

In the opinion of Co-Bond Counsel, (i) interest on the Series 2009 Bonds is not excluded from gross income for federal income tax purposes, and (ii) the Series 2009 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein. See "TAX MATTERS" herein.

**\$62,800,000**

**GREATER ORLANDO AVIATION AUTHORITY
Special Purpose Facilities Taxable Revenue Bonds
(Rental Car Facility Project), Series 2009
of the City of Orlando, Florida**

Dated: Date of Delivery**Due: October 1, as shown on inside cover**

The \$62,800,000 Greater Orlando Aviation Authority Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 of the City of Orlando, Florida (the "Series 2009 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 (as defined herein), and other applicable provisions of law, and 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 "Trust Indenture"), a resolution of the Authority adopted on August 19, 2009 and a resolution of the City adopted on August 24, 2009. See "FORM OF THE TRUST INDENTURE" attached hereto as APPENDIX A.

The Series 2009 Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority, to: (a) pay costs and expenses of designing, constructing, and relocating automobile rental facilities at the Orlando International Airport including quick turnaround facilities as further described herein (the "2009 Project"), (b) fund all of the Debt Service Reserve Fund Requirement and Coverage Fund Requirement for the Series 2009 Bonds, (c) refund all or a portion of the Authority's taxable commercial paper debt used to provide interim financing for certain costs of the 2009 Project, and (d) pay certain costs of issuance of the Series 2009 Bonds. See "EXISTING FACILITIES AND THE 2009 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2009 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 2009 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 2009 Bonds will accrue from their dated date and will be payable on April 1 and October 1 of each year commencing on April 1, 2010. Purchasers of beneficial interests in the Series 2009 Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2009 Bonds will be effected through the DTC book-entry system as described herein. The Series 2009 Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. Principal and interest with respect to the Series 2009 Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., as paying agent in Jacksonville, Florida for the Series 2009 Bonds to Cede & Co., as nominee of DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Series 2009 Bonds are not subject to redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2009 BONDS" herein.

The Series 2009 Bonds are limited obligations of the Authority, payable solely from and secured by a pledge of the Pledged Revenues (as defined herein) derived by the Authority from Customer Facility Charges (as defined herein) and other funds as described herein. The Customer Facility Charges were authorized by a resolution of the Authority adopted on August 20, 2008, as amended and restated on August 19, 2009. See "CUSTOMER FACILITY CHARGES AND RENTAL CAR OPERATIONS" herein. The pledge and lien of the Series 2009 Bonds upon the Pledged Revenues is on a parity as to payment with any Additional Bonds (as each is defined herein) hereafter issued under the Trust Indenture. See "SECURITY FOR THE SERIES 2009 BONDS" herein.

THE SERIES 2009 BONDS SHALL BE LIMITED OBLIGATIONS OF THE AUTHORITY. THE SERIES 2009 BONDS AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE OR CREATE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE STATE, THE CITY OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE CITY OR ANY SUCH POLITICAL SUBDIVISION OR AGENCY. THE AUTHORITY HAS NO TAXING POWER. THE SERIES 2009 BONDS AND THE INTEREST THEREON ARE PAYABLE SOLELY FROM AND SECURED BY THE TRUST ESTATE, ALL AS DESCRIBED IN AND SUBJECT TO LIMITATIONS SET FORTH IN THE TRUST INDENTURE AND ARE NOT PAYABLE FROM OR SECURED BY ANY REVENUES UNDER AND AS DEFINED IN THE AIRPORT FACILITIES BOND RESOLUTION (AS DEFINED HEREIN).

This cover page contains certain information for quick reference only. It is not a summary of the Series 2009 Bonds. Investors should read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2009 Bonds are offered when, as and if issued, and subject to the approval of legality by Greenberg Traurig, P.A., Orlando, Florida and Marchena and Graham, P.A., Orlando, Florida as Co-Bond Counsel. Certain legal matters will be passed on for the Authority by Broad and Cassel, Issuer's Counsel to the Authority. Nabors, Giblin & Nickerson, P.A., Tampa, Florida and Ruye H. Hawkins, P.A., Orlando, Florida, have served as Co-Disclosure Counsel. Certain legal matters in connection with the Series 2009 Bonds will be passed upon for the Underwriters by Robert P. Saltzman, P.A., Orlando, Florida, counsel to the Underwriters. Morgan Keegan and 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 2009 Bonds in definitive form will be available for delivery through DTC on or about October 7, 2009.

DAC BondSM**RAYMOND JAMES[®]**

**Merrill Lynch & Co.
Citi**

**J.P. Morgan
Jefferies & Company**

**Morgan Stanley
Loop Capital Markets, LLC**

\$62,800,000
GREATER ORLANDO AVIATION AUTHORITY
Special Purpose Facilities Taxable Revenue Bonds,
(Rental Car Facility Project), Series 2009
of the City of Orlando, Florida

Maturities, Principal Amounts, Interest Rates, Prices and Initial CUSIP Numbers

<u>Maturity</u> <u>October 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Initial CUSIP</u> <u>Number¹</u>
2010	\$6,910,000	2.14%	100%	392273AE8
2011	7,175,000	2.76	100	392273AF5
2012	7,370,000	3.26	100	392273AG3
2013	7,615,000	3.66	100	392273AH1
2014	7,890,000	4.16	100	392273AJ7
2015	8,220,000	4.51	100	392273AK4
2016	8,590,000	5.12	100	392273AL2
2017	9,030,000	5.47	100	392273AM0

¹ CUSIP Numbers are included solely for the convenience of the reader of this Official Statement. The Authority takes no responsibility for the accuracy or use of the CUSIP numbers in this Official Statement.

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Orlando, Florida 32827-4399
(407) 825-2001

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Jacqueline Bradley, Vice-Chairperson
Cesar Calvet, Treasurer
The Honorable Buddy Dyer, Mayor, City of Orlando
The Honorable Richard T. Crotty, Mayor, Orange County
Joseph L. Colon, Member
James Palmer, Member

City Council Commissioners

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

Authority Management

G. Steve Gardner, Executive Director
Phillip N. Brown, Deputy Executive Director-Administration
Robert L. Gilbert, Deputy Executive Director-Facilities
C. Christian Schmidt, Deputy Executive Director-Airport Operations
Dayci S. Burnette-Snyder, Assistant Secretary and Manager of Board Services
Jacki M. Churchill, Chief Financial Officer

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Winter Park, Florida

Airport Consultant

JACOBS CONSULTANCY
Burlingame, California

Independent Auditors

ERNST & YOUNG LLP
Orlando, Florida

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 2009 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 2009 BONDS AND THERE SHALL BE NO SALE OF THE SERIES 2009 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 CONTAINS CERTAIN PROJECTIONS AND ESTIMATES, AS WELL AS ASSUMPTIONS MADE BY AND INFORMATION CURRENTLY AVAILABLE TO THE AUTHORITY. WHEN USED IN THIS OFFICIAL STATEMENT, THE WORDS "ANTICIPATE," "ESTIMATE," "EXPECT" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY PROJECTIONS AND ESTIMATES. SUCH STATEMENTS ARE SUBJECT TO CERTAIN RISKS, UNCERTAINTIES AND ASSUMPTIONS. SHOULD ONE OR MORE OF THESE RISKS OR UNCERTAINTIES MATERIALIZE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INCORRECT, ACTUAL RESULTS MAY VARY MATERIALLY FROM THOSE ANTICIPATED, ESTIMATED OR EXPECTED.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT WITH THE PURCHASERS OF THE SERIES 2009 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 2009 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 2009 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2009 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 2009 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 2009 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE TRUST INDENTURE 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 2009 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2009 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 2009 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

\$62,800,000

**GREATER ORLANDO AVIATION AUTHORITY
Special Purpose Facilities Taxable Revenue Bonds
(Rental Car Facility Project), Series 2009
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 \$62,800,000 Greater Orlando Aviation Authority Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 of the City of Orlando, Florida (the "Series 2009 Bonds"). The Series 2009 Bonds are issued under and pursuant to the Constitution and laws of Florida, including particularly, the Act (as defined herein), and other applicable provisions of law, and pursuant to a Trust Indenture, dated as of October 1, 2009, between The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and the Authority (the "Trust Indenture"), a resolution of the Authority adopted on August 19, 2009 and a resolution of the City adopted on August 24, 2009. Unless otherwise defined herein, capitalized terms used in this Official Statement shall have the meanings set forth in the "FORM OF THE TRUST INDENTURE" attached hereto as APPENDIX A.

The Series 2009 Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority, to: (a) pay costs and expenses of designing, constructing and relocating automobile rental facilities at the Orlando International Airport (the "Airport") including quick turnaround facilities as further described herein (the "2009 Project"), (b) fund all of the Debt Service Reserve Fund Requirement and Coverage Fund Requirement for the Series 2009 Bonds, (c) refund all or a portion of the Authority's taxable commercial paper debt used to provide interim financing for certain costs of the 2009 Project (the "Commercial Paper Debt"), and (d) pay certain costs of issuance of the Series 2009 Bonds. See "EXISTING FACILITIES AND THE 2009 PROJECT – The 2009 Project" herein.

The Series 2009 Bonds are limited obligations of the Authority, payable solely from and secured by a pledge of the Pledged Revenues (as defined herein) derived by the Authority from Customer Facility Charges or "CFCs" (as defined herein) and other funds as described herein. The Customer Facility Charges were authorized by a resolution of

the Authority adopted on August 20, 2008, as amended and restated on August 19, 2009 (the "CFC Enabling Resolution"). See "CUSTOMER FACILITY CHARGES AND RENTAL CAR OPERATIONS" herein. The pledge and lien of the Series 2009 Bonds upon the Pledged Revenues is on a parity as to payment with any Additional Bonds or Refunding Bonds (as defined herein) hereafter issued under the Trust Indenture. See "SECURITY FOR THE SERIES 2009 BONDS – Additional Bonds and Refunding Bonds" herein. The Series 2009 Bonds, any Additional Bonds and any Refunding Bonds hereafter issued under the Trust Indenture are collectively referred to as the "CFC Bonds."

The Authority has issued various series of Airport Facilities Revenue Bonds ("Airport Facilities Revenue Bonds") 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 Bond Resolution"), \$1,034,575,756 aggregate principal amount of which were outstanding as of September 1, 2009 (the "Outstanding Airport Facilities Bonds"). See "AIRLINE REVENUES AND OTHER REVENUE SOURCES – Other Indebtedness" herein. The Airport Facilities Revenue Bonds are secured by a pledge of, lien on and source of payment from Revenues as defined in the Airport Facilities Bond Resolution. Revenues under the Airport Facilities Revenue Bond Resolution are not pledged to the payment of CFC Bonds. Under the Airport Facilities Bond Resolution, CFCs are included in the definition of Revenues, unless and until they are deemed revenue or income from a Special Purpose Facility, and are pledged to repay obligations issued to fund construction of Special Purpose Facilities. In accordance with the CFC Enabling Resolution, the 2009 Project is designated a "Special Purpose Facility."

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 Airport Facilities Bond Resolution and the Trust Indenture and all of the liabilities of the Authority with respect to the Airport, but all such obligations or liabilities, including debt service on any Airport Facilities Revenue Bonds and CFC

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 Airport Facilities Revenue Bonds or CFC Bonds.

The Authority operates the Airport System 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 Airport Facilities Revenue Bonds or CFC Bonds or the interest or the premium, if any, thereon.

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.

EXISTING FACILITIES AND THE 2009 PROJECT

Existing Ground Transportation and Rental Car Facilities

The Airport's landside terminal and airside buildings provide approximately 3.5 million square feet of space, excluding the hotel, which comprises an additional 514,000 square feet. The north and south sides of the landside terminal are known as Terminals A and B, respectively. See Figure 1 contained in "REPORT OF THE AIRPORT CONSULTANT" attached hereto as APPENDIX E. The landside terminal has 10 levels. Level 1 accommodates ground transportation functions, including staging and parking areas for buses, limousines, and taxis as well as a tunnel under the terminal roadway system to connect passengers to parking facilities. Level 2 accommodates arrival and baggage claim functions, including space for rental car and bus check-in counters. Level 3 accommodates airline ticketing and departure functions and most of the landside terminal space allocated to food/beverage and retail merchandise concessions. A 445-room hotel with restaurants and conference facilities is an integral part of the landside

terminal and is directly accessible from Level 3, the departure level. The hotel occupies levels 4 through 8 on the eastern-most portion of the landside terminal. Except for the hotel areas, levels 4 through 10 accommodate parking.

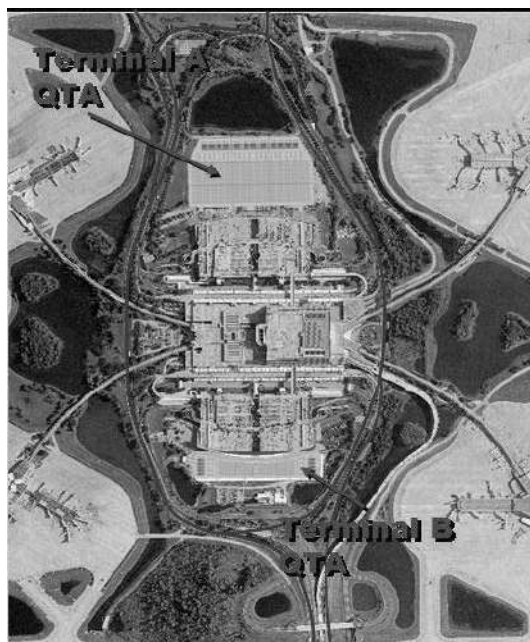
The landside terminal is served by a three-level roadway system that provides access to separate enplaning, deplaning, and commercial vehicle curbsides at levels 1, 2 and 3. Public parking spaces are located on levels 3 through 6 of the garages adjacent to the landside terminal. There are 20,600 public parking spaces located on the Airport, including 9,300 garage spaces and 11,300 satellite parking spaces located at remote lots.

Rental car ready/return stalls are located on levels 1 and 2 of the garages adjacent to the landside terminal. Adjacent to the garages at grade level (level 1) there are quick turnaround areas ("QTAs") for stacking, cleaning, fueling, washing, and staging cars prior to moving them into the ready car spaces in the garage. Currently, the on-site rental car facilities have the following capacity: QTA stacking and storage of 1,980 cars, 8 car wash bays, 60 fueling positions and 1,680 ready return spaces.

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The 2009 Project

The 2009 Project consists primarily of (1) expansion and reconfiguration of the existing Terminal A QTA, (2) construction of a new Terminal B QTA and associated temporary relocation of the taxi/bus hold facilities, (3) addition of ready/return spaces at Terminal A, (4) construction of a common fuel distribution system, and (5) certain terminal roadway improvements. Once the 2009 Project is completed, the on-site rental car facilities will have the following capacity: QTA stacking and storage of 5,174 cars (161% increase), 34 car wash bays (325% increase), 210 fueling positions (250% increase) and 4,088 ready return spaces (143% increase). The location of the QTAs are depicted below.



The 2009 Project is under construction (as of August 2009 is on schedule, within budget and estimated to be 65% complete) and a substantial portion is expected to be complete by February 2010 to provide beneficial occupancy to the rental car companies on April 1, 2010 (the expected commencement date of new agreements with the rental car companies). See "CUSTOMER FACILITY CHARGES AND RENTAL CAR OPERATIONS – Rental Automobile Concession Agreements" herein. Additional related projects including permanent relocation of bus and taxi hold facilities, a return roadway to Terminal A and associated signage improvements are not funded from proceeds of the Series 2009 Bonds but are expected to be paid for on a pay-as-you-go basis over the next several years with surplus CFCs. For a discussion of the 2009 Project and other related projects to be paid from or secured by CFCs, see the heading "THE 2009 PROJECT" in "REPORT OF THE AIRPORT CONSULTANT" attached hereto as APPENDIX E.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Series 2009 Bonds, along with certain CFCs currently on deposit with the Authority, are expected to be applied as follows:

Sources:

Par Amount of Series 2009 Bonds	\$62,800,000.00
Existing CFCs on Deposit with Authority	5,000,000.00
Total Sources	<u>\$67,800,000.00</u>

Uses:

Deposit to Project Fund	\$25,000,000.00
Refund Commercial Paper Debt	25,000,000.00
Deposit to Debt Service Reserve Fund	9,425,681.00
Deposit to Coverage Fund	2,356,420.25
Deposit of Existing CFCs to CFC	
Stabilization Fund	5,000,000.00
Costs of Issuance ⁽¹⁾	1,017,898.75
Total Uses	<u>\$67,800,000.00</u>

⁽¹⁾ Includes, but is not limited to, the Underwriters' Discount.

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DEBT SERVICE SCHEDULE AND RATE COVENANT

The following table sets forth the debt service requirements for the Series 2009 Bonds for the period on which they accrue and not for the period in which they are paid. Such debt service requirements have not been reduced by payments to be made out of interest income on deposits made pursuant to the Trust Indenture funds.

Fiscal Year Ending September 30	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2010	\$6,910,000.00	\$2,455,943.83	\$9,365,943.83
2011	7,175,000.00	2,349,696.00	9,524,696.00
2012	7,370,000.00	2,151,666.00	9,521,666.00
2013	7,615,000.00	1,911,404.00	9,526,404.00
2014	7,890,000.00	1,632,695.00	9,522,695.00
2015	8,220,000.00	1,304,471.00	9,524,471.00
2016	8,590,000.00	933,749.00	9,523,749.00
2017	<u>9,030,000.00</u>	<u>493,941.00</u>	<u>9,523,941.00</u>
Totals	<u>\$62,800,000.00</u>	<u>\$13,233,565.83</u>	<u>\$76,033,565.83</u>

As described herein under "SECURITY FOR THE SERIES 2009 BONDS - Rate Covenant," the Authority has covenanted in the Trust Indenture to maintain certain levels of debt service coverage. Jacobs Consultancy (the "Airport Consultant") has prepared a forecast of Pledged Revenues as described in The Report of the Airport Consultant (the "Report") dated September 14, 2009, included in APPENDIX E hereto and prepared a forecast of compliance with the rate covenant as shown under "REPORT OF THE AIRPORT CONSULTANT AND RATE COVENANT FORECAST" herein and in APPENDIX E. At the time such Report was prepared the final par amount, term and interest rates for the Series 2009 Bonds were not available. The following table utilizes the forecast of Pledged Revenues from the Report, but incorporates the final debt service and coverage fund balance amounts for the Series 2009 Bonds identified on the preceding pages.

Debt Service Coverage – Rate Covenant Orlando International Airport (for the 12 months ending September 30; numbers in thousands)

	Forecast				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Pledged Revenues ⁽¹⁾	\$21,281	\$21,324	\$21,649	\$21,979	\$22,317
Coverage Fund Balance (Series 2009 Bonds)	<u>2,356</u>	<u>2,356</u>	<u>2,356</u>	<u>2,356</u>	<u>2,356</u>
Adjusted Pledged Revenues	\$23,637	\$23,680	\$24,006	\$24,335	\$24,673
Annual Debt Service (Series 2009 Bonds)	9,366	9,525	9,522	9,526	9,523
Debt Service Coverage (with Coverage Fund)	2.52	2.49	2.52	2.55	2.59
Debt Service Coverage (w/o Coverage Fund)	2.27	2.24	2.27	2.31	2.34

⁽¹⁾ Based on the Report of the Airport Consultant, see APPENDIX E hereto for the assumptions and rationale underlying such forecast.

DESCRIPTION OF THE SERIES 2009 BONDS

General

The Series 2009 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 2009 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 2009 Bonds (the "Trustee") on April 1 and October 1 of each year (the "Interest Payment Dates") commencing on April 1, 2010, provided however, that if any such day is not a Business Day, then such payment shall be made on the next Business Day thereafter without payment of additional interest.

The principal of, redemption premium, if any, and the interest on the Series 2009 Bonds shall be payable in lawful currency of the United States. The principal of and redemption premium, if any, on the Series 2009 Bonds shall be payable at the principal office of the Paying Agent upon presentation and surrender of the Series 2009 Bonds. Interest on the Series 2009 Bonds shall be computed from the Interest Payment Date to which interest has been paid or duly provided for next preceding the date of authentication thereof, unless (i) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the issuance date thereof, or (ii) such date of authentication shall be an Interest Payment Date to which interest on the Series 2009 Bonds has been paid in full or duly provided for, in which case interest shall be computed from such date of authentication; provided, however, that if interest on the Series 2009 Bonds shall be in default, Series 2009 Bonds issued in exchange for Series 2009 Bonds surrendered for registration of transfer or exchange shall bear interest from the last date to which interest has been paid or duly provided for on the Series 2009 Bonds or, if no interest has been paid or duly provided for on the Series 2009 Bonds, from the issuance date thereof. If interest on any Series 2009 Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Trustee shall establish a new record date for the payment of such interest, to be known as a "Special Record Date." The Trustee shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Authority. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first-class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Registered Owner as of the close of business on the day prior to mailing of such notice.

The Series 2009 Bonds are being issued solely in the form of fully registered bonds in denominations of \$5,000 and any integral multiple thereof. For every exchange or transfer of the Series 2009 Bonds, the Authority, the City and the Trustee, as 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 2009 Bonds are delivered.

The Authority, the Trustee, and any other Person may treat the person in whose name any Series 2009 Bond is registered as the absolute Registered Owner of such Series 2009 Bond for the purpose of making payment of the principal and premium, if any, thereof, and for the further purpose of making payment of interest thereon, for the purpose of giving notice to the Holders of the Series 2009 Bonds, and for all other purposes, whether or not such Series 2009 Bond is overdue, and neither the Authority nor the Trustee shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Holder of any Series 2009 Bond in accordance with the Trust Indenture shall be valid and effectual and shall discharge the liability of the Authority and the Trustee upon such Series 2009 Bond to the extent of the sums paid.

No Optional Redemption

The Series 2009 Bonds are not subject to optional redemption prior to their maturity.

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 2009 Bonds. The Series 2009 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 2009 Bond certificate will be issued for each maturity of the Series 2009 Bonds, and will be deposited with DTC.

DTC, the world's largest securities depository, 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"). DTC has Standard & Poor's highest rating: "AAA." The DTC rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at <http://www.dtcc.com> and www.dtc.org.

Purchases of the Series 2009 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2009 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2009 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 2009 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 2009 Bonds, except in the event that use of the book-entry system for the Series 2009 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2009 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 2009 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2009 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2009 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 2009 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2009 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2009 documents. For example, Beneficial Owners of Series 2009 Bonds may wish to ascertain that the nominee holding the Series 2009 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 2009 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2009 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 Series 2009 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2009 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 DTC 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 DTC Participant and not of DTC nor its nominee, the Trustee, the Registrar, 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 2009 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 depository with respect to the Series 2009 Bonds at any time by giving reasonable notice to the Authority or the Paying

Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2009 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC upon compliance with any applicable DTC rules and procedures. In that event, Series 2009 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, but 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 2009 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 Trust Indenture 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 2009 BONDS

Brief descriptions of the source of payment of the Series 2009 Bonds, the flow of funds under the Trust Indenture, the Authority's rate covenant and certain other provisions of the Trust Indenture are provided herein. The descriptions provided herein are qualified in their entirety by the applicable provisions of the Trust Indenture. See "FORM OF THE TRUST INDENTURE" attached hereto as APPENDIX A.

General

The Series 2009 Bonds are limited obligations, payable solely from and secured by a pledge of certain Pledged Revenues (defined below) derived by the Authority from Customer Facility Charges and other funds as described herein. The pledge and lien of the Series 2009 Bonds upon the Pledged Revenues is on a parity as to payment with any Additional Bonds and Refunded Bonds hereafter issued under the Trust Indenture.

THE SERIES 2009 BONDS SHALL BE LIMITED OBLIGATIONS OF THE AUTHORITY. THE SERIES 2009 BONDS AND THE INTEREST THEREON AND REDEMPTION PREMIUM, IF ANY, SHALL NOT BE DEEMED TO CONSTITUTE OR CREATE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE STATE, THE CITY OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY STATE

CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE CITY OR ANY SUCH POLITICAL SUBDIVISION OR AGENCY. THE AUTHORITY HAS NO TAXING POWER. THE SERIES 2009 BONDS AND THE INTEREST THEREON ARE PAYABLE SOLELY FROM AND SECURED BY THE TRUST ESTATE, ALL AS DESCRIBED IN AND SUBJECT TO LIMITATIONS SET FORTH IN THE INDENTURE AND ARE NOT PAYABLE FROM OR SECURED BY ANY REVENUES UNDER AND AS DEFINED IN THE AIRPORT FACILITIES BOND RESOLUTION.

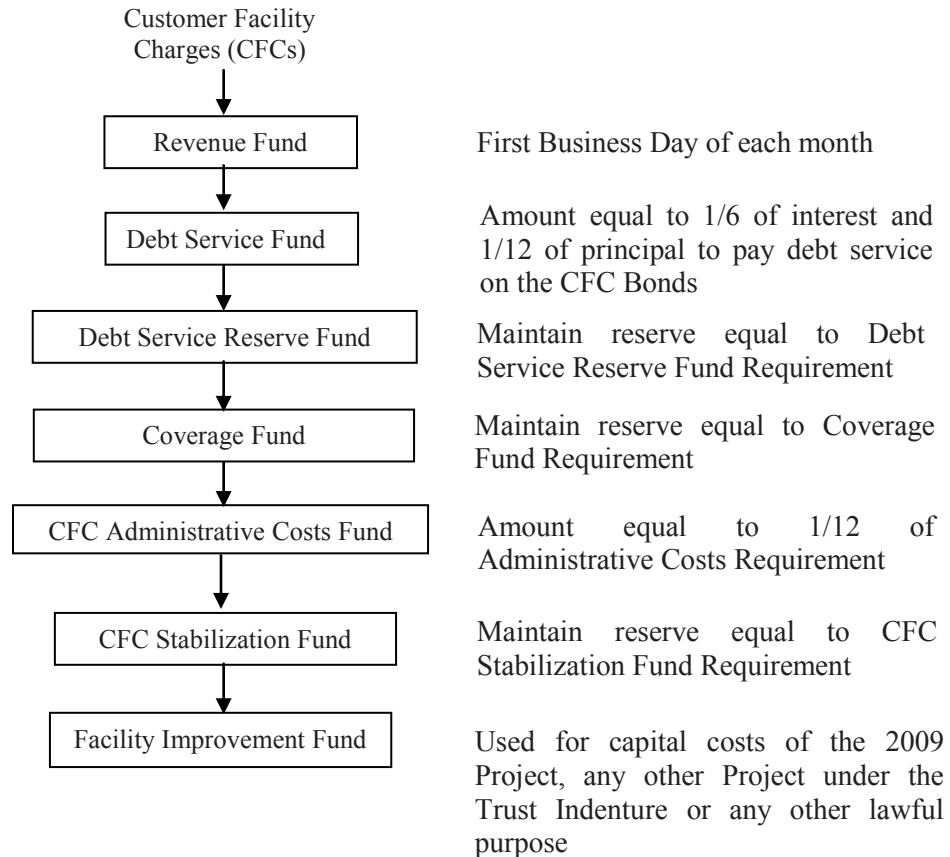
Pledge Under the Trust Indenture

Pursuant to the Trust Indenture, the CFC Bonds, including the Series 2009 Bonds, and the interest and the premium, if any, thereon, will be payable from and secured by a pledge of, and first lien on, all rights, title and interest of the Authority in, and to the Pledged Revenues and Pledged Funds (collectively, the "Trust Estate"). Under the Trust Indenture, the term "Pledged Revenues" means the aggregate of (i) the Customer Facility Charges receivable by the Authority, and (ii) excluding any investment income derived from the Project Fund and the Facility Improvement Fund, all investment income of every kind derived from amounts credited to the Pledged Funds. The term "Pledged Funds" means (i) any amounts on deposit from time to time in the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Coverage Fund, and the CFC Stabilization Fund, (ii) any amounts, other than investment income, on deposit in the Project Fund from time to time that are not encumbered or otherwise allocated by the Authority to or necessary for the completion of a Project, and (iii) any amounts, other than investment income, on deposit in the Facility Improvement Fund from time to time that are not encumbered or otherwise allocated by the Authority to or necessary for the completion of a Project. See "FORM OF THE TRUST INDENTURE" attached hereto as APPENDIX A.

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Flow of Funds

From and after the issuance and delivery of the Series 2009 Bonds, the Trust Indenture requires that the Authority deposit, or cause to be deposited to the credit of the Revenue Fund on the first Business Day of each month all Customer Facility Charges received during the preceding month. Amounts in the Revenue Fund on and after the issuance of the Series 2009 Bonds are to be applied and transferred in the following order of priority:



Debt Service Reserve Fund

The Trust Indenture creates the Debt Service Reserve Fund and requires that the Authority satisfy the Debt Service Reserve Fund Requirement at the time of the issuance of each series of CFC Bonds. The Trust Indenture defines the Debt Service Reserve Fund Requirement as the maximum annual scheduled payments of principal and interest in any Fiscal Year for the Series 2009 Bonds and any additional amounts as shall be provided in the supplemental indenture authorizing any Additional Bonds or Refunding Bonds. The Debt Service Reserve Fund Requirement upon issuance of the Series 2009 Bonds is \$9,425,681.00 and will be funded with proceeds of the Series 2009 Bonds.

If at any time that there are insufficient funds available in the Debt Service Fund to make any required payment of interest on or principal of the CFC Bonds, or to

reimburse any credit providers for amounts advanced for such purpose, the Trustee is required to transfer from the Debt Service Reserve Fund to the Debt Service Fund such amounts as may be necessary for such purpose; provided, however, the Trustee must make transfers into the Debt Service Fund in the following order: first, from the CFC Stabilization Fund; second, from the Coverage Fund; third, from the Facility Improvement Fund; and fourth, from the Debt Service Reserve Fund, all in accordance with the Trust Indenture.

Amounts in the Debt Service Reserve Fund shall be applied as provided in the Trust Indenture and described above, and may, at the direction of an Authorized Officer of the Authority, be applied to the final payment of principal and interest on CFC Bonds. Further, amounts in the Debt Service Reserve Fund, to the extent they are in excess of the Debt Service Reserve Fund Requirement, may be transferred, at the direction of an Authorized Officer of the Authority at any time to the Revenue Fund.

In the event the balance in the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement, then on or before the first Business Day of each month, after making all prior required transfers from the Revenue Fund as provided in the Trust Indenture, the Trustee is required to transfer to the Debt Service Reserve Fund from the Revenue Fund amounts sufficient to reestablish the Debt Service Reserve Fund Requirement.

Coverage Fund

The Trust Indenture creates the Coverage Fund and requires that the Authority satisfy the Coverage Fund Requirement at the time of the issuance of each series of CFC Bonds. The Trust Indenture defines the Coverage Fund Requirement as 25% of the maximum annual scheduled payments of principal and interest in any Fiscal Year for the CFC Bonds then Outstanding. The Coverage Fund Requirement upon issuance of the Series 2009 Bonds is \$2,356,420.25 and will be funded with proceeds of the Series 2009 Bonds.

Pursuant to the Trust Indenture, the Trustee shall transfer amounts on deposit in the Coverage Fund to the Debt Service Fund, to the extent required, to pay principal and/or interest on the CFC Bonds as the same become due and payable; provided, however, the Trustee must make transfers into the Debt Service Fund in the following order: first, from the CFC Stabilization Fund; second, from the Coverage Fund; third, from the Facility Improvement Fund; and fourth, from the Debt Service Reserve Fund, all in accordance with the Trust Indenture

In the event the balance in the Coverage Fund is less than the Coverage Fund Requirement, then on or before the first Business Day of each month, after making all prior required transfers from the Revenue Fund as provided in the Trust Indenture, the

Trustee is required to transfer to the Coverage Fund from the Revenue Fund amounts sufficient to reestablish the Coverage Fund Requirement.

CFC Stabilization Fund

The Trust Indenture creates the CFC Stabilization Fund and requires that the Authority satisfy the CFC Stabilization Fund Requirement at the time of the issuance of each series of CFC Bonds. The Trust Indenture defines the CFC Stabilization Fund Requirement as \$5,000,000 with respect to the Series 2009 Bonds. Upon issuance of the Series 2009 Bonds, the CFC Stabilization Fund Requirement will be funded with CFCs currently held by the Authority.

Pursuant to the Trust Indenture, the Trustee shall transfer amounts on deposit in the CFC Stabilization Fund to the Debt Service Fund, to the extent required, to pay principal and/or interest on the CFC Bonds as the same become due and payable; provided, however, the Trustee must make transfers into the Debt Service Fund in the following order: first, from the CFC Stabilization Fund; second, from the Coverage Fund; third, from the Facility Improvement Fund; and fourth, from the Debt Service Reserve Fund, all in accordance with the Trust Indenture

In the event the balance in the CFC Stabilization Fund is less than the CFC Stabilization Fund Requirement, then on or before the first Business Day of each month, after making all prior required transfers from the Revenue Fund as provided in the Trust Indenture, the Trustee is required to transfer to the CFC Stabilization Fund from the Revenue Fund amounts sufficient to reestablish the CFC Stabilization Fund Requirement.

Rate Covenant

The Authority has covenanted in the Trust Indenture that it will cause the Customer Facility Charges to be calculated, established and imposed as provided in the CFC Enabling Resolution so long as any CFC Bonds remain Outstanding. Based on estimated CFC collections prepared by or for the Authority from time to time, the Customer Facility Charge shall be adjusted to the extent necessary, to generate Pledged Revenues, along with amounts then on deposit in the Coverage Fund in each Fiscal Year (a) in an amount equal to at least 1.25x the Current Annual Debt Service Requirement in such Fiscal Year on the CFC Bonds then Outstanding, and (b) in an amount sufficient to replenish any shortfalls in the amounts required to be maintained in either the Coverage Fund or the Debt Service Reserve Fund within twelve (12) months after the month in which any amounts are withdrawn from either of such Funds for transfer to the Debt Service Fund in accordance with the Trust Indenture. Under the Trust Indenture, the term "Current Annual Debt Service Requirement" means the annual scheduled payments of principal of and interest on the CFC Bonds in the then current Fiscal Year. For forecasts of compliance with the rate covenant, see "DEBT SERVICE SCHEDULE AND RATE COVENANT"

and "REPORT OF THE AIRPORT CONSULTANT AND RATE COVENANT FORECAST" herein.

Additional Bonds

The Trust Indenture permits the Authority to issue one or more series of Additional Bonds payable from, and secured by a first lien on and pledge of, the Trust Estate, on a parity with the Series 2009 Bonds and any Refunding Bonds, or other Additional Bonds from time to time hereafter issued for the purpose of paying all or a portion of the costs and expenses of financing, designing, constructing, operating, relocating and maintaining the Project not fully funded with proceeds of the Series 2009 Bonds, funding all or a portion of the Debt Service Reserve Fund Requirement, funding all or a portion of the Coverage Fund Requirement, funding all or a portion of the CFC Stabilization Fund Requirement and paying the costs of issuance relating to such series of Additional Bonds. Together with certain other requirements under the Trust Indenture, the Authority must:

(1) execute a supplement to the Trust Indenture providing for the issuance of such Additional Bonds and providing the means by which the Coverage Fund Requirement, CFC Stabilization Fund Requirement and the Debt Service Reserve Fund Requirement will each be satisfied upon the issuance of the proposed series of Additional Bonds;

(2) execute a certificate stating that the Authority has the right to issue Additional Bonds and the Authority is still receiving the CFCs; and

(3) either:

(a) an Authorized Officer of the Authority certifies that the Pledged Revenues, along with amounts then on deposit in the Coverage Fund, for the prior Fiscal Year or any twelve consecutive months out of the eighteen months prior to the authorization by the Authority of the proposed series of Additional Bonds (the "Test Period") was equal to at least 1.25x the Maximum Annual Debt Service Requirement on the CFC Bonds that will be Outstanding after the issuance of such series of Additional Bonds; or

(b) the Airport Consultant certifies that the Pledged Revenues, including any projected increases in the CFCs estimated to be received in the five consecutive Fiscal Years immediately following the issuance of the proposed series of Additional Bonds, plus all amounts required to be on deposit in the Coverage Fund during such five years, will in each such Fiscal Year not be less than 1.25x the Maximum Annual Debt Service Requirement in such Fiscal Year on all CFC Bonds that will be Outstanding after the issuance of such Additional Bonds.

For additional information regarding these requirements, see "FORM OF THE TRUST INDENTURE - Additional Bonds" attached hereto as APPENDIX A.

Refunding Bonds

In addition to the Additional Bonds discussed above, the Trust Indenture permits the Authority to issue one or more series of Refunding Bonds to refund all or any part of any CFC Bonds then Outstanding provided that no Refunding Bonds shall be issued which will have a lien on the Trust Estate prior and superior to any CFC Bonds which will remain Outstanding after the refunding. Together with certain other requirements under the Trust Indenture, the Authority must:

(1) execute a supplement to the Trust Indenture providing for the issuance of such Refunding Bonds and providing the means by which the Coverage Fund Requirement, CFC Stabilization Fund Requirement and the Debt Service Reserve Fund Requirement will each be satisfied upon the issuance of the proposed series of Refunding Bonds;

(2) execute a certificate stating that:

(a) the Authority has the right to issue the proposed series of Refunding Bonds;

(b) the Authority is still receiving the CFCs and either: (i) debt service will not increase in any Fiscal Year following the issuance of the proposed series of Refunding Bonds; or (ii) net present value savings will be realized; or (iii) the issuance of such Refunding Bonds has been found to be in the best interests of the Authority.

For additional information regarding these requirements, see "FORM OF THE TRUST INDENTURE - Refunding Bonds" attached hereto as APPENDIX A.

CUSTOMER FACILITY CHARGES AND RENTAL CAR OPERATIONS

General

Customer Facility Charges or "CFCs" are defined under the Trust Indenture and CFC Enabling Resolution to mean a per day fee payable by customers who pick up automobiles at the Airport or a Customer Service Facility, collected, accounted for, and remitted by companies that have entered into a Rental Automobile Concession Agreement (defined below) with the Authority (whether collected from customers or not), as established by the Authority by resolution, and periodically adjusted by the Authority as necessary. Under the Trust Indenture, the term "Customer Service Facility" means any facility operated by the company for the processing and/or servicing of, or the

delivery of automobiles rented to its customers located on the Airport, or within an eight mile radius of either (a) the intersection of S.R. 436 and the Beachline Expressway, at the northern entrance to the Airport, or (b) the intersection of the South Airport Access Road and the Central Florida Greenway, at the southern entrance to the Airport. Pursuant to the CFC Enabling Resolution, the CFC was effective October 1, 2008 and was set at \$2.50 per rental car transaction day with a maximum of five transaction days for each transaction. Since the level of this fee is lower than most other U.S. airports, the Authority does not expect that this fee will cause customer attrition. For a comparison of CFC fees as a component of the total cost to rent a car and rates at selected U.S. airports, see Figures 22 and 23 contained in "REPORT OF THE AIRPORT CONSULTANT" attached hereto as APPENDIX E.

As noted above, the CFC has been in effect since October 2008. The following table shows CFC collections by company through June 2009.

**CFC Collections by Company
Orlando International Airport
(numbers in thousands)**

<u>Company</u>	<u>Oct 08</u>	<u>Nov 08⁽¹⁾</u>	<u>Dec 08</u>	<u>Jan 09</u>	<u>Feb 09</u>	<u>Mar 09</u>	<u>Apr 09</u>	<u>May 09</u>	<u>Jun 09</u>
Avis/Budget	\$491	\$565	\$423	\$501	\$517	\$656	\$611	\$533	\$421
Dollar/Thrifty	352	358	592	531	344	470	414	352	338
EZ/L&M	48	58	67	70	62	77	73	71	55
EAN	513	404	583	706	744	889	783	666	583
Hertz	195	202	201	264	225	265	260	297	295
Total	<u>\$1,599</u>	<u>\$1,586</u>	<u>\$1,867</u>	<u>\$2,073</u>	<u>\$1,892</u>	<u>\$2,357</u>	<u>\$2,140</u>	<u>\$1,918</u>	<u>\$1,692</u>

⁽¹⁾ Totals may not add due to rounding.

Source: The Greater Orlando Aviation Authority.

Rental Automobile Concession Agreements

In October 2007, the Authority extended its existing agreement with L&M/EZ for three years (the "L&M/EZ Concession Agreement"). In August 2008, the Authority executed four additional concession agreements (the "Rental Automobile Concession Agreements") with (1) Avis Budget Car Rental, LLC (with respect to the Avis and Budget brands), (2) DTG Operations, Inc. (with respect to the Dollar and Thrifty brands), (3) EAN-Orlando, LLC (with respect to the Enterprise, Alamo and National brands), and (4) The Hertz Corporation (with respect to the Hertz and Simply Wheelz brands). In August 2009, the Authority amended the L&M/EZ Concession Agreement to provide for the collection of CFCs. As amended, the L&M/EZ Concession Agreement and the Rental Automobile Concession Agreement contain substantially similar provisions, except with respect to the commencement/termination dates of the agreements. The four signatories to the Rental Automobile Concession Agreement and L&M/EZ are collectively referred to herein as the "Concessionaire Rental Car Companies." The term

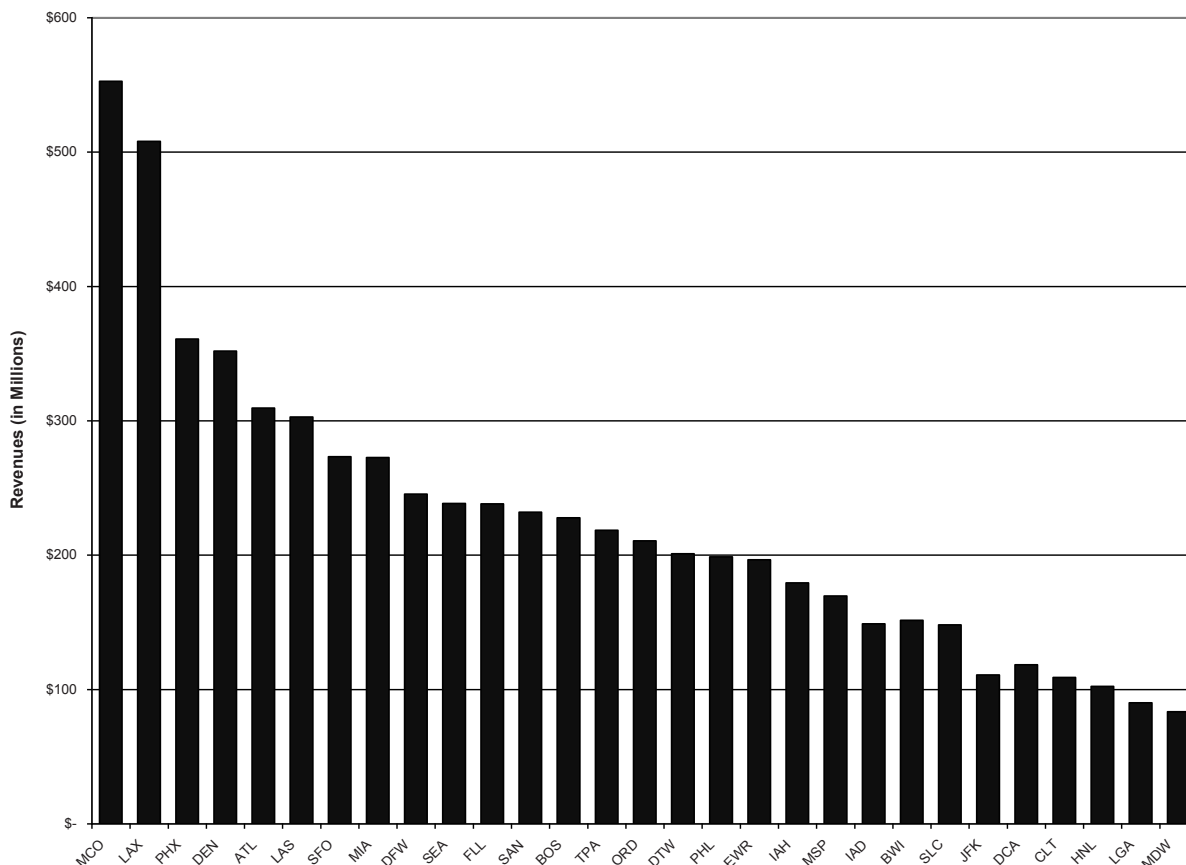
of the Rental Automobile Concession Agreements commence 60 calendar days after the Authority relinquishes the 2009 Project for occupancy (estimated April 2010) and expire upon the five year anniversary of such date, unless the Authority at its sole option grants an extension for up to two additional one-year periods. Pursuant to the Rental Automobile Concession Agreements, the Concessionaire Rental Car Companies will pay for all operating, utility, maintenance, and service management expenses related to their respective leased premises. The Rental Automobile Concession Agreements require that the Concessionaire Rental Car Companies collect the CFCs and remit them on the 15th day of each calendar month following the calendar month in which they are collected. On the 16th day of each month if the CFCs have not been received by the Authority, the Authority determines who has not remitted and immediately begins the collections process, which includes pursuing payment and associated reports required to be submitted by the Concessionaire Rental Car Companies under the Rental Automobile Concession Agreement. The Rental Automobile Concession Agreement requires each Concessionaire Rental Car Company to post a contract bond or letter of credit payable to the Authority. In the event a Concessionaire Rental Car Company files for bankruptcy, CFC collections could be disrupted. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Considerations Under the Bankruptcy Code" herein. Under certain circumstances the Authority may terminate the Rental Automobile Concession Agreement prior to the expiration or extension date. For additional definitions and terms of the Rental Automobile Concession Agreements, see APPENDIX B - "FORM OF RENTAL AUTOMOBILE CONCESSION AGREEMENT" attached hereto.

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Rental Car Operations at the Airport

As shown in the following bar chart, the Airport is the largest airport rental car market in the United States of America in terms of revenues.

**2007 Gross Rental Car Revenues
Large Hub U.S. Airports**

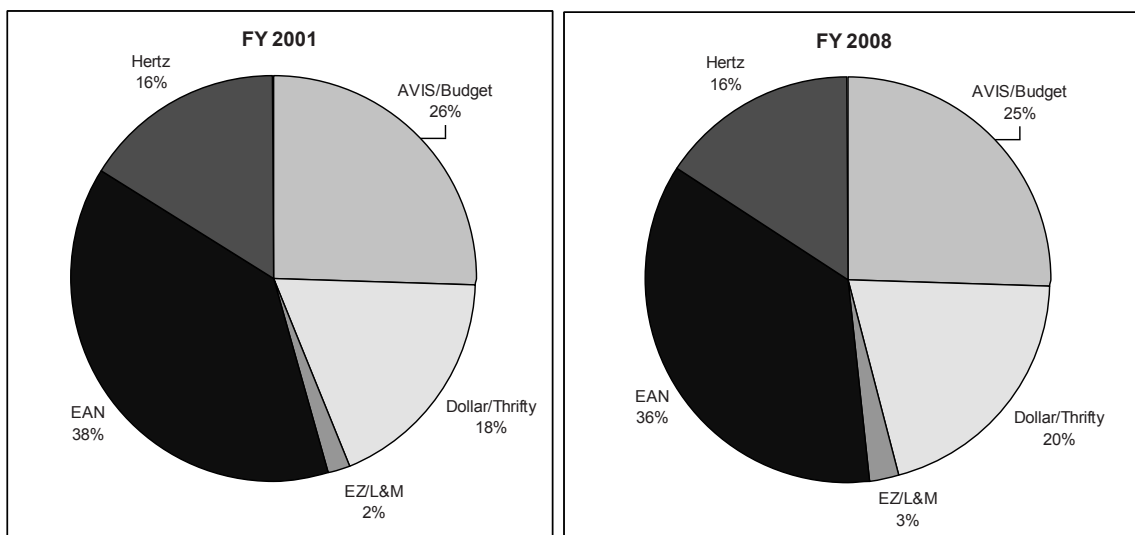


Source: *Fact Book 2008*, Airport Revenue News and various airport records.

There are currently five companies and nine brands of rental car companies that operate on the Airport premises from the Airport's parking garages (with Hertz, Payless and some smaller specialty companies operating off the Airport premises). The Rental Automobile Concession Agreements will cause some of the current on-site brands (Avis, Budget, Dollar, Alamo and National) to team with some of the current off-site brands (Thrifty, Enterprise, Hertz and Simply Wheelz) to maintain vehicles and operations on Airport property. The Authority estimates that once the 2009 Project is occupied, the on-site brands will serve approximately 95% of rental car customers and will have facilities to accommodate the higher demand in the future.

Historically, EAN group (including Enterprise, Alamo, and National) is the largest Signatory Rental Car Company, accounting for about one-third of total gross revenues generated at the Airport. Avis/Budget is the second largest group, accounting for about one-fourth of total gross revenues. Market share of each rental car group remained relatively stable from Fiscal Year 2001 and Fiscal Year 2008, as shown in the figure below.

**Gross Revenues by Rental Car Group
Orlando International Airport
(for the 12 months ending September 30)**



Source: The Greater Orlando Aviation Authority.

Since it is visiting passengers who rent cars at the Airport (rather than passengers originating trips at the Airport or connecting to other flights), it is important to understand the passenger traffic forecast for this segment. As shown in the following table, these visiting passengers constitute approximately 70% of all enplaned passengers at the Airport.

**Total Enplaned Passengers, by Type of Passenger
Orlando International Airport
(for Fiscal Years ended September 30; passengers in thousands)**

Fiscal Year	Outbound O&D Passengers					Connect. & other Psgrs.	Total
	Residents		Visitors		Total		
	Psgrs.	% of Total	Psgrs.	% of Total			
2000	3,153	22.1%	11,117	77.9%	14,270	887	15,157
2001	3,142	22.2	11,025	77.8	14,167	767	14,934
2002	2,855	23.1	9,492	76.9	12,347	678	13,025
2003	3,037	23.7	9,790	76.3	12,827	705	13,532
2004	3,470	24.0	10,987	76.0	14,457	776	15,234
2005	4,092	25.4	12,019	74.6	16,111	722	16,833
2006	4,357	26.5	12,073	73.5	16,430	882	17,311
2007	4,442	26.3	12,447	73.7	16,889	943	17,832
2008	4,443	25.7	12,835	74.3	17,279	960	18,238
<u>Compound annual growth rate</u>							
2000-2008	4.4%		1.8%		2.4%	1.0%	2.3%

Note: Because foreign-flag carriers do not report passenger numbers to the U.S. DOT *O&D Survey*, Jacobs Consultancy estimates were used to develop the data in the above table.

Source: Greater Orlando Aviation Authority; U.S. DOT, *Air Passenger Origin-Destination Survey*, reconciled to Schedules T100 and 298C T1.

For additional information relating to historical and projected rental car demand at the Airport, see the heading "RENTAL CAR DEMAND FORECAST" in APPENDIX E - "REPORT OF THE AIRPORT CONSULTANT" attached hereto.

**REPORT OF THE AIRPORT CONSULTANT
AND RATE COVENANT FORECAST**

The Report of the Airport Consultant dated September 14, 2009, which has been prepared by the Airport Consultant in connection with the Series 2009 Bonds, is included in APPENDIX E. The Report provides certain information with respect to the Airport and the 2009 Project and presents forecasts of Pledged Revenues and debt service coverage for the Series 2009 Bonds and the other fund deposit requirements of the Trust Indenture in each year of the forecast period (Fiscal Year 2010 through Fiscal Year 2014), and sets forth the information and assumptions upon which the forecasts and the findings of the Report are based.

The financial forecasts are based on assumptions that were provided by, or reviewed and approved by, Airport management. In the opinion of the Airport Consultant, the assumptions provide a reasonable basis for the forecasts.

As stated in the Report, Pledged Revenues are forecast to be sufficient to meet debt service requirements on the Series 2009 Bonds and the other fund deposit requirements of the Trust Indenture in each year of the forecast period (Fiscal Year 2010 through Fiscal Year 2014). The forecast indicates compliance with the rate covenant for each Fiscal Year of the forecast period. The following table, which has been extracted from the Report, shows forecasts of Pledged Revenues, Current Annual Debt Service Deposits, and debt service coverage on the Series 2009 Bonds based on the financing assumptions described in the footnote below.

**Debt Service Coverage – Rate Covenant
Orlando International Airport
(for the 12 months ending September 30; numbers in thousands)**

	Forecast				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Pledged Revenues	\$21,281	\$21,324	\$21,649	\$21,979	\$22,317
Coverage Fund Balance	<u>2,489</u>	<u>2,489</u>	<u>2,489</u>	<u>2,489</u>	<u>2,489</u>
Adjusted Pledged Revenues	\$23,770	\$23,813	\$24,138	\$24,468	\$24,806
Current Annual Debt Service Deposits*	9,952	9,953	9,954	9,957	9,956
Debt Service Coverage	2.39	2.39	2.42	2.46	2.49
Debt Service Coverage (w/o Coverage Fund)	2.14	2.14	2.17	2.21	2.24

*Based on an estimated principal amount of \$63,625,000, true interest cost of 5.46% and a term of eight years.

Since at the time the Report was prepared the final par amount, term and interest rates for the Series 2009 Bonds were not available, the Authority has prepared a table utilizing the forecast of Pledged Revenues described in the table above, but incorporates the final debt service and coverage fund balance amounts for the Series 2009 Bonds. See "DEBT SERVICE SCHEDULE AND RATE COVENANT" herein.

The Report of the Airport Consultant should be read in its entirety for a discussion of the 2009 Project, the assumptions and rationale underlying the forecast, and the various factors taken into account for purposes of preparing the assumptions. As noted in the Report, any forecast is subject to uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the forecast and actual results, and those differences may be material. See APPENDIX E – "REPORT OF THE AIRPORT CONSULTANT" attached hereto.

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 fares in the market. The primary metropolitan area within the Airport service region is the Orlando Metropolitan Statistical Area, which comprises Lake, Orange, Osceola and Seminole Counties. With a population of 1,707,150 in 2001, the Orlando Metropolitan Statistical Area accounted for approximately 10.7 percent of the population of the State of Florida according to the University of Florida Bureau of Economic and Business Research.

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 specifically excludes the Orlando Executive Airport.

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 676 full-time employees. Biographical data concerning the Executive Director and certain other key officials of the Authority is set forth below.

G. Steve Gardner. Mr. Gardner is the Executive Director for the Authority. Mr. Gardner has thirty-five years experience in project management, including responsibility for numerous projects for the Aviation Authority, the Orlando Orange County Expressway Authority, and Orange County Public Schools. From 1977–1983, he served as Assistant Project Director for design and construction of the 48-gate terminal and airfield facilities at Orlando International Airport. Subsequently, as Resident Engineer for the Authority, Mr. Gardner was responsible for managing numerous construction contracts, including roadways, parking facilities, the Automated People Mover, airfields, runway and parallel/cross-field taxiway construction. Mr. Gardner served as Director of Engineering for the Authority from 1989 through 1991, and from 1992 through 1994, he was the owner's representative for the Authority's general consultant in the planning, design and construction of the Hyatt Regency Hotel at Orlando International Airport. Prior to rejoining the Authority in June 2001, Mr. Gardner served as the Area Construction Manager for a \$500 million building renovation program for Orange County Public Schools in Orlando. He received a Bachelor of Science degree in Civil Engineering from the University of Virginia and a Master of Science in Civil Engineering from George Washington University. He is a Certified Florida Professional Engineer.

Phillip N. Brown. Mr. Brown is the Deputy Executive Director-Administration for the Authority. He has oversight responsibility for the management of the 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 a previous stint as Deputy Executive Director-Administration for the Authority in the early 1990s as well as County Administrator for Orange County Florida. For the past fourteen years Mr. Brown was employed in the public finance arena including four years as an independent financial advisor and ten years as an investment banker for a major Wall Street firm. Mr. Brown is a certified public accountant licensed in Florida and holds a Master Degree in Business Administration from the University of Tennessee.

Robert L. Gilbert. Mr. Gilbert is Deputy Executive Director-Facilities for the Authority. He is responsible for all planning, engineering, construction, environmental affairs, and infrastructure maintenance as well as information technology, risk management and small business management activities at the Airport. Mr. Gilbert is an aviation professional with over thirty-three years experience in airport related activities including aviation operations, master planning and infrastructure development, construction, maintenance and operations, in addition to community relations, and airport tenant relations. After graduating from the United States Air Force Academy in 1973 and pilot training in 1974, Mr. Gilbert served for over 20 years as a pilot and Air Force civil engineering officer. He culminated his military career in 1996 as the commander of a combat engineering squadron as it conducted multi-million dollar engineering design – build activities in Asia, Europe, the Middle East, Central and South America and the United States. Upon retirement from the military, Mr. Gilbert continued working in numerous aviation venues. Most notably was his successful tenure as Program Manager leading a group of 17 diverse consultant firms that developed the \$13 billion LAX Master Plan and its associated Environmental Impact Statement & Environmental Impact Report. In 2005, he was awarded the City of Los Angeles' Commendation Award for Exemplary Service. He is the only consultant ever to receive this honor. Prior to coming to Orlando, he served as Deputy Program Manager for a consultant to the Transportation Security Administration's (TSA) Program Management Office responsible for the deployment of TSA's explosive detection equipment. Mr. Gilbert holds a Masters Degree in Public Administration with post-graduate studies in engineering and program management.

C. Christian Schmidt. Mr. Schmidt is the Deputy Executive Director-Airport Operations. He is responsible for the day-to-day activity and management of operations, concessions, security and governmental affairs at the Airport. Prior to the Authority, Mr. Schmidt served as Chief of Staff for the Mayor of Orange County, in which the Airport is located. At that time, Orange County provided complete urban services to more than 950,000 citizens, employed over 6,000 employees and had an annual budget of over 2 billion dollars. Mr. Schmidt entered government service following a thirty-five year

career in senior management roles in private business, including Fortune 500 companies. Mr. Schmidt retired from the private sector where he served as vice president of a business unit of McGraw-Hill Companies. Mr. Schmidt has served on the Board of Directors for the Orlando Orange County Convention and Visitors Bureau and Valencia Community College Foundation. Mr. Schmidt holds a Masters Degree in Public Policy awarded by the University of Central Florida in 1975 as well as a Bachelor's Degree in Communications from the same institution.

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 \$344 million annual budget, and all financial and regulatory reporting requirements with a staff of 38 employees. Ms. Churchill holds a Bachelor of Science Degree and 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 the 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.

<u>Runway</u>	<u>Length</u>	<u>Width</u>
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 metropolitan 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.

There are currently 40 gates used by the Authority for charter airline activity, new airlines serving the Airport and for expansion by airlines already serving the Airport.

Signatory Airlines

Effective as of October 1, 2008 the Authority entered into its new 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, US Airways, Virgin Atlantic Airways, Ltd. ("Virgin") and WestJet (collectively, the "Signatory Airlines").

The following table sets forth the distribution of aircraft gates among the airlines at the Airport as of June 30, 2009:

**Number of Aircraft
Airline Gates as of June 30, 2009**

Air Canada	1
AirTran Airways	8
American Airlines	4
British Airways	1
Continental Airlines	4
Delta Air Lines	5
jetBlue Airways	6
Northwest Airlines	3
Southwest Airlines	12
Spirit Airlines	2
United Airlines	4
US Airways	4
Virgin Atlantic	1
Westjet	1
Authority Gates	<u>40</u>
Total	96

Source: The Greater Orlando Aviation Authority.

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Enplaned Passengers at the Airport

The following table sets forth the historical number of enplaned passengers at the Airport for Fiscal Years 1998 to 2008 and nine-month periods ended June 30, 2007, 2008 and 2009, as well as the annual percentage change in enplaned passengers during such periods.

Historical Enplaned Passengers Fiscal Years 1998 through 2008 and Nine-Month Periods ended June 30, 2007, 2008 and 2009

<u>Fiscal Year</u>	<u>Domestic Enplaned Passengers</u>	<u>International Enplaned Passengers</u>	<u>Total Enplaned Passengers</u>	<u>Percent Change from Previous Year</u>
1998	12,739,315	996,137	13,735,452	2.4
1999	13,217,719	1,107,586	14,325,305	4.3
2000	13,921,552	1,235,879	15,157,431	5.8
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
<u>Nine-Month Periods Ended June 30</u>				
2007	12,569,787	812,369	13,382,156	-
2008	13,077,670	1,002,109	14,079,779	5.2
2009	11,622,222	1,058,192	12,680,414	(9.9)

Source: The Greater Orlando Aviation Authority.

Recent Passenger Traffic

The total passenger traffic decreased 9.28 percent for the twelve-month period ending June 30, 2009 as compared the twelve-month period ending June 30, 2008. The total passengers reported for the twelve-month period ending June 30, 2009 was 33,720,531 comprised of 30,954,285 domestic passengers and 2,766,246 international. While domestic traffic has decreased by 10.56 percent, the international traffic has increased 8.02 percent for the twelve-month period ending June 30, 2009.

Airlines Serving Orlando International Airport

As of June 30, 2009, the following airlines served the Airport:

U.S. Passenger Airlines

Signatory

AirTran Airways
American Airlines
Continental Airlines
Delta Air Lines
jetBlue Airways
Northwest Airlines*
Southwest Airlines
Spirit Airlines
United Airlines
US Airways

Nonsignatory

Scheduled Service

Domestic

Alaska Airlines
Frontier Airlines
Midwest Airlines
Sun Country Airlines

Regional/Commuter

Continental Connection/Gulfstream
Continental Connection/ExpressJet
Delta Connection/Comair
Delta Connection/Freedom Airlines
Delta Connection/Mesaba Airlines
Delta Connection/Pinnacle Airlines
Delta Connection/Shuttle America
Northwest Airlines/Compass Airlines
US Airways Express/Air Wisconsin
US Airways Express/Republic Airlines

Foreign-Flag

Passenger Airlines

Signatory

Air Canada
British Airways
Virgin Atlantic
WestJet Airlines

Nonsignatory

Scheduled Service

Foreign

Aer Lingus
Aeromexico
Air Jamaica
Air Transat
Bahamasair
COPA Airlines
Lufthansa Airlines
Mexicana
TAM Airlines

Nonsignatory Charter

Domestic

Miami Air International
Pace Airlines**
SkyKing Inc.**

Foreign Charter

CanJet Airlines
SkyService Airlines
TACA International Airlines**
Sunwing Airlines

Airlines Providing Cargo Service

Air Transport International
ASTAR Air Cargo
FedEx
Mountain Air Cargo
United Parcel Service

* Although Northwest Airlines is remaining a Signatory Airline at least through the end of 2009, it is uncertain how the merger with Delta will affect its Signatory status in the future.

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

Source: The Greater Orlando Aviation Authority.

Airline Market Shares

A diverse group of airlines provide passenger service at the Airport including 32 U.S. airlines and 22 foreign-flag airlines in Fiscal Year 2008. Passenger traffic at the Airport is fairly evenly distributed among several airlines with no one carrier dominating passenger traffic. As of June 30, 2009, the largest market shares were held by (a) Southwest Airlines (22.9 percent), (b) AirTran Airways (12.4 percent), (c) Delta Air Lines (11.2 percent), and (d) jetBlue Airways (10.3 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 96 percent of total passengers at the Airport in Fiscal Year 2008. The following table sets forth comparative passenger market share and nine months ended June 30 information for air carriers serving the Airport during Fiscal Years 2004 through 2008.

Airline Activity at the Airport

In calendar year 2008, the airport was the 3rd largest domestic origin and destination market in the United States according to the United States Department of Transportation and 11th busiest in the United States and 22nd in the world in terms of total passengers according to the Airports Council International-North America. The Airport was the 8th fastest growing major airport in the United States and the 20th fastest growing of the top 30 airports in the world.

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 increases in seat capacity from new or increased air service in 2008 were jetBlue (domestic and international), Lufthansa (international), Aer Lingus (international), TAM (international), Mexicana (international), Copa (international), British Airways (international) and Air Jamaica (international). The seat capacity outlook for Fiscal Year 2009 is trending lower; particularly in the first half of 2009, although some airlines are already increasing capacity that was previously cut, or are adding capacity in markets vacated by other airlines. Air service additions in the second quarter of 2009 include Bahamasair (international), Westjet (international), jetBlue (international), and AirTran (domestic). International capacity has been much stronger than domestic, a trend which is likely to continue with the upcoming new international services.

Recent Events at the Airport

Although the Authority has experienced declines in growth in domestic enplanements, many airlines have added new service to the Airport recently and additional service is expected in the upcoming months. A sample of the additions that

occurred in recent months include: AirTran adding service to Allentown, Asheville, Atlantic City, Charleston, West Virginia, Charlotte and Knoxville; Delta adding service to Tallahassee; jetBlue adding service to Bogotá, Nassau, and San Jose. Future additions include: Martinair adding service to Amsterdam in October; Southwest adding service to Milwaukee in November; and Taca adding service to San Salvador in November. During the recent months, AirTran added approximately 30 flights more per week and jetBlue about 50 flights more per week when compared to the same time period last year.

Insurance

The Authority currently maintains property insurance for property not insured by others with per occurrence limits totaling \$400 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 both certified and non-certified terrorism events whether caused by international or domestic persons or organizations. Renovations to existing facilities are included as covered losses under the Authority's current property insurance. 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 builders' risk insurance, when required for construction projects not covered by others and that are not attached to existing structures and therefore not covered by property insurance discussed above. The Authority also maintains fiduciary liability, public official's liability, auto liability, storage tank 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 \$50 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.

THE CAPITAL IMPROVEMENT PROGRAM

The 2009-2013 Capital Improvement Program

In Fiscal Year 2008, the Airport presented a \$977 million capital improvement program (the "Capital Improvement Program" or "CIP") for Fiscal Year 2009 through Fiscal Year 2013 to airlines serving the Airport. The CIP was incorporated into the Lease and Use Agreement. However, as a result of the downturn in the economy and airline announcements regarding capacity cuts, the Authority has reviewed the CIP and deferred projects that are capacity driven beyond Fiscal Year 2013. This has resulted in a reduction of the estimated cost of the CIP to \$667 million for Fiscal Year 2009 through Fiscal Year 2013.

The CIP includes improvements in the terminal, airfield, ground transportation and other areas. Of the total \$667 million estimated CIP cost, the Authority plans to fund approximately \$116 million from federal and state grants, approximately \$15 million from future Authority funds, approximately \$60 million from passenger facility charges on a pay-as-you-go basis, approximately \$251 million from future revenue bond proceeds to be paid with PFC revenues, approximately \$104 million from future revenue bond proceeds, and approximately \$122 million from other funds including existing bond proceeds, Authority funds, or CFCs.

AIRLINE REVENUES AND OTHER REVENUE SOURCES

The following discussion of airline revenues and other revenue sources is provided for informational purposes only. Except with respect to the Customer Facility Charges, none of the revenues discussed in the following sections are pledged to the payment of the Series 2009 Bonds or any other CFC Bonds issued under the Trust Indenture.

Payments by Airlines Pursuant to Lease and Use Agreements

The new Lease and Use Agreements will be effective through September 30, 2013. Signatory Airline payments to the Authority represent approximately 27 percent of the total airport revenues for Fiscal Year 2009 budget. 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) an annual charge for tenant improvements financed by the Authority, and (e) an annual charge for preferential use of aircraft parking aprons. 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.

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 (the current level at the Airport), subject to certain limitations. Airport-related projects eligible for PFC's 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.

Concessions and Other Consumer Revenue Sources

The principal concessions and consumer services at the Airport are the Hotel, automobile parking, rental cars and other ground transportation, food and beverage, and merchandise. The Authority also derives revenues from advertising, telephones, a bank and other concessions and consumer services. 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. Automobile parking and the hotel are operated under management agreements.

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. See "CUSTOMER FACILITY CHARGES AND RENTAL CAR OPERATIONS" herein.

Food and beverage facilities in the Landside Terminal and Airside Terminals 1 and 4 are operated under a 10-year concession agreement effective December 2002, with a minimum annual concession fee of \$5,253,000. The food and beverage concession agreement at Airside 2 has a minimum annual concession fee of \$1,086,683 and was recently amended to extend the agreement until September 2015. Recently, the food and

beverage concession at Airside 3 was awarded with an initial minimum annual concession fee of \$1,100,000 that increased to a minimum annual concession fee of \$2,200,000 effective with the opening of the new sit-down restaurant on April 1, 2009.

Amounts derived from concessions and consumer services, including automobile parking and the Hotel, totaled approximately \$198,128,000 in Fiscal Year 2008, and represented approximately 60 percent of total Revenues received by the Authority during such period. For the nine-month period ended June 30, 2009, such concession and consumer services revenues totaled approximately \$143,216,419 compared with \$156,879,628 for the nine-month period ended June 30, 2008. The concession and consumer services revenue represented approximately 59 percent and 62 percent of total Revenues received for the nine-month period ending June 30, 2009 and June 30, 2008 respectively. The majority of the decrease relates to reduction in revenues from parking and the hotel.

For additional information regarding other sources of revenue for the Airport, see the financial statements and related footnotes contained in APPENDICES C and D attached hereto.

Other Indebtedness

The Authority has issued various series of Airport Facilities Revenue Bonds and debt subordinate thereto, under the Airport Facilities Revenue Bonds Resolution. As of September 1, 2009, there was approximately \$1,034,575,756 amount of senior debt outstanding and approximately \$190,763,000 of subordinate, commercial paper and other debt outstanding. For a thorough discussion of the Authority's debt, including swap transactions, please refer to Note 15 of the Authority's Audited Financial Statements and Report of Independent Auditors thereon for the Fiscal Years ended September 30, 2007 and 2008 attached hereto as APPENDIX D.

THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS

Airline and Rental Car Company Reports

Certain Airlines and Concessionaire Rental Car Companies (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 and Concessionaire

Rental Car Companies 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, 100 F Street, 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 <http://www.sec.gov>. The Commission does not require foreign companies to file electronically. Foreign companies' reports may be obtained by writing the Commission at 100 F 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.

Competition and Alternative Modes of Ground Transportation

There are alternative forms of ground transportation available at the Airport and the vicinity which could further reduce the demand for renting motor vehicles at the Airport. These alternative forms which compete with rental cars include taxis, buses, shuttle services (e.g. Disney's Magical Express), and limousines. In addition, over the years several light rail plans have been discussed for the Orlando area which would further reduce demand for rental cars. For a further description of these alternate modes and competition and their impact on rental car demand and, by extension, projected CFCs, see the section entitled "KEY FACTORS AFFECTING RENTAL CAR DEMAND AT THE AIRPORT" contained in the "REPORT OF AIRPORT CONSULTANT" attached hereto as APPENDIX E.

Considerations Under the Bankruptcy Code

In the event a bankruptcy petition is filed with respect to a Concessionaire Rental Car Company, their agreement with the Authority may be rejected. In such event, such Concessionaire Rental Car Company would not be permitted to operate at the Airport. In such circumstances, while rental car demand would not be affected, CFC collections could be affected until other Concessionaire Rental Car Companies are able to increase their capacity to accommodate additional customers. Additionally, CFCs collected by a Concessionaire Rental Car Company but not yet remitted to the Authority prior to the filing of the bankruptcy petition may be included in the bankruptcy estate, resulting in the Authority having a general creditor claim for payment of such amounts. While the

Authority is taking steps to avoid this potential situation, there is no guarantee that such steps will be completely effective in eliminating this risk.

In the event of a default in the payment of principal of or interest on the Series 2009 Bonds, the remedies available to the owners of the Series 2009 Bonds upon a default are in many respects dependent upon judicial action, which is often subject to discretion and delay under existing constitutional law, statutory law, and judicial decisions, including the federal Bankruptcy Code. Co-Bond Counsel's opinion to be delivered simultaneously with delivery of the Series 2009 Bonds will be qualified as to enforceability of the various legal instruments by certain limitations, including limitations imposed by bankruptcy, reorganization, insolvency, and equity principles. See APPENDIX F attached hereto.

Achievement of Projections

The collection and remittance of Customer Facility Charges in amounts sufficient to pay debt service on the Series 2009 Bonds when due is affected by and subject to conditions which may change in the future to an extent and with effects that cannot be determined at this time. No absolute representation or assurance is given or can be made that Customer Facility Charges will be realized in amounts sufficient to pay debt service when due on the Series 2009 Bonds.

The receipt of Customer Facility Charges is subject to, among other factors, the origin and destination passenger activity levels at the Airport in the future, the level of rental car activity at the Airport in the future, future economic conditions, and other conditions which are impossible to predict. The future collection and remittance of Customer Facility Charges will have a direct impact upon the payment of principal of an interest on the Series 2009 Bonds.

As noted in the Report of the Airport Consultant, any forecast is subject to uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the forecast period will vary, and the variations may be material. See "REPORT OF THE AIRPORT CONSULTANT" herein and APPENDIX E attached hereto.

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 accumulation of substantial losses. Recent events have had a significant, negative impact on airline industry profitability. The financial strength and stability of airlines serving the Airport are key determinants of future airline traffic and, by extension, future demand for rental cars. In addition, individual airline

decisions regarding level of service at the Airport, together with the inability or unwillingness of certain potential passengers to fly in light of current factors affecting air travel may affect total enplanements. No assurance can be given as to the levels of aviation activity that will be achieved by the Airport. There is no assurance that the Airport, despite a demonstrated level of airline service and operations, will continue to maintain such levels in the future. The continued presence of airlines serving the Airport and the levels at which that service will be provided are a function of a variety of factors. Future airline traffic may be affected by, among other things, the growth or decline in the population and the economy of the Airport service region and by national and international economic conditions, acts of war and terrorism, federal regulatory actions, airline service, air fare levels and the operation of the air traffic control system.

Costs of 2009 Project and Schedule

The estimated costs of, and the projected schedule for, the 2009 Project are subject to a number of uncertainties. The ability of the Authority to complete the 2009 Project may be adversely affected by various factors including: (1) estimating errors, (2) design and engineering errors, (3) material and/or labor shortages, (4) unforeseen site conditions, (5) adverse weather conditions, (6) contractor defaults, (7) labor disputes, (8) litigation, and (9) environmental issues. No assurance can be given that the 2009 Project will not cost more than is currently estimated. 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.

Forward Looking Statements

This Official Statement, and particularly the information contained under the captions "THE CAPITAL IMPROVEMENT PROGRAM" contains 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. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements. Among the factors that may cause projected revenues and expenditures to be materially different from those anticipated are an inability to incur debt at assumed rates, construction delays, increases in construction costs, general economic downturns, factors affecting the airline industry in general, federal legislation and/or regulations, and regulatory and other restrictions, including but not limited to those that may affect the ability to undertake the timing or the cost of certain projects. 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.

LITIGATION AND REGULATORY MATTERS

Litigation

There is no litigation or other proceedings of any nature now pending or, to the best knowledge of the Authority, threatened against the Authority in the Circuit Court for the Ninth Judicial Circuit of the State of Florida in and for Orange County and in the United States District Court for the Middle District of Florida or in any other court for which the Authority has received actual notice which, in the opinion of the Authority, will have any material adverse effect on the Authority's ability to pay the Series 2009 Bonds or to collect the Pledged Revenues or will have a material adverse effect on the Airport System.

At the time of the delivery of the Series 2009 Bonds, the Authority will deliver a certificate to the effect that no litigation or other proceedings are pending, or to the best knowledge of the Authority, threatened against the Authority in the Circuit Court for the Ninth Judicial Circuit of the State of Florida in and for Broward County or in the United States District Court for the Middle District of Florida or in any other court for which the Authority has received actual notice, in any way (a) restraining or enjoining the issuance, sale or delivery of the Series 2009 Bonds, (b) questioning or affecting the validity of the Series 2009 Bonds or any proceedings of the Authority taken with respect to the authorization, sale, execution or issuance of the Series 2009 Bonds or of the pledge of any moneys or other security provided for the Series 2009 Bonds, or (c) which could have a material adverse effect on the Airport System.

The Authority currently is actively engaged in numerous lawsuits. These include cases where the redress sought is for other than monetary damages, *i.e.*, mandamus, injunction, declaratory relief and cases for which the Authority has insurance or is named as a nominal defendant. The Authority is of the opinion that the possible exposure resulting from any ultimate resolution of litigation in which the Authority is a defendant would not have a material adverse economic effect upon the Airport System.

Regulatory Matters

The Authority has undertaken contamination assessment and site rehabilitation at a number of locations at the Airport and the Orlando Executive Airport. Two of these sites are located near the existing rental car QTA sites that are in various stages of environmental remediation. The first is the Dollar site which is located on the east side of the existing QTA, it has a remediation action plan that is currently in operation. The remediation action plan, which includes clean up and monitoring should be completed in early 2011. The Avis site which is located on the west side of the current QTA area, will be submitting its remediation action plan modification in October of 2009. The system should be operational in April of 2010. It is estimated that the environmental cleanup, followed by one year of monitoring would be completed in April of 2012. The cost of

both of these remediation action plans are expected to be paid by the respective rental car companies and at this time it is not anticipated that such plans will affect the construction and use of the 2009 Project.

TAX MATTERS

Federal Income Taxation

In General. The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Series 2009 Bonds. The summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the "Code"), the regulations promulgated thereunder and rulings and court decisions now in effect, all of which are subject to change. This summary is intended as a general explanatory discussion of the consequences of holding the Series 2009 Bonds. This summary generally addresses Series 2009 Bonds held as capital assets and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such Series 2009 Bonds as a hedge against currency risks or as a position in a straddle for tax purposes, foreign investors or persons whose functional currency is not the U.S. dollar. Potential purchasers of the Series 2009 Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2009 Bonds.

In the opinion of Co-Bond Counsel, interest on the Series 2009 Bonds is not excluded from gross income for federal income tax purposes. Purchasers other than those who purchase the Series 2009 Bonds in the initial offering at their principal amounts will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such Series 2009 Bonds. Generally, interest paid on the Series 2009 Bonds and recovery of accrued original issue and market discount, if any, will be treated as ordinary income to the bondholder, and, after adjustment for the foregoing, principal payments will be treated as a return of capital.

Market Discount. If a bondholder purchases a Series 2009 Bond for an amount that is less than the adjusted issue price of the Series 2009 Bond, and such difference is not considered to be de minimis, then such discount will represent market discount. Absent an election to accrue market discount currently, upon a sale, exchange or other disposition of a Series 2009 Bond, a portion of any gain will be ordinary income to the extent it represents the amount of any such market discount that was accrued through the date of sale. In addition, absent an election to accrue market discount currently, the portion of any interest expense incurred to carry a market discount bond is limited. Such

bondholders should consult their own tax advisors with respect to whether or not they should elect to accrue market discount currently, the determination and treatment of market discount for federal income tax purposes and the state and local tax consequences of owning such Series 2009 Bonds.

Bond Premium. If a bondholder purchases a Series 2009 Bond at a cost greater than its then principal amount, generally the excess is amortizable bond premium. The tax accounting treatment of bond premium is complex. Such bondholders should consult their own tax advisors with respect to whether or not they should elect to amortize such premium under Section 171 of the Code, the determination and treatment of such premium for federal income tax purposes and the state and local tax consequences of owning such Series 2009 Bonds.

Sale or Redemption of Series 2009 Bonds. A bondholder's tax basis for a Series 2009 Bond is the price such owner pays for the Series 2009 Bond plus the amount of any original issue discount and market discount previously included in income, reduced on account of any payments received (other than "qualified periodic interest" payments) and any amortized bond premium. Gain or loss recognized on a sale, exchange or redemption of a Series 2009 Bond, measured by the difference between the amount realized and the Series 2009 Bond basis as so adjusted, will generally give rise to capital gain or loss if the Series 2009 Bond is held as a capital asset (except as discussed above under "Market Discount"). The legal defeasance of Series 2009 Bonds may result in a deemed sale or exchange of such Series 2009 Bonds under certain circumstances; owners of such Series 2009 Bonds should consult their tax advisors as to the federal income tax consequences of such an event.

Information Reporting and Backup Withholding. Interest paid on bonds such as the Series 2009 Bonds is subject to information reporting to the Internal Revenue Service. In conjunction with the information reporting requirement, the Code subjects certain non-corporate owners of Series 2009 Bonds, under certain circumstances, to "backup withholding" at (i) the fourth lowest rate of tax applicable under Section 1(c) of the Code (i.e., a rate applicable to unmarried individuals) for taxable years beginning on or before December 31, 2010; and (ii) the rate of 31% for taxable years beginning after December 31, 2010, with respect to payments on the Series 2009 Bonds and proceeds from the sale of Series 2009 Bonds. This withholding generally applies if the owner of Series 2009 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Backup withholding will not apply, however, with respect to certain payments made to bondholders, including payments to certain exempt recipients and to certain Nonresidents (defined below).

Prospective purchasers of the Series 2009 Bonds may also wish to consult with their tax advisors as to their qualification for an exemption from backup withholding and the procedure for obtaining the exemption.

Nonresidents. Under the Code, interest and original issue discount income with respect to Series 2009 Bonds held by nonresident alien individuals, foreign corporations and other non-United States persons ("Nonresidents") may not be subject to withholding. Generally, payments on the Series 2009 Bonds to a Nonresident that has no connection with the United States other than holding the Series 2009 Bond will be made free of withholding tax, as long as such holder has complied with certain tax identification and certification requirements. Nonresidents should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2009 Bonds.

Circular 230 Disclosure. The above discussion was written to support the promotion and marketing of the Series 2009 Bonds and was not intended or written to be used, and cannot be used, by a taxpayer for purposes of avoiding United States federal income tax penalties that may be imposed. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Taxation Under Florida Law

In the opinion of Co-Bond Counsel, the Series 2009 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2009 Bonds and the issuance thereof by the Authority are subject to the approval of Greenberg Traurig, P.A., Orlando, Florida and Marchena and Graham, P.A., Orlando, Florida, P.A., Co-Bond Counsel. The proposed form of the opinion of Co-Bond Counsel is attached hereto as APPENDIX F. 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 Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Ruye H. Hawkins, P.A., Orlando, Florida, Co-Disclosure Counsel. Certain legal matters in connection with the Series 2009 Bonds will be passed on for the Underwriters by their counsel, Robert P. Saltsman, 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 2009 Bonds except as may be provided in the supplemental opinion of Co-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 2009 Bonds.

RATINGS

The Series 2009 Bonds have been assigned long-term ratings of "A" by Fitch Ratings and "A2" by Moody's Investor Services. Such ratings express only the views of the rating agencies. An explanation of the significance of such ratings may be obtained from the 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 the rating agencies if, in the judgment of the rating agencies, circumstances so warrant.

UNDERWRITING

Raymond James & Associates, Inc., on behalf of itself and the other Underwriters (collectively the "Underwriters") has agreed, subject to certain conditions to closing, to purchase the Series 2009 Bonds at an aggregate purchase price of \$62,324,533.56, which represents the initial aggregate principal amount of the Series 2009 Bonds, less an Underwriters' discount of \$475,466.44. The Underwriters will be obligated to purchase all of the Series 2009 Bonds if any Series 2009 Bonds are not purchased. The Series 2009 Bonds may be offered and sold to the Underwriters and certain dealers (including the Underwriters and other dealers depositing such Series 2009 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.

Morgan Stanley and Citigroup Inc., the respective parent companies of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc., each an underwriter of the Series 2009 Bonds, have entered into a retail brokerage joint venture. As part of the joint venture each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. 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, each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. will compensate Morgan Stanley Smith Barney LLC. for its selling efforts in connection with their respective allocations of Series 2009 Bonds.

FINANCIAL ADVISORS

Morgan Keegan and 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 2009 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 2009 Bonds.

AIRPORT CONSULTANT

Jacobs Consultancy, Burlingame, California has served as the consultant to the Authority. See "REPORT OF THE AIRPORT CONSULTANT" herein and attached hereto as APPENDIX E. References to and excerpts herein from such report do not purport to be an adequate summary of such report or complete in all respects. Such report is an integral part of this Official Statement and should be read in its entirety for complete information with respect to the subjects discussed herein.

FINANCIAL STATEMENTS

The Authority's financial statements for the quarter ending June 30, 2008 and 2009, included in APPENDIX C attached hereto, have been reviewed by Ernst & Young LLP, independent auditors, as stated in their report included in APPENDIX C attached hereto. Ernst & Young LLP has not audited these quarterly financial statements and all information included therein is the representation of the Authority.

The Authority's financial statements for the year ended September 30, 2007 and 2008, included in APPENDIX D attached hereto, have been audited by Ernst & Young LLP, independent auditors, as stated in their report included in APPENDIX D attached hereto. Ernst & Young LLP, our 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. Ernst & Young LLP 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 2009 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 ("Rule 15c2-12"), the Authority has entered into a Continuing Disclosure Agreement ("Continuing Disclosure Agreement") for the benefit of the Holders of the Series 2009 Bonds with Digital Assurance Certification, L.L.C. ("DAC"), under which the Authority has designated DAC as Disclosure Dissemination Agent. The form of Continuing Disclosure Agreement is attached as APPENDIX G.

DAC has only the duties specifically set forth in the Continuing Disclosure Agreement. DAC's obligation to deliver the information at the times and with the contents described in the Continuing Disclosure Agreement is limited to the extent the Authority has provided such information to DAC as required by this Continuing Disclosure Agreement. DAC has no duty with respect to the content of any disclosures or notice made pursuant to the terms of the Continuing 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 2009 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 Continuing 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 CONTINUING DISCLOSURE AGREEMENT" attached hereto as APPENDIX G. A default under the Continuing Disclosure Agreement shall not constitute an Event of Default under Trust Indenture.

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

FORWARD LOOKING STATEMENTS

The statements contained in this Official Statement, and in any other information provided by the Authority, that are not purely historical, are forward-looking statements, including statements regarding the Authority's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward looking statements included in this Official Statement are based on information available to the Authority on the date hereof, and the Authority assumes no obligation to update any such forward-looking statements. It is important to note that the Authority's actual results could differ materially from those in such forward-looking statements.

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 Form of the Trust Indenture (APPENDIX A), the Form of Rental Automobile Concession Agreement (APPENDIX B), the Quarterly Financial Statements and Report of Independent Auditors Thereon for the Periods Ended June 30, 2008 and 2009 (APPENDIX C), the Audited Financial Statements and Report of Independent Auditors thereon for the Fiscal Years ended September 30, 2007 and 2008 (APPENDIX D), the Report of the Airport Consultant (APPENDIX E), the proposed Form of opinion of Co-Bond Counsel (APPENDIX F), and the proposed Form of Continuing Disclosure Agreement (APPENDIX G) 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 CFC Enabling Resolution, the Trust Indenture, the Rental Automobile Concession Agreement, 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. The form of Trust Indenture and Rental Automobile Concession Agreement are attached hereto, but copies of such other documents are available from the Finance Department, One Airport Boulevard, Orlando, Florida 32827-4399.

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 2009 Bonds, the undersigned will furnish his certificate 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 2009 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/ Jeffry B. Fuqua
Jeffry B. Fuqua, Chairman

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APPENDIX A

FORM OF THE TRUST INDENTURE

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TRUST INDENTURE

This **TRUST INDENTURE**, dated as of October 1, 2009, is made and entered into by and between the **GREATER ORLANDO AVIATION AUTHORITY**, an agency of the City of Orlando, Florida (the "Authority"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America, as trustee or any successor trustee appointed hereunder (the "Trustee").

WITNESSETH:

WHEREAS, all terms used herein in capitalized form, except as otherwise defined herein, shall have the meanings ascribed thereto in Section 1.1 hereof; and

WHEREAS, the Authority is a public body corporate and politic duly organized and validly existing under the Act, as an agency of the City; and

WHEREAS, the Act empowers the Authority to issue its revenue bonds in furtherance of the public purposes for which it was created; and

WHEREAS, pursuant to an agreement dated September 27, 1976, as amended, the City transferred to the Authority custody, control and management of the Airport for a period of fifty years; and

WHEREAS, pursuant to the Act, the Authority has the power to acquire, construct, operate and maintain, extend and improve the Airport; and

WHEREAS, pursuant to the Enabling Resolution, the Authority has provided for a rental automobile Customer Facility Charge to be derived from the operation of rental automobile activities, conducted at various rental automobile related facilities, including quick turn-around facilities at the Airport or the Customer Service Facilities; and

WHEREAS, the Authority desires to pledge the CFCs receipts to pay the costs and expenses of financing, designing, constructing, operating, relocating and maintaining the Project; and

WHEREAS, the Authority has determined that the most feasible method of financing the Capital Costs of the Project is through the issuance of the Bonds; and

WHEREAS, the execution and delivery of this Indenture and the sale, issuance and delivery of the Series 2009 Bonds have been in all respects duly and validly authorized by the Authorizing Resolution and the City Resolution; and

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued and delivered as provided in this Indenture, the valid, binding and limited obligations of the Authority, according to the import thereof, and to create a valid assignment and pledge of the securities, property, moneys and rights in order to secure the payment of the principal and

purchase price of and interest on the Bonds and a valid assignment of certain of the rights, title and interest of the Authority, have been done and performed, and the execution and delivery of this Indenture and the execution, issuance and delivery of the Bonds, subject to the terms hereof, have in all respects been authorized; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof; and

NOW, THEREFORE, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance by the Holders of the Bonds from time to time issued hereunder and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the principal of and interest on such Bonds according to their tenor and effect and the performance and observance by the Authority of all the covenants expressed or implied herein and in the Bonds, the Authority does hereby assign and grant a security interest in the following to the Trustee and its successors in trust, and assigns forever, for the securing of the performance of the obligations of the Authority herein set forth:

GRANTING CLAUSE

All right, title and interest of the Authority in, and to the Pledged Revenues and the Pledged Funds.

TO HAVE AND TO HOLD all the same, with all rights and privileges appurtenant thereto, unto the Trustee and its successors in trust forever, subject however, to all of the terms and provisions of this Indenture;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit and security of the Holders from time to time of the Bonds from time to time issued hereunder without preference, priority or distinction as to lien or otherwise of any such Bond by reason of priority in the time of the issue, sale or delivery thereof, or by reason of the date of maturity thereof or for any other reason whatsoever, except as herein otherwise expressly provided;

PROVIDED, HOWEVER, THAT if the Authority shall pay or cause to be paid the principal of and interest on the Bonds issued hereunder, or shall make provision for such payment as provided in this Indenture or in any other manner provided by law, then upon such final payment or provision therefor this Indenture, the rights, pledges and liens herein granted and all obligations created or arising hereunder shall thereby automatically cease, terminate and be discharged; otherwise this Indenture shall remain in full force and effect.

IT IS HEREBY DECLARED that the aforesaid Pledged Revenues, Pledged Funds and the proceeds of all Bonds issued from time to time hereunder shall be dealt with and disposed of under, upon and subject to the terms, conditions, covenants, agreements, uses and purposes set forth in this Indenture.

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ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1 Definitions. In this Indenture, the following terms shall have the following meanings, unless the context clearly indicates otherwise:

"Act" shall mean Chapter 98-492, Special laws of Florida 1998, as amended.

"Additional Bonds" shall mean Bonds issued by the Authority pursuant to Section 6.1 hereof ranking on a parity as to the lien of the Series 2009 Bonds and any other Outstanding Bonds on the Trust Estate.

"Administrative Costs Requirement" shall mean such amount as shall be estimated by an Authorized Officer of the Authority to be necessary to pay the costs and expenses in the ensuing Fiscal Year as approved by an Authorized Officer of the Authority (i) for fees and expenses of the Trustee, the Rating Agency, the auditor, consultants and other administrative or professional fees, and (ii) to reimburse the Authority for such costs and expenses previously paid by the Authority.

"Airport" shall mean the Orlando International Airport.

"Airport Consultant" means the airport consultant or airport consulting firm or corporation at the time retained by the Authority to perform the acts and carry out the duties provided for such consultant in this Indenture.

"Authorized Denomination" shall mean \$5,000 and any integral multiples thereof.

"Authorized Officer of the Authority" shall mean the Chairman, the Vice-Chairman, the Treasurer, the Secretary of the Board, the Chief Financial Officer, the Executive Director 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.

"Authorizing Resolution" that certain resolution of the Authority adopted on August 19, 2009 pursuant to which the issuance of the Series 2009 Bonds was approved by the Authority.

"Automobile" shall have the meaning given to it in the Rental Automobile Concession Agreement.

"Bond Counsel" means a lawyer or firm of lawyers nationally recognized in the area of tax-exempt municipal finance acceptable to the Authority.

"Bond Purchase Agreement" shall mean the agreement dated September 23, 2009 by and between the Authority and the representative of the underwriters named therein setting forth the terms and conditions relating to the purchase of the Series 2009 Bonds by said underwriters.

"Bond Resolution" shall mean the Authority's Airport Facilities Bond Resolution Authorizing Airport Facility Revenue Bonds of [the] City of Orlando, Florida, adopted June 13, 1978, as amended and supplemented, and as codified on September 17, 2008.

"Bonds" shall mean, collectively, the Series 2009 Bonds and any Additional Bonds or Refunding Bonds from time to time hereafter issued in accordance with Article VI hereof.

"Business Day" shall mean a day (a) other than a Saturday, Sunday, or legal holiday or the equivalent (other than a moratorium) on which banking institutions located in the cities of Orlando, Florida or New York, New York are authorized or required by law or executive order to close, and (b) on which the New York Stock Exchange is not closed.

"Capital Costs of the Project" shall mean the costs of the Project, including Project costs previously paid by the Authority from sources other than CFCs, plus the costs of issuance of the Bonds which finance such Project.

"CFC Stabilization Fund" shall have the meaning ascribed to such term in Article IV hereof.

"CFC Stabilization Fund Requirement" shall mean \$5,000,000 for the Series 2009 Bonds and, upon the issuance of any Additional Bonds or Refunding Bonds, the amount as required in the supplemental indenture authorizing the related series of Bonds.

"City" shall mean the City of Orlando, Florida.

"City Resolution" that certain resolution of the City adopted on August 24, 2009 pursuant to which the issuance of the Series 2009 Bonds was approved by the City.

"Code" shall mean the Internal Revenue Code of 1986, as amended including, when appropriate, the statutory predecessor of the Code, and all applicable regulations thereunder, whether proposed, temporary or final, including regulations issued and proposed pursuant to the statutory predecessor of the Code, and, in addition, all official rulings and judicial determinations applicable to the Bonds under the Code and under the statutory predecessor of the Code.

"Company" or **"Companies"** shall mean individually or collectively, the rental car companies that operate under a Rental Automobile Concession Agreement at the Airport.

"Costs of Issuance Fund" shall mean the Fund established pursuant to Article IV hereof.

"Coverage Fund" shall have the meaning ascribed to such term in Article IV hereof.

"Coverage Fund Requirement" shall mean \$2,356,420.25 for the Series 2009 Bonds and, upon the issuance of any Additional Bonds or Refunding Bonds, shall mean 25% of the Maximum Annual Debt Service Requirement for all Bonds then Outstanding.

"Current Annual Debt Service Requirement" shall mean the annual scheduled payments of principal of and interest on the Bonds in the then current Fiscal Year, excluding any

accrued interest or capitalized interest; provided, however, that such definition may be amended in any supplemental indenture authorizing any series of Additional Bonds or Refunding Bonds.

"Customer" means the actual individual(s) on the signed Automobile rental agreement as the driver(s) of the Automobile delivered, rented to, or who picked up the Automobile at the Airport or the Customer Service Facility, regardless of who pays a portion of, or all of, the Automobile rental fees.

"Customer Facility Charge" or "CFC" means a per day fee payable by Customers, collected, accounted for, and remitted by the Company to the Authority (whether collected from Customers or not), as established by the Authority by resolution, and periodically adjusted by the Authority as necessary.

"Customer Service Facilities" shall have the meaning given to it in the Rental Automobile Concession Agreement.

"Debt Service Fund" shall have the meaning ascribed to such term in Article IV hereof.

"Debt Service Reserve Fund" shall have the meaning ascribed to such term in Article IV hereof.

"Debt Service Reserve Fund Requirement" shall mean \$9,425,681, being the Maximum Annual Debt Service Requirement for the Series 2009 Bonds and, upon the issuance of any Additional Bonds or Refunding Bonds, shall mean such additional amount as shall be provided in the supplemental indenture authorizing the related series of Bonds.

"DTC" shall mean The Depository Trust Company, New York, New York or any successor depository.

"DTC Letter of Representations" shall mean the Blanket Issuer Letter of Representations dated August 14, 1997 from the Authority to DTC, and any amendments thereto.

"DTC Participant" shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants through electronic book entry changes in the accounts of the DTC Participants, thereby eliminating the need for physical movement of definitive certificates.

"Enabling Resolution" shall mean the resolution adopted by the Authority on August 20, 2008, as amended and restated on August 19, 2009, authorizing, among other things, the collection of the Customer Facility Charges, as amended from time to time.

"Event of Default" shall mean those events or occurrences defined in Section 8.1 hereof.

"Facility Improvement Fund" shall have the meaning ascribed to such term in Article IV hereof.

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(3) Bonds in lieu of which another Bond has been authenticated and delivered under this Indenture; and

(4) Bonds purchased or held by the Authority.

"Paying Agent" shall mean The Bank of New York Mellon Trust Company, N.A.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, limited liability company, unincorporated organization, or government or agency or political subdivision thereof.

"Pledged Funds" shall mean (i) any amounts on deposit from time to time in the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Coverage Fund, and the CFC Stabilization Fund, and (ii) any amounts, other than investment income, on deposit in the Project Fund from time to time that are not encumbered or otherwise allocated by the Authority to or necessary for the completion of a Project, and (iii) any amounts, other than investment income, on deposit in the Facility Improvement Fund from time to time that are not encumbered or otherwise allocated by the Authority to or necessary for the completion of a Project.

"Pledged Revenues" shall mean the aggregate of (i) the Customer Facility Charges receivable by the Authority, and (ii) excluding any investment income derived from the Project Fund and the Facility Improvement Fund, all investment income of every kind derived from amounts credited to the Pledged Funds.

"Principal Payment Date" shall mean with respect to the Series 2009 Bonds, October 1 of each year which the Series 2009 Bonds are Outstanding commencing with October 1, 2010 and for any Series of Additional Bonds or Refunding Bonds, the dates set forth in the related supplemental indenture authorizing the issuance of such series of Bonds.

"Project" shall mean all or a portion of the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental automobile related facilities, including quick turnaround facilities, and facilities to be modified, improved, or relocated to accommodate rental automobile related facilities at the Airport or the Customer Service Facility.

"Project Fund" shall have the meaning ascribed to such term in Article IV hereof.

"Rating Agency" means each nationally recognized bond rating agency providing a credit rating with respect to the Bonds, including Moody's, Fitch and S&P, if such entities are providing a rating on a particular series of Bonds.

"Refunding Bonds" shall mean Bonds issued by the Authority pursuant to Section 6.2 hereof ranking on a parity as to the lien of the Series 2009 Bonds and any other Outstanding Bonds on the Trust Estate.

"Register" means the register of the record owners of Bonds maintained by the Registrar.

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"Fiscal Year" shall mean the Authority's fiscal year, currently October 1 through September 30.

"Fitch" shall mean Fitch, Inc., 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, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

"Funds" shall mean the funds, accounts and subaccounts as established pursuant Article IV hereof.

"Holder" and **"Registered Owner"** shall mean the Person in whose name such Bond is registered.

"Indenture" shall mean this Trust Indenture and any supplements, amendments and modifications thereto.

"Interest Payment Date" shall mean, with respect to the Series 2009 Bonds, April 1 and October 1 of each year while the Series 2009 Bonds are Outstanding, commencing with April 1, 2010 and for any series of Additional Bonds or Refunding Bonds, the dates set forth in the related supplemental indenture authorizing the issuance of such series of Bonds.

"Investment Securities" shall have the meaning given to it in the Bond Resolution, as such Bond Resolution definition is amended from time to time.

"Maximum Annual Debt Service Requirement" for the Bonds then Outstanding, shall mean the maximum annual scheduled payments of principal and interest on such Bonds in any Fiscal Year, excluding any accrued interest or capitalized interest.

"Moody's" shall mean Moody's Investors Service Inc., 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, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

"Outstanding" when used with respect to the Bonds means, as of the date of determination, the aggregate principal amount of all Bonds theretofore authenticated and delivered under this Indenture, except, without duplication:

(1) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(2) Bonds, for the payment or redemption for which money in the necessary amount has been theretofore deposited with the Trustee or any Trustee in trust for the Holders of such Bonds, provided that, if such Bonds are to be redeemed prior to the stated maturity thereof, notice of such redemption has been duly given pursuant to this Indenture, or waived, or provision therefor satisfactory to the Trustee has been made;

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"Registrar" shall mean The Bank of New York Mellon Trust Company, N.A.

"Rental Automobile Concession Agreement" shall mean collectively, those certain agreements of that or similar name, existing from time to time, by and between the Authority and the Companies named therein for the operation of rental automobile activities at the Airport or a Customer Service Facility, and all supplements, amendments and modifications thereto.

"Requisition Certificate" shall mean a written certificate executed by an Authorized Officer of the Authority in substantially the form of EXHIBIT B attached hereto.

"Revenue Fund" shall have the meaning ascribed to such term in Article IV hereof.

"Series 2009 Bonds" shall mean the \$62,800,000 Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 of the City of Orlando, Florida.

"Special Record Date" shall have the meaning set forth in Section 2.2(d) hereof.

"Standard & Poor's" shall mean Standard & Poor's Ratings Services, 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 Trustee.

"State" shall mean the State of Florida.

"Transaction Day" means a continuous twenty-four (24) hour period, or any part thereof, for the calculation of the Customer Facility Charge. If the same Automobile is rented to more than one Customer within such continuous twenty-four (24) hour period, then each such rental shall be calculated as a "Transaction Day," except that a partial day that is a grace period of no more than two hours after the last twenty-four (24) hour day booked, and for which the Customer is not charged, shall not be considered a Transaction Day.

"Trust Estate" shall mean the property described in the Granting Clauses hereof.

Section 1.2 Interpretations. All terms defined herein and all pronouns used in this Indenture shall be deemed to apply equally to singular and plural and to all genders. The table of contents, titles and headings of the articles and Sections of this Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the lien on and pledge of the Trust Estate to secure the payment of the Bonds.

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ARTICLE II

SERIES 2009 BONDS

Section 2.1 Name, Amount, Purpose, Authorization

(a) No Bonds may be issued under the provisions of this Indenture except in accordance with this Article and Article VI hereof. All proceeds of Bonds issued under this Indenture and any supplement hereto shall be used for Capital Costs of the Project and to fund the Funds established hereunder or under any related supplemental indenture in connection with the issuance of Additional Bonds or Refunding Bonds, and all such facilities financed with such proceeds shall constitute "Special Purpose Facilities" as defined in, and in accordance with, the Bond Resolution.

(b) The Series 2009 Bonds shall be designated as the "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 of the City of Orlando, Florida," shall be issued in the aggregate principal amount of \$62,800,000 for the purpose of paying or reimbursing the Authority for a portion of the costs and expenses of financing, designing, constructing, operating, relocating and maintaining the Project, funding all or a portion of the Debt Service Reserve Fund Requirement, funding all or a portion of the Coverage Fund Requirement, funding all or a portion of the CFC Stabilization Fund Requirement and paying the costs of issuance relating to the Series 2009 Bonds. The Series 2009 Bonds and all other Bonds shall bear the following legend:

"THIS BOND SHALL BE A LIMITED OBLIGATION OF THE AUTHORITY. THIS BOND AND THE INTEREST THEREON AND REDEMPTION PREMIUM, IF ANY, SHALL NOT BE DEEMED TO CONSTITUTE OR CREATE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE STATE, THE CITY OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE CITY OR ANY SUCH POLITICAL SUBDIVISION OR AGENCY. THE AUTHORITY HAS NO TAXING POWER. THIS BOND AND THE INTEREST HEREON ARE PAYABLE SOLELY FROM AND SECURED BY THE TRUST ESTATE, ALL AS DESCRIBED IN AND SUBJECT TO LIMITATIONS SET FORTH IN THE INDENTURE AND ARE NOT PAYABLE FROM OR SECURED BY ANY REVENUES UNDER AND AS DEFINED IN THE BOND RESOLUTION."

The Series 2009 Bonds and all other Bonds may bear such additional legend or contain such further provisions as may be necessary to comply with or conform to the rules and requirements of any brokerage board, securities exchange or municipal securities rules making board.

Section 2.2 Denomination, Date, Maturity and Interest Rate

(d) If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Trustee shall establish a new record date for the payment of such interest, to be known as a "Special Record Date." The Trustee shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Authority. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first-class, postage prepaid, not later than five days prior to the Special Record Date, to each affected Registered Owner as of the close of business on the day prior to mailing of such notice.

(e) The Bonds shall be payable, subject to redemption prior to maturity, have the characteristics, and be executed, sealed, registered and executed by manual or facsimile signature of an authorized officer of the City, an Authorized Officer of the Authority and an authorized officer of the Trustee. In case any officer whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office. The Bonds authorized and issued hereunder shall be issued as fully registered Bonds in substantially the form set out in EXHIBIT A attached hereto, with such variations, omissions, insertions, endorsements and legends as may be necessary or appropriate to conform to, and as are required or permitted by this Indenture and any supplemental indenture hereto. CUSIP numbers also may be printed on the Bonds, but errors or omissions in the printing of either the opinion or the numbers shall have no effect on the validity of the Bonds.

Section 2.3 The Depository Trust Company

(a) Notwithstanding any provision of this Indenture to the contrary, unless the Authority shall otherwise direct, all Bonds issued hereunder shall be registered in the name of Cede & Co., as nominee of DTC, as the Registered Owner of the Bonds, and held in the custody of DTC. Unless otherwise requested by DTC, a single certificate will be issued and delivered to DTC for each maturity of Bonds. Beneficial owners of Bonds will not receive physical delivery of Bond certificates except as provided hereinafter as long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interests in the Bonds will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership interests in Bonds is to receive, hold or deliver any Bond certificate; provided, that, if DTC fails or refuses to act as securities depository for the Bonds, the Authority shall take the actions necessary to provide for the issuance of Bond certificates to the Registered Owners of such Bonds.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Authority and the Trustee shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment

(a) The Series 2009 Bonds shall be dated the date of issuance thereof and bear interest from the dated date of the Series 2009 Bonds, at the rate or rates per annum set forth below, calculated on the basis of a 360-day year composed of twelve 30-day months payable on any Interest Payment Date. The Series 2009 Bonds so authorized shall be issued in the aggregate principal amount of \$62,800,000.

(b) The Series 2009 Bonds shall be initially issued in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Indenture. The Series 2009 Bonds shall mature on October 1 in each of the years and in the amounts set out in the following schedule. The Series 2009 Bonds shall be issued in Authorized Denominations shall be lettered and numbered R-1 and upwards according to the records maintained by the Registrar. Series 2009 Bonds delivered on transfer of or in exchange for other Series 2009 Bonds shall be numbered in order of their authentication by the Registrar, shall be in Authorized Denominations, and shall mature on the same date, bear interest at the same rate, and be subject to redemption on the same date as the Series 2009 Bond or Series 2009 Bonds in lieu of which they are delivered.

THE SERIES 2009 BONDS

Maturity (October 1)	Principal Amount Maturing	Interest Rate
2010	\$6,910,000	2.140%
2011	7,175,000	2.760
2012	7,370,000	3.260
2013	7,615,000	3.660
2014	7,890,000	4.160
2015	8,220,000	4.510
2016	8,590,000	5.120
2017	9,030,000	5.470

(c) The principal of, redemption premium, if any, and the interest on the Bonds shall be payable in lawful currency of the United States. The principal of and redemption premium, if any, on the Bonds shall be payable at the principal office of the Paying Agent upon presentation and surrender of the Bonds. Interest on the Bonds shall be computed from the Interest Payment Date to which interest has been paid or duly provided for next preceding the date of authentication thereof, unless (i) such date of authentication shall be prior to the first Interest Payment Date, in which case interest shall be computed from the issuance date thereof, or (ii) such date of authentication shall be an Interest Payment Date to which interest on the Bonds has been paid in full or duly provided for, in which case interest shall be computed from such date of authentication; provided, however, that if interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for registration of transfer or exchange shall bear interest from the last date to which interest has been paid or duly provided for on the Bonds or, if no interest has been paid or duly provided for on the Bonds, from the issuance date thereof.

to any DTC Participant or any other person, other than a Registered Owner, as shown in the Register, of any amount with respect to the principal of or interest on the Bonds.

(b) In the event that (i) DTC determines not to continue to act as securities depository for the Bonds (which determination shall become effective no less than ninety (90) days after written notice to such effect to the Authority and the Trustee); (ii) the Authority or the Trustee determines (which determination is conclusive as to DTC and the beneficial owners of the Bonds) that DTC is incapable of discharging its responsibilities described herein and in the DTC Letter of Representations; or (iii) the Authority or the Trustee determines (which determination is conclusive as to DTC and the beneficial owners of the Bonds) that it is in the best interests of the beneficial owners of the Bonds not to continue DTC's book-entry only system of transfer for the Bonds, then the Authority shall use its best efforts to appoint a successor securities depository, qualified to act as such under Section 17A of the Securities Exchange Act of 1934, as amended. In the event of such an appointment, the Authority shall (x) notify DTC of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor or (y) notify DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

In the event the Authority fails to appoint a successor securities depository for the Bonds, the Authority shall cause to be authenticated and delivered replacement Bonds, in certificated form, to the beneficial owners of the Bonds.

(c) Notwithstanding any other provision of this Indenture to the contrary, as long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, (i) all payments with respect to the principal of and interest on the Bonds and all notices with respect to such Bonds shall be made and given, in accordance with DTC's Operational Arrangements, as provided in the Blanket Letter of Representations between DTC and the Authority; (ii) the requirements of this Indenture of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC; and (iii) delivery of the Bonds will be in accordance with arrangements among the Authority, the Trustee and DTC.

(d) If at any time DTC ceases to hold the Bonds in book-entry only form, all references herein to DTC shall be of no further force or effect.

Section 2.4 Authentication of Bonds Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form set forth on EXHIBIT A attached hereto, duly, executed by the Trustee, shall be entitled to any right or benefit under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Trustee's certificate of authentication on

any Bonds shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

Section 2.5 Registration, Transfer, and Exchange of Bonds. Subject to the provisions of this Section 2.5, the Trustee shall cause a Bond register to be kept for the registration of Bonds and the registration of transfers of Bonds. So long as any Bonds remain Outstanding, the Trustee shall maintain the Bond register or a copy of the register within the State which, subject to such reasonable regulations as it may prescribe, the Trustee shall provide for the registration and transfer of the Bonds in accordance with the terms of this Indenture.

Each Bond shall be transferable only upon presentation and surrender thereof at the designated payment office of the Trustee, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Trustee. Upon due presentation of any Bond for transfer, the Trustee shall authenticate and deliver in exchange therefor, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount, and bearing or accruing interest at the same rate as the Bond or Bonds so presented and surrendered.

Each Bond shall be exchangeable upon presentation and surrender thereof at the designated payment office of the Trustee for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount, equal to the unpaid principal amount of Bond or Bonds presented for exchange. The Trustee shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each exchanged or replaced Bond delivered by the Trustee in accordance with this Section shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The Authority or the Trustee may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. The Trustee may require the payment of a fee or charge of the Trustee for such transfer or exchange which shall be paid by the Authority.

The Authority, the Trustee, and any other Person may treat the person in whose name any Bond is registered as the absolute Registered Owner of such Bond for the purpose of making payment of the principal and premium, if any, thereof, and for the further purpose of making payment of interest thereon, for the purpose of giving notice to the Holders of the Bonds, and for all other purposes, whether or not such Bond is overdue, and neither the Authority nor the Trustee shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Holder of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Authority and the Trustee upon such Bond to the extent of the sums paid.

Section 2.6 Replacement Bonds. Subject to the provisions of this Section 2.6, upon the presentation and surrender to the Trustee of a mutilated Bond, the Authority shall execute,

and the Trustee shall authenticate and deliver in exchange therefor a replacement bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The Authority or the Trustee may require the Holder of such Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Trustee and the Authority.

Upon notification to the Trustee of any lost, destroyed or wrongfully taken Bond, the Authority, pursuant to the applicable State law and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute, and the Trustee shall authenticate and deliver, a replacement bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Registered Owner thereof shall have:

- (a) furnished to the Trustee satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) furnished such security or indemnity as may be required by the Trustee and the Authority to save them harmless;
- (c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and any tax or other governmental charge that may be imposed; and
- (d) met any other reasonable requirements of the Authority and the Trustee.

If, after the delivery of such replacement bond, a Holder of the original Bond in lieu of which such replacement bond was issued presents for payment such original Bond, the Authority and the Trustee shall be entitled to recover such replacement bond from the Holder thereof, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Authority or the Trustee in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Authority in its discretion may, instead of issuing a replacement Bond, authorize the Trustee to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such replacement Bond or Bonds is delivered.

Section 2.7 Cancellation. Any Bonds surrendered for payment, exemption, transfer or exchange shall be promptly cancelled and retained by the Trustee in accordance with its document retention policy. Upon the Authority's written request, the Trustee shall provide the Authority with an appropriate certificate of cancellation for all cancelled Bonds. No Bonds shall be authenticated in lieu of or on exchange for any Bonds cancelled as provided in this Section, except as expressly provided by this Indenture.

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Section 2.8 Delivery of Series 2009 Bonds. Upon the execution and delivery of this Indenture, the Authority shall execute the Series 2009 Bonds and deliver them to the Trustee, and the Trustee shall authenticate the Series 2009 Bonds and deliver them to the purchaser or purchasers as shall be directed by the Authority as hereinafter provided in this Section.

Notwithstanding the foregoing, prior to the authentication and delivery by the Trustee of any of the Series 2009 Bonds, there shall be filed with the Trustee:

- (a) a copy, certified by the Secretary or any Assistant Secretary of the Authority of the Enabling Resolution and the Authorizing Resolution;
- (b) a copy, certified by the Clerk of the City Resolution;
- (c) a certified copy of a form of the Rental Automobile Concession Agreement;
- (d) an opinion of counsel to the Authority to the effect that the Enabling Resolution, the Authorizing Resolution, the Bond Purchase Agreement, this Indenture, the Rental Automobile Concession Agreement, and any other financing documents to which the Authority is a party have been duly authorized, adopted, executed and delivered by the Authority, as applicable, and are legal, valid and binding obligations enforceable against the Authority in accordance with their respective terms;
- (e) an opinion of the City Attorney to the effect that the City Resolution and any other financing documents to which the City is a party have been duly authorized, adopted, executed and delivered by the City, as applicable, and are legal, valid and binding obligations enforceable against the City in accordance with their respective terms; and
- (f) a request and authorization to the Trustee on behalf of the Authority, signed by the Chair or Vice Chair of the Authority, to authenticate and deliver the Series 2009 Bonds in such specified denominations as permitted herein to or to such party as directed by the initial purchaser or purchasers of the Series 2009 Bonds, as set forth in such request and authorization, upon payment to the Trustee, for the account of the Authority, of a specified sum of money. The proceeds from the sale of the Series 2009 Bonds shall be deposited with the Trustee and applied as provided in Section 5.1 hereof.

When the documents mentioned in paragraphs (a) through (f), inclusive, of this Section have been filed or deposited with the Authority, the Trustee shall authenticate and deliver the Series 2009 Bonds, but only on payment of the purchase price of the Series 2009 Bonds by the purchasers thereof.

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ARTICLE III

REDEMPTION

Section 3.1 Optional Redemption of Series 2009 Bonds. The Series 2009 Bonds are not subject to optional redemption prior to maturity.

Section 3.2 Selection of Bonds to be Redeemed. With respect to Bonds subject to redemption, if less than all of such Bonds shall be called for redemption, the Registrar or, if such Bonds are held in the book-entry only form, DTC shall select or arrange for the selection, in such manner as it shall deem fair and equitable and pursuant to its rules and procedures, the Bonds, in Authorized Denominations, provided that any Bond or portion thereof remaining Outstanding shall be in an Authorized Denomination. If there shall be called for redemption less than the principal amount of a Bond, the Authority shall execute and the Trustee shall authenticate and deliver, upon surrender of such Bond, without charge to the Holder thereof in exchange for the unredeemed principal amount of such Bond at the option of such Holder, Bonds in any of the Authorized Denominations or, if the Bonds are held in the book-entry only form, DTC shall, acting pursuant to its rules and procedures, reflect in said system the partial redemption and the Trustee shall (i) either exchange the Bond or Bonds held by DTC for a new Bond or Bonds in the appropriate principal amount, if such Bond is presented to the Trustee by DTC, or (ii) obtain from DTC a written confirmation of the reduction in the principal amount of the Bonds held by such DTC.

Section 3.3 Notice of Redemption. Notice of redemption in the form provided by the Authority shall be mailed by the Trustee by first class mail, postage prepaid, at least thirty (30) days before the redemption date to each Holder of the Bonds to be redeemed in whole or in part at his/her last address appearing on the Register, but no defect in or failure to give such notice of redemption shall affect the validity of the redemption. Such notice shall state that redemption of the Bonds is conditioned upon the deposit with the Trustee of sufficient funds on or prior to the date selected for redemption to retire the Bonds to be redeemed, and that if sufficient funds are not so available on the date selected for redemption, such call for redemption shall be revoked. All Bonds properly called for redemption will cease to bear interest on the date fixed for redemption, provided funds for their redemption have been duly deposited with the Trustee and, thereafter, the Holders of such Bonds called for redemption shall have no rights in respect thereof except to receive payment of the redemption price from the Trustee and a new Bond for any portion not redeemed.

Section 3.4 Redemption, Purchase or Tender of Additional Bonds or Refunding Bonds. Notwithstanding anything herein to the contrary, provisions relating redemption, purchase or tender of any Additional Bonds or Refunding Bonds shall be as set forth in the related supplemental indenture for such Additional Bonds or Refunding Bonds.

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ARTICLE IV

SOURCE OF PAYMENT FOR ALL BONDS; FUNDS AND FLOW OF FUNDS

Section 4.1 Source of Payment for Bonds. The Bonds are special limited obligations of the Authority payable solely from, and secured by a lien on and pledge of, the Trust Estate. The Bonds shall never constitute an indebtedness of the Authority within the meaning of any provisions of the Constitution or laws of the State and shall not be general obligations of the Authority or the City. The Holders of the Bonds shall never have the right to demand payment thereof out of any funds raised or to be raised by taxation or any other revenues generally available to the Authority or the Airport other than the Trust Estate.

Section 4.2 Establishment of Special Funds.

(a) There are hereby created the following special funds, which shall be maintained with the Trustee:

(i) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Revenue Fund" (the "Revenue Fund");

(ii) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Debt Service Fund" (the "Debt Service Fund");

(iii) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Debt Service Reserve Fund" (the "Debt Service Reserve Fund");

(iv) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Coverage Fund" (the "Coverage Fund");

(v) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) CFC Administrative Costs Fund" (the "Administrative Costs Fund");

(vi) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) CFC Stabilization Fund" (the "CFC Stabilization Fund");

(vii) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Facility Improvement Fund" (the "Facility Improvement Fund");

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(iii) Third, to the Coverage Fund to satisfy, to the extent necessary, the Coverage Fund Requirement as provided in Section 4.6 hereof;

(iv) Fourth, to the Administrative Costs Fund to satisfy, the Administrative Costs Requirement, as provided in Section 4.7 hereof;

(v) Fifth, to the CFC Stabilization Fund to satisfy, to the extent necessary, the CFC Stabilization Fund Requirement as provided in Section 4.8 hereof; and

(vi) Sixth, the balance to the Facility Improvement Fund.

Section 4.4 Debt Service Fund.

(a) On or before the first Business Day of each month after the issuance and delivery of the Series 2009 Bonds there shall be deposited into the Debt Service Fund an amount equal to one-sixth (1/6th) of the amount necessary to pay all interest due and payable on the next Interest Payment Date and one-twelfth (1/12th) of the amount necessary to pay all principal due and payable on the next Principal Payment Date; and

(b) Prior to each Interest Payment Date or Principal Payment Date, there shall be deposited from Pledged Funds any additional amounts necessary to increase the balance in the Debt Service Fund to be sufficient to make such payments on such Interest Payment Date or Principal Payment Date. Such additional amounts, if necessary, shall be transferred first from the CFC Stabilization Fund, second from the Coverage Fund, third from the Facility Improvement Fund, and fourth from the Debt Service Reserve Fund.

(c) Moneys deposited to the credit of the Debt Service Fund shall be used solely for the purpose of paying principal of (either at maturity or prior redemption) and interest on the Bonds or reimbursing credit providers for amounts advanced for such purpose.

Section 4.5 Debt Service Reserve Fund.

(a) The Authority shall satisfy the Debt Service Reserve Fund Requirement at the time of the issuance of each series of Bonds and the Debt Service Reserve Fund shall be replenished as set forth below.

(b) In the event the balance in the Debt Service Reserve Fund shall be less than the Debt Service Reserve Fund Requirement, then on or before the first Business Day of each month, after making all prior required transfers from the Revenue Fund as provided in Section 4.3(b) hereof, there shall be transferred from the Revenue Fund to the Debt Service Reserve Fund, to the extent available in the Revenue Fund an amount equal to the Debt Service Reserve Fund Requirement minus amounts already then on deposit in the Debt Service Reserve Fund.

(c) Subject to Section 4.4(b) hereof, at any time that there are insufficient funds available in the Debt Service Fund to make any required payment of interest on or principal of the Bonds, or to reimburse any credit providers for amounts advanced for such purpose, there

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(viii) The "Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Project Fund" (the "Project Fund"); and

(ix) The "Greater Orlando Aviation Authority Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Costs of Issuance Fund" (the "Costs of Issuance Fund").

All of such Funds may contain one or more accounts and subaccounts as may be necessary or desirable to carry out or administer the provisions of this Indenture.

(b) The Trustee shall be the custodian of such Funds, and shall keep them separate and apart from all other funds of the Authority. Except for the Costs of Issuance Fund, the Funds shall be held in trust by the Trustee for the benefit of the Holders and shall be used solely as provided in this Indenture so long as any Bonds remain Outstanding. The Costs of Issuance Fund shall constitute trust funds which shall be applied and disbursed by the Trustee as provided in this Indenture.

Section 4.3 Revenue Fund.

(a) On the date of issuance of the Series 2009 Bonds, the Authority shall deposit or cause to be deposited to the credit of the Revenue Fund all Customer Facility Charges currently held by the Authority. Additionally, on the date of issuance of the Series 2009 Bonds, Customer Facility Charges deposited in the Revenue Fund by the Authority shall be applied and transferred as more fully set forth below, to the following Funds in the following order of priority:

(i) First, to the CFC Stabilization Fund in an amount equal to \$5,000,000;

(ii) Second, to the Coverage Fund in an amount equal to \$0; and

(iii) The balance to the Facility Improvement Fund.

(b) From and after the issuance and delivery of the Series 2009 Bonds, the Authority shall deposit, or cause to be deposited to the credit of the Revenue Fund on the first Business Day of each month all Customer Facility Charges received during the preceding month. Amounts in the Revenue Fund on and after the issuance of the Series 2009 Bonds shall be applied and transferred, as more fully set forth below, to the following Funds in the following order of priority and in the amounts set forth in this Article:

(i) First, to the Debt Service Fund to pay principal and interest on the Bonds, as provided in Section 4.4 hereof;

(ii) Second, to the Debt Service Reserve Fund to satisfy, to the extent necessary, the Debt Service Reserve Fund Requirement as provided in Section 4.5 hereof;

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shall be transferred from the Debt Service Reserve Fund to the Debt Service Fund such amounts as may be necessary for such purpose.

(d) Amounts in the Debt Service Reserve Fund shall be applied as provided herein, and may, at the direction of an Authorized Officer of the Authority, be applied to the final payment of principal and interest on any Outstanding series of Bonds. Further, amounts in the Debt Service Reserve Fund, to the extent they are in excess of the Debt Service Reserve Fund Requirement, may be transferred, at the direction of an Authorized Officer of the Authority at any time to the Revenue Fund.

Section 4.6 Coverage Fund.

(a) From the proceeds of each series of Bonds, there shall be deposited to the credit of the Coverage Fund an amount equal to the Coverage Fund Requirement for all Bonds then Outstanding less any amounts already then on deposit therein.

(b) On or before the first Business Day of each month, after making all prior transfers from the Revenue Fund as provided in Section 4.3(b) hereof, there shall be transferred from the Revenue Fund to the Coverage Fund, to the extent available in the Revenue Fund, an amount equal to the Coverage Fund Requirement minus amounts already then on deposit in the Coverage Fund.

(c) Subject to Section 4.4(b), amounts in the Coverage Fund shall be transferred to the Debt Service Fund to the extent required to pay principal and/or interest on Bonds as the same become due and payable.

Section 4.7 Administrative Costs Fund.

(a) On or before the first Business Day of each month after making all prior transfers from the Revenue Fund as provided in Section 4.3(b) hereof, there shall be transferred from the Revenue Fund to the Administrative Costs Fund an amount equal to one-twelfth (1/12th) of the Administrative Costs Requirement as determined by the Authority, for the ensuing Fiscal Year.

(b) Amounts on deposit in the Administrative Costs Fund shall be applied by the Trustee to pay its fees and any other administrative fees required or contemplated by this Indenture, only as directed by an Authorized Officer of the Authority.

Section 4.8 CFC Stabilization Fund. On or before the first Business Day of each month, after making all prior transfers from the Revenue Fund as provided in Section 4.3(b) hereof, there shall be transferred from the Revenue Fund to the CFC Stabilization Fund to the extent available in the Revenue Fund, an amount equal to the CFC Stabilization Fund Requirement minus amounts already on deposit in the CFC Stabilization Fund. Subject to Section 4.4(b), amounts in the CFC Stabilization Fund shall be transferred to the Debt Service Fund, to the extent required, to pay principal and/or interest on the Bonds as the same become due and payable.

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Section 4.9 Facility Improvement Fund. On or before the first Business Day of each month, the remaining balance in the Revenue Fund, after making all prior transfers from the Revenue Fund as provided in Section 4.3(b) hereof, shall be transferred to the Facility Improvement Fund. Amounts in the Facility Improvement Fund (and any account therein) may be used as provided in Section 4.4(b) hereof, and by the Authority, at any time and from time to time, for any other lawful purpose and such amounts shall be disbursed by the Trustee to the Authority upon receipt by the Trustee of a written request from an Authorized Officer of the Authority. Except as provided in Section 4.4(b) hereof, the Authority may, at any time and from time to time, direct the transfer of funds in the Facility Improvement Fund to any other Authority account to be held pending use for any lawful purpose.

Section 4.10 Security for Funds. So long as any of Bonds remain Outstanding, all cash balances from time to time on deposit to the credit of any Funds maintained under this Indenture, including money placed on time deposit, shall be secured by the Trustee in the manner required by law for Authority funds.

Section 4.11 Deficiencies in Funds. If in any month there shall not be transferred into any Fund maintained pursuant to this Article the full amounts required herein, amounts equivalent to such deficiency shall be transferred to such Fund or Funds from the Revenue Fund in accordance with the priorities set forth in Section 4.3(b) hereof, and such transfer shall be in addition to the amounts otherwise required to be transferred to such Funds during any succeeding month or months.

Section 4.12 Excess in Funds. If there shall be an amount in a Fund in excess of the amount required to be in such Fund, such excess may be transferred, at any time, at the direction of an Authorized Officer of the Authority to the Revenue Fund.

Section 4.13 Investment of Funds.

(a) Moneys held in the Debt Service Fund and the Debt Service Reserve Fund shall be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities which mature not later than (i) such times as shall be necessary to provide moneys when needed for payments to be made from such Funds (unless such investment shall be redeemable at the option of the Holder thereof), and (ii) in the case of the Debt Service Reserve Fund, the earlier of fifteen (15) years or the final maturity of the Bonds then Outstanding (unless such investment shall be redeemable at the option of the Holder thereof). The Trustee shall make such investments in accordance with any instructions received from an Authorized Officer of the Authority. Moneys in the Revenue Fund, the Coverage Fund, the Administrative Costs Fund, the CFC Stabilization Fund, the Facility Improvement Fund, the Costs of Issuance Fund and the Project Fund may be invested in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed to provide payments from such Funds (unless such investment shall be redeemable at the option of the Holder thereof). The Trustee shall make such investment in accordance with any instructions received from an Authorized Officer of the Authority.

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Revenue Fund established under the Bond Resolution to be applied in accordance with the terms and provisions thereof.

(b) Any money deposited with the Trustee for the payment of the principal of and interest on any Bonds and remaining unclaimed by the Registered Owner after the expiration of three years from the date such funds have become due and payable shall be reported and disposed of by the Trustee in accordance with the provisions of State law. The Trustee shall have no liability to the Registered Owners of the Bonds by virtue of actions taken in compliance with the foregoing provision. After the date otherwise set for payment to the Registered Owners, any such unclaimed funds may be held uninvested by the Trustee.

ARTICLE V

DISPOSITION OF PROCEEDS OF SERIES 2009 BONDS

Section 5.1 Disposition of Proceeds of Series 2009 Bonds. From the proceeds of the Series 2009 Bonds there are hereby appropriated the following amounts which shall be deposited as follows:

- (a) To the Coverage Fund, funds sufficient to equal the Coverage Fund Requirement for the Series 2009 Bonds, less any amounts deposited pursuant to the provisions of Section 4.3 hereof, as specified in a certificate of the Authority delivered at the closing of the Bonds;
- (b) To the Debt Service Reserve Fund, funds sufficient to fund the Debt Service Reserve Fund Requirement;
- (c) To the Debt Service Fund, any accrued interest;
- (d) To the Costs of Issuance Fund, funds sufficient to pay the costs of issuance with respect to the Series 2009 Bonds as provided for in Section 5.2 hereof; and
- (e) To the Project Fund, the balance of the proceeds of the Series 2009 Bonds.

Section 5.2 Disbursements From the Costs of Issuance Fund. Promptly after the delivery of a series of Bonds and in accordance with written instructions prepared by an Authorized Officer of the Authority, the Trustee shall reimburse the Authority from the Costs of Issuance Fund, for disbursements made by the Authority with respect to the related series of Bonds and any other costs incurred by the Authority in connection with the sale thereof. After payment of the foregoing costs of issuance, the Trustee shall transfer any remaining balance in the Costs of Issuance Fund excluding any interest earnings (which shall be transferred to the Revenue Fund), to the Project Fund to be used as provided in Section 5.3 hereof.

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(b) All Investment Securities purchased with moneys deposited to the credit of the Debt Service Fund, shall mature on or before the last business day prior to the next Interest Payment Date on the Bonds to the extent there are not funds and investments already on deposit therein sufficient to provide for the payment of all amounts payable therefrom on such date.

(c) All interest and income derived from the deposit or investment of moneys in the Debt Service Fund, the Debt Service Reserve Fund, the CFC Stabilization Fund, the Coverage Fund, the Administrative Costs Fund and the Costs of Issuance Fund in excess of the requirement for each such Fund shall be transferred to the Revenue Fund. All interest and earnings on moneys deposited in the Project Fund shall be held within a separate account created within the Project Fund and shall remain within such account until completion of the Project and shall be used as provided in Section 5.3 hereof. All interest and earnings on moneys deposited in the Facility Improvement Fund shall be held within a separate account created within the Facility Improvement Fund and shall remain within such account, subject to transfer and/or use as provided in Section 4.9 hereof.

(d) Obligations purchased as an investment of moneys in any Fund shall be deemed at all times to be a part of such Fund and any profit realized from the liquidation of such investment shall be credited to such Fund and any loss resulting from the liquidation of such investment shall be charged to the respective Fund.

(e) In computing the amount in any Fund created under the provisions of this Indenture, obligations purchased as an investment of moneys therein shall be valued at cost or the principal amount thereof, whichever is lower, exclusive of accrued interest, except that such investments in the Debt Service Reserve Fund shall be valued at the cost or market price thereof whichever is lower, exclusive of accrued interest. The valuation of such Funds shall be made on March 31 and September 30 of each year.

(f) Except as otherwise provided herein, the Trustee shall sell at the best price obtainable, or present for redemption, any obligation so purchased as an investment whenever it shall be requested in writing by an Authorized Officer of the Authority so to do whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Fund held by the Trustee. The Trustee shall not be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment.

(g) Ratings of Investment Securities shall be determined at the time of purchase of such Investment Securities and without regard to ratings subcategories. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees. The Trustee may conclusively rely upon the Authority's written instructions as to both the suitability and legality of the directed investments.

Section 4.14 Balances Remaining When Bonds Retired.

(a) At such time as none of the Bonds remain Outstanding and all other amounts under this Indenture are paid, any balances remaining in any Fund shall be transferred to the

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Section 5.3 Disbursements From the Project Fund; Surplus.

(a) Amounts on deposit in the Project Fund (and any account therein) shall be used to pay Capital Costs of the Project subject to receipt by the Trustee of an executed Requisition Certificate in the form of EXHIBIT B attached hereto.

(b) Notwithstanding anything herein to the contrary, unencumbered proceeds of the Series 2009 Bonds on deposit in the Project Fund may, to the extent amounts on deposit in the Debt Service Fund are insufficient to pay principal of and interest on the Series 2009 Bonds, be transferred to the Debt Service Fund for payment of principal and interest on the Series 2009 Bonds after all other available resources are first exhausted.

(c) When the Project has been completed and when all Capital Costs of the Project shall have been paid, the Trustee, pursuant to written direction of the Authority, shall transfer all moneys remaining in the Project Fund, if any, to the Facility Improvement Fund.

(d) The Trustee shall rely fully on any Requisition Certificate delivered pursuant to this Section and shall not be required to make any investigation in connection therewith.

ARTICLE VI

ADDITIONAL BONDS AND REFUNDING BONDS

Section 6.1 Additional Bonds. The Authority reserves the right to issue one or more series of Additional Bonds payable from, and secured by a first lien on and pledge of, the Trust Estate, on a parity with the Series 2009 Bonds and any Refunding Bonds, or other Additional Bonds from time to time hereafter issued for the purpose of paying all or a portion of the costs and expenses of financing, designing, constructing, operating, relocating and maintaining the Project not fully funded with proceeds of the Series 2009 Bonds, funding all or a portion of the Debt Service Reserve Fund Requirement, funding all or a portion of the Coverage Fund Requirement, funding all or a portion of the CFC Stabilization Fund Requirement and paying the costs of issuance relating to such series of Additional Bonds; provided, however, that no such Additional Bonds shall be issued unless all of the following requirements are satisfied:

(a) The Authority and Trustee shall execute a supplement to this Indenture providing for the issuance of such Additional Bonds and providing the means by which the Coverage Fund Requirement, CFC Stabilization Fund Requirement and the Debt Service Reserve Fund Requirement will each be satisfied upon the issuance of the proposed series of Additional Bonds.

(b) An Authorized Officer of the Authority shall execute a certificate stating that the Authority has the right to issue Additional Bonds and the Authority is still receiving the CFCs.

(c) Either:

- (i) An Authorized Officer of the Authority certifies that the Pledged Revenues, along with amounts then on deposit in the Coverage Fund, for the prior

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Fiscal Year or any twelve consecutive months out of the eighteen months prior to the authorization by the Authority of the proposed series of Additional Bonds (the "Test Period") was equal to at least 1.25x the Maximum Annual Debt Service Requirement on the Bonds that will be Outstanding after the issuance of such series of Additional Bonds; or

(ii) The Airport Consultant certifies that the Pledged Revenues, including any projected increases in the CFCs estimated to be received in the five consecutive Fiscal Years immediately following the issuance of the proposed series of Additional Bonds, plus all amounts required to be on deposit in the Coverage Fund during such five years, will in each such Fiscal Year not be less than 1.25x the Maximum Annual Debt Service Requirement in such Fiscal Year on all Bonds that will be Outstanding after the issuance of such Additional Bonds.

In the event the Authority increases the level of the CFCs and such increase was not in effect during all or a portion of the Test Period described in Section 6.1(c)(i) above, then for the purposes of determining whether there are sufficient Pledged Revenues to meet the coverage test specified in Section 6.1(c)(i) hereof, the Authorized Officer of the Authority shall adjust the amount of Pledged Revenues which were received during the Test Period to take into account the additional amount of Pledged Revenues such increase would have generated if it had been in effect for the entire Test Period; provided, however, that such adjustment shall only be made if the increase in the CFCs is in effect on the date of the certification of the Authorized Officer of the Authority described in Section 6.1(c)(i) hereof is made.

In making the certifications in Section 6.1(c)(i) and (ii) above, the Airport Consultant may assume that appropriate agreements are in place between the Authority and the various Companies to collect the CFCs.

Section 6.2 Refunding Bonds. In addition to the Additional Bonds authorized in Section 6.1 hereof, the Authority shall have the right in accordance with any applicable law to issue Refunding Bonds to refund all or any part of any Bonds then Outstanding provided that no Refunding Bonds shall be issued which will have a lien on the Trust Estate prior and superior to any Bonds which will remain Outstanding after the refunding, and provided further, however, that no such Refunding Bonds shall be issued unless all of the following requirements are satisfied:

(a) The Authority and Trustee shall execute a supplement to this Indenture providing for the issuance of such Refunding Bonds and providing the means by which the Coverage Fund Requirement, CFC Stabilization Fund Requirement and the Debt Service Reserve Fund Requirement will each be satisfied upon the issuance of the proposed series of Refunding Bonds.

(b) An Authorized Officer of the Authority shall execute a certificate stating that:

(i) the Authority has the right to issue the proposed series of Refunding Bonds;

(ii) the Authority is still receiving the CFCs and either:

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pledge or further encumber the Trust Estate except as specially provided in this Indenture and any supplement thereto.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1 Events of Default. Each of the following occurrences or events for the purposes of this Indenture shall be and is hereby declared to be an "Event of Default," to wit:

(a) The failure to make payment of the principal of or any installment of interest on any of the Bonds when the same shall become due and payable;

(b) The Authority shall fail, refuse or neglect to enforce the payment by the Companies of Customer Facility Charges, the imposition, collection or remittance of Customer Facility Charges as required under Section 4.3 hereof, or otherwise fail, refuse or neglect to enforce any other provisions of the Enabling Resolution, in either case, the result of which materially adversely affects the rights of the Holders of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with the terms and provisions of this Indenture, and the continuation thereof for a period of thirty (30) days after notice of such failure shall have been given to the Authority by the Trustee;

(c) The Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture on its part to be performed, the result of which materially adversely affects the rights of the Holders of the Bonds and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority by the Trustee;

(d) The Authority or the City shall file a petition seeking a composition of indebtedness under Federal bankruptcy laws, or under any other applicable law or statute of the United States of America or the State; and

(e) An order or decree shall be entered, with the consent or acquiescence of the Authority or the City, appointing a receiver or receivers of the Airport or any part thereof, or other revenues therefrom, or if such order or decree, having been entered without the consent or acquiescence of the Authority or the City, shall not be vacated or discharged, stayed or appealed within ninety (90) days after entry thereof.

Section 8.2 Remedies. Upon the happening and continuation of any Event of Default as provided in Section 8.1 hereof, the Trustee may, and upon the written request of the Holders of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding and upon indemnification as provided in Section 9.2 hereof, proceed against the Authority for the purpose of protecting and enforcing the rights of the Holders of Bonds under this Indenture, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific

(x) debt service will not increase in any Fiscal Year following the issuance of the proposed series of Refunding Bonds; or

(y) net present value savings will be realized; or

(z) the issuance of such Refunding Bonds has been found to be in the best interests of the Authority.

ARTICLE VII

COVENANTS OF THE AUTHORITY

Section 7.1 Collection of Customer Facility Charges. The Authority shall use diligence to cause the Customer Facility Charges to be paid by Companies in the amounts and at the times necessary to enable the Trustee to make all transfers to the Debt Service Fund and every other Fund required herein.

Section 7.2 Rate Covenant. The Authority shall cause the Customer Facility Charges to be calculated, established and imposed as provided in the Enabling Resolution so long as any Bonds remain Outstanding. Based on estimated CFC collections prepared by or for the Authority from time to time, the Customer Facility Charge shall be adjusted to the extent necessary, to generate Pledged Revenues, along with amounts then on deposit in the Coverage Fund in each Fiscal Year (a) in an amount equal to at least 1.25x the Current Annual Debt Service Requirement in such Fiscal Year on the Bonds then Outstanding, and (b) in an amount sufficient to replenish any shortfalls in the amounts required to be maintained in either the Coverage Fund or the Debt Service Reserve Fund within twelve (12) months after the month in which any amounts are withdrawn from either of such Funds for transfer to the Debt Service Fund pursuant to Section 4.4(b) hereof.

Section 7.3 Payment of Bonds. Subject to the provisions of Article IV hereof, the Authority agrees promptly to cause to be paid as the same become due and payable the principal of and interest on the Bonds.

Section 7.4 Transfers and Assignments. So long as any Bonds remain Outstanding, the Authority shall not cause or permit the Companies to sell, dispose of, or encumber any portion of the Project, except as may be permitted under this Indenture; provided, however, that this prohibition shall not prevent the Authority from disposing or permitting the disposal of any portion of the Project that has been declared surplus or is no longer needed or useful for the proper operation of the Project.

Section 7.5 Encumbrance of Trust Estate. The Trust Estate (other than the Project Fund and the Facility Improvement Fund) are not in any manner pledged to the payment of any debt or obligation of the Authority other than the Bonds then Outstanding except as specially provided in this Indenture and any supplement thereto. Except through the issuance of Additional Bonds and Refunding Bonds, the Authority covenants that it will not in any manner

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performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of the Holders of the Bonds hereunder or any combination of such remedies as the Trustee shall deem most effectual to protect and enforce any of its rights or the rights of the Holders of the Bonds. It is provided, however, that all such proceedings at law or in equity against the Authority shall be strictly limited to the security and source of payment herein pledged to the Bonds, and shall be instituted and maintained for the equal benefit of all Holders of the Bonds. Each remedy, right or privilege herein provided shall be in addition to and cumulative of any other remedy, right or privilege available at law or equity, and the exercise of any remedy, right or privilege or the delay in or failure to exercise any remedy, right or privilege shall not be deemed a waiver of any other remedy, right or privilege hereunder.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Registered Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding without the approval of the Holders so affected.

Section 8.3 Effect of Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee and each Holder shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 8.4 Right of Holders to Direct the Proceedings. Anything in this Indenture to the contrary notwithstanding, the Holders of a majority in principal amount of the Bonds then Outstanding hereunder shall have the right, subject to the provisions of Section 9.2 of the Indenture, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to the Holders not parties to such direction.

Section 8.5 Restrictions Upon Action by Individual Holders. No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder or for any other remedy hereunder unless (a) such Holder previously shall have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceedings is to be instituted, (b) the Holders of not less than fifty-one percent (51%) in principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein above granted or to institute such action, suit or other proceeding in its or their name, (c) there shall have been offered to the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred

therein or thereby, and (d) the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or for any other remedy hereunder. It is understood and intended that no one or more Holders hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Holders.

Section 8.6 Trustee's Right to Act Without Possession of Bonds. All rights of action under this Indenture or under any of the Bonds secured hereby, enforceable by the Trustee, may be brought against third parties or otherwise, may be enforced by it without the possession of any of the Bonds or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Holders of such Bonds, subject to the provisions of the Indenture.

Section 8.7 Right of Individual Holder to Enforce Payment. Nothing contained in this Article shall affect or impair the right of any Holder to enforce the payment of the principal of and interest on his Bonds, or, the obligation of the Authority to pay the principal of and interest on each Bond issued hereunder to the Holder thereof at the time and place expressed in said Bond.

Section 8.8 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall be deposited in the Debt Service Fund and, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and all of the expenses, liabilities and advances incurred or made by the Trustee, including reasonable attorneys' fees, and all other outstanding fees and expenses of the Trustee, and thereafter any fees, expenses, liabilities and advances due to, or incurred or made by, the Paying Agent and the Registrar, such moneys shall be applied in the order set forth below:

(a) Unless the principal of all Bonds shall have become or been declared due and payable, all such moneys shall be applied:

First: To the payment of interest then due on the Bonds in order of priority first to payments past due for the greatest period and, if the amount available shall not be sufficient to pay in full, then to the ratable payment of the amounts due; and

Second: To the payment of the unpaid principal of and premium, if any, of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), with interest on such Bonds from the respective dates upon which they became due (at the rate borne by the Bonds, to the extent permitted by law) and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such premium, then to the ratable payment of the amounts due on such date.

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(d) Except as otherwise provided in this Indenture, the Trustee shall not be bound to recognize any person as a Holder of any Bond or to take action at such person's request, unless such Bond shall be deposited with the Trustee, or submitted to it for inspection. Any action taken by the Trustee pursuant to this Indenture upon the request, authority or consent of any person who, at the time of making such request or giving such authority or consent, shall be conclusive and binding upon all future owners or Holders of such Bond.

(e) Prior to an Event of Default hereunder, and after the curing of any such Event of Default, (i) the Trustee shall not be liable for the performance of any duties, except such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee, and (ii) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely upon the truth, completeness and accuracy of requisitions, the letters of instruction, statements, certificates, opinions, certified resolutions and other certified showings conforming on their face to the requirements of this Indenture. The Trustee shall be under no duty to investigate or make any inquiry as to any matter, document, direction, acquisition or request which, on its face, conformed to the requirements of this Indenture. In case of an Event of Default continuing for the period, if any, specified in Article VIII hereof, which Event of Default has not been cured, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care and skill in its exercise thereof as a prudent person would exercise or use under similar circumstances.

(f) Nothing herein contained shall relieve the Trustee from liability for its own negligent action or failure to act or its own willful misconduct, except that this subsection shall not be construed to limit the effect of subsection (e) of this Section 9.1. The Trustee shall not incur any liability (i) for any error of judgment made in good faith by a responsible officer or responsible officers thereof, unless it shall be proved that it was negligent in ascertaining the pertinent facts, or (ii) in respect of any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of the percentage of the Bonds specified herein relating to the time, method and place of conducting any proceeding, for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Indenture.

(g) Except as otherwise expressly provided by the provisions of this Indenture, the Trustee shall not be obligated and may not be required to give or furnish any notice, demand, report, request, reply, statement, advice or opinion to any Holder of any Bond or to the Authority or any other person, and the Trustee shall not incur any liability for its failure or refusal to give or furnish same unless obligated or required to do so by express provision hereof.

(h) None of the provisions contained in this Indenture shall require the Trustee to advance, expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it by the security afforded to it by the terms of this Indenture. The Trustee shall not be required to give any bond or surety with respect to the execution of its trusts, powers, rights or duties under this Indenture.

(b) If the principal of all the Bonds shall have become or been declared due and payable, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due and unpaid upon the Bonds, without preference or priority as between principal, premium, interest, installments of interest or Bonds, ratably according to the total amount due under each Bond.

(c) If the principal on all Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded then, subject to subsection (b) of this Section in the event that the principal of all the Bonds shall again become or be declared due and payable, the moneys shall be applied in accordance with subsection (a) of this Section.

Whenever moneys are to be applied pursuant to this Section, and in the event of an acceleration of the Bonds by the Trustee, the Trustee shall fix the date which shall be not more than seven calendar days after such acceleration upon which such application is to be made and upon such date interest on the principal amount of Bonds to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

ARTICLE IX

THE TRUSTEE

Section 9.1 Acceptance of Trusts. The Trustee, for itself and its successors, hereby accepts the trusts under this Indenture, but only upon the following terms and conditions set forth in this Article.

(a) The Trustee may execute any of the trusts or powers hereof and perform any duties required of it by or through attorneys or agents selected by it with reasonable care, and shall be entitled to advice of counsel concerning all matters of trust hereof and its duties hereunder, and may in all cases pay such reasonable compensation as it shall deem proper to all such attorneys and agents as may reasonably be required and employed in connection with the trusts hereof, and the Trustee shall not be responsible for the acts or negligence of such attorneys, agents or counsel, if selected with reasonable care.

(b) The Trustee shall not be responsible for any recitals herein or in the Bonds, except with regard to its acceptance of trusts under this Indenture. The Trustee may require of the Authority full information and advice as to the performance of the covenants, conditions and agreements contained in this Indenture. The recitals and statements of fact and warranties contained in this Indenture and in the Bonds shall be taken as statements by the Authority and shall not be considered as made by or as imposing any obligation or liability upon the Trustee.

(c) The Trustee shall not be under any responsibility or duty with respect to the further disposition of Bonds delivered in accordance with this Indenture, or for the disposition, use or application of any monies disbursed from the Project Fund upon receipt of a proper Requisition Certificate.

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(i) No personal recourse may be taken, directly or indirectly, against any incorporator, officer, director, agent or employee of the Trustee with respect to the obligations of the Trustee under this Indenture or any certificate or other writing delivered in connection therewith. The Trustee's immunities and protection from liability and its right to payment of compensation or indemnification in connection with the performance of its duties and functions under this Indenture shall extend to the Trustee's officers, directors, employees and agents and survive the Trustee's resignation or removal and the final payment of the Bonds.

(j) In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Holders of Bonds each representing less than a majority of the aggregate principal amount of Bonds then Outstanding, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

(k) Except for information provided by the Trustee concerning the Trustee, the Trustee shall have no responsibility for any information in any offering memorandum or other disclosure material distributed with respect to the Bonds, and the Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(l) In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Indenture or the existence, furnishing or use of the Project.

(m) The Trustee shall be under no liability for interest on any monies received by it hereunder except as provided herein or as the Trustee may otherwise specifically agree in writing.

(n) The Trustee is not required to take notice or deemed to have notice of any Event of Default hereunder, except an Event of Default under Section 8.1(a) hereof, unless the Trustee has received notice in writing of such Event of Default from the Authority or the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding, which notice shall reference this Indenture and such Event of Default, and in the absence of any such notice, the Trustee may conclusively assume that no Event of Default exists.

(o) The Trustee shall provide to the Authority an accounting of all funds held by the Trustee under this Indenture, upon any reasonable request, but in no event less than monthly.

(p) The Trustee may consult with counsel, and the advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action reasonably taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon.

(q) The Trustee shall not be accountable for the use or application by the Authority of the proceeds of the Bonds or the use or application by the Authority of any money paid over by the Trustee in accordance with the provisions of this Indenture.

(r) The Trustee shall be protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

(s) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default with regard to such right.

(t) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Authority shall provide to the Trustee an incumbency certificate listing such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Authority agrees to assume all risks arising out of the use by the Authority of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(u) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances."

Section 9.2 Trustee's Right To Require Indemnification Before taking any action under this Indenture relating to an event of default, the Trustee may require that a satisfactory indemnity bond be furnished by one or more Holders for the reimbursement of all expenses to which it may be put and to protect it against all liability, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances and except liability which is adjudicated to have resulted from its negligence or willful default in connection with any action so taken.

Section 9.3 Trustee To Give Certain Notices In order to provide for the full and timely payment of the Bonds, the Trustee agrees that, if by any Interest Payment Date of any year while any Bonds remain Outstanding, the Authority shall fail to make deposits to the Debt Service Fund of amounts sufficient to provide for the payment of all principal of and interest on the Bonds on the next principal and/or Interest Payment Date the Trustee shall promptly notify in writing the Authority of such failure. Any delay or failure by Trustee to give such notice,

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Holders of the Bonds or by the Authority as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Trustee.

(b) Notwithstanding any provision to the contrary contained in Section 9.7 or subsection 9.8(a) above, no removal or resignation of a Trustee hereunder shall become effective until a successor Trustee is appointed under Section 9.9 hereof.

Section 9.9 Appointment of Successor Trustee In case the Trustee hereunder shall resign, or shall be removed or dissolved, or shall be in the course of dissolution or liquidation, or shall otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under control of any public officer or officers or a receiver appointed by a court, a successor may be appointed by the Authority, if no Event of Default is then continuing, or in the absence of such an appointment by the Authority, be appointed by the Holders of a majority in principal amount of the Bonds then Outstanding, by an instrument or concurrent instruments in writing, signed by such Holders or their duly authorized representatives and delivered to the Trustee; provided, however, that in any of the events above mentioned, the Authority, may nevertheless appoint a temporary Trustee to fill such vacancy until a successor shall be appointed by the Holders in the manner above provided, and any such temporary Trustee so appointed by the Authority shall immediately and without further act be automatically succeeded by the successor to the Trustee appointed by the Holders. The Authority shall promptly mail notice of the appointment of any successor Trustee to the Holders of the Bonds. Any successor Trustee or temporary Trustee shall be a state or national bank or trust company having combined capital and surplus of not less than \$150,000,000.

In the event that no appointment of successor Trustee is made by the Holders or by the Authority pursuant to the foregoing provisions of this Section at the time a vacancy in the office of the Trustee shall have occurred (or within 90 days after receipt by the Authority of notice of resignation), the Holder of any Bond issued hereunder or the retiring Trustee may apply to any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice as it shall deem proper, if any, appoint a successor Trustee.

Section 9.10 Powers of Successor Trustee Each successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Authority, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor, but such predecessor Trustee shall, nevertheless, on the written request of the Authority, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers, trusts, duties and obligations of such predecessor hereunder. Each predecessor Trustee shall immediately deliver all properties, securities and moneys held by it to its successor; provided, however, that before any such delivery is required or made, all proper fees, advances and expenses of the predecessor Trustee shall be paid in full. Should any instrument in writing be required from the Authority by any successor Trustee for properties, rights, powers, trusts, duties and obligations hereby vested or intended to be vested in the predecessor Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the

however, shall not constitute a waiver of any Event of Default or remedy or other right herein provided.

Section 9.4 Reliance by Trustee To the extent not prohibited by Section 9.1 hereof, the Trustee may rely, and shall be protected in acting upon, any statements, certificates, certified resolutions, opinions, notices, consents, orders, reports, policies, Bonds or other papers or documents believed by it to be genuine and to have been signed or presented to it by the proper person or persons, and the Trustee may consult with counsel and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in good faith and in conformity with the opinion of such counsel.

Section 9.5 Certificate of Authority as Proof Whenever in the administration of the trusts of this Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, then, in the absence of bad faith on the part of the Trustee, and unless other evidence in respect thereof be herein specifically prescribed, and unless an Event of Default hereunder, to the knowledge of the Trustee, shall have occurred and be continuing, such matter may be deemed to be conclusively proved and established by a certificate of the Authority, delivered to the Trustee, and such certificate shall be full warranty to the Trustee for any action taken or suffered by it under the provisions of this Indenture in reliance thereon.

Section 9.6 Compensation of Trustee The Authority agrees to pay to the Trustee, reasonable compensation (including related expenses, advances, securities transaction charges, unless waived, and counsel fees incurred in good faith) for the administration and execution of the trusts hereby created and performance of its powers and duties hereunder. In the event the Trustee incurs expenses or renders services in any proceedings which result from the occurrence of any event which, by virtue of the passage of time, would become such an Event of Default, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under the United States Bankruptcy Code or equivalent law. The Trustee shall periodically furnish the Authority with a fee schedule for its services hereunder. The obligation to pay such expenses shall survive the resignation or removal of the Trustee.

Section 9.7 Removal of Trustee The Trustee may be removed at any time by (a) the Authority, if no Event of Default is then continuing, by delivering notice thereof to the Trustee, or (b) an instrument or concurrent instruments in writing, signed by the Holders of a majority in principal amount of the Bonds then Outstanding and delivered to the Trustee, with notice thereof given to the Authority.

Section 9.8 Resignation of Trustee

(a) Except as provided in subsection 9.8(b) hereof, the Trustee may at any time resign and be discharged from the trusts hereby created by giving written notice to the Authority and by publishing notice of its intended resignation at least ninety (90) days in advance thereof, which notice shall specify the date on which such resignation shall take effect and shall be given in writing to the Holders of all of the Bonds and such resignation shall take effect from the date specified in such notice, unless a successor to such Trustee shall have been appointed by the

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Authority. The resignation of any Trustee, the appointment of a successor Trustee hereunder, together with all instruments provided for in this Article, shall be filed with such successor Trustee.

Section 9.11 Merger, Conversion or Consolidation of Trustee Notwithstanding any provision hereof to the contrary, any corporation or association into which the Trustee may be merged or converted, or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or which succeeds to all or substantially all of the corporate trust business of the Trustee, shall be the successor Trustee under this Indenture without the execution or filing of any instrument or any other act on the part of any of the parties hereto.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.1 Supplemental Indentures Not Requiring Consent of Holders The Authority and the Trustee may without the consent of, or notice to, any of the Holders enter into an indenture or indentures supplemental to this Indenture for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Indenture or in the Bonds or make any other provision with respect to matters or questions arising under the Indenture or any supplemental Indenture; provided, however, that such action shall not, based upon an opinion of counsel, materially adversely affect the interests of the Holders;

(b) to grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Holders or the Trustee;

(c) to add to the covenants and agreements of the Authority contained in this Indenture other covenants and agreements of, or conditions or restrictions upon, the Authority or to surrender or eliminate any right or power reserved to or conferred upon the Authority in this Indenture;

(d) to subject to the lien and pledge of this Indenture additional revenues, properties or collateral;

(e) to provide for the issuance, sale and delivery of Additional Bonds or Refunding Bonds as provided in Article VI of this Indenture and, in connection therewith, to provide for (i) the deposit of the proceeds of such Additional Bonds or Refunding Bonds, (ii) the disbursement of such proceeds in connection with any part of the facilities to be financed by means of such Additional Bonds or Refunding Bonds, and (iii) the payment of the principal, interest and premium, if any, on such Additional Bonds or Refunding Bonds;

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(f) to provide for the issuance, sale and delivery of bonds, notes or other obligations secured in whole or in part by liens on the Trust Estate that are junior and subordinate to the lien on the Trust Estate securing payment of the Bonds;

(g) to make any other change therein, unless in the judgment of the Trustee, based upon an opinion of counsel, such other change would materially adversely affect the interest of the Trustee or the Holders; and

(h) to comply with any state and/or federal securities law, including without limitations, any applicable regulation of the Securities and Exchange Commission.

When requested by the Authority, the Trustee shall, subject to Section 10.3 hereof, join the Authority in the execution of any such supplemental indenture.

Section 10.2 Supplemental Indentures Requiring Consent of Holders. (a) The Authority and the Trustee may, at any time, enter into one or more supplements to this Indenture amending, modifying, adding to or eliminating any of the provisions of this Indenture but, if such supplement is not of the character described in Section 10.1 hereof, only with the written consent of the Authority and the Holders of not less than fifty-one percent (51%) of the Bonds Outstanding hereunder at the time of the adoption of such amendatory Indenture (not including any Bonds then held or owned by the Authority); provided, however, that, without the consent of all Holders, no such Indenture shall have the effect of permitting:

- (i) an extension of the maturity of any Bonds;
- (ii) a reduction in the principal amount of any Bonds, the rate of interest thereon, or any redemption premium payable thereon;
- (iii) the creation of a lien upon or pledge of any Trust Estate ranking superior to, or on parity with, the lien or pledge created hereby (except in connection with the issuance of Additional Bonds and Refunding Bonds);
- (iv) a reduction of the principal amount of Bonds required for consent to amendments to the Indenture;
- (v) the establishment of priorities among Bonds; or
- (vi) a reduction in the aggregate principal amount of the Bonds required for consent to any other change in the Indenture, without the consent of the Holders of all the Bonds of the series of Bonds affected then Outstanding.

(b) If at any time the Authority shall request the Trustee to enter into any supplemental agreement for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such supplemental agreement to be given in writing to the Holders of all of the Bonds. Such notice shall be in the form provided by the Authority and shall briefly set forth the nature of the proposed supplemental agreement and shall state that a copy thereof is on file at the office of the Trustee for inspection by all Holders.

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Section 10.3 Rights of Trustee. Notwithstanding the foregoing provisions of this Article X, the Trustee shall not be required to enter into any supplement hereto, unless it shall have received an opinion of counsel (if reasonably requested under the circumstances), addressed to the Trustee, reasonably satisfactory to it that such supplement or amendment complies with the provisions of this Article X, that all conditions precedent to the execution and delivery of such supplemental indenture have been complied with, and that the execution and delivery of such supplemental indenture will not materially adversely affect the interests of the Owners of the Bonds. Moreover, the Trustee shall not be required to execute any supplement to this Indenture (except a supplement hereto providing for the issuance of Additional Bonds or Refunding Bonds pursuant to Article VI hereof entitling the Trustee to the same rights, privileges and immunities in respect of such Additional Bonds or Refunding Bonds as provided hereby in respect of the Bonds) if such supplement materially adversely affects its rights, duties or immunities hereunder, in which case the Trustee may, in its discretion, but shall not be obligated to, enter into or consent to such supplement or amendment.

Section 10.4 Approval by Authority. The Authority shall not unreasonably withhold or delay its consent to a supplemental indenture or agreement meeting the requirements of this Article X.

ARTICLE XI

DEFEASANCE

If the whole amount of the principal of and interest due on or to become due and payable upon all of the Bonds then Outstanding, if any, shall be paid, or sufficient funds shall be irrevocably deposited with the Trustee for such purpose, and provision shall also be made for paying all other sums payable hereunder by the Authority, together with all fees and charges of the Trustee, and if any Bonds to be redeemed prior to maturity shall have been duly called for redemption or irrevocable instructions to call such bonds for redemption shall have been given by the Authority to the Trustee, then and in that case, the right, title and interest of the Trustee herein shall thereupon cease, determine and become void, and the Trustee in such case, on demand of the Authority, shall release this Indenture and shall execute such documents to evidence such release as may be reasonably required by the Authority, and shall turn over to the Authority all balances remaining in all Funds created by this Indenture, other than funds held for redemption or payment of Bonds; otherwise this Indenture shall be, continue and remain in full force and effect.

ARTICLE XII

[RESERVED]

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(c) Whenever, at any time within one year after the date of the first giving of such notice, the Authority shall deliver to the Trustee an instrument or instruments purporting to be executed by the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed supplemental agreement described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice as on file with the Trustee, thereupon, but not otherwise, the Trustee may execute such supplemental agreement in substantially such form, without liability or responsibility to any Holder, whether or not such Holder shall have consented thereto.

(d) If the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds Outstanding at the time of the execution of a supplemental agreement meeting the requirements of this Section 10.2 shall have consented to and approved the execution thereof as herein provided, no Holder shall have any right to object to the execution of such supplemental agreement, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof.

(e) Upon the execution of any supplemental agreement pursuant to the provisions of this Section, this Indenture shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Indenture of the Authority and the Trustee and all Holders then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

(f) Any consent given by a Holder pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the giving of the notice and shall be conclusive and binding upon all future Holders of the same Bond during such period. At any time after six months from the date of giving notice, such consent may be revoked by the Holder who gave such consent or by a successor in title by filing written notice of such revocation with the Trustee, but such revocation shall not be effective if the Holders of fifty percent (51%) of the Bonds Outstanding, prior to receipt by the Trustee of the attempted revocation, consented to and approved the amendatory agreement referred to in such revocation.

(g) The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction, who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction, that the person signing such instrument acknowledged before him the execution thereof; or such facts may be proved by an affidavit of a witness to such execution sworn to before such officer.

(h) With regard to any Bonds that are insured, the issuer of such insurance shall be authorized to exercise the rights of Holders of Bonds it insures for purposes of consenting to any supplement to this Indenture except for the matters detailed in clauses (i) through (vi) in Section 10.2(a) hereof.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Indenture a Contract. After any series of Bonds shall be issued, this Indenture shall constitute a contract between the Authority and Trustee for benefit of the Holders of the such series of Bonds from time to time Outstanding and, subject to the provisions of Article X hereof, this Indenture shall be and remain irrevocable until the Bonds and the interest thereon shall be fully paid or discharged or provision therefor shall have been made as provided in Article XI hereof.

Section 13.2 Payment or Action on Other than Business Days. Unless otherwise provided herein, if the specified date for the making of any payment or the taking of any action as provided in this Indenture is not a Business Day, such payment may be made or action taken, as the case may be, on the next succeeding Business Day with the same force and effect as if such payment were made or action taken on the nominal date therefor, and, with respect to any payment so made, no interest shall accrue for the period from the nominal date of payment to the date such payment is made pursuant to the provisions of this Section.

Section 13.3 Benefits of Indenture Provisions. Nothing in this Indenture or in the Bonds, express or implied, shall give or be construed to give any person, firm or corporation, other than the Authority and its successors, the Trustee, and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture, or under any covenant, condition or provision herein contained, all the covenants, conditions and provisions contained in this Indenture or in the Bonds being for the sole benefit of the Authority and its successors, the Trustee, and the Holders of the Bonds.

Section 13.4 Trustee May Own Bonds. The Trustee, in its individual or any other capacity may become the owners or pledgees of the Bonds with the same rights they would have if they were not Trustee.

Section 13.5 Severability. If any Section, paragraph, clause or provision of this Indenture shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Indenture.

Section 13.6 Counterparts. This Indenture may be executed in any number of counterparts, and each such counterpart shall be, and shall be deemed to be, an original. All such counterparts shall constitute one and the same instrument.

Section 13.7 Notices. Unless otherwise provided herein, all notices required or permitted to be given hereunder to the Authority or the Trustee, as the case may be, shall be given in writing (unless expressly provided otherwise herein) and shall be deemed sufficiently given if in writing and sent either by Registered Mail or Certified Mail, postage prepaid, by hand delivery, telecopy or other electronic means which produces evidence of transmission, in each instance to be effective upon receipt, addressed as follows:

40

To the Authority:

Greater Orlando Aviation Authority
Attention: Chief Financial Officer
5855 Cargo Road
Orlando, Florida 32827
(407) 825-2027 Telephone
(407) 825-2259 Telecopier

To the Trustee:

The Bank of New York Mellon Trust Company, N.A.
Attention: Christine W. Hutchinson
10161 Centurion Parkway
Jacksonville, Florida 32256
(904) 645-1968 Telephone
(904) 645-1997 Telecopier

or to such other address as the Authority or the Trustee may designate from time to time by written notice to the other parties.

All computations for the expiration of time periods required by this Indenture shall be computed from the date such notice is deposited in the United States mail, as set forth above; provided, however, that should the last day of the period fall on a Saturday, Sunday or legal holiday, the period shall run until the end of the next day which is neither a Saturday, Sunday nor legal holiday.

Section 13.8 Governing Law. This Indenture and the rights and obligations of all parties to the Indenture shall be governed by and construed and interpreted in accordance with the laws of the State.

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EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF FLORIDA

NUMBER
REGISTERED

DENOMINATION
\$ REGISTERED

GREATER ORLANDO AVIATION AUTHORITY
SPECIAL PURPOSE FACILITIES TAXABLE REVENUE BOND
(RENTAL CAR FACILITY PROJECT)
SERIES
OF THE CITY OF ORLANDO, FLORIDA

Interest Rate:	Dated:	Maturity Date:	CUSIP No.
_____ %	_____	_____	_____

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

The GREATER ORLANDO AVIATION AUTHORITY, an agency of the City of Orlando, Florida (the "City") (herein the "Authority"), for value received, hereby PROMISES TO PAY TO THE REGISTERED OWNER, or registered assigns, but solely from certain Trust Estate as hereinafter provided, the principal amount specified above on the Maturity Date specified above and to pay interest thereon from the date hereof at the interest rate specified above per annum. Interest on this Bond is payable semiannually on each April 1 and October 1, commencing on _____, 20____, by check mailed first-class, postage pre-paid by the Trustee to the Registered Owner of record as of the close of business on the last day of the calendar month immediately preceding the applicable Interest Payment Date, as shown on the bond register maintained by the Trustee. The principal of this Bond is payable, on presentation and surrender hereof, in lawful money of the United States of America, without exchange or collection charges to the Registered Owner hereof, at the designated payment office of The Bank of New York Mellon Trust Company, N.A., which shall be the Trustee for this Bond. All interest accruing on this Bond prior to maturity hereof shall be paid by check or draft mailed to the Registered Owner hereof at its address as it appears on the bond register maintained by the Trustee or by such other customary banking arrangements reasonably acceptable to the Trustee and such Owner, including wire transfer; provided, however, that such Owner shall bear all risk and expense of payment by such other customary banking arrangements.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Indenture to be signed and sealed in their behalf by their duly authorized officers as of the date first written above.

**GREATER ORLANDO AVIATION
AUTHORITY**

(SEAL)

By: _____
Jeffrey B. Fuqua,
Chairman

ATTEST:

By: _____
Dayci S. Burnette-Snyder,
Assistant Secretary

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By: _____
Name: _____
Title: _____

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS (herein the "Series _____ Bonds") in the aggregate principal amount of \$ _____ issued pursuant to that certain Trust Indenture (herein, together with all supplements and amendments thereto as therein permitted, the "Indenture"), dated as of October 1, 2009, by and between the Authority and The Bank of New York Mellon Trust Company, N.A. (which bank or any bank or trust company appointed as successor trustee under the Indenture, is the "Trustee") for the purpose of paying the costs and expenses of financing, designing, constructing, operating, relocating and maintaining certain rental automobile related facilities, including quick turn-around facilities at the Orlando International Airport and Customer Service Facilities. Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture.

THIS BOND AND ALL OF THE SERIES _____ BONDS and any additional bonds issued on a parity therewith are equally and ratably payable from and secured by a lien on and pledge of the Trust Estate, more fully described and provided for in the Indenture, which include certain payments to be derived by the Authority pursuant to the terms of the Enabling Resolution and amounts from time to time on deposit in certain Funds created and maintained pursuant to the Indenture. This Bond and all of the Series _____ Bonds, together with the interest thereon, constitute special limited obligations of the Authority payable solely from the Trust Estate and do not constitute an indebtedness or general obligation of the Authority or an obligation secured by general revenues of the Authority. Reference is made to the Indenture for a further description of Trust Estate, the nature and extent of the security for the payment of the Series _____ Bonds, a statement of the rights, duties and obligations of the Trustee and the Authority and the rights and remedies of Registered Owners of the Series _____ Bonds to all the provisions of which the Registered Owner hereof by the acceptance of this Bond assents and agrees.

THIS BOND SHALL BE A LIMITED OBLIGATION OF THE AUTHORITY. THIS BOND AND THE INTEREST THEREON AND REDEMPTION PREMIUM, IF ANY, SHALL NOT BE DEEMED TO CONSTITUTE OR CREATE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE STATE, THE CITY OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE CITY OR ANY SUCH POLITICAL SUBDIVISION OR AGENCY. THE AUTHORITY HAS NO TAXING POWER. THIS BOND AND THE INTEREST HEREON ARE PAYABLE SOLELY FROM AND SECURED BY THE TRUST ESTATE, ALL AS DESCRIBED IN AND SUBJECT TO LIMITATIONS SET FORTH IN THE INDENTURE AND ARE NOT PAYABLE FROM OR SECURED BY ANY REVENUES UNDER AND AS DEFINED IN THE BOND RESOLUTION.

NEITHER THE MEMBERS OF THE AUTHORITY, THE CITY, NOR ANY PERSON EXECUTING THIS BOND SHALL BE LIABLE PERSONALLY HEREON OR BE SUBJECT TO LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE HEREOF.

[REDEMPTION PROVISIONS]

THE AUTHORITY HAS RESERVED THE RIGHT, subject to the restrictions provided in the Indenture, to issue additional revenue bonds which also may be made equally and ratably payable from and secured by a lien on and pledge of the aforesaid Trust Estate.

THIS BOND IS TRANSFERABLE BY THE REGISTERED OWNER hereof in person or by his attorney duly authorized in writing at the designated corporate trust office of the Trustee as Trustee upon presentation hereof to the Trustee, all subject to the terms and conditions provided in the Indenture.

THE REGISTERED OWNER HEREOF shall never have the right to demand payment thereof out of any funds raised or to be raised by taxation, and MAY NOT be repaid in any circumstances from any revenues generally available to the Authority or the City other than the Trust Estate.

THE INDENTURE may be supplemented and amended by the Trustee and the Authority in connection with the issuance of Additional Bonds and Refunding Bonds and in certain other instances, subject to limitations contained in the Indenture. Except as provided in the Indenture, the Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or take any action with respect to any Event of Default under the Indenture.

IT IS HEREBY DECLARED AND REPRESENTED that this Bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to and in the issuance and delivery of this Bond and the Indenture have been performed, existed, and been done in accordance with law; that the Series _____ Bonds do not exceed any statutory limitation; and that provision has been made for the payment of principal of and interest on this Bond and the Series _____ Bonds by the irrevocable pledge of the Trust Estate.

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CERTIFICATION OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Indenture.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,** as Trustee

By: _____
Authorized Officer

Date of Authentication:

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IN WITNESS WHEREOF, the City of Orlando, Florida, has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and countersigned by the manual or facsimile signature of the Chairman of the Greater Orlando Aviation Authority, and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of the City Clerk.

THE CITY OF ORLANDO, FLORIDA

(SEAL)

By: _____
Buddy Dyer, Mayor

ATTESTED AND COUNTERSIGNED:

By: _____
Alana Brenner,
City Clerk

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Jeffry B. Fuqua,
Chairman

A-4

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned, _____ (the "Transferor"), hereby sells, assigns and transfers unto _____ (the "Transferee")

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF TRANSFERREE

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as attorney to register the transfer of the within Bond on the books kept for registration and registration of transfer thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a member firm of any other recognized national securities exchange or a commercial bank or a trust company.

Registered Owner
NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment correspond(s) with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employee Identification Number of the Transferee is supplied.

A-13

A-6

EXHIBIT B

FORM OF REQUISITION CERTIFICATE

, 20__

Requisition No. ____

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

Re: Greater Orlando Aviation Authority Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Series ____ of the City of Orlando, Florida (the "Bonds")

Ladies and Gentlemen:

This certificate is provided to you pursuant to Section 5.3 of the Trust Indenture dated as of October 1, 2009 (the "Indenture"), between the Greater Orlando Aviation Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The capitalized terms used in this Requisition Certificate shall have the same meanings given such terms in the Indenture.

On behalf of the undersigned, I do hereby certify as follows:

(i) There has been expended or incurred or estimated to have been incurred the amounts on the attached funds drawdown report which is (are) hereby requisitioned for disbursement from the Project Fund to the named payee(s) for bonafide Capital Costs of the Project;

(ii) No other Requisition Certificate in respect of the expenditures set forth in clause (i) above is being or has previously been delivered to the Trustee;

(iii) All amounts previously disbursed to the undersigned plus the amounts hereby requested to be disbursed from the Project Fund have been and will be used to pay the expenditures set forth in clause (i) above; and

(iv) No Event of Default has occurred and is continuing.

You are hereby requested to pay from the Project Fund the amounts requisitioned by clause (i) above in accordance with the instructions therein.

GREATER ORLANDO AVIATION AUTHORITY

By _____
Authorized Officer of the Authority

019848.020500 297,356,067 -11

B-1

B-2

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APPENDIX B

FORM OF RENTAL AUTOMOBILE CONCESSION AGREEMENT

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RENTAL AUTOMOBILE CONCESSION AGREEMENT

Orlando International Airport

Orlando, Florida

Effective Date

Concessionaire

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**RENTAL AUTOMOBILE CONCESSION AGREEMENT
ORLANDO INTERNATIONAL AIRPORT**

THIS RENTAL AUTOMOBILE CONCESSION AGREEMENT (the "Agreement") is made and entered into this _____ day of _____, 2008, 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, whose address is One Airport Boulevard, Orlando, Florida 32827-4399 (the "Authority"), and _____ a _____ whose address is _____, ("Company").

WITNESSETH:

WHEREAS, pursuant to an agreement dated September 27, 1976, as amended, with the City of Orlando (hereinafter referred to as "City"), City Document Number 13260-1, the Authority controls, operates, and maintains an airport in Orange County, State of Florida, known as Orlando International Airport (hereinafter referred to as the "Airport"); and

WHEREAS, the Authority operates and maintains a Terminal Complex at the Airport, including a central landside building and satellite airside buildings, which contains facilities for basic passenger processing and related services and amenities, together with the associated parking garages, surface parking areas, and any roadways, tunnels, or passageways connecting those buildings or areas (hereinafter referred to as the "Terminal Complex"); and

WHEREAS, the Authority has designated certain areas within and about the Terminal Complex from which Automobiles may be offered for rental, and rental Automobile Concessionaires may do business for the benefit and convenience of airline passengers and other visitors; and

WHEREAS, in accordance with the Authority's "Policy for Awarding Concession and Consumer Service Privileges in the Terminal Complex at Orlando International Airport, Orlando, Florida," as amended (the "Concession Policy"), Company was awarded a Concession by the Authority for the Term and on the terms and conditions hereinafter set forth; and

WHEREAS, Company warrants to the Authority that it meets the eligibility criteria, and it is qualified to conduct the Concession and meet the obligations hereinafter stated.

NOW, THEREFORE, for and in consideration of the premises, and of the mutual covenants and agreements hereinafter contained, the parties hereto do hereby agree as follows:

ARTICLE 1 - DEFINITIONS

Capitalized terms used in this Agreement and not otherwise defined shall have the following meanings:

- A. **"Affiliate"** means any other person directly or indirectly controlling or controlled

by, or under direct or indirect common control with such specified person. For the purpose of this definition, "control," when used with respect to any specified person, means the power to direct the management and policies of such person directly or indirectly, whether through the ownership of voting securities, or otherwise.

B. **"Agreement"** means this Rental Automobile Concession Agreement, by and between the Authority and Company.

C. **"Agreement Period"** means the Initial Period and each subsequent twelve-month period beginning on or about December 1, 2009, and ending five (5) years thereafter, including any Option Periods granted at the sole discretion of the Authority during the Term of this Agreement; provided, however, with respect to any year in which the Term of this Agreement expires, or is terminated in accordance with the provisions of this Agreement, Agreement Period shall mean the period from the first day of the Initial Period or other Agreement Period, to the date of expiration or termination of the Term.

D. **"Airport Concession Disadvantaged Business Enterprise or ACDBE"** shall have that meaning as set forth in the Authority's ACDBE Program. An ACDBE is a concession that is a for-profit, small business concern: a) which is at least fifty-one percent (51%) owned by one or more minorities or other disadvantaged individual, or in the case of a publicly owned business, at least fifty-one percent (51%) of the stock of which is owned by one or more disadvantaged individuals; and b) whose management and daily business operations are controlled by one or more disadvantaged individuals who own it.

E. **"Airport Gross Receipts"** means Gross Receipts as defined in Article BB.1. derived from, or in connection with, any rental of an Automobile to a Customer who, at any Customer Service Facility of Company operated in connection under the terms of this Agreement, within forty-eight (48) hours following Customer's deplaning at the Airport, either (i) executes an agreement to rent an Automobile from Company, or (ii) takes delivery of an Automobile rented from Company. The Authority shall presume that one hundred percent (100%) of all Gross Receipts earned by Company are Airport Gross Receipts unless Company demonstrates otherwise to the satisfaction of the Executive Director. Such one hundred percent (100%) presumption shall apply, without limitation, for purposes of the monthly statement, the payment requirements, and the certification requirements of Article 5.B. In order to establish that less than one hundred percent (100%) of all Gross Receipts are Airport Gross Receipts, Company, at a minimum, shall segregate and maintain all rental agreements made with local residents or other Customers who did not arrive at the Airport within such 48-hour period, together with a statement (which shall be included in the rental agreement or attached thereto) completed by such Customer, in the following form:

I hereby certify that I did not deplane at Orlando International Airport within 48 hours prior to renting the Automobile described in this agreement.

Signature

Printed Name

Street Address

City, State, Zip Code

(_____)_____
Telephone Number

Date

The Gross Receipts derived by Company pursuant to any rental Automobile agreement that does not contain, or have attached thereto, such fully executed statement, shall be deemed Airport Gross Receipts. A report of all local rental Automobile transactions setting forth such transactions and receipts which are deducted shall accompany the Gross Receipts Report, attached hereto as Exhibit "C".

F. **"Annual Rental Fees"** means the fees paid to the Authority for the use and occupancy of Premises provided pursuant to this Agreement, separate and apart from the Minimum Annual Privilege Fee or Customer Facility Charge component of the fees due to the Authority hereunder. The Annual Rental Fee for the Terminal QTA shall be determined by the then-current ground rental rate of the Premises. The Annual Rental Fees for the Ready/Return Spaces shall be Two Thousand Four Hundred and No/100 Dollars (\$2400.00) per space, per Agreement Period, increased by five percent (5%) per annum, each and every Agreement Period after the Initial Period. The Annual Rental Fee for all Counter Space, Queuing Space, Office Space, and Tour Counters (if applicable) shall be equal to the Authority's then-current signatory airline Class II rental rate, as may be adjusted periodically.

G. **"Attorneys' Fees"** means attorneys' fees and costs, including, without limitation, fees and charges for the services of paralegals or other personnel who operate for and under the supervision of the attorneys, and whose time is customarily charged to clients.

H. **"Automobile"** means any passenger motor vehicle, including pickup trucks, vans, sport utility vehicles, and station wagons. The term "Automobile" shall not include trucks (except pickup trucks), motorcycles, or any vehicles of a length that would obstruct vehicle circulation within the Terminal Complex.

I. **"Bid"** means a competitive Bid submitted by a qualified bidder on July 18, 2008, for a rental Automobile concession at the Airport. When this Agreement references decisions to be made in order of Bids, it means that the successful Concessionaire that Bid the

highest Minimum Annual Privilege Fees payable for the Initial Period in each Tier A and Tier B shall have first choice in their respective tier, the next highest successful Concessionaire shall have second choice in their respective tier, and so on, until the last selection is made by the last qualified bidder who Bid the lowest Minimum Annual Privilege Fees payable during the Term of this Agreement that was awarded a concession for either a Tier A or Tier B Bid package.

J. **"City"** means the City of Orlando, Florida, a municipal corporation existing under the laws of the State of Florida.

K. **"Commencement Date"** means a date sixty (60) calendar days after the Authority relinquishes the Premises to Company to build-out and complete its approved improvements to the Terminal QTA, upon the Authority giving a thirty (30) day written notice to Company of such relinquishment. The existing rental Automobile concession agreements, as amended, will remain in effect, and will be extended on a month-to-month basis until such Commencement Date.

L. **"Commercial Drive"** (collectively, the "Commercial Drives") means each of the Airport's Level I roadways reserved for commercial traffic and located on each side of the landside Terminal building.

M. **"Commercial Ground Transportation Rules and Regulations"** means the Authority's "Commercial Ground Transportation Rules and Regulations for the Landside Terminal Building, Orlando International Airport, Orlando, Florida," adopted by the Authority on June 18, 1986, as amended, and as the same may be amended from time to time in the future.

N. **"Common Fueling Facilities or CFF"** means the distribution system for Automobile gasoline for use by Company beginning on the Commencement Date. The fuel distribution system will extend from the fuel storage facility to and including the fuel nozzles in the Terminal QTA. Company will be required to be under contract with the Common Fueling Facilities Management Company ("CFFMC"), using the form provided by the Authority, or a form substantially similar to such form, within ninety (90) calendar days before the Commencement Date. However, the Authority, in its sole discretion, may choose to contract for such management and operation of the Common Fueling Facilities ("CFF") with any entity, including without limitation, a third party operator, or any Concessionaires. If the Authority chooses to contract directly with such an entity, the Authority will provide one hundred eighty (180) calendar days notice to Company, and Company will be required to contract with the Authority for such services.

O. **"Common Use Area"** means those areas not leased to Company or any other Concessionaire for its exclusive use.

P. **"Concession"** means this rental Automobile concession.

Q. **"Concessionaire"** (collectively "Concessionaires") means any person, including, but not limited to Company which is awarded a rental Automobile concession at the Airport for all, or any portion of the Term of this Agreement, including, but not limited to, an ACDBE Concessionaire.

R. **"Concessions Committee"** means the Concessions Procurement Committee of the Authority.

S. **"Customer"** means the actual individual(s) on the signed rental Automobile agreement as the driver(s) of the Automobile delivered, rented to, or who picked up the Automobile at the Airport or the Customer Service Facility, regardless of who pays a portion of, or all of, the rental Automobile fees.

T. **"Customer Facility Charge"** means a per day fee payable by Customers, collected, accounted for, and remitted by Company to the Authority (whether collected from Customers or not), and adopted by resolution by the Authority on August 20, 2008, for the reimbursement for capital improvements, including, but not limited to capital expenditures (i.e. interest) benefiting Company for rental Automobile operations, maintained by Company in a separate trust account.

U. **"Customer Service Facility"** means any facility operated by a Concessionaire for the processing and/or servicing of, or for the delivery of Automobiles rented to its Customers located on the Premises, or within an eight (8) mile radius of either (a) the intersection of S.R. 436 and the Beachline Expressway, at the northern entrance to the Airport, or (b) the intersection of the South Airport Access Road and the Central Florida Greenway, at the southern entrance to the Airport.

V. **"Design Review Committee"** means the Design Review Committee of the Authority.

W. **"Driving Service"** means the service provided by a third-party company and used by Concessionaires to move their Automobiles from place to place at the Airport. Each third-party company shall continue to operate under a current permit agreement with the Authority when performing such driving services, and follow all rules and regulations as promulgated by the Authority, as amended periodically.

X. **"Exclusive Spaces"** means the rental Counter Space, Queuing Space, Office Space, Ready/Return Spaces, Terminal QTA, Tour Counters (if applicable), and other service and staging areas that are designated to Company for its specific use during the Term of the Agreement.

Y. **"Executive Director"** means the Executive Director of the Authority or his or her designee.

Z. **"Facilities Plan"** means the Counter Space, Queuing Space, Office Space, Tour Counters, Ready/Return Spaces, and Terminal QTA plan for rental Automobile concessions at the Airport, attached hereto as Composite Exhibit "A" (A-1 to A-7).

AA. **"Family-Brand"** means the marketing of two (2) or more rental Automobile company brand or trade names from a single counter or other Exclusive Space leased to Company under this Agreement.

BB. "Gross Receipts"

1. Subject to the terms of Articles 1.BB.1. through Article BB.20. of this Article 1.BB., the term "Gross Receipts" means all amounts billed or received by Company or any subcontractor of Company from, or in connection with, its operations on the Premises, or from any Customer who is transported by any means from the Airport to a Customer Service Facility, or otherwise derived by Company from its operations under this Agreement, from or in connection with the short-term or long-term rental or lease of Automobiles, including any additional services or accessories contracted for, delivered, rented to, or picked up by Customer at any on-Airport or off-Airport Customer Service Facility operated hereunder, as shown on the rental agreement, except that Gross Receipts shall not include the following:

a. Sums recovered by Company for damage to, or for loss, abandonment, or conversion of Automobiles or other property of Company. (However, this exclusion does not include any sums received by Company in lieu of rent for those Automobiles);

b. Documented credits and refunds to Customers, including, but not limited to, such documented credits and refunds made in response to Customer complaints, Customer service or satisfaction adjustments, (a) for transactions made on the Premises or elsewhere at the Airport, or (b) for transactions to any Customer transported by any means from the Airport to a Customer Service Facility operated by Company hereunder;

c. Proceeds from the sale of Company's capital assets.

d. Amounts separately stated on a rental agreement which shall be labeled on the rental agreement only as "Customer Facility Charge" or such other label as the Authority directs and collected from a Customer and payable to the Authority as a Customer Facility Charge, as defined in Article 1.T., and separately stated on Exhibit "D".

e. Amounts separately stated on a rental agreement and actually collected from a Customer as reimbursement for the Minimum Annual Privilege Fees payable by Company to the Authority. Any such collected amount shall hereinafter be referred to as a "Privilege Fee Recovery Charge".

f. The amounts of any federal, state, or municipal sales or use taxes, other government-imposed surcharges, or other fees or charges mandated by the governmental entity to be imposed upon Company's Customers and collected by Company, separately stated on the Customer rental Automobile agreement, and which are payable directly to the taxing authority or the State of Florida by Company. The daily Florida tire and battery surcharge is also excludable, only to the extent of the amount collected from

Customer which is remitted to the State. *No exclusion shall be allowed for license or tag fees, or other amounts collected from a Customer which recoups operating costs. Gross Receipts shall not be reduced by taxes levied on Company's facilities, equipment, real or personal property, payroll taxes, income taxes, or taxes on frequent flyer miles paid directly to the airline, or other operating costs or cost recoveries.*

2. Gross Receipts shall include receipts derived from collision damage waivers, loss damage waivers, or similar charges, including any sums received by Company in lieu of rent for those Automobiles, fueling or re-fueling charges, personal accident insurance, any other insurance product, cellular phones, child restraints, drop charges, additional driver fees, underage or overage driver, global positioning navigational system equipment and/or service and satellite service, guaranteed reservations, carbon credits, early or late return, premium location, transporting, or administrative fees charged to Customers, including Internet reservation transactions, and all other transactions and charges of whatever nature, including any fees, surcharges and all other charges, arising from or incidental to Company's Concession under this Agreement, unless expressly excluded by this Agreement, whether separately stated or not. (* Note - If Company includes the use of a global positioning navigational system equipment and/or service and satellite service, a pre-paid toll service, or any other service or item free of charge to Customer, the amount that would have customarily been collected for such service or item shall be included in Gross Receipts).

3. Gross Receipts shall not be reduced by reason of any commission, volume discount, or other amount paid out or rebated by Company to travel agents or others, with respect to any such rental or provision of insurance, including volume discounts, corporate discounts, or any other discounts, unless such discounts are separately stated on Customer's rental agreement at the time of rental, and are granted pursuant to a written marketing plan. The retroactive adjustment of Gross Receipts for volume discounts or rebates, corporate discounts or rebates, dividends, or refunds to any Customer or any third party upon attainment of a specified volume of rentals attributable to revenue, receipts, or volume, or as part of any other written marketing plan which does not list the discount on the rental agreement at the commencement of the rental transaction, or any other designation of any nature, or for any purpose, is prohibited.

4. Gross Receipts shall include all receipts derived from, or in connection with, the extension or renewal of any rental Automobile agreement entered into on the Premises or elsewhere on the Airport, or entered into with any Customer transported by any means from the Airport to a Customer Service Facility, regardless of the location at which the rental agreement is renewed or extended, or Automobile exchanged or returned.

5. Gross Receipts shall include any charge Company customarily makes for goods or services, even though Company fails to actually collect such a charge, provided, however, that Gross Receipts shall not be reduced by any discount to Customer that was not listed on the rental agreement at the commencement of the rental transaction. Notwithstanding the foregoing, if, pursuant to a written marketing plan conducted in conjunction with another person or entity, Company is reimbursed by another person or entity for a portion of the

discount provided by Company to its Customers, the amount of such reimbursement shall be included in Gross Receipts.

6. Gross Receipts shall include all amounts billed to or received from Customers by any subcontractor(s) or other provider(s) used by Company on account of goods, services, or products provided by such subcontractor(s) or other provider(s), regardless of what portion, if any, of such amounts are received or retained by Company.

7. Gross Receipts shall include amounts paid or payable to Company in exchange for coupons, vouchers, or negotiated rates which are redeemed at any Customer Service Facility operated by Company.

8. Gross Receipts shall include any receipts of Company coming within this definition of Gross Receipts, notwithstanding the treatment of such receipts for Company's own accounting purposes, and notwithstanding the location at which any Automobile or other Company vehicle is ultimately returned.

9. The full amount of any transaction made on installment or credit, shall be recorded in the month during which such rental is concluded, regardless of the time when Company receives payment (whether full or partial) thereof.

10. Company shall not exchange Automobiles, modify the accounting treatment of receipts, or rename or redefine rentals, services, or products in any manner that would deprive the Authority the amounts that would otherwise be payable to the Authority.

11. Gross Receipts shall not be reduced by any credit loss sustained by Company, or any financing discount which may apply by reason of Company's acceptance or use of credit cards, or by any reason of any other credit arrangement.

12. In the computation of Gross Receipts from any rental made by Company to which a discount was applied, unless the discount by its terms applied only to specified components of the consideration for the rental, the discount shall be deemed to apply equally to all components of the consideration received by Company, for or in connection with such rental, whether or not any such component would be treated as Gross Receipts hereunder, and shall not be treated as applicable only to a certain component or components of such consideration.

In particular, without limitation, a discount shall never be treated in the computation of Gross Receipts hereunder as applicable only to components of such consideration which constitute Gross Receipts, such as time and mileage charges, and as not applicable to other components of such consideration which do not constitute Gross Receipts hereunder. If a discount granted by Company with respect to an Automobile rental applies by its terms to only certain components of the consideration received by Company for or in connection with that rental Automobile, then such discount shall be applied in accordance with its terms in the computation of Gross Receipts hereunder.

However, the Authority and any employee or agent acting on its behalf,

shall be entitled to presume that any discount granted by Company with respect to a rental applies equally to all items of consideration received by Company for, or in connection with, that rental, unless Company demonstrates to the satisfaction of the Executive Director that such discount, by its terms, applies only to certain components of such consideration. The provisions of this Article 1.BB.12 shall apply, notwithstanding the fact that the discount in question may have been granted pursuant to a written marketing plan. In no event may Company deduct from Gross Receipts discounts, credits, rebates, or deductions for fuel or free fuel.

13. In no event shall Company's Gross Receipts from any rental be a negative amount for purposes of this Agreement.

14. Neither Article 1.BB.1.b., nor any other provision of this Agreement shall be construed as an endorsement or approval by the Authority of a method or practice by Company of charging its rental Automobile Customers a separate fee to recover, in whole or in part, fees payable by Company to the Authority, and Company shall not state or imply to its Customers that any such fee charged by Company to its Customers is mandated, or authorized, or taxed by the Authority. Any Privilege Fee Recovery Charge charged to Customer shall never exceed ten percent (10%) of Airport Gross Receipts. Company shall not have the option of collecting a Privilege Fee Recovery Charge, including the Privilege Fee Recovery Charge in Gross Receipts, and paying the Percentage Fee with respect to the collected amount. If Company separately states a Privilege Fee Recovery Charge on any rental agreement, the amount separately stated shall be labeled on the rental agreement only as a "Privilege Fee Recovery Charge", or such other label as the Authority directs. Any such amounts not labeled in accordance with this Article 1.BB.14 shall be deemed includable in Gross Receipts.

15. Company forfeits exclusion of all discounts, deductions, credits and refunds to Customers, or any other amounts that reduce Gross Receipts; in the event otherwise allowable discounts, deductions, credits and refunds to Customers, or any other amounts that reduce Gross Receipts, are commingled with any non-excludable amounts.

16. Complimentary Automobiles, including Automobiles provided to Tour Operators, their Affiliates, representatives or other third parties for the promotion of business, or Automobiles otherwise provided in exchange for goods, services, or accommodations are included in Gross Receipts.

17. If an Automobile is exchanged outside of the eight (8) mile radius from the Airport, as depicted on the Boundaries of RAC Airport Facilities, attached hereto as Exhibit "P," Gross Receipts from that rental shall continue to be included in Gross Receipts under this Agreement, even if a new or replacement rental agreement is issued to Customer.

The intentional diversion, through direct or indirect means, of rental Automobile receipts includable in Gross Receipts, as defined in Article 1.BB. of this Agreement is prohibited. A shortage of rental Automobiles at the Airport while having rental Automobiles available outside the eight (8) mile radius, when Customer originates or concludes the rental Automobile at the Airport, is presumed to be intentional diversion. In addition, renting Automobiles off-Airport to a Customer who arrived at the Airport, and not including the resulting rental Automobile receipts in the Gross Receipts defined in this Agreement, is

presumed to be intentional diversion. The taking of a reservation, advising or suggesting to a potential Customer arriving at the Airport, that Customer rent an Automobile at a location other than the Airport outside of the eight (8) mile radius, regardless of the reason, and not including the rental Automobile receipts resulting from such transaction in Gross Receipts, is presumed to be intentional diversion. In addition to all other remedies available by law, the Authority shall have the right to immediately terminate this Agreement upon a determination by the Authority that Company has intentionally diverted Gross Receipts as described herein.

18. Unless receipts are expressly and particularly excluded from Gross Receipts under this Article 1.BB., such receipts shall be included in Gross Receipts. Receipts derived from sources similar, but not identical to those described herein, shall also be included in Gross Receipts, unless expressly excluded by this Agreement.

19. In the event Company is, or becomes merged or affiliated (including as parent or subsidiary, or through common ownership or control) with an entity conducting a non-Concessionaire rental Automobile operation at the Airport, and Company and such non-Concessionaire operator fail to demonstrate that they operate as separate entities, all receipts of such affiliated non-Concessionaire operator shall be included in Gross Receipts hereunder. In the event of a dispute, such failure of Company and non-Concessionaire operator to demonstrate operation as separate entities is determined solely by the Executive Director. For purposes of this Agreement, conditions and activities demonstrating a failure to operate as separate entities include, but are not limited to:

a. any circumstance in which one or more individuals serve as an officer, director, manager, or in any other position in which the individual makes significant management decisions for each company, regardless of the individual's title, of both Company and the entity conducting a non-Concessionaire rental Automobile operation at the Airport, whether or not the individual is compensated, financially or otherwise, by one or both companies, or the entity conducting the non-Concessionaire rental Automobile operation;

b. maintaining a joint reservation system;

c. writing rental agreements for, or otherwise acting as agents for one another;

d. failing to act as arms-length competitors in all dealings with one another, and such failure affects Company's Gross Receipts;

e. utilizing the same or similar trademarks or trade names;

f. using a combined accounting system, or an accounting system which makes it difficult, in the opinion of the Executive Director, for the Authority to separately audit the Gross Receipts of the two entities;

g. jointly owning or leasing an Automobile fleet, or entering into a Automobile fleet lease agreement with one another; and

(1) the non-Concessionaire rental Automobile operator has the ability to take, either temporarily or permanently, all or any part of either Company's portion of any jointly owned or leased Automobile fleet, or the Automobile fleet leased by Company to, or from the non-Concessionaire rental Automobile operator; and

(2) Company is in any manner prevented from obtaining Automobiles from any third party, or the non-Concessionaire rental Automobile operator fails to give Company notice of its intent to take Automobiles sufficient to allow Company to obtain Automobiles from another source to meet its Customer demand for the period during which the non-Concessionaire rental Automobile operator will take the Automobiles from Company.

h. entering into an agreement with (i) a person or entity that jointly owns or controls Company, and the entity conducting a non-Concessionaire rental Automobile operation at the Airport, or (ii) a person or entity owned or controlled by, affiliated, as a direct or indirect parent organization with, or in any other way affiliated with, the person or entity that jointly owns or controls Company, and the entity that conducts a non-Concessionaire rental Automobile operation, for the provision of an Automobile fleet, and:

(1) the person or entity leasing the Automobile fleet to Company has the ability to take all or any part of the Automobile fleet from Company, either temporarily or permanently; and

(2) Company is, in any manner prevented from leasing Automobiles from any third party, or the person or entity leasing the Automobile fleet to Company fails to give Company notice of its intent to take Automobiles in time sufficient to allow Company to obtain Automobiles from another source to meet its Customer demand for the period during which the person or entity leasing the Automobile fleet to Company, will take the Automobiles from Company.

20. Gross Receipts shall include those amounts contemplated under Article 7.F.2. of this Agreement.

CC. **"Improvement" or "improvement"** means any item which is affixed to the Premises or affixed to any Improvement thereto and which cannot be removed without material damage to the Premises or another Improvement.

DD. **"Initial Period"** means the period which begins on the Commencement Date and ending on _____, 2010.

EE. **"Market Share Percentage"** means the amount, expressed as a percentage, equal to the quotient of (i) Company's Airport Gross Receipts during the immediately preceding twelve (12) month period, divided by (ii) the sum of the Airport Gross Receipts reported to the Authority by all Concessionaires during such twelve (12) month period.

FF. **"Minimum Annual Privilege Fee"** means the minimum amount of money due the Authority annually from Company for the rights granted Company under this Agreement (the greater of the Privilege Fee or the Percentage Fee as defined herein), which

rights are an intrinsically valuable intangible personal property interest, and are separate and distinct from any right or interest in the real property owned by the Authority.

GG. **"Option Period"** means the additional two (2) one-year Agreement Period extensions which may be granted to Company, at the sole discretion of the Authority.

HH. **"Percentage Fee"** means an amount equal to ten percent (10%) of Company's Airport Gross Receipts during any calendar month or of Company's Airport Gross Receipts during any Agreement Period.

II. **"Permit"** means a permit issued by the Authority to a Driving Service to conduct commercial ground transportation operations at the Airport in accordance with the Commercial Ground Transportation Rules and Regulations.

JJ. **"Premises"** means the areas of the Terminal Complex described in Article 2, below, from which Company is granted the right to operate a Concession in accordance with the terms and conditions of this Agreement, together with any additional areas in the Terminal Complex in which Company may be granted such rights.

KK. **"Ready/Return Spaces"** (individually, a "Ready/Return Space") means the parking spaces included in the Premises, located on Level I or Level II in the A-Side and B-Side of the parking garages of the Terminal Complex, approximately where indicated on the Facilities Plan, and designated by the Authority for Company's use for parking Automobiles which are ready to be rented to, or have been returned to Company by Company's Customers.

LL. **"Re-allocation"** means the re-allocation of Ready/Return Spaces, in the event that either (i) a variance of five (5) Market Share Percentage points or more occurs for one (1) Concessionaire, or (ii) a variance of two and five tenths (2.5) Market Share Percentage points or more for two (2) or more Concessionaires, on or before the end of the Second (2nd) Agreement Period. If neither of the foregoing events occurs on or before the end of the Second (2nd) Agreement Period, there shall be no re-allocation during the Term of this Agreement, except for conditions set forth in Article 2.F.3.b., and at the sole discretion of the Executive Director. Any such re-allocation will be based on the Market Share Percentage determined by the Authority from the Single-Brand or Family-Brand name(s) declared by Company during the pre-qualification process, and should any other brand or trade name be added to Company's Concession during the Term of this Agreement, at the sole discretion of the Authority, such added brand or trade name's Market Share Percentage will not be considered as part of any such re-allocation.

MM. **"Re-allocation Effective Date"** means the first (1st) day of September during the Third (3rd) Agreement Period, and is the date upon which any re-allocation of Ready/Return Spaces shall be completed, should any conditions for Re-allocation occur.

NN. **"Service Kiosk"** means an enclosure approved by the Authority's Design Review Committee, and of a quality at least equal to that of any service kiosks that may already exist in the Ready/Return Spaces on the Commencement Date of this Agreement.

OO. **"Single-Brand"** means the marketing of one (1) rental Automobile company brand or trade name from a single counter or other Premises leased to Company under this Agreement.

PP. **"Solicitation"** means those activities as designated and approved in Section 5 of the Commercial Ground Transportation Rules and Regulations for Orlando International Airport ("GTR&R"), as they apply to on-Airport or Split Operation Concessionaires.

QQ. **"Split Operation"** means an operation that is conducted primarily on-Airport, but that may use off-Airport Customer Service Facilities during periods of peak business volume to facilitate Customer service in the event on-Airport facilities have been maximized, and require a Concessionaire to utilize off-Airport Customer Service Facilities, with prior written approval of the Executive Director, at the Executive Director's sole discretion.

RR. **"Terminal Complex"** means collectively the central Landside building and satellite airside buildings, the hotel, the associated parking garages and surface parking areas, and all accompanying roadways, tunnels, or passageways connecting those buildings or areas, existing at the Airport, and as may be expanded during the Term of this Agreement.

SS. **"Terminal QTA"** means the facilities located on Level I of the A-Side and B-Side parking garages adjacent to the Terminal Complex, utilized by Company for fueling, cleaning, washing, and performing light maintenance necessary to prepare Automobiles for rental.

TT. **"Tour Operation or Tour Operator"** means a company or individual whose main business is to provide vacation elements, including transportation arrangements, combined with land and/or sea accommodations to individuals or groups. Tour Operators must hold a valid Florida Seller of Travel License, or meet the required exemption qualifications. For the purposes of this Agreement, a Receptive Tour Operator and a Tour Operator are the same. The touring individuals may arrive on a charter or a scheduled flight, and stay as long as they are scheduled. Tour Operators have individual and group customers. Companies meeting their own customers are considered Tour Operators, while contracted "meet and greet" tour services with many different Tour Operators are considered Receptive Tour Operators.

UU. **"Transaction Day"** means a continuous twenty-four (24) hour period, or any part thereof, for the calculation of the Customer Facility Charge. However, if the same Automobile is rented to more than one Customer within such continuous twenty-four (24) hour period, then each such rental shall be calculated as a "Transaction Day," except that a partial day that is a grace period of no more than 2 (two) hours after the last 24-hour day booked, and for which Customer is not charged, shall not be considered a Transaction Day.

VV. **"Transition Period"** means the period of transition between the current operations of existing rental Automobile concessions on the Premises, the construction of the new Terminal QTA by the Authority, the completion of the build-out of Improvements constructed by Company, and the commencement of the operation of Company's Concession on the Premises under the terms of this Agreement.

ARTICLE 2 - RIGHTS AND PRIVILEGES GRANTED TO COMPANY

A. Rights and Premises.

1. The Authority hereby grants to Company, subject to all of the terms, covenants, and conditions contained in this Agreement, the non-exclusive right, privilege and obligation to operate a high quality, well-managed, and efficiently run Concession, as awarded by the Authority, during the Term of this Agreement, from and on the Premises and the Airport, and from any Customer Service Facility approved for utilization by Company according to the terms of this Agreement.

2. Company will provide rental Automobile goods and services.

3. Company shall enjoy the non-exclusive right to conduct and operate a rental Automobile Concession at the Airport, only under the brand name(s) or trade name(s): _____ . Approval of any request by Company for any additions to the brand or trade name(s) included herein after the Commencement Date will be made solely at the discretion of the Authority, and in writing. Company understands and agrees that it shall not engage in any other business except the rental Automobile Concession on the Airport under this Agreement.

4. Company shall not use or permit the Premises to be used for any purposes other than as described in this Article 2.A. without the prior written approval of the Authority; nor for any use in violation of any applicable building codes, zoning regulations, municipal, county, state or federal laws, ordinances or regulations.

B. Occupancy of Premises and Commencement of Business. Company shall be granted occupancy of the Premises after the completion of the Terminal QTA constructed by the Authority, as set forth on Exhibit "N," and Company's sixty (60) calendar days build-out of Improvements period, and shall commence paying the Minimum Annual Privilege Fees and Annual Rental Fees on the Commencement Date.

C. Non-exclusivity.

1. It is expressly provided that the rights and privileges granted to Company hereunder are non-exclusive. By entering into this Agreement, Company acknowledges that the Authority is entering into similar agreements with other Concessionaires. The Authority shall not, however, enter into rental Automobile concession agreements which are in effect simultaneously during the Term of this Agreement with more than the number of Concessionaires with which it had entered into such agreements on the Commencement Date. Further, except in the case of an ACDBE Concessionaire, the Authority shall not during the Term of this Agreement, enter into any other on-Airport rental Automobile concession agreements which do not: (a) require Concessionaire thereunder to pay to the Authority a Minimum Annual Privilege Fee at least equal to the acceptable Minimum Annual Privilege Fee established by the Authority in the RFO, and; (b) contain other economic terms which are, in the Authority's reasonable discretion, substantially similar to those contained in this Agreement.

2. Except as set forth in this Article 2.C., the Authority reserves the right to enter into rental Automobile concession agreements on terms other than those contained in this Agreement, and additionally, reserves the right to enter into amendments of any other rental Automobile concession agreements, without similarly amending this Agreement.

3. Except as otherwise specifically provided herein, the Authority shall, whenever Premises are added to, or removed from the total Premises available to Concessionaires, add or remove such Premises on an equitable basis among all Concessionaires.

D. Relocation/Surrender of Premises.

1. Notwithstanding any other provision of this Agreement, the Authority shall have the right at any time during the Term of this Agreement to require Company to surrender any portion of the Premises in order to accommodate a change in the design or use of the Terminal Complex. In such event, the Authority shall, in its sole discretion, either:

a. provide Company with a substitute area which the Executive Director determines to be reasonably equivalent, though not necessarily identical in size or otherwise, to the portion of the Premises surrendered; or

b. grant Company an equitable reduction in the Annual Rental Fees payable by Company to the Authority hereunder, based on the reduction in square footage of the surrendered Premises; or

c. provide Company with a substitute area in lieu of a portion of the Premises surrendered and grant Company an equitable reduction in the Annual Rental Fees payable by Company to the Authority hereunder as compensation for the remainder of the Premises surrendered.

2. The Authority shall in no event be liable to Company for any inconvenience or loss of business as a result of Company being required to move or surrender any portion of the Premises. If the portion of the Premises required to be surrendered by Company is more than ten percent (10%) of the overall space originally included in the Premises, and Company is required, under the terms of this Article 2.D., to move or surrender a portion of its operation, all costs of the physical move shall be borne by the Authority and, at the sole discretion of the Executive Director, the substitute area that is provided to Company in lieu of the portion of the Premises surrendered will be built out by the Authority at its own expense (or, at the option of the Executive Director, by Company at the Authority's expense) so that such substitute area will be reasonably equivalent in quality to the portion of the Premises surrendered, provided that, in such event, title to any improvements to such substitute area shall remain with the Authority and shall not pass to Company.

3. The Authority reserves the right to make adjustments to the amounts of space and facilities included in Company's Premises as necessary to further the efficient utilization of the Airport's facilities.

E. **Adjustment to Premises.** Company may not decrease the size of its Premises whether Company was allocated its Premises on the Commencement Date of this Agreement, or on any other date during the Term of this Agreement. However, the Authority, in its sole discretion, may allow Company to make a mutual agreement with another Concessionaire whereby a portion of its Premises are utilized by another Concessionaire, with a written request signed by both Company and such Concessionaire, as well as prior written approval by the Authority. However, Company shall remain solely responsible for the remittance of the Annual Rental Fees and Minimum Annual Privilege Fees associated with such portion of its Premises, and all other provisions of this Agreement hereunder.

F. **Premises.**

1. **Counter Space and Queuing Space.** On Level I of the Terminal Complex, in approximately the areas indicated on the Facilities Plan, attached hereto as Composite Exhibit "A," the Authority shall require Company to accept all assigned Counter Space and Queuing Space of approximately _____ (____) square feet on each the A-Side and B-Side of the Terminal Complex ("Counter Space") and ("Queuing Space"). Queuing Space for Company is defined as the center line from Company's rental counter to the first row of columns. On the effective date of this Agreement, the Authority shall grant Company such Counter Space and Queuing Space that is subject to the provisions of Article 2.F.1. herein. All Office Space must be accessible through Company's Counter Space. Company may not access its Counter Space and Office Space through the counter space or office space of another Concessionaire.

The Authority reserves the right to make reasonable adjustments in the precise location of Company's Counter Space and Queuing Space so as to maximize the efficient use of such space. The Executive Director shall have the right, after all Concessionaires have been granted their Counter Space and Queuing Space pursuant to Article 2.F.1. herein, and prior to the Commencement Date, to determine where within the awarded block Company's Counter Space and Queuing Space will be located, provided, however, that any such adjustment by the Executive Director shall maintain the contiguity of Company's Counter Space and Queuing Space, and shall maintain Company's relative position on the Counter Space and Queuing Space awarded.

2. **Office Space.** On Level I on each the A-Side and B-Side of the Terminal Complex, the Authority shall make available for rental by Company, office space in the Terminal Complex ("Office Space"). On the effective date of this Agreement, the Authority shall grant, and Company may accept all or a portion of such Office Space that is subject to the provisions of Article 2.F.2. herein. All Office Space must be accessible through Company's Counter Space. Company may not access its Office Space through the counter or office space of another Concessionaire.

Company may, but is not obligated to accept all of such offered Office Space. If Company declines to accept all Office Space awarded, a Concessionaire that is contiguous to Company's Office Space shall be offered the declined portion of Company's Office Space for rental by the Authority, so long as such additional Office Space is proportionate to such Concessionaire's Market Share Percentage.

The Authority reserves the right to make reasonable adjustments in the precise location of Company's Office Space so as to maximize the efficient use of such space. The Executive Director shall have the right, after all Concessionaires have been granted Office Space pursuant to Article 2.F.2. herein, and prior to the Commencement Date, to determine where within the awarded block Company's Office Space will be located, provided, however, that any such adjustment by the Executive Director shall maintain the contiguity of Company's Office Space to Company's Counter Space and Queuing Space, and shall maintain Company's relative position on the Counter Space and Queuing Space awarded. Company may, but is not obligated to, accept all or any part of such offered Office Space. If Company declines to accept all Office Space awarded, a Concessionaire that is contiguous to Company's Office Space may be offered the declined portion of Company's Office Space for rental by the Authority, so long as such additional Office Space is proportionate to such Concessionaire's Market Share Percentage, or the Authority may make such declined Office Space available for rental by a third-party tenant.

3. **Ready/Return Spaces.** Company shall be obligated to rent spaces in the A-Side and B-Side parking garages for staging of its ready-to-rent Automobiles and Automobiles being returned by its Customers in those areas approximately as depicted on the Facilities Plan, attached hereto as Composite Exhibit "A" (A-2 to A-6).

On the Commencement Date, Company shall receive approximately _____ (____) Ready/Return Spaces each on Level ____ of the A-Side and B-Side parking garages.

Re-allocation of Ready/Return Spaces may occur in the event that (i) for any one (1) Concessionaire, there is a variance of five (5) or more Market Share Percentage points on or before the end of the Second (2nd) Agreement Period as compared to its Market Share Percentage on the Commencement Date, or (ii) there is variance of two and five tenths (2.5) or more Market Share Percentage points for any two (2) or more Concessionaires on or before the end of the Second (2nd) Agreement Period as compared to their respective Market Share Percentage on the Commencement Date, at the sole discretion of the Executive Director. If both of the aforementioned events fail to occur, no Re-allocation shall occur during the Term of this Agreement, unless early termination results for any Concessionaire for other reasons as set forth in this Agreement. Any such Re-allocation will be based on the Market Share Percentage determined by the Authority from those Single-Brand or Family-Brand name(s) declared by Company during the pre-qualification process, and should any other brand be added to Company's rental Automobile Concession during the Term of this Agreement, at the sole discretion of the Authority, as defined in Article 1.AA, such added brand name's Market Share Percentage will not be considered as part of any such Re-allocation.

4. **Terminal QTA.** At all times during the Term of this Agreement, Company shall be required to conduct its Terminal QTA operations within its exclusive use Terminal QTA on Level I of the A-Side and Level I of the B-Side, approximately as depicted on the Facilities Plan attached hereto as Composite Exhibit "A" (A-6 and A-7).

a. **Terminal QTA Utilization.** Company shall utilize the Terminal QTA

for such fueling, cleaning, light maintenance and related activities, as are reasonably necessary for preparing its Automobiles for rental pursuant to this Agreement. Light maintenance (including oil changes and replacement filters) may be conducted at the Terminal QTA only in a separate, enclosed structure approved by the Executive Director for such use. Company shall not utilize the Terminal QTA for storage of Automobile inventory, parking transport vehicles (i.e. vans, buses), painting Automobiles or other vehicles, or for parking or storing disabled, damaged, destroyed, inoperable, or abandoned Automobiles or other vehicles. Company shall remove all damaged, destroyed, inoperable or abandoned Automobiles or other vehicles from the Premises and the Airport, unless such Automobiles or vehicles are required to be held by Company pending completion of an accident investigation or legal proceeding. Company may not utilize the Terminal QTA for employee parking.

b. Improvements to Terminal QTA. In the event Company installs any additional fixtures or equipment, or constructs any additional Improvements to the Terminal QTA in order to facilitate operations therein, limited to office space, employee restrooms, employee break and storage areas, Company shall install any such fixtures or equipment, or construct any such Improvements at its sole cost and expense, and in accordance with the procedures of Article 6 of this Agreement. However, in addition to all other requirements and provisions of this Agreement, Company explicitly acknowledges and agrees that it shall be entitled to no buy-out from the Authority or any other person with respect to any facility or Improvement (including, but not limited to, any Customer Service Facility) installed in the Terminal QTA, during the Term of this Agreement.

5. **Tour Counters.**

a. Prior to the Commencement Date, Company may request the right to occupy, on an exclusive basis, one tour counter location on each the A-Side and B-Side of the Terminal Complex, as set forth in Article 2.F.5.b. ("Tour Counter" or collectively "Tour Counters"). The Authority may make available only those Tour Counters to serve the needs of eligible Concessionaires as such Tour Counters are made available. The Authority shall not be obligated to build any additional Tour Counter space.

b. Company may be eligible on the Commencement Date to lease such Tour Counters on a first-come-first-served basis by submitting a written request to the Executive Director, provided the Authority has such Tour Counters available. Any available Tour Counters will be leased at the rate of the signatory airline Class II rental rate per square foot, as adjusted periodically during the Term of this Agreement.

c. Company may place signage on or about the Tour Counter only when Company has personnel operating at the Tour Counter, presented in a manner approved by the Executive Director in writing prior to operation of activities at the Tour Counters.

G. **The Authority's Right to Add to Premises.** In addition to any other right of the Authority hereunder, the Authority may, at any time during the Term of this Agreement, require Company to operate the Concession from one or more additional locations on Airport property. In such event, the Authority may offer Company additional Counter Space, Queuing Space and Ready/Return Spaces, and may offer Company additional Terminal QTA. Company

shall accept a portion of the offered space that the Authority, in its reasonable discretion, determines is necessary for the proper operation of Company's Concession at such additional location. The term "Premises" shall include any such additional space offered to, and accepted by Company. All space offered to Company shall be allocated to and selected by Company in order of Company's then-current Market Share Percentage, but otherwise in the manner directed by the Authority, should the Authority offer any additional space to Company or other Concessionaires. The rental rate for such additional space shall be determined by the Authority at the time the Authority offers the space to Company or other Concessionaires, but generally, Company would be required to pay an amount equal to its equitable share, as determined by the Executive Director, of the costs associated with any such additional space in the Terminal Complex, and fair market rental value determined by appraisal for any such additional space outside the Terminal Complex.

H. **Company's Privilege to Use Transport Operations.**

1. **Conditions of Transporting; Limitations.** Provided Company makes full use of the Premises, including, without limitation, the Ready/Return Spaces included therein, Company shall have the privilege of using transport operations to shuttle its Customers away from the Premises to and from its on- or off-Airport Customer Service Facilities and operate a Split Operation, as defined in Article 1.QQ. However, Company shall have the privilege of transporting its Customers only when necessary to relieve congestion at Company's on-Airport Counter Space and Ready/Return Spaces, and to serve its Customers promptly and efficiently. Company shall not be entitled to transport its Customers on a routine basis, except as required to relieve such congestion. Company is prohibited from transporting Customers to or from the Terminal QTA. With respect to Tour Operations, Company may use transport operations if it is making full use of the side of the Terminal Complex where the flight of a Tour Operation group arrives.

2. **Transporting Conducted from Commercial Lanes.** Company shall conduct its transport operations from spaces in the commercial lanes designated by the Authority as transport loading spaces. Company's operation in the Commercial Drives shall be subject to the applicable provisions of the Commercial Ground Transportation Rules and Regulations, including, without limitation, the commercial lane fee provisions thereof.

3. **Permissible Off-Airport Facilities.** Company may transport its Customers at its own cost and expense, as provided in this Article 2.H.3., to any Customer Service Facility operated by Company, either on- or off-Airport; provided, however, that any such facility must comply with the provisions of the Authority's Rental Automobile Customer Service Facility Standards, attached hereto as Exhibit "B". Company shall not transport any Customer to any other facility unless it notifies the Authority in writing of the location of that facility no fewer than thirty (30) calendar days prior to its use. The compliance of any Customer Service Facility of Company with the Rental Automobile Customer Service Facility Standards shall be determined by the Executive Director. The Executive Director shall have the right at any time, without prior notice, to inspect any Customer Service Facility used or proposed for use by Company under the terms of this Agreement. Company shall not operate from any facility determined by the Executive Director not to be in compliance with the Rental Automobile Customer Service Facility Standards. The Executive Director shall have the right, following thirty

(30) calendar days written notice to Company, to require Company to cease operations from any Customer Service Facility which the Executive Director determines to have ceased to be in compliance with the Customer Service Facility Standards, unless Company cures any non-compliance to the satisfaction of the Executive Director within the thirty (30) calendar day notice period.

4. **Returns Required in Terminal.** Company shall direct all of its Customers to return the Automobiles for rent under this Agreement to the Ready/Return Spaces in the Terminal Complex, regardless of the location at which any Automobile was delivered to Customer, unless Customer is returning the rented Automobile to another metropolitan area, notwithstanding the provisions of Article 1.BB.17. The Executive Director may waive the requirement of this Article 2.H.4. in writing, upon Company's demonstration to the satisfaction of the Executive Director, that: (a) Company is making full use of its Ready/Return Spaces, and; (b) the volume of Automobile returns experienced by Company can not be reasonably accommodated at its Ready/Return Spaces. Notwithstanding such a waiver, Company shall remain obligated to make full use of its Ready/Return Spaces. The Executive Director may revoke any waiver granted to Company immediately upon written notice to Company in the event the Executive Director determines that Company is not making full use of its on-Airport Ready/Return Spaces.

5. **Suspension, Limitation or Revocation of Transport Privileges.** The Executive Director shall have the absolute right to suspend or limit Company's privilege to use transport operations hereunder, in the event the Executive Director determines that Company is transporting in violation of the requirements of this Agreement, and the Commercial Ground Transportation Rules and Regulations. Company shall cease or limit its transporting activities immediately upon written notice from the Executive Director directing it to do so. Company's privilege to use transporting operations shall be revoked for the remainder of the Term of this Agreement if Company operates in violation of a suspension or limitation imposed by the Executive Director under this Article 2.H.5.

ARTICLE 3 - USE OF PREMISES

A. Permitted Uses of Premises and Customer Service Facilities.

1. Company shall use the Premises solely for the rental of Automobiles and the related provisions of other services, items and equipment reasonably associated with the rental of Automobiles, as may be expressly approved in writing from time to time by the Executive Director. Company may rent from the Premises only, vehicles defined as Automobiles under the provisions of Article 1.H. Company shall not rent from the Premises any other vehicles, including, but not limited to, trucks, motorcycles, or any vehicles of a length that would obstruct vehicle circulation within the Terminal Complex. Company shall not sell any Automobile or other vehicle whatsoever from the Premises.

2. Company shall not permit any signs, brochures, racks, promotional materials or similar items to be displayed or otherwise visible to the public within its Premises, except as permitted by the Authority's Graphic Standards for Rental Car Operators, attached hereto as Exhibit "E," as the same may be amended from time to time. Furthermore, without

limiting the provisions of the preceding sentence: (a) Company shall at no time display on the Premises any sign or notice relating to the availability of Company's Automobiles for rental, including, without limitation, any sign or button worn or carried by Company's employees, except that Company may display a notice informing its potential Customers that it either has no Automobiles available for rental, or that it has Automobiles available for rental only to Customers with advance reservations, at any time either such condition exists; (b) Company shall at no time display any sign or notice on the Premises welcoming any group of travelers unless Company at the same time provides a separate line or counter position dedicated solely to servicing the members of such group, and; (c) Company shall at no time display any sign on the Premises indicating that a manager is on duty or otherwise available.

3. Except with respect to supporting the relationship between Company and any regional office of Company, Company shall not utilize any of its Premises in any way in support of, or in connection with, any operation by Company, other than pursuant to this Agreement. Under no circumstances shall Company utilize the Premises to write rental agreements for, or otherwise act as an agent for an affiliated non-Concessionaire rental Automobile operator. In the event of any violation of this provision by Company: (a) Company shall be in default of its obligations under this Agreement; (b) this Agreement may immediately be terminated as a result of such default by Company, and; (c) any receipts earned by Company from transactions involving the use of Company's Customer Service Facilities on the Airport property in violation of this Article 3.A.3. shall be deemed to be receipts earned by Company from its operations hereunder, and Company shall be liable to the Authority for any additional fees it owes to the Authority as a result of such additional receipts, together with any Attorneys' Fees and costs (as provided in this Agreement) incurred by the Authority in enforcing this provision.

4. The Authority shall have the right to regulate the flow of pedestrian traffic through the areas of Level I of the Terminal Complex where Company has Counter Space and Queuing space, and Company shall comply with any and all reasonable requests made by the Authority regarding the location and utilization of its Queuing Space (Please see the Authority's Graphic Standards for Rental Automobile Operators).

5. Company shall not permit the active display or operation on the Premises or elsewhere in the Terminal Complex of any item which flies, moves, rotates, makes noise or flashes unless the active display or operation of such item is specifically approved in advance in writing by the Executive Director.

6. Company shall not at any time during the Term hereof vacate or abandon the Premises.

7. Company shall not at any time during the Term hereof, transport any Customers to a non-Concessionaire rental facility. Customers shall be transported only to Company's Customer Service Facility.

B. **Relation to Other Concessions.** This Agreement is separate and distinct from, and shall be construed separately from, any other agreement between Company and the Authority (subject to the provisions of Article 13.A.15.), and from any other similar agreement

between the Authority and any other person operating a concession at the Airport, and the fact that any such other agreement may contain provisions which differ from those contained herein shall have no bearing on the construction of this Agreement.

ARTICLE 4 - TERM

A. **Term.** This Agreement shall become effective upon execution by all parties hereto. The term of this Agreement shall commence on the Commencement Date and shall expire five (5) years after the Commencement Date, hereinafter referenced to as the "Term," unless the Authority grants an extension of the Term, at its sole discretion, for up to two (2) additional one (1) year Option Periods, or sooner terminated in accordance with the terms and provisions hereof.

B. **Transition Period.** Company understands and acknowledges that there may be a period of transition between the operations of existing rental automobile concessions on the Premises, the construction of additional Terminal QTA and other Airport capital improvements, relocation, and the commencement of Company's Concession on the Premises according to the terms hereunder. Company agrees that any inconvenience caused by such transition may possibly affect the Commencement Date, but not any other provision of this Agreement. Until the completion of such improvements, the existing rental automobile concession agreements will be extended on a month-to-month basis. Additionally, notwithstanding the fact that Company may be engaged in the construction or installation of Improvements, furnishings, trade fixtures, or equipment during such transition period, Company shall operate its Concession and fulfill its obligations under this Agreement without interruption, or abatement of fees and charges due hereunder due to the Authority, beginning on the date the Premises are relinquished to Company by the Authority.

C. **Termination by the Authority Upon Circumstances Other Than Default.** Notwithstanding any other provision of this Agreement, the Authority may, at its sole option, upon at least twelve (12) months' prior written notice to Company, terminate this Agreement and/or all other rental Automobile concession agreements between the Authority and Company, effective at any time after the Commencement Date, if: (1) the Authority, in its sole discretion, determines that it needs a substantial portion of the Premises of Company or any other Concessionaire for Airport purposes other than rental Automobile Concessions, or; (2) for any reason whatsoever, the number of Concessionaires (other than the ACDBE Concessionaire) is less than (four) 4. As used in this Article 4.C., the phrase "substantial portion" means not less than thirty percent (30%) of Company's then-held Counter Space, Queuing Space or Office Space, or fifty percent (50%) of Company's then-held Ready/Return Spaces or Terminal QTA. The provisions of this Article 4.C. are in addition to, and are not intended to limit any of the Authority's rights hereunder.

D. **The Authority's Right to Re-Bid.** If the Authority terminates one or more of the rental Automobile concession agreements, the Authority shall have the right to invite other persons to replace one (1) or more of the persons or entities whose rental Automobile concession agreements were terminated, and has the right to award replacement rental Automobile concessions on the same or different terms and conditions under which the terminated Concessionaire was operating, for a term not to exceed the remaining term of the

terminated Concessionaire's rental Automobile concession agreement.

E. **Holding Over.** If Company holds over after the expiration date or earlier termination of this Agreement, and the Authority and Company have not otherwise agreed in writing to the terms and provisions of such holding over, Company shall be deemed by the Authority to be either a month-to-month holdover tenant, or a tenant at sufferance, and Company shall remain bound by all terms, covenants, and leases hereof. If Company is deemed to be a holdover tenant, Company and the Authority agree that: (a) the tenancy shall be month-to-month and may be terminated at any time by thirty (30) calendar days prior written notice from either party to the other; and (b) the Minimum Annual Privilege Fee shall continue to adjust annually, using the same formula for Minimum Annual Privilege Fee adjustment as provided in Article 5.A.1.c. of this Agreement. In the event the Authority deems Company a tenant at sufferance, all of the provisions of the previous sentence shall apply, except that the Authority will notify Company, in writing, that Company is a tenant at sufferance. Thereafter, the Authority may take immediate action to evict Company without further notice and may otherwise exercise any other rights and remedies available to it at law or in equity for breach or an Event of Default under this Agreement.

ARTICLE 5 – MINIMUM ANNUAL PRIVILEGE FEE, ANNUAL RENTAL FEES, CUSTOMER FACILITY CHARGE, TAXES, AND ACCOUNTING RECORDS

A. **Minimum Annual Privilege Fee.** Company shall pay to the Authority for each Agreement Period of the Term of this Agreement, a Minimum Annual Privilege Fee in an amount equal to the greater of: (1) the Privilege Fee; or (2) ten percent (10%) of Airport Gross Receipts.

1. **Minimum Annual Privilege Fee.**

a. The Minimum Annual Privilege Fee shall equal initially, _____ and No/100 Dollars (\$_____.00), which fee is paid for the grant by the Authority to Company to engage in the business of operating the Concession within facilities operated and controlled by the Authority, approved by the Authority for use under conditions set forth in this Agreement, for the period beginning on the Commencement Date and ending on or about November 30, 2010 (the "Initial Period"). Provided, however, that if such Initial Period is longer or shorter than twelve (12) months, the Minimum Annual Privilege Fee payable by Company to the Authority for such period shall be an amount determined by dividing the Minimum Annual Privilege Fee by 365, and multiplying such quotient by the number of days in the Initial Period.

b. Effective on or about December 1, 2010 (and as of the beginning of each subsequent Agreement Period), the Minimum Annual Privilege Fee shall be adjusted to equal the greater of:

(1) an amount calculated by multiplying .85 times the total Minimum Annual Privilege Fee payable for the prior Agreement Period, or

(2) ten percent (10%) of Airport Gross Receipts.

(3) however, the Minimum Annual Privilege Fee, as adjusted, shall never be lower than the Minimum Annual Privilege Fee for the Initial Period, pro-rated as set forth in Article 5.A.1.c. below.

c. Any adjustment in the Minimum Annual Privilege Fee associated with the provisions of Article 5.A.1.b.(1) shall not affect the Annual Rental Fees, subject to the provisions of Article 5.B.1., below. Notwithstanding the foregoing, in the event Company is not open for business for the entire prior Agreement Period, or in the event the Initial Period or a prior Agreement Period is longer or shorter than twelve (12) months, the total Minimum Annual Privilege Fee due for purposes of the calculation described in Article 5.A.1.b.(1), above shall be an amount determined by dividing the total Minimum Annual Privilege Fee for such prior Agreement Period by the number of days Company was open for business at the Premises in such prior Agreement Period, and multiplying such number by 365.

d. The amount of the Minimum Annual Privilege Fee for each Agreement Period following the Initial Period shall be adjusted by the Executive Director as provided above on or before the first day of December 1st during each such Agreement Period, subject to subsequent adjustment if required because of differences discovered as a result of the Annual Certification of Fees provisions of Article 5.E. below. The Minimum Annual Privilege Fee shall be paid as set forth in Article 5.A.2. below.

2. **Monthly Payment of Fees.** From and after the Commencement Date, Company shall pay to the Authority in advance and without demand, on the fifteenth (15th) day of each calendar month or partial calendar month of the Term hereof (and on the Commencement Date, if the Commencement Date is not the first day of a calendar month), an amount equal to the greater of: (a) one-twelfth (1/12th) of the Minimum Annual Privilege Fee then applicable (except as otherwise provided below); or (b) the Percentage Fee due for the previous calendar month, pro-rated for any partial month at the commencement of the Term or the end of the Term, based on the number of days in such partial month, plus any receipts or other taxes due thereon, in lawful money of the United States, without deduction or set-off, at the office of the Authority's Director of Finance (the "Director of Finance"), or at such other place as the Executive Director may designate in writing from time to time. In the event an adjustment is made to the Minimum Annual Privilege Fee in accordance with Article 5.A.1.c., whereby the monthly amounts paid to date during any Agreement Period are less than or greater than the monthly Privilege Fees due as a result of such adjustment, such amount shall be paid or credited to the Authority in addition to the Minimum Annual Privilege Fees next due and owing. Such adjustments shall be set forth on Exhibit "J".

3. **Gross Receipts; Statement Requirement.** On the fifteenth (15th) day of each calendar month following the previous calendar month (or partial calendar month) occurring from and after the Commencement Date, through the expiration or termination of this Agreement, Company shall provide to the Authority, without demand: (a) a statement or statements in the form of the "Gross Receipts Report" attached hereto as Exhibit "C," and which forms the Executive Director may amend from time to time in his or her sole discretion, which sets forth Company's Gross Receipts, separately identified exclusions from Gross Receipts, and Airport Gross Receipts for the prior calendar month, and year to date, and is signed by a person

authorized to sign on behalf of Company, together with; (b) a statement, in the form of the "Summary of Gross Receipts and Customer Facility Charge Report" attached hereto as Exhibit "J," which form the Executive Director may amend from time to time in his or her sole discretion, which sets forth a summary of Privilege Fees and Customer Facility Charges due and owing for the prior calendar month and Agreement Period to date, and is signed by a person authorized to sign on behalf of Company. In the event an adjustment is made to the Minimum Annual Privilege Fee whereby 1/12th of the Minimum Annual Privilege Fee as adjusted is greater than 1/12th of the previous Agreement Period's Minimum Annual Privilege Fee, Company must also submit along with (a) and (b) herein, a sum of money in the amount due for the previous calendar month or months to date in the current Agreement Period, the greater of 1/12th of the Minimum Annual Privilege Fee, to be paid to the Authority for such prior month or months to date. Effective with the Commencement Date, Company shall also submit electronically in a format that is compatible with, and that can be imported into Microsoft Excel™. The Privilege Fees presented in Exhibit "J" must agree with the total amounts reported in Exhibit "C". **The totals on the electronic file must agree with the totals in Exhibit "C". The number of rental transactions and rental Transaction Days by Company shall be maintained by the Authority as confidential commercial information, pursuant to Florida Statutes § 119.071 (1)(c), and will not be released to others outside the Authority and the Authority's auditors. Aggregate totals of rental transactions and rental Transaction Days by all Concessionaires may be released as public information by the Authority, pursuant to Florida Statutes § 119.07.**

B. **Annual Rental Fees.** For the right to occupy the Premises during the Term of this Agreement, Company shall pay to the Authority one-twelfth (1/12th) of the Annual Rental Fees set forth in Article 5.B. herein, together with all applicable taxes thereon, in advance and without demand, on the first (1st) day of each calendar month from and after the Commencement Date (and on the Commencement Date if the Commencement Date is not the first (1st) day of a calendar month), pro-rated for any partial month at the commencement of the Term, or the end of the Term (based on the number of days in such partial month), in lawful money of the United States, without deduction or set-off, at the office of the Authority's Chief Financial Officer, or at such other place as the Executive Director may designate in writing from time to time.

Annual Rental Fees may be adjusted periodically during the Term of this Agreement for Terminal QTA, to coincide with any adjustment in the ground rental rate based on the fair market value for the addition of any subsequent improvements, in addition to the annual adjustment in the signatory airline Class II rental rate for Counter Space, Queuing Space, Office Space, and Tour Counters, respectively. Any changes in applicable taxes associated with an increase in the Annual Rental Fees shall remain the responsibility of Company, and no change in the Minimum Annual Privilege Fee shall take place solely as a result of any increase in Company's tax obligation.

1. **Counter Space and Queuing Space.** An amount equal to the annual rate, based on the signatory airline Class II rental rate per square foot for all space awarded and accepted by Company in the Premises, as adjusted by the Authority from time to time.

2. **Office Space.** An amount equal to the annual rate, based on the signatory airline Class II rental rate per square foot for all space awarded and accepted by Company in the Premises, as adjusted by the Authority from time to time.

3. **Ready/Return Spaces.** Annual rental for Ready/Return Spaces shall be Two Hundred and No/100 Dollars (\$200.00) per month, per space, for the Initial Period of this Agreement; Two Hundred Ten and No/100 Dollars (\$210.00) per space, per month for the Second (2nd) Agreement Period; Two Hundred Twenty and 52/100 Dollars (\$220.52) per space, per month for the Third (3rd) Agreement Period; Two Hundred Thirty One and 55/00 Dollars (\$231.55) per space, per month for the Fourth (4th) Agreement Period, and; Two Hundred Forty Three and 10/100 Dollars (\$243.10) per space, per month, for the Fifth (5th) Agreement Period. In the event the Authority grants a first (1st) or second (2nd) extension to the Term of this Agreement, at its sole discretion, the annual rental rate shall be Two Hundred Fifty Five and 25/100 Dollars (\$255.25) per space, per month for the first Option Period, and Two Hundred Sixty Eight and 02/00 Dollars (\$268.02) per space, per month for the second Option Period.

4. **Terminal QTA.** An amount equal to the annual ground rental rate of _____ and No/100 Dollars (\$_____), based on a rental rate of One and 10/00 Dollar (\$1.10) per square foot of the Terminal QTA occupied by Company during the Term of the Agreement, as adjusted by the Authority from time to time.

Any adjustment to the Terminal QTA rental rate will be based on the CPI (Consumer Price Index), as adjusted by the Authority periodically. After the retirement of the debt associated with the CFC, such rental rate shall be increased to include the ground based rental rate as adjusted by CPI, together with a rental rate for improvements constructed by the Authority, as reasonably established by the Authority.

5. **Tour Counters.** An amount equal to the annual rental rate, based on the signatory airline Class II rental rate per square foot for Tour Counters (if applicable) included in the Premises, as adjusted by the Authority from time to time.

C. **Customer Facility Charge or "CFC".** A CFC shall be collected from Customers for Automobiles delivered, rented to, or picked up at the Airport or the Customer Service Facilities, accounted for and remitted by Company to the Authority (whether collected from Customers or not) in accordance with the resolution adopted by the Authority on August 20, 2008 (subject to adjustment at the Authority's sole discretion).

Company agrees that the CFC is not income, receipts, revenue, or any other asset of Company; Company has no ownership or property interest in such CFCs, and; Company hereby waives any claim to a possessory or ownership interest in the CFCs. Company agrees that it holds such CFCs in trust for the benefit of the Authority, and the Authority (or a trustee on its behalf) has complete possessory and ownership rights in the CFCs.

Collection by Company from Customers for remittance to the Authority of the CFC shall commence October 1, 2008.

1. **Monthly Remittance of CFC.** On the fifteenth (15th) day of each

calendar month following the previous calendar month (or partial calendar month), occurring from and after Company is awarded the Concession, in accordance hereof, through the expiration or termination of this Agreement, Company shall remit to the Authority without demand, the sum of money in the amount, subject to Article 5.C., of CFCs collected from Customers for the previous calendar month paid to the Authority for such previous month. (Company owes the daily CFC for each Transaction Day, regardless of whether Company actually collects the CFC from Customer, (i.e. bad credit card, etc.) In the event the same Automobile is rented to more than one (1) Customer during the same day, a CFC shall be collected from each Customer, and that day shall be considered a separate Transaction Day.

Company shall remit all such CFCs collected from Customers and payable as set forth within this Article 5.C.1., in addition to the Minimum Annual Privilege Fees and Annual Rental Fees it is required to pay to the Authority as provided in Article 5.A. and 5.B. above. The CFCs shall be separately stated on the face of the rental agreement, and is due the Authority from Company whether Company collected such sum from Customer, or failed to collect such sum from Customer. Any adjustments to the number of Transaction Days due to the occurrence of an exchange during the rental agreement period, or any other circumstances that resulted in a Customer being charged more than the five (5) day maximum shall be explained on an attachment to the submitted Customer Facility Charge Monthly Report, when necessary.

2. **CFC: Statement Requirement.** On the fifteenth (15th) day of each calendar month following the calendar month of accrual (or partial calendar month) occurring from and after the Commencement Date, through the expiration or termination of this Agreement, Company shall provide to the Authority, without demand: (a) a statement in the form of the "Customer Facility Charge Monthly Report" attached hereto as Exhibit "D," and which form the Executive Director may amend from time to time in his or her sole discretion, which sets forth the CFC, subject to Article 5.C., due to the Authority for the previous calendar month, and is signed by a person authorized to sign on behalf of Company; together with (b) a sum of money in the amount due to the Authority for such prior month. (In the future, the Authority may require such exhibit be submitted electronically). The monthly CFC collection detail presented in Exhibit "D" must agree with the total amounts reported in Exhibit "J".

D. **Sales, Use or Other Taxes.** Company shall be solely responsible for the payment of all sales, use or other taxes levied upon the fees and other charges payable by Company to the Authority hereunder, whether or not the same shall have been billed or collected by the Authority, together with any and all interest and penalties levied thereon, and Company hereby agrees to indemnify the Authority and hold it harmless from and against all claims by any taxing authority that the amounts, if any, collected from Company to such taxing authority, were less than the total amount of taxes due, and for any sums including interest and penalties payable by the Authority as a result thereof. The provisions of this paragraph shall survive the expiration or prior termination of this Agreement.

E. **Annual Certification of Fees.** Without demand, within ninety (90) calendar days after the close of each Agreement Period of the Term hereof, Company at its own cost and expense shall provide statements prepared in accordance with generally accepted accounting principles applied on a consistent basis for its operations, together with a report on examination

of such statements made in accordance with generally accepted auditing standards by an independent certified public accountant licensed in the State of Florida, who is not an employee of Company. The audited statements must be accompanied by: (1) a separate schedule setting forth Gross Receipts, Airport Gross Receipts, Minimum Annual Privilege Fees, and amounts remitted by calendar month and in total for such Agreement Period; and (2) a schedule of CFCs and amounts paid by calendar month and in total for such Agreement Period; and (3) an unqualified opinion on examination of those schedules and such calculation by the independent certified public accountant licensed in the State of Florida, in accordance with generally accepted auditing standards, and the terms and provisions of this Agreement, including, without limitation, the definitions of Airport Gross Receipts, Gross Receipts and CFCs, as set forth in Article 1 above. There may be no limitation on the scope of the examination that would preclude the independent certified public accountant from expressing an unqualified opinion as to the correctness and completeness of the schedules for each month and for the Agreement Period.

If such schedules indicate the Minimum Annual Privilege Fees or CFCs for the Agreement Period have been overpaid, then the amount of overpayment shall be credited to the Minimum Annual Privilege Fees or CFCs, respectively, next due and owing from Company, unless the Term hereof has expired, in which event such amount shall be promptly refunded by the Authority to Company. If such schedules indicate that the Minimum Annual Privilege Fees or the CFCs for such Agreement Period have been underpaid, then Company shall submit payment therefore to the Authority at the office of the Director of Finance at the same time it submits to the Director of Finance the statements required under this Article 5, together with interest on any underpaid Minimum Annual Privilege Fees or CFCs at the rate set forth in Article 16.F. below, from the date such fees or charges should have been paid.

F. Books and Records/the Authority's Right to Audit.

1. Company shall at all times during the Term hereof, maintain complete and accurate books and records of all receipts from its operations in a form consistent with generally accepted accounting principles, and cause to be installed for use at all times during the Term of this Agreement for its operations, such cash registers, credit card processing equipment and devices, invoicing machines, rental agreements, rental payments, and other accounting equipment, devices and forms as are reasonably necessary to record properly, accurately and completely all of Company's transactions and rental payments under the terms of this Agreement, or otherwise hereunder. Company's books and records shall be maintained in sufficient detail to allow the Authority or its representatives to inspect, examine or audit, in accordance with generally accepted auditing standards, Company's Gross Receipts, as defined in Article 1.BB., Airport Gross Receipts, as defined in Article 1.E., and CFCs, as defined in Article 1.T. above. Such books and records of Company shall be maintained in a form consistent with generally accepted accounting principles, and shall contain itemized records of all Gross Receipts by such categories of transactions as are specified in Article 1.BB. above (or such other categories as the Authority may require from time to time), Airport Gross Receipts, CFCs, and of all other transactions and receipts derived by Company from its operations. Company shall supply to the Authority, within thirty (30) calendar days of the Authority's written request, the books and records required to be maintained, and any other financial or statistical reports or records that the Authority may reasonably request for the purpose of determining the accuracy

of the Gross Receipts, Airport Gross Receipts, and CFCs reported by Company. In addition, Company shall account for all transactions of any nature related to Company's operations in a manner which segregates in detail those transactions from other transactions of Company, and which supports the amounts reported to the Authority in Company's monthly Gross Receipts Report, Summary of Gross Receipts, and CFC Monthly Report. At a minimum, Company's accounting for such receipts shall include the following:

a. One (1) separate, sequential numbering series exclusively for the Authority, identifying the location of each transaction, for all transactions in connection with this Agreement.

b. Company shall maintain records and controls pertaining to each rental agreement written in connection with rental Automobile operations under the terms of this Agreement. The rental agreement shall be identified to indicate its originating location. All rental agreement forms used by Company in its operations in connection with Company's rental Automobile operations shall be sequentially numbered, in a numbering series exclusively for Orlando International Airport. Accounting records of Company shall be stored sequentially, or in such other manner approved by the Authority, to provide reasonable and expeditious access for audit purposes hereunder. In the event Company does not maintain exclusive sequential numbering for rental agreements commencing with Company's operations under this Agreement, Company agrees to provide copies of rental agreements from other rental locations included in the non-exclusive sequence to the Authority or its auditors for the purposes of testing reporting completeness.

c. A compiled report of rental agreements showing all Gross Receipts, and all exclusions from Gross Receipts, Airport Gross Receipts, and CFCs by location and category (as set forth in Article 1.BB., Article 1.E., and Article 1.T, respectively) and by individual rental agreements. That report shall be itemized by location and subtotaled by day, and totaled by month. The monthly total shall correspond with the amounts reported to the Authority under Article 5.A.1. and Article 5.C.1., and shall be reconciled to the amounts posted on Company's general ledger if different, or offset, or netted with other amounts posted to the general ledger.

2. Such other records, if any, which would normally be examined by an independent certified public accountant in performing an examination of Company's Gross Receipts, Airport Gross Receipts, and CFCs in accordance with generally accepted auditing standards and the provisions of this Agreement. Such records may be in the form of: (a) electronic media compatible with the Authority's computers; or (b) a "computer run" hard copy, or upon request, a computer text file recorded on electronic media in a format that is compatible with, and that can be imported into Microsoft Excel™, that details monthly transaction information by contract/rental agreement number. Records in electronic media shall be maintained as provided in Article 5. The Executive Director may require other records necessary in his or her determination to enable the accurate inspection, examination or audit of Company's Gross Receipts, Airport Gross Receipts, and CFCs, including, but not limited to, amounts billed or received from third parties. In order to facilitate the audit, review, or examination performed by the Authority, Company agrees to make suitable arrangements with the independent certified public accountant, who is responsible for preparing the audit report

on behalf of Company, pursuant to Article 5.F. above, to make available to the Authority's designated representative(s) for review, any and all working papers relevant to the audit performed by the independent certified public accountant. Company shall also lend such assistance and support freely to the Authority as the Authority may reasonably request in the conduct of any Customer origin/destination, or other survey as the Authority deems necessary.

Upon thirty (30) calendar days written notice from the Executive Director, all such books and records, including the general ledger and all state and local tax returns relating to Company's transactions and receipts shall be made available either at the Premises, or at the Executive Director's option, at the offices of the Authority, for inspection by the Authority through its daily authorized representatives at any time for up to four (4) years subsequent to expiration of the Agreement Period to which such books and records relate (and Company shall not be obligated to retain such books and records subsequent to the termination of such four (4) year period); provided, however, that any such inspection on the Premises will be conducted during reasonable business hours and in such a manner and at such time as not to interfere unduly with the conduct of Company's business. Such records shall be provided within thirty (30) calendar days of request thereof. In the event that exclusions, deductions, or allocations reducing Gross Receipts are not supported or substantiated by such records, all such amounts shall be deemed Gross Receipts for purposes of determining amounts payable to the Authority. If, prior to the expiration of the above-stated four (4) year record retention period, any audit or investigation is commenced by the Authority, or any claim is made or litigation commenced relating to this Agreement by the Authority, Company, or a third party, Company shall continue to maintain all such records, and the Authority shall continue to have the right to inspect such records in the manner stated above, until the inspection, examination, audit, claim, or litigation is finally resolved (including the determination of any and all appeals or the expiration of time for an appeal).

This provision shall survive the expiration or earlier termination of this Agreement. Notwithstanding the foregoing, should Company not wish to make its books and records available for inspection, examination or audit at the Premises, Company shall have the option of either having said books and records transported to a location at the primary offices of the Authority for said inspection, examination, or audit, or having the audit performed at a location where Company maintains its records, within thirty (30) calendar days of the Authority's written request. If Company elects to have the inspection, examination or audit performed at a location outside the Orlando metropolitan area within forty-five (45) calendar days of the Authority's written request, Company shall pay the Authority for travel expenses incurred in connection with such inspection, examination, or audit, in accordance with the Authority's adopted travel policies, from the auditor's duty station to the location at which the books and records are maintained for each day of travel and on-site work. After the inspection, examination, or audit is completed, the Authority will bill Company for such travel expenses and Company shall promptly pay such bill. The Authority shall further have the right, upon reasonable written notice to Company from the Executive Director, and at the sole cost of the Authority except as specified below, to inspect, examine, or audit, or designate a representative to inspect, examine, or audit the books and records of Company which relate to its operations hereunder, to determine the correctness of the Minimum Annual Privilege Fees or Annual Rental Fees paid by Company to the Authority for any or all of the Agreement Periods, or CFCs for any calendar month preceding such inspection, examination, or audit. If, as a result of such

inspection, examination or audit, it is established that the Minimum Annual Privilege Fees or Annual Rental Fees for any Agreement Period, or any CFCs for any calendar month have been underpaid to the Authority, Company shall forthwith, upon written demand from the Executive Director, pay the difference to the Authority, together with interest thereon at the rate set forth in Article 13.B.2.c. below, from the date such amount or amounts should have been paid. Further, if such inspection, examination, or audit establishes that Company has underpaid the Minimum Annual Privilege Fees or Annual Rental Fees for any Agreement Period, or any CFCs for any calendar month or months, by two percent (2%) or more, then the entire expense of such examination shall be borne by Company. The Authority's rights under this Article 5.F. shall survive the expiration or earlier termination of the Term of this Agreement.

G. **Conflict between Agreement and Accounting Practices.** To the extent permitted by law, in the event of any conflict between any provision of this Agreement and generally accepted accounting principles or generally accepted auditing standards, the provisions of this Agreement shall control even where this Agreement references such principles or standards. In particular, without limitation, Company shall maintain all records under this Agreement to the full extent required hereunder, even if some or all of such records would not be required under such general principals or standards.

H. **Additional Sums Due the Authority.** If the Authority has paid any sum or has incurred any obligation or expense for which Company agreed to pay or reimburse the Authority, or if the Authority is required or elects to pay any sum or incur any obligation or expense because of the failure, neglect or refusal of Company to perform or fulfill any of the terms or conditions of this Agreement, then the same shall be deemed additional fees due hereunder, and Company shall immediately upon demand by the Executive Director, reimburse the Authority for such expenses.

I. **Communications Concerning Disputed Debts.** All: (a) communications concerning disputes about debts that are owed or may be owed pursuant to this Agreement; and (b) instruments in less than the full amount claimed by the Authority and tendered as full satisfaction of a disputed debt or other amount owed, shall be sent by certified mail, return receipt requested to the following:

Original to: Director of Finance
Greater Orlando Aviation Authority
Orlando International Airport
One Airport Boulevard
Orlando, Florida 32827-4399

Copy to: Senior Director of Commercial Properties
Greater Orlando Aviation Authority
Orlando International Airport
One Airport Boulevard
Orlando, Florida 32827-4399

ARTICLE 6 - IMPROVEMENTS TO PREMISES

A. Improvements to be Provided by the Authority.

1. Except as otherwise provided in this Article 6.A., the Authority shall provide and Company shall accept Premises in their "as is" condition. The Authority shall make available the following:

- a. Counter Space and Queuing Space.
- b. Office Space.
- c. Ready/Return Spaces.
- d. Terminal OTA.

To the extent Company requires natural gas or additional electrical power, telephone outlets, or adjustments to the heating and air conditioning system or any other improvements, such additional Improvements or services shall be subject to the prior written approval of the Authority, and any such approved Improvements or services shall be made at Company's expense. Company understands and agrees that other than the Improvements specified as being provided by the Authority in this Article 6.A., the Authority shall not be obligated to provide any additional Improvements or services of any type, character, or nature (including electrical or telephone outlets) on the Premises during the Term of this Agreement.

2. Company shall have the right, at its own expense, to receive telephone service provided by the Authority and to receive or install in the Premises private communication or audio systems (other than a public paging system) compatible with the Authority's telephone and communication systems, provided that any such telephone service and communication systems shall be approved in writing by the Executive Director prior to installation.

B. Improvements to Premises by Company.

1. Required Improvements.

a. Counter Space and Queuing Space. Company agrees to accept all Counter Space and Queuing Space in its "as is" condition on the Commencement Date (and all other space added to such Counter Space and Queuing Space as depicted on the Facilities Plan, attached hereto as Composite Exhibit "A" (A-1), in accordance with the terms of this Agreement in its condition on the date such space is added to the Premises), and Company shall be solely responsible for constructing, replacing, remodeling, and refurbishing all Improvements, and for purchasing all fixtures, furnishings, signage, and equipment required for the operation of the Concession, notwithstanding Article 6.A., all at its own cost and expense as set forth in Exhibit "N". The provisions of this Agreement shall apply prior to the Commencement Date, with respect to any portion of the Counter Space and Queuing Space which Company (or an agent of

Company, or independent contractor employed by Company) enters for the purpose of installing any furnishings, fixtures, signage, or equipment, or of constructing any Improvements, except that Company shall not be required to pay the Authority any of the Annual Rental Fees contained in Article 5.B. until the Commencement Date;

b. Office Space. Company agrees to accept the Office Space, approximately _____ (_____) square feet, in its "as is" condition on the Commencement Date (and all other space added to such Office Space as allocated and/or accepted), in accordance with the terms of this Agreement in its condition on the date such space is added to the Premises), and Company shall be solely responsible for constructing, replacing, remodeling, and refurbishing all Improvements, and for purchasing all fixtures, furnishings, signage, and equipment required for the operation of the Concession, notwithstanding Article 6.A., all at its own cost and expense as set forth in Exhibit "N". The provisions of this Agreement shall apply prior to the Commencement Date, with respect to any portion of Office Space which Company (or an agent of Company, or independent contractor employed by Company) enters for the purpose of installing any furnishings, fixtures, signage, or equipment, or of constructing any Improvements, except that Company shall not be required to pay the Authority any of the Annual Rental Fees contained in Article 5.B. until the Commencement Date;

c. Ready/Return Spaces. Company agrees to accept all Ready/Return Spaces according to the Bid package awarded, and as depicted on the Facilities Plan, Composite Exhibit "A" (A-2 to A-5). The Authority shall provide Ready/Return Space numbering, all roadway signage, circulation signage, and signage for all public and common areas. The Authority and Company shall construct/install all Improvements as set forth in Exhibit "N". The provisions of this Agreement shall apply prior to the Commencement Date, with respect to any portion of the Ready/Return Spaces which Company (or any agent of Company or independent contractor employed by Company) enters for the purpose of installing any furnishings, fixtures, signage, or equipment, or of constructing any Improvement, except that Company shall not be required to pay the Authority any of the Annual Rental Fees contained in Article 5.B. until the Commencement Date.

d. Terminal QTA. The Authority shall provide and Company shall accept, all Terminal QTA according to the Bid package awarded, set forth in the Facilities Plan, attached hereto as Composite Exhibit "A" (A-6 and A-7). The Authority and Company shall construct/install all Improvements as set forth in Exhibit "N". The provisions of this Agreement shall apply prior to the Commencement Date, with respect to any portion of the Terminal QTA which Company (or an agent of Company, or independent contractor employed by Company) enters for the purpose of installing any furnishings, fixtures, signage, or equipment, or of constructing any Improvements, except that Company shall not be required to pay the Authority any of the Annual Rental Fees contained in Article 5.B. until the Commencement Date.

C. Requirements and Procedures.

1. Approval Required.

a. All Improvements to the Premises, including both the original Improvements and any improvements constructed, installed or altered thereafter by Company,

and all furnishings, fixtures, signage, trade fixtures and equipment to be installed by Company on or in the Premises, and the plans and specifications therefor, including the size, location, text, material, and appearance of any signage, must be submitted to and approved in writing by the Executive Director prior to construction, alteration or installation. In the case of signage, the size, location, text, material, and appearance thereof shall also be subject to such approval. Following approval by the Executive Director, such Improvements shall be made or altered, and such furnishings, fixtures, signage, trade fixtures and equipment shall be installed in strict accordance with such plans and specifications, and in accordance with all applicable zoning regulations, municipal, county, state and federal laws, ordinances and regulations, statutes, building and health codes, rules and regulations, the Authority's Automobile Rental Customer Service Facility Standards, or other policies or requirements of the Authority applicable to construction by Company on the Airport, as the same may be amended from time to time.

b. In addition to complying with the requirements of Article 6.C.1.a., Company shall, prior to entering into any contract for the purchase, construction or installation of any Improvement, submit such contract to the Executive Director for written approval of such purchase, construction or installation.

2. **No Liens.** Company shall obtain all necessary licenses and permits to accomplish such work and Company hereby warrants to the Authority that all such Improvements shall be free and clear of any claims, liens and encumbrances, and agrees to indemnify and save the Authority and the City harmless from and against any and all losses, damages and costs, including Attorneys' Fees, with respect thereto. If any such claim or lien shall be filed against the Premises, any Improvements thereto, or Company's rights under this Agreement, Company shall within thirty (30) calendar days after notice of the filing thereof, cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction, or otherwise.

3. **Performance and Payment Bond.** Prior to construction of any Improvements on the Premises, Company shall record and post a Notice of Commencement. No work hereunder shall be commenced by or at the direction of Company until Company or Company's contractor has, at no cost or expense to the Authority provided to the Authority from a company reasonably acceptable to the Executive Director: (a) a surety Payment Bond for the benefit of the Authority, in the form attached as Exhibit "F," in an amount equal to the total estimated cost of the work, which bond shall guarantee the payment of all contractors' and subcontractors' charges and charges of all other persons and firms supplying services, labor, materials or supplies in connection with the work; and (b) a surety Performance Bond for the benefit of the Authority, in the form attached as Exhibit "G," in an amount equal to the full value of the construction contract which shall guarantee the prompt completion of the work by Company in accordance with the approved plans and specifications. Company or Company's contractor, as applicable, shall maintain the Performance Bond in effect for at least one (1) year from the date of the completion of any Improvement. In the event Payment and Performance Bonds are posted by Company's contractor, Company shall continue to be responsible to the Authority for completion of all Improvements in accordance with the approved plans, and payment of all sums to ensure no claims against the Improvements by contractor, subcontractor or any other person supplying services, labor, materials or supplies in connection with the work.

4. **Actions After Completion of Improvements.** Within ninety (90) calendar days after completion of construction, Company shall, at its expense, provide the Executive Director with record drawings showing the "as built" condition of all Improvements constructed by Company on the Premises, in both hard copy and electronic format acceptable to the Authority, as outlined in the Authority's Automobile Rental Customer Service Facility Standards.

D. **Time Schedule Preparation and Approval of Plans and Specifications.**

1. If they have not already been submitted to the Authority, preliminary plans and specifications for all Improvements to be made to the Premises by Company shall be submitted to the Authority in accordance with the schedule set forth in Exhibit "N," attached hereto. The Executive Director's right to approve or reject such plans and specifications shall extend to all matters relating thereto, including, without limitation, space layouts and architectural, engineering, and aesthetic matters, and the Executive Director shall specifically have the right to reject any designs submitted and to require Company to resubmit designs and layout proposals until they meet his or her approval.

2. In the event the Executive Director disapproves any portion of the preliminary or final plans and specifications, Company shall promptly submit necessary modifications and revisions thereof. No changes or alterations shall be made in said plans or specifications after written approval by the Executive Director, without the prior written approval of such changes or alterations by the Executive Director. One copy of plans and specifications for all Improvements and for all other Improvements or subsequent alterations thereof shall, within fifteen (15) calendar days after their written approval by the Executive Director, be signed by Company and deposited with the Executive Director as an official record thereof.

3. The Executive Director's written approval of any plans and specifications submitted by Company shall not constitute the assumption of any liability by the Executive Director or the Authority for the compliance or conformity of such plans and specifications with applicable building codes, zoning regulations, and municipal, county, state and federal laws, ordinances and regulations, including, without limitation, the Americans with Disabilities Act, or any accessibility guidelines promulgated thereunder, or for their accuracy or suitability for Company's intended purpose, and Company shall be solely responsible for such plans and specifications. The Executive Director's written approval of such plans and specifications shall not constitute a waiver of the Executive Director's right thereafter to require Company, at Company's expense, to amend the same so that they comply with applicable building codes, zoning regulations, and municipal, county, state and federal laws, ordinances, and regulations, and to make such construction changes as are necessary so that the completed work is in conformity with such amended plans and specifications.

E. **Completion of Improvements.**

1. Upon the Executive Director's prior written approval of Company's plans and specifications and when authorized to occupy the Premises and proceed with construction

of improvements in accordance with the provisions of Article 2.B., Article 6.B, Article 6.C., and Article 6.D. above, as set forth in Exhibit "N," and applicable law, Company shall immediately begin construction and installation of the approved Improvements, furnishings, fixtures, signage and trade fixtures at the Premises, and prosecute the same diligently to completion; provided, however, that any delay in construction due to fire, earthquake, wars, or other calamity beyond the reasonable control of Company, acts of the Authority or one of its contractors, shall extend the time within which such construction and installation shall be completed according to the schedule set forth in the Basic Construction Schedule, attached hereto as Exhibit "O," and as will be set forth in detail and distributed to Company hereafter. Company agrees to begin build-out of Company's Improvements, and shall complete such Improvements, including relocation of present operations within sixty (60) calendar days of the Authority's authorization to Company to begin construction and installation of Improvements to the Premises. A delay in completion of any Improvements, including relocation from present facilities, beyond such date will not postpone Company's obligation to open for business and begin paying Minimum Annual Privilege Fees and Annual Rental Fees to the Authority pursuant to Article 5, above, unless such delay results from causes described in the proviso to the first sentence of this Article 6.E.1., or Company has failed to complete construction of its Improvements to the Premises because it has not been afforded access by the Authority to the Premises for purposes of such construction for a period of less than sixty (60) calendar days (in which event Company's obligation to open for business and commence paying Minimum Annual Privilege Fees with respect to the Premises shall be delayed by, as applicable, the number of days that the causes described in such proviso delayed Company's construction of its Improvements to the Premises or the number of days necessary to afford Company sixty (60) calendar days to complete construction of its Improvements to the Premises).

2. Once Company has begun construction of any other Improvements which the Executive Director and has approved the final plans and specifications pursuant to Article 6.D. above, Company shall prosecute the same diligently to completion. Company shall require the designer of record and Company's mechanical, electrical and plumbing contractors or subcontractors to: (a) provide construction administration and inspection services throughout construction on the Premises, one (1) inspection weekly at a minimum; and (b) to attend weekly construction meetings with the Authority's representatives.

3. Company's improvements to the Premises are required to be substantially completed as determined by Company's architect and engineer and the Executive Director prior to opening of the Premises for business. All punch list work shall be completed within thirty (30) calendar days of substantial completion.

4. At all times during the installation of all Improvements and all other fixtures, trade fixtures, furnishings and equipment by Company, Company shall coordinate the activities of its contractors and installers on the Premises with the Authority.

F. **Removal of Property.** Provided it is not then in default hereunder, Company shall within four (4) calendar days after the expiration or sooner termination of this Agreement, remove from the Premises its furnishings, interior signage, trade fixtures, equipment, and other personal property, provided that such removal can be accomplished without material injury to the Premises or any Improvements thereto, and provided that any damage caused to the

Premises or Improvements thereto as a result of such removal is repaired by Company at its own cost and expense to the satisfaction of the Executive Director. Any property not so removed within such time period shall become the sole property of the Authority, or, alternatively, the Authority may remove and dispose of such property at Company's expense. Company is also subject to the provisions set forth in Article 2.D.

ARTICLE 7 - OBLIGATIONS OF COMPANY

A. **Standards for Operating Concession.** Company shall, at all times, comply with the Standards for Operating Concessions attached hereto as Appendix 1 and are incorporated herein by reference.

B. **Maintenance of Premises.**

1. Except for the Authority's maintenance obligations as set forth in Article 8.A. and as set forth on Exhibit "M," as may be modified by the Authority, Company shall be responsible, at its own cost and expense, at all times during the Term hereof, for the maintenance of all Improvements as set forth in Exhibit "M," as may be modified by the Authority from time to time, in addition to all furnishings, fixtures, equipment, inventory, and other property on the Premises, in a safe, clean, orderly and attractive condition, and in good working order. The maintenance and repairs performed by Company shall be such that the original theme will be maintained in accordance with Exhibit "M," as may be modified by the Authority, for Company's assigned areas. All repairs done by Company, or on its behalf, shall be of first class quality in both materials and workmanship. All repairs shall be made in conformity with the rules and regulations prescribed from time to time by federal, state, County, and local authorities having jurisdiction over the work. Company shall not commit or allow to be committed, any nuisance on its assigned areas. Company shall not permit the accumulation of any rubbish, trash, or other waste materials in or about its assigned areas.

2. The Executive Director shall be the sole judge of the quality of the maintenance performed on the improvements to Premises by Company. The Executive Director or his authorized agents may at any time without notice, enter upon its Premises to determine if maintenance is being performed satisfactorily to such improvements. If it is determined that said maintenance to Company's improvements is not satisfactory, the Executive Director shall so notify Company in writing. If Company does not commence the cure within fourteen (14) calendar days of receipt of such written notice, diligently pursue such cure and complete such cure to the satisfaction of the Executive Director within a reasonable time of receipt of such written notice, the Authority or its agents shall have the right (in addition to any other remedy hereunder) to enter upon the Premises and perform such maintenance, and Company agrees to promptly reimburse the Authority for the cost therefore, plus ten percent (10%) thereof for an administrative overhead fee.

3. Company shall correct any hazardous or potentially hazardous condition on the Premises, or in the areas surrounding the Premises whose maintenance is the Company's responsibility, immediately upon receipt of either written or oral notice from the Executive Director. At the direction of the Executive Director, Company shall close the Premises until such hazardous or potentially hazardous condition is removed.

4. Company shall maintain the interior of its Premises in a clean, neat and sanitary condition, and to properly maintain the Premises in accordance with Exhibit "M," attached hereto, as may be modified by the Authority.

(a) Counter, Office, and Queuing Space. Company shall be responsible for the maintenance obligations as set forth in the attached Exhibit "M," as may be modified by the Authority, and in the manner described in Article 7.B. herein.

(b) Ready/Return Spaces. Company shall be responsible for the maintenance obligations as set forth in the attached Exhibit "M," as may be modified by the Authority, and in the manner described in Article 7.B. herein.

(c) Terminal QTA. Company shall be responsible for the maintenance obligations as forth in the attached Exhibit "M," as may be modified by the Authority, and in the manner described in Article 7.B. herein.

C. Utilities.

1. Counter, Office, and Queuing Space. The cost of all utilities used or consumed in the Counter Space, Office Space and Queuing Space provided to Company hereunder shall be paid as set forth in Section 2 of the Maintenance Obligations, attached hereto as Exhibit "M," as may be modified by the Authority.

2. Ready/Return Spaces. The cost of all utilities used or consumed in the Ready/Return Spaces provided to Company hereunder, shall be paid as set forth in Section 2 of the Maintenance Obligations, attached hereto as Exhibit "M," as may be modified by the Authority.

4. Terminal QTA. The cost of all utilities (including water and sewer) used or consumed in the Terminal QTA provided to Company hereunder, and the responsibility for and cost of relamping all electrical fixtures (including any within the Terminal QTA which were installed by the Authority) shall be borne by Company, as set forth in Section 2 of the Maintenance Obligations, attached hereto as Exhibit "M," as may be modified by the Authority. Company shall pay the cost of the separately metered usage shown on the meter, as well as any additional monthly charge per square foot of the Terminal QTA as determined by the Executive Director to compensate the Authority for the cost of any such utilities used at the Terminal QTA that are not separately metered.

Notwithstanding the foregoing, the Authority may, at its option, either increase such amount to account for stormwater utility charges allocated to the Terminal QTA, or bill such stormwater utility charges to Company directly, and such charges shall be promptly paid by Company. Company shall pay to the Authority any and all amounts charged to Company for providing telephone services.

D. Correction of Violations.

Notwithstanding any other provision of this Agreement, if the Executive Director, in his or her sole discretion, determines that a condition on the Premises is hazardous or potentially hazardous to persons or property, he or she may direct Company to correct such condition either in writing or orally, and Company shall at its expense, immediately comply with such directive. If the Executive Director directs it to do so, Company shall close the Premises or any portion thereof until such hazardous or potentially hazardous condition is corrected. The Authority may declare Company in default of this Agreement for failure to promptly comply with a directive of the Executive Director without reference to the thirty (30) day notice period set forth in Article 13.A.4.

E. Cooperation with Successor Operator of Rental Automobile Concession.

Upon the expiration or earlier termination of this Agreement, Company agrees to cooperate fully with the Authority and any successor Concessionaire(s) to ensure a smooth transition from Company to such successor(s), and a continuity of first class service to the traveling public.

F. Company to Operate Solely From the Premises.

1. Notwithstanding the provisions of Article 2.H., Company shall at all times operate the Concession solely from the Premises. In particular, and without limiting the foregoing, Company shall neither transport, nor cause or allow any other person to transport, by bus, van, courtesy vehicle or otherwise, any of its Customers to or from off-Airport areas, either on- or off-Airport for the pick up or return of Automobiles, except in strict accordance with this Agreement.

2. Notwithstanding the terms of Article 7.F.1. above, in order to serve the needs of Customers deplaning from aircraft on a part of the Airport other than the Terminal Complex, Company may conduct certain operations in connection with the Concession from facilities on the Airport other than the Premises or Company's Customer Service Facilities, if, and only if:

a. Company is authorized by the Authority to use such facilities, which authorization may be conditioned upon the payment of rent for such facilities;

b. Company obtains the prior written consent of the Executive Director;

c. Company obtains the prior written consent of the lessee or operator of the facility from which Company proposes to operate (if other than the Authority); and

d. Any amounts billed or received by Company from or in connection with such operations or use shall constitute Gross Receipts for purposes of this Agreement, to the extent such amounts would constitute Gross Receipts if derived by Company from its operations on the Premises, or at other Customer Service Facilities operated hereunder.

e. Driver Services provided by a third-party company and used by Company to move their Automobiles from place to place at the Airport. Such Driver Services shall remain under a current permit agreement with the Authority while performing such Driver Services, and follow all rules and regulations as promulgated by the Authority, as amended periodically.

f. Right of ingress and egress into facilities from roadways, tunnel roads, circulation roads, between the A-Side and B-Side garage floors, perimeter roads, and back and forth from Terminal QTA, are conducted in accordance with the Commercial Ground Transportation Rules and Regulations as promulgated from time to time by the Authority.

G. Environmental Matters.

1. "Environmental hazardous material" means any pollutant, hazardous waste, solid waste, hazardous substance, or petroleum product, as such terms are defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. 9601, or Chapters 376 or 403, Florida Statutes, and under any applicable environmental statute, rule, regulation, order, or guidance policy of any governmental agency ("Environmental Laws").

2. "Environmental impact" means the release or threatened release of any environmentally hazardous material in such a manner as may require assessment or remediation under any applicable environmental statute, rule, regulation, or guidance policy of any governmental agency.

3. "Environmental Remediation" means the assessment of the extent or nature of degree of any release of any environmentally hazardous material, and the clean-up of any such release to meet all applicable environmental statutes, regulations, and guidance policies.

4. The Authority will perform an environmental assessment prior to construction of its improvements to establish an environmental baseline. In the event that on or prior to the Commencement Date environmental remediation is determined to be necessary based on an environmental baseline report, with respect to Terminal QTA occupied by Company during the Concession Agreement Period immediately preceding the Term of this Agreement, Company hereby agrees to pay for such remediation. Company agrees to indemnify and hold the Authority harmless from and against any and all liability arising from, and to bear all costs of, and be solely responsible for, correcting any and all environmental damage occurring on the Premises during the Term of this Agreement, or resulting from Company's use or storage on the Premises or elsewhere on the Airport, or from Company's transportation on the Airport of, any environmentally hazardous material (including, but not limited to, petroleum products), whether or not Company itself caused such environmental damage; provided, however, that this Article 7. shall not apply with respect to environmental damage caused solely by the gross negligence of the Authority, or with respect to environmental damage which Company demonstrates did not result from the use, storage, or transportation of an environmentally hazardous material on the Premises, or elsewhere on the Airport by Company, or by any agent or supplier of Company. Company shall comply with all applicable environmental laws and rules, and shall

promptly inform the Authority of any violation of any applicable environmental laws, including any release of an environmentally hazardous material, as specified in the Authority's hazardous Material Policy. At the conclusion of the Term of this Agreement, Company shall, upon receipt of a written request from the Authority, perform such environmental studies as are reasonably necessary to determine whether or not any environmental damage has occurred during Company's occupancy.

H. **Hazardous Substances.** Except for such Automobile fuel and oil products, and such other products as are necessary to its operation of the Concession, and which are safely stored and used on the Premises, Company shall not store or use on the Premises, or on the Airport premises, any material which is explosive, toxic, or otherwise hazardous, except with the written authorization of the Executive Director and subject to such conditions as the Executive Director may impose.

Company shall be responsible for immediate spill response for oil, gasoline, and other hazardous substances releases to prevent the spilled material from entering land or storm drainage systems. Company shall be responsible for developing and maintaining a spill control plan to include types and quantities of substances and materials stored, spill cleanup equipment inventories, procedures to follow in the event of a spill, employee training, and notification procedures. Company will submit the written plan on or prior to the Commencement Date, and will submit quarterly reports as evidence of employee training sessions in the content of the spill control plan.

In the event of any release of gasoline, oil, other petroleum product, or other hazardous material to the environment from an underground storage tank assigned to Company or otherwise caused by Company, Company shall be responsible for the initial abatement, site characterization and corrective action in accordance with the requirements of the Florida Department of Environmental Protection ("FDEP"), or the Environmental Protection Agency ("EPA"), as set forth in the applicable state and federal regulations. All reports and proposals shall be submitted to the Authority simultaneously with submission to FDEP or EPA. Company shall continue remediation for as long as required by FDEP or EPA, and shall remain liable for any future expenses from incomplete remediation of the release, which may later be discovered. Company shall be responsible for proper management and disposal of removed contaminated soils and/or product pursuant to all applicable federal, state or local laws or regulations. In no case shall contaminated soils be disposed directly to a landfill. In the event fuel or oil from Company's spill collects in a water quality structure at the Terminal QTA, Company shall be responsible for pumping all fuel and contaminated water out of the structure and disposing of them appropriately. The Authority will work with Company to minimize the disruption caused by the remediation activities.

If the response to a release is not undertaken and completed by Company in a timely manner, the Authority reserves the right to undertake the response itself, and Company shall be responsible for all the Authority's expenses incurred in connection with the response to the release of petroleum product, plus an overhead fee of twenty-five percent (25%).

I. **Service Kiosks.** Company shall, at its own expense, supply and install near its Ready/Return Spaces, a Service Kiosk(s) in a manner acceptable to the Authority's Design

Review Committee, the Graphic Standards for Automobile Rental Concessionaires, and the Authority.

J. **Payment of Parking Fees and Citations.** Company is aware that its Customers may improperly park Company's rented Automobiles on the Airport, and Company acknowledges that the Authority has the right and obligation, under the Authority's Operational Policy and Procedure, Section 770.01, to cite and tow away such improperly parked Automobiles so as to protect and preserve for the public, and maintain the orderly flow of traffic at the Airport. Company shall be subject to, and hereby agrees to cause to be paid by its Customers, or to promptly pay on their behalf without protest, any and all such penalties imposed by such citations, and in addition to promptly pay the charges of any tow services imposed by the Authority with respect thereto. Any default by Company in payment of said penalties and towing charges shall constitute a breach of this Agreement. If any of Company's Automobiles or other vehicles are parked in the Public Parking Lots on the Airport, the parking operator shall not release said Automobile or vehicle until the appropriate parking charges are paid therefore. Company shall expressly inform its Customers of the applicable parking regulations on the Airport, and the penalties and towing charges for violation thereof, for which Customer(s) and Company are liable.

K. **Airport Concession Disadvantaged Business Enterprise Participation.**

1. **Airport Concession Disadvantaged Business Enterprise Program.**

The Authority has established a goal of ten percent (10%) ACDBE participation for this Agreement. ACDBE participation may be achieved through the purchase of goods and services necessary to conduct a rental Automobile concession at the Airport from ACDBEs, as further described in the U.S. Department of Transportation's ("DOT"), revised regulations governing ACDBE participation, 49 CFR. Part 23.53. These goods and services may include the purchase or lease of new Automobiles from ACDBE entities. All ACDBE entities used to meet Company's ACDBE goal must be certified as ACDBEs, or Company has made a good faith effort to certify all ACDBE entities by the Authority prior to Company executing this Agreement. Only ACDBE entities that are in direct contract with Company will be counted toward Company's ACDBE participation goal.

2. **ACDBE Program Compliance.**

(a) Company has advised the Authority that it will meet the ten percent (10%) ACDBE goal as established by the Authority, or make a good faith effort to meet the ACDBE goal established by the Authority, and use the proposed ACDBEs listed on attached "Schedule A," ACDBE Participation ("Schedule A"), in providing the services described thereon. Company agrees that within sixty (60) calendar days after the expiration of each annual calendar quarter during the Term of this Agreement it will provide an ACDBE Quarterly Revenue Report to the Authority, attached hereto as Exhibit "K," describing the dollar value of vehicles and other goods and services purchased by the Company from each such ACDBE, described on attached "Schedule A" (and each substitute ACDBE obtained pursuant to paragraph (c) below) calculated in accordance with the requirements of 49 CFR Part 23.53.

(b) Company agrees that it will also submit within the same period described in Article 7.K.2.(a) above, a report to the Authority, in a form acceptable to the Authority, describing the Company's total dollar value of Automobiles and other goods and services purchased by Company.

(c) Company will have no right to terminate an ACDBE for convenience without the Authority's prior written consent. If an ACDBE is terminated by Company with the Authority's consent or because of the ACDBE's default, then Company must make a good faith effort, in accordance with the requirements of 49 CFR part 23.25(e)1(iii) and (iv), and 49 CFR part 26.53, to find another ACDBE to substitute for the original ACDBE to sell the same amount of Automobiles and other goods and services under the contract as the terminated ACDBE.

(d) If Company breaches any of its obligations under Article 7.K.2.(a), (b) or (c) above, Company shall be in default of this Agreement under Article 13 herein, and shall entitle the Authority to exercise all of its contractual and legal remedies, including termination of this Agreement.

Company must implement appropriate mechanisms to ensure compliance with the requirements of this part by all "Schedule A" ACDBE participants in the ACDBE program. Company must include in its ACDBE program the specific provisions to be inserted into concession agreements and management contracts, the enforcement mechanisms, and other means Company uses to ensure compliance. These provisions must include a monitoring and enforcement mechanism to verify that the work committed to ACDBEs is actually performed by the ACDBEs. Company's program must describe in detail the level of effort and resources devoted to monitoring and enforcement.

3. **ACDBE Reporting.** Company shall provide and submit true and accurate quarterly ACDBE Quarterly Revenue Reports utilizing the attached Exhibit "K," to the Authority, setting forth the items and the amounts paid to each ACDBE for the preceding quarter under this Agreement. Each report must include documentation of the revenues generated by each ACDBE through its own efforts. The ACDBE Quarterly Revenue Report must be signed, dated and faxed to the Office of Small Business Programs at (407) 825-825-3004, and received by the Authority no later than the twentieth (20th) day following the end of each quarter during the Term of this Agreement.

4. **ACDBE Certification Update.** Company shall be required to update the ACDBE certification of the participating ACDBEs with the Authority annually, and re-submit the attached "Schedule A" (and if applicable, "Schedule B"). Such Schedules shall also be submitted if there is any change in ownership or control of Company.

L. **Common Fueling Facilities Participation.** The Authority shall design and construct, or cause to have designed and constructed, a distribution system for Automobile gasoline in conjunction with the development of the improvements to the Terminal QTA adjoining the A-Side and B-Side parking garages for use by Concessionaires prior to the Commencement Date. The fuel distribution system will extend from the fuel storage facility to and including the fuel nozzles in the Terminal QTA. The Common Fueling Facilities ("CFF") will

be managed and operated by Concessionaires, subject to the prior written approval of the Authority, under a Common Fueling Facilities Management Agreement with a CFF management company ("CFFMC"), if the Authority decides, in its sole discretion, that it chooses to not contract directly with any such entity, including without limitation, a third party operator, or an entity comprising certain of Concessionaires. If the Authority chooses to contract directly with such management entity, the Authority will provide one hundred eighty (180) calendar days notice to Company, and Company will be required to contract with the Authority for such services.

ARTICLE 8 - OBLIGATIONS OF THE AUTHORITY

A. The Authority's Maintenance Obligation.

1. The Authority shall maintain and repair the Premises at its own expense, only as set forth in Exhibit "M," as may be modified by the Authority; provided, however, that for purposes of this Agreement such repairs shall not include any Improvements to the Premises constructed or installed by Company, and further provided that Company shall reimburse the Authority, within ten (10) calendar days of receipt of written demand for such reimbursement, for the cost and expense of all repairs required as the result of the negligent or intentional acts of Company, its owners, officers, partners, employees, agents, contractors, subcontractors, or licensees subject to the provisions of Article 11.C.4., below. Company shall give the Authority written notice of any repair which is the responsibility of the Authority. The repair process shall be commenced by the Authority promptly after its receipt of such written notice if the Authority agrees that such repair is required and is the Authority's responsibility hereunder.

2. The Authority shall design and construct, or cause to have designed and constructed, a distribution system for Automobile gasoline, as set forth in the common fueling agreement, in conjunction with the development of the improvements to the Terminal QTA areas of the A-Side and B-Side parking garages, for use by Company, beginning on the Commencement Date. The Authority has the sole discretion to determine if the Authority will contract directly with a CFFMC, including, without limitation, a third party operator, or an entity comprising certain of Concessionaires. If the Authority chooses not to contract directly with the CFFMC, and Company and other Concessionaires are responsible for contracting with the CFFMC, Company and other Concessionaires shall make reasonable efforts to provide gasoline for the operation of the CFF with such CFFMC, under the terms of the common fueling facilities management agreement.

B. No Other Obligation of the Authority.

1. Company acknowledges that the Authority has made no representations or warranties concerning the suitability of the Premises for Company's use or for any other use, and that except as expressly provided in this Agreement, the Authority shall have no obligations whatsoever to repair, maintain, renovate or otherwise incur any cost or expense with respect to the Premises, or any Improvements, furnishings, fixtures, trade fixtures or equipment constructed, installed or used on or in the Premises, except as set forth in Exhibit "M," as may be modified by the Authority, and in accordance with Article 7.B.3. and Article 8.A.1.

2. Company hereby confirms that it has made its own investigation of all of the costs of doing business under this Agreement, including the costs of constructing Improvements to the Premises, and the costs of furnishings, fixtures, trade fixtures, signs, inventory and equipment needed to operate from the Premises hereunder; that it has done its own projections of the volume of business it expects to generate in operating from the Premises hereunder; that it is relying on its own business judgment concerning its prospects for operating on the Premises under this Agreement on a profitable basis; and that the Authority has not made any representations or warranties with respect to any such matters.

3. The Authority does not warrant the accuracy of any statistics provided by the Authority or anyone on its behalf. Additionally, the Authority does not warrant the accuracy of any projections relating to the Airport and its operations. Company agrees that the Authority shall not be responsible for any inaccuracies in such statistics or projections, or their interpretation.

4. All statements contained in this Agreement or otherwise made by the Authority or anyone on its behalf concerning any measurement relating to the Premises or any other area of the Airport are approximate only, and any inaccuracy in such statements of measurements shall not give rise to any claim by Company under or in connection with this Agreement.

5. The Authority shall not be liable to Company for any loss of business or damages sustained by Company as a result of any change in the operation or configuration of, or any change in any procedure governing the use of, the Terminal Complex or the Airport.

ARTICLE 9 - CONTRACT BOND OR LETTER OF CREDIT

Company shall provide to the Authority on the execution of this Agreement, a Contract Bond or, at the option of Company (and subject to certain additional requirements as described below), an irrevocable standby Letter of Credit ("Letter of Credit") in the form attached hereto as Item II-A and Item II-B. Such Contract Bond or Letter of Credit shall be effective as of the Commencement Date hereof and shall be maintained by Company throughout the Term of this Agreement. Prior to the execution of this Agreement, Company shall elect to a) provide a Contract Bond or Letter of Credit in the amount of twenty five percent (25%) of the Minimum Annual Privilege Fee, to be adjusted annually as necessary during the Term of this Agreement, or b) provide a Contract Bond or Letter of Credit in the amount of fifty percent (50%) of the Minimum Annual Privilege Fee, which shall remain the same for the basic five (5) year term of this Agreement, but for any Option Period, the Contract Bond or Letter of Credit would revert to the standard percentage amount (the amount of the Contract Bond or Letter of Credit shall be rounded to the nearest One Thousand and No/100 Dollars (\$1,000.00). Such Contract Bond or Letter of Credit shall guarantee the faithful performance by Company of all its obligations under this Agreement, including, without limitation, the payment by Company of all Minimum Annual Privilege Fees, Annual Rental Fees, and CFCs due hereunder. Any Contract Bond or Letter of Credit shall be on a form to be provided by the Authority and shall be written by a company licensed to do business in the State of Florida, which is acceptable to the Executive Director. Any Letter of Credit or Contract Bond provided hereunder shall be on a form provided by the

Authority and shall be issued by a bank, acceptable to the Executive Director, which is located within Orange County, Florida (unless the Executive Director waives such requirement in writing). In the event that any Contract Bond or Letter of Credit provided under this Article 9 shall be for a period of less than the full Term of this Agreement, or in the event the amount of the Contract Bond or Letter of Credit is to be increased or decreased, Company shall provide a renewal or replacement Contract Bond or Letter of Credit which complies with the requirements of this Article 9 at least one hundred eighty (180) calendar days prior to the date on which the previous Contract Bond or Letter of Credit expires. The Letter of Credit or Contract Bond must contain a condition that it shall be deemed automatically extended without amendment for one (1) year from the expiration date herein, or any future expiration date, unless thirty (30) calendar days prior to any expiration date the Bank on which the Letter of Credit or Contract Bond is drawn, shall notify the Authority by Registered Mail that such Bank elects not to consider the Letter of Credit or Contract Bond renewed for any such additional period. Company's failure to timely provide a replacement Contract Bond or Letter of Credit hereunder shall constitute a default under this Agreement and the Authority shall be entitled to any remedies provided hereunder, and may, without limitation, proceed to recover under Company's existing Contract Bond or Letter of Credit or draw on the full amount of its existing Contract Bond or Letter of Credit. If Company provides the Authority with a Letter of Credit or Contract Bond, Company shall maintain such Letter of Credit or Contract Bond in effect for at least one (1) year after the expiration or earlier termination of the Term hereof in the amount required for the last Agreement Period. However, the Authority shall release any existing Letter of Credit or Contract Bond provided by Company upon the Authority's receipt of a replacement Contract Bond or Letter of Credit that complies with the requirements of this Article 9.

ARTICLE 10 – THE AUTHORITY'S RIGHT TO REPAIR OR ALTER FACILITIES

Notwithstanding any other provisions herein contained, the Authority shall have the absolute right to make any repairs, alterations, and additions to the Terminal Complex, as well as the right to enter the Premises. The Authority will use reasonable efforts to give Company prior notice for the purpose of so doing, free from any and all liability to Company for any loss of business or damages sustained by Company for whatever reason as a result of the making of any such repairs, alterations or additions. If the Authority does any work on the Premises which does not result in a direct benefit to the Premises and as a result makes the Premises wholly untenable, then all monetary obligations shall abate for such period of untenability.

ARTICLE 11 - INDEMNIFICATION AND INSURANCE

A. **Indemnification.** To the extent permitted by law, Company shall indemnify, defend and hold completely harmless the Authority and the City (the "Indemnified Parties") from and against any and all claims, suits, demands, judgments, losses, costs, fines, penalties, damages, liabilities (including statutory liability and liability under Workers' Compensation Laws), and expenses (including all costs for investigation and defense thereof, including, but not limited to, court costs, reasonable expert witness fees and Attorneys' Fees) which may be incurred by, charged to or recovered from any of the foregoing: (1) arising directly or indirectly out of the use, occupancy or maintenance of the Premises, including any Improvement thereto, or Company's operations at the Airport or in connection with any of Company's rights and

obligations contained in this Agreement, including, but not limited to, any and all claims for damages as a result of the injury to or death of any person or persons, or damage to any property which arises as a result of any act or omission on the part of Company or its officers, partners, employees, agents, contractors, subcontractors, or licensees, regardless of where the damage, injury or death occurred, unless such claim, suit, demand, judgment, loss, cost, fine, penalty, damage, liability or expense was proximately caused solely by Indemnified Parties' gross negligence; or (2) arising out of the failure of Company to keep, observe or perform any of its obligations under this Agreement. The Authority shall give Company reasonable notice of any suit or claim for which indemnification will be sought under this Article 11.A., allow Company or its insurer to compromise and defend the same to the extent of its interests (subject to the Authority's right to approve any proposed settlement, which approval shall not be unreasonably withheld) and reasonably cooperate with the defense of any such suit or claim. In carrying out its obligations under this Article 11.A., Company shall use counsel reasonably acceptable to the Authority.

All required insurance by Company hereunder shall be primary to any insurance or self-insurance program of the Authority. Any insurance or self-insurance maintained by the Authority shall be in excess of, and shall not contribute with the insurance provided by Company.

Company and the Authority agree that the obligation of Company to indemnify the Authority or an Authority Indemnitee is not intended to waive any sovereign immunity otherwise applicable to the Authority or the Authority Indemnitee.

B. Liability Insurance.

1. Company shall without expense to the Authority, obtain and maintain throughout the Term of this Agreement, for the protection of Company, the Authority and the City from and against any and all liabilities arising out of or relating to Company's use or occupancy of, or the conduct of its operations on the Premises and the Improvements: (a) commercial general liability insurance including, but not limited to, premises/completed operations, contractual liability and fire legal liability insurance with limits of liability of not less than Two Million and No/100 Dollars (\$2,000,000.00) combined single limit, per occurrence. Self-insured retentions or deductibles shall not exceed One Hundred Thousand and No/100 Dollars (\$100,000.00) unless the insurer is required to pay claims from first dollar without a requirement that Company pay its deductible prior to that time; and (b) automobile liability insurance (any auto including owned autos, non-owned autos and hired autos) in the amount of not less than One Million and No/100 Dollars (\$1,000,000.00) per person and Two Million and No/100 Dollars (\$2,000,000.00) per occurrence for bodily injury and One Million and No/100 Dollars (\$1,000,000.00) for property damage, if access for non-AOA pickup and deliveries is required. If AOA access is required, the limits of liability will be no less than Five Million and No/100 Dollars (\$5,000,000.00), with deductibles and self-insured retentions not to exceed One Hundred Thousand and No/100 Dollars (\$100,000.00) for automobile liability as indicated above for commercial general liability. The insurance required hereunder shall also provide that it is primary insurance as respects any other valid and collectible insurance the Authority or any of the other additional insureds may possess, including any self-insured retention or deductible amount any of them may have, and that any other insurance carried by any of them shall be

considered excess insurance only. All liability policies shall be issued from Insurers AM Best rated A-VII or better.

2. Workers' Compensation and Employer's Liability Insurance shall be maintained in force by Company during the Term of this Agreement for all employees engaged in the operations at the Airport under this Agreement. The limits of coverage shall not be less than:

Workers' Compensation	Florida Statutory
Employer's Liability	\$1,000,000.00 Limit Each Accident
	\$1,000,000.00 Limit Disease Each Employee
	\$1,000,000.00 Limit Disease Aggregate

3. The declarations page(s) or certificate(s) of insurance in an ACORD form or its equivalent from all insurance policies obtained by Company in accordance with the provisions of this Article 11.B. shall be furnished to the Executive Director at least fifteen (15) calendar days prior to the Commencement Date of this Agreement, or to the commencement date of any installation of any Improvements by Company at the Airport, or at least fifteen (15) calendar days prior to the date that any employees of Company engage in activities on behalf of Company on Airport property, whichever first occurs, and at least thirty (30) calendar days prior to the expiration or termination of the coverage provided under any prior policy. Each declaration page or certificate of insurance shall indicate that such insurance coverage will not be reduced or canceled without at least thirty (30) calendar days prior written notice having been given to the Executive Director. The Executive Director shall have the right to increase the monetary limits or alter the coverages herein specified from time to time during the Term of this Agreement, and Company shall comply with all reasonable requests of the Executive Director with respect thereto. Such declarations page(s) or certificate(s) for commercial general liability and automobile liability insurance shall indicate that the Authority are named as additional insureds. In addition, certified, true and exact copies of all insurance policies shall be made available to the Authority on a timely basis, if requested by the Authority.

C. Property Insurance.

1. The Authority may, at its option, maintain property insurance on the Terminal Complex and other property at the Airport, but it is expressly understood that such insurance shall not cover the Improvements, equipment or other contents, including property of Company.

2. Company shall, without expense to the Authority, obtain and maintain in effect through the end of the Term of this Agreement, for the benefit of Company, the Authority and the trustee of certain of the Authority's outstanding Airport revenue bonds, as their interests may appear, property insurance, All Perils Causes of Loss Special Form, as opposed to Named Perils Form without exclusion for wind damage or named windstorm, in the amount of the replacement cost of all Improvements, equipment or other property hereafter installed or located on the Airport by Company, in such form and with such company or companies as the Executive Director shall approve. Such insurance shall be effective at least fifteen (15) calendar days prior to the Commencement Date of this Agreement or the commencement date of any installation of any Improvements by Company at the Airport,

whichever first occurs, and shall be maintained by Company through the end of the Term of this Agreement.

3. At least fifteen (15) calendar days prior to the Commencement Date or the commencement of any installation of any Improvements by Company at the Airport, whichever first occurs, and at least thirty (30) calendar days prior to the expiration of any policy or policies up to that time provided by Company under this Article 11.C., Company shall furnish to the Executive Director the declarations page(s) from the insurance policy or policies evidencing such coverage, or certificate(s) of insurance in an ACORD or equivalent form, and such declarations page(s) or certificate(s) of insurance shall indicate that the Authority, Company and the trustee of certain of the Authority's outstanding Airport revenue bonds are named as loss payees as their interests may appear, and that the policy or policies will not be cancelled or reduced without thirty (30) calendar days prior written notice thereof to the Authority. All property policies shall be issued from insurers AM Best rated A-VII or better.

4. Company, on behalf of itself and its insurance carrier(s), hereby waives any and all rights of recovery which it may have against the Authority or the City, or any of the other Indemnified Parties for any loss of, or damage to property it may suffer as a result of any fire or other peril normally insured against under a policy of property insurance.

5. Company may submit for prior written approval by the Executive Director, written current self-insurance programs, current financial statements, and such other documentation as may be requested by the Executive Director for consideration as compliance with Article 11.D.2. and Article 11.D.3. above.

"Self-insure" shall mean that Company is itself acting as though it were the third-party insurer providing the insurance required under the provisions of this Agreement, and Company shall pay any amounts due in lieu of insurance proceeds because of self-insurance, which amounts shall be treated as insurance proceeds for all purposes under this Agreement. To the extent Company chooses to provide any insurance required by this Agreement by "self-insurance," then recipient shall have all of the obligations and liabilities of an insurer, and the protection afforded to the Authority shall be the same as if provided by a third-party insurer under the coverage required under this Agreement. Without limiting the generality of the foregoing, all amounts which Company pays or is required to pay, and all losses or damages resulting from risks for which Company insures or has elected to self-insure, shall be subject to the waiver of subrogation provisions of this Agreement, if any, and shall not limit Company's indemnification obligations pursuant to this Agreement.

In the event that Company elects and the Authority agrees to allow Company to self-insure, and an event or claim occurs for which a defense and/or coverage would have been available from a third-party insurer, Company shall undertake the defense of any such claim, including a defense of the Authority, at Company's sole cost and expense, and use its own funds to pay any claim or replace any property, or otherwise provide the funding which would have been available from insurance proceeds but for such election by Company to self-insure. Any such self-insurance shall be required to provide "first-dollar" coverage.

The self-insurance program documentation submitted must contain a

provision that gives the Authority at least thirty (30) calendar days prior written notice of cancellation and/or material change in the limits of amounts, financial condition of self-insurance funds, or any other material change whatsoever.

6. Company, on behalf of itself and its insurance carrier, hereby waives any and all rights of recovery which it may have against the Authority or the City for any loss of, or damage to, property it may suffer as a result of any fire or other peril normally insured against under a property policy of all perils causes of loss special form.

D. **Common Fueling Facilities – Related Insurance.** Company shall be required at its own expense, and shall keep in force and full effect, and at all times maintain during the Term of this Agreement, all insurance relating to Company's Concession or joint operation and/or management of the Common Fueling Facilities in the amounts and under the terms as set forth in the Common Fueling Facilities Management Agreement. Further, Company shall establish and submit to the Authority for the Authority's prior written approval, insurance and indemnification requirements which the Common Fueling Facilities Management Company ("CFFMC") shall enforce, which are applicable to any entity that leases, operates, maintains, or uses the Common Fueling Facilities:

The CFF will be managed and operated by Concessionaires, subject to the prior written approval of the Authority, under a CFFMC agreement with a CFFMC, if the Authority decides, in its sole discretion, that it chooses to not contract directly with any entity, including without limitation, a third party operator, or an entity comprising certain of Concessionaires.

E. **The Authority's Right to Purchase.** If Company does not comply with its covenants made in paragraph B or paragraph C of this Article 11, the Executive Director shall have the right but not the obligation, to cause insurance as aforesaid to be issued, and in such event Company shall pay the premium for such insurance upon the Executive Director's demand.

F. **Member Protection.** No recourse under or upon any obligation, covenant or agreement contained in this Agreement, or any other agreements or documents pertaining to the Concession of Company under this Agreement, as this Agreement may from time to time be altered or amended in accordance with the provisions hereof, or under any judgment obtained against the Authority, or by enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, under or independent of this Agreement, shall be had against any past, present or future member, officer, employee or agent, of the Authority, as such, either directly or through the Authority or otherwise, for any claim arising out of this Agreement or the Concession conducted pursuant to it, or for any sum that may be due and unpaid by the Authority. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any Authority member, officer, employee or agent, as such, to respond by reason of any act or omission on his or her part or otherwise for any claim arising out of this Agreement or the Concession conducted pursuant to it, or for the payment of or to the Authority, or any receiver therefore or otherwise, of any sum that may remain due and unpaid by the Authority, is hereby expressly waived and released as a condition of and as consideration for the execution of this Agreement.

G. **Survival of Provisions.** The provisions of this Article 11 shall survive the expiration or earlier termination of this Agreement.

ARTICLE 12 - DAMAGE OR DESTRUCTION

A. **Minor Damage.** If all or a portion of the Premises are partially damaged by fire, explosion, the elements, the public enemy or other casualty, but not rendered untenable, the same will be repaired with due diligence by the Authority at its own cost and expense, subject to the limitations of Article 12.D. below; provided, however, that if the damage is caused by the negligent act or omission of Company, its officers, agents, employees, contractors, subcontractors, licensees or invitees, Company shall be responsible for reimbursing the Authority for the cost and expense incurred in such repair, subject to the provisions of Article 11.C.4. above. In the event of such minor damage, there will be no abatement of the Minimum Annual Privilege Fees, Annual Rental Fees or CFCs payable by Company to the Authority hereunder.

B. **Substantial Damage.** If all or a portion of the Premises shall be damaged by fire, explosion, the elements, public enemy or other casualty to such an extent as to render the Premises or such portion thereof untenable, but which can reasonably be repaired within sixty (60) calendar days, the same shall be repaired with due diligence by the Authority at its own cost and expense, subject to the limitations of Article 12.D. below. In the event of such substantial damage, there will be no abatement of the Minimum Annual Privilege Fees, Annual Rental Fees, or CFCs payable by Company to the Authority hereunder.

C. **Extensive Damage.**

1. In the event that all or a portion of the Premises are destroyed by fire, explosion, the elements, the public enemy or other casualty, or so damaged that they are untenable and cannot reasonably be repaired within ninety (90) calendar days, the Authority shall be under no obligation to repair, replace or reconstruct the Premises. This Minimum Annual Privilege, Annual Rental Fees, and the CFCs payable by Company to the Authority hereunder shall abate as of the time of such damage or destruction and shall henceforth cease until such time as said Premises are restored so as to render the Premises tenantable or the Authority elects to terminate this Agreement by written notice to Company. If within twelve (12) months after the time of such damage or destruction, the Authority has neither elected to terminate this Agreement, nor repaired, replaced, nor reconstructed the Premises to the extent required by this Article 12, Company may terminate this Agreement by written notice to the Authority.

2. Notwithstanding the foregoing, if said Premises are destroyed or so damaged and rendered untenable so that they cannot reasonably be repaired within sixty (60) calendar days as a result of the negligent act or omission of Company, its officers, agