unrealized recoveries	-	-	-	-
Net Pollution Remediation Liability	<u>\$ 4,311</u>	<u>\$ 172</u>	<u>\$ (282)</u>	<u>\$ 4,201</u>
Reported as follows (shown in Current Accrued Liabilities and Other Long-Term Liabilities):				
Due within one year	\$ 381	\$ 1,022	\$ (282)	\$ 1,121
Due after one year	3,930	(850)	-	3,080
Net Pollution Remediation Liability	<u>\$ 4,311</u>	<u>\$ 172</u>	<u>\$ (282)</u>	<u>\$ 4,201</u>
Realized Recoveries (shown in Cash and Cash Equivalents)	<u>\$ 1,418</u>	<u>\$ -</u>	<u>\$ (89)</u>	<u>\$ 1,329</u>
	Balance October 1, 2009	Additions or Adjustments	Payments Current Year	Balance September 30, 2010
Pollution remediation liability	\$ 3,986	\$ 540	\$ (215)	\$ 4,311
Unrealized recoveries	-	-	-	-
Net Pollution Remediation Liability	<u>\$ 3,986</u>	<u>\$ 540</u>	<u>\$ (215)</u>	<u>\$ 4,311</u>
Reported as follows (shown in Current Accrued Liabilities and Other Long-Term Liabilities):				
Due within one year	\$ 171	\$ 425	\$ (215)	\$ 381
Due after one year	3,815	115	-	3,930
Net Pollution Remediation Liability	<u>\$ 3,986</u>	<u>\$ 540</u>	<u>\$ (215)</u>	<u>\$ 4,311</u>
Realized Recoveries (shown in Cash and Cash Equivalents)	<u>\$ 1,472</u>	<u>\$ -</u>	<u>\$ (54)</u>	<u>\$ 1,418</u>

The Authority has certain land sites that are being evaluated for potential remediation, in accordance with GASB 49, or are in the post-remediation stage with monitoring being completed as necessary at Orlando International Airport. In addition, the Authority has a polluted site from chemical and fuel spills, whereas the Authority is involved in litigation at Orlando International Airport. The liabilities associated with these sites are not reasonably estimable and, as such are not recorded in the financial statements.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2011 and 2010

21. SUBSEQUENT EVENTS

Bond Issuance: On October 12, 2011, the Authority issued \$40.4 million Airport Facilities Refunding Revenue Bonds, Series 2011C (the “Series 2011C Bonds”) and \$67.9 million Airport Facilities Refunding Revenue Bonds, Series 2011D (the “Series 2011D” Bonds). The Series 2011C Bonds, together with other available funds of the Authority, were issued for the purpose of providing funds to advance refund and redeem \$42.7 million Airport Facilities Refunding Revenue Bonds, Series 2002A and pay certain costs of issuance. The average life of the Series 2011C Bonds is 12.77 years and the True Interest Cost is 3.96%. The Series 2011D Bonds, together with other available funds of the Authority, were issued for the purpose of providing funds to advance refund and redeem \$66.3 million Airport Facilities Refunding Revenue Bonds, Series 2002B and pay certain costs of issuance. The average life of the Series 2011D Bonds is 8.28 years and the True Interest Cost is 3.68%.

GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER PENSION PLAN
(in thousands)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date October 1,	Actuarial Value of Assets* (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2010	\$ 78,994	\$ 100,508	\$ 21,514	78.6 %	\$ 12,371	173.9 %
2009	73,796	96,263	22,467	76.7	12,761	176.1
2008	69,166	93,103	23,937	74.3	15,205	157.4

*The actuarial value of assets was set equal to market value for the October 1, 2009 actuarial valuation.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Years Ended September 30,	Employer Contributions	
	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2011	\$ 5,347	100.0 %
2010	5,770	100.0
2009	5,368	100.0

GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER POSTEMPLOYMENT BENEFIT PLAN
(in thousands)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date October 1,	Actuarial Value of Assets* (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2011 *	\$ 26,253	\$ 48,038	\$ 21,785	54.6 %	\$ 31,866	68.4 %
2010	-	80,719	80,719	-	32,526	248.2
2009	-	70,869	70,869	-	33,755	210.0

*During the year ended September 30, 2011 the assumption for the investment rate of return was changed from 4.0% for prior years to 6.5% for the current year.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Years Ended September 30,	Employer Contributions	
	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2011	\$ 5,580	489.5 %
2010	7,432	14.8
2009	7,000	11.1

APPENDIX E

FORM OF CO-BOND COUNSEL OPINION

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APPENDIX E

FORM OF CO-BOND COUNSEL OPINION

Upon delivery of the Series 2012A Bonds in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Ruye H. Hawkins, P.A., Orlando, Florida, Co-Bond Counsel, propose to render their opinions with respect to such Series 2012A Bonds in substantially the following form:

[Date of Delivery]

Greater Orlando Aviation Authority
Orlando, Florida

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$37,065,000 Greater Orlando Aviation Authority Airport Facilities Refunding Revenue Bonds, Series 2012A (AMT) of the City of Orlando, Florida (the "Series 2012A Bonds").

The Series 2012A Bonds are issued under and pursuant to the Greater Orlando Aviation Authority Act, Chapter 98-492, Laws of Florida, as amended (the "Act") and the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of the City of Orlando, Florida adopted by the Greater Orlando Aviation Authority (the "Authority") on June 13, 1978, as codified on September 17, 2008, and as amended and supplemented, in particular as supplemented by a resolution of the Authority regarding the Series 2012A Bonds, adopted on March 21, 2012 (collectively, the "Bond Resolution").

The Series 2012A Bonds are dated and shall bear interest from the date hereof, except as otherwise provided in the Bond Resolution. The Series 2012A Bonds will mature on the dates and in the principal amounts, and will bear interest at the respective rates per annum, as provided in the Bond Resolution. Interest on the Series 2012A Bonds shall be payable on October 1 and April 1 of each year, commencing on October 1, 2012. The Series 2012A Bonds are subject to redemption prior to maturity in accordance with the terms of the Bond Resolution.

The Series 2012A Bonds are being issued for the principal purposes of providing funds sufficient, together with other available funds of the Authority, to (i) currently refund a portion of the outstanding Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2002B (AMT) of the City of Orlando, Florida (the "Refunded Bonds"), and (ii) pay certain costs of issuance of the Series 2012A Bonds.

Certain proceeds of the Series 2012A Bonds, together with other legally available moneys of the Authority, shall be deposited into an escrow deposit trust fund (the "Escrow Fund") established for the Refunded Bonds pursuant to an Escrow Deposit Agreement, dated as of the date hereof (the "Escrow Deposit Agreement"), between the Authority and The Bank of New York Mellon Trust Company, N.A., and, except for a cash deposit, invested in direct obligations of the United States of America (the "Escrow Securities"), such that the principal of and interest on said obligations, together with any cash on deposit in the Escrow Fund, shall be sufficient to pay the principal of and interest on the Refunded Bonds, as the same become due or are redeemed prior to maturity.

As to questions of fact material to our opinion, we have relied upon the representations of the Authority contained in the Bond Resolution, the Escrow Deposit Agreement and in the certified proceedings relating thereto and to the issuance of the Series 2012A Bonds and other certifications of public officials furnished to us in connection therewith without undertaking to verify the same by independent investigation. We have also relied upon the opinion of Broad and Cassel as to the due creation and valid existence of the Authority and the opinion of the Office of Legal Affairs of the City of Orlando, Florida (the "City") as to the due adoption by the City of its approving resolution.

Based on the foregoing, we are of the opinion that:

1. The Authority is a duly created and validly existing agency of the City under the provisions of the Act.

2. The Authority has the right and power under the Act and the Constitution and Laws of the State of Florida to adopt the Bond Resolution, and the Bond Resolution has been duly and lawfully adopted by the Authority and approved by the City, is in full force and effect in accordance with its terms and is valid and binding upon the Authority and enforceable in accordance with its terms, and no other authorization for the Bond Resolution is required. The Bond Resolution creates the valid pledge which it purports to create of the Revenues (as such term is defined in the Bond Resolution) and certain other funds and moneys described in Section 401 of the Bond Resolution (collectively, the "Pledged Funds"), subject to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution.

3. The Authority is duly authorized and entitled to issue the Series 2012A Bonds, and the Series 2012A Bonds have been duly and validly authorized and issued by the Authority in accordance with the Act and the Constitution and Laws of the State of Florida and the Bond Resolution. The Series 2012A Bonds constitute valid and binding obligations of the Authority as provided in the Bond Resolution, are enforceable in accordance with their terms and the terms of the Bond Resolution and are entitled to the benefits of the Bond Resolution and the laws pursuant to which they are issued. The Series 2012A Bonds are issued on parity with certain other obligations of the Authority pursuant to the terms of the Bond Resolution. The Series 2012A Bonds do not constitute a general indebtedness of the Authority, the City, the State of Florida or any agency, department or political subdivision thereof, or a pledge of the faith and credit of such entities, but are payable solely from the Pledged Funds in the manner and to the extent provided in the Bond Resolution. The Authority has no taxing power. The Series 2012A Bonds are not secured by a lien on the Airport System (as defined in the Bond Resolution), or any other real or tangible property.

4. Under existing statutes, regulations, rulings and court decisions, (i) the interest on the Series 2012A Bonds is excluded from gross income for federal income tax purposes, except for any period during which a Series 2012A Bond is held by a "substantial user" of the facilities refinanced with proceeds of the Series 2012A Bonds or a "related person" within the meaning of Section 147(a) of the Code, and (ii) interest on the Series 2012A Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. The opinions set forth above are subject to the condition that the Authority comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2012A Bonds in order that interest thereon be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Series 2012A Bonds to be so included in gross income retroactive to the date of issuance of the Series 2012A Bonds. The Authority has covenanted to comply with all such requirements. Ownership of the Series 2012A Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Series 2012A Bonds.

In rendering the opinions set forth above, we are relying upon (a) the arithmetical accuracy of certain computations included in schedules provided by Merrill Lynch, Pierce, Fenner & Smith Incorporated relating to the computations of projected receipts of the Escrow Securities and any other amounts deposited in the Escrow Fund, and of the adequacy of such projected receipts and other sums to pay the principal of and interest on the Refunded Bonds, and (b) the verifications of the arithmetical accuracy of such computations by Causey Demgen & Moore, Inc.

It should be noted that (1) except as may expressly be set forth in an opinion delivered by us to the underwriters (on which opinion only it may rely) for the Series

2012A Bonds on the date hereof, we have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Series 2012A Bonds and we express no opinion relating thereto, and (2) we have not been engaged or undertaken to review the compliance with any federal or state law with regard to the sale or distribution of the Series 2012A Bonds and we express no opinion relating thereto.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that the enforceability of the Bond Resolution and the Series 2012A Bonds may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the form of the Series 2012A Bonds and, in our opinion, the form of the Series 2012A Bonds is regular and proper.

Respectfully submitted,

APPENDIX F

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

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DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of _____, 2012, is executed and delivered by the Greater Orlando Aviation Authority (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB, through EMMA.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice,

Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Representative” means Chief Financial Officer of the Authority or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

“EMMA” means the MSRB’s Electronic Municipal Market Access system authorized by the SEC in accordance with the Rule. Further information regarding EMMA can be retrieved by visiting the web site “<http://emma.msrb.org/>”.

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that Official Statement prepared by the Issuer in connection with the Bonds, as listed on Appendix A.

“Trustee” means the institution, if any, identified as such in the document under which the Bonds were issued.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB, through EMMA, not later than 210 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending September 30, 2012. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB, through EMMA, in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern Time on an Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB, through EMMA, in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, for filing with the MSRB, through EMMA.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB, through EMMA;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB, through EMMA;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, through EMMA, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

- 1. “Principal and interest payment delinquencies;”
- 2. “Non-Payment related defaults, if material;”
- 3. “Unscheduled draws on debt service reserves reflecting financial difficulties;”
- 4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”
- 5. “Substitution of credit or liquidity providers, or their failure to perform;”
- 6. “Adverse tax opinions, IRS notices or events affecting the tax status of the security;”
- 7. “Modifications to rights of securities holders, if material;”
- 8. “Bond calls, if material;”

9. “Defeasances;”
 10. “Release, substitution, or sale of property securing repayment of the securities, if material;”
 11. “Rating changes;”
 12. “Tender offers;”
 13. “Bankruptcy, insolvency, receivership or similar event of the obligated person;”
 14. “Merger, consolidation, or acquisition of the obligated person, if material;” and
 15. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, through EMMA, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, through EMMA, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:
1. “amendment to continuing disclosure undertaking;”
 2. “change in obligated person;”
 3. “notice to investors pursuant to bond documents;”
 4. “certain communications from the Internal Revenue Service;”
 5. “secondary market purchases;”
 6. “bid for auction rate or other securities;”
 7. “capital or other financing plan;”
 8. “litigation/enforcement action;”
 9. “change of tender agent, remarketing agent, or other on-going party;”
 10. “derivative or other similar transaction;” and

11. “other event-based disclosures;”
- (vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, through EMMA, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:
 1. “quarterly/monthly financial information;”
 2. “change in fiscal year/timing of annual disclosure;”
 3. “change in accounting standard;”
 4. “interim/additional financial information/operating data;”
 5. “budget;”
 6. “investment/debt/financial policy;”
 7. “information provided to rating agency, credit/liquidity provider or other third party;”
 8. “consultant reports;” and
 9. “other financial/operating data.”
- (viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB, through EMMA no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement under the headings: [“AUTHORITY FINANCIAL INFORMATION” and “THE GREATER ORLANDO

AVIATION AUTHORITY AIRPORT SYSTEM,” consisting of information provided in the tables titled, “Historical Debt Service Coverage Per Bond Resolution,” “Statement of Revenues and Expenses,” “Historical Enplaned Passengers,” “Airlines Serving Orlando International Airport,” “Historical Airline Market Shares,” “International Enplaned Passengers” and “Passenger Facility Charges.”]

(b) The Authority's Comprehensive Audited Financial Statements prepared in accordance with generally accepted accounting standards as described in the Official Statement will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with generally accepted accounting standards as described in the Official Statement will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an “obligated person” (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;

9. Defeasances of the Bonds;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure

Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB, through EMMA in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB, through EMMA from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB,

through EMMA in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB, through EMMA from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB, through EMMA in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent

under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this

Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: _____
Name: Diana O'Brien
Title: Vice President

GREATER ORLANDO AVIATION AUTHORITY
as Issuer

By: _____
Name: Cesar E. Calvet
Title: Chairman

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer Greater Orlando Aviation Authority
Obligated Person(s) Greater Orlando Aviation Authority
Name of Bond Issue:

\$ _____
**Airport Facilities Refunding Revenue Bonds,
Series 2012A (AMT)
of the City of Orlando, Florida**

Date of Issuance: _____, 2012
Date of Official Statement: _____, 2012

CUSIP Number:

CUSIP Number:

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer: **Greater Orlando Aviation Authority**
Obligated Person: **Greater Orlando Aviation Authority**
Name(s) of Bond Issue(s):

\$ _____
**Airport Facilities Refunding Revenue Bonds,
Series 2012A (AMT)
of the City of Orlando, Florida**

Date(s) of Issuance: _____, 2012

Date(s) of Disclosure Agreement: _____, 2012

CUSIP Number(s): _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent.

Dated: _____

Digital Assurance Certification, L.L.C., as
Disclosure Dissemination Agent, on behalf of the
Issuer

cc:

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, through EMMA pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

Greater Orlando Aviation Authority

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies;"
2. _____ "Non-Payment related defaults, if material;"
3. _____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. _____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. _____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;"
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Tender offers;"
13. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. _____ "Merger, consolidation, or acquisition of the obligated person, if material;" and
15. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, through EMMA pursuant to the Disclosure Dissemination Agent Agreement dated as of _____, 2012 between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

Greater Orlando Aviation Authority

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

1. _____ "amendment to continuing disclosure undertaking;"
2. _____ "change in obligated person;"
3. _____ "notice to investors pursuant to bond documents;"
4. _____ "certain communications from the Internal Revenue Service;"
5. _____ "secondary market purchases;"
6. _____ "bid for auction rate or other securities;"
7. _____ "capital or other financing plan;"
8. _____ "litigation/enforcement action;"
9. _____ "change of tender agent, remarketing agent, or other on-going party;"
10. _____ "derivative or other similar transaction;" and
11. _____ "other event-based disclosures."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, through EMMA pursuant to the Disclosure Dissemination Agent Agreement dated as of _____, 2012 between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

Greater Orlando Aviation Authority

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Financial Disclosure (Check One):

1. _____ "quarterly/monthly financial information;"
2. _____ "change in fiscal year/timing of annual disclosure;"
3. _____ "change in accounting standard;"
4. _____ "interim/additional financial information/operating data;"
5. _____ "budget;"
6. _____ "investment/debt/financial policy;"
7. _____ "information provided to rating agency, credit/liquidity provider or other third party;"
8. _____ "consultant reports;" and
9. _____ "other financial/operating data."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

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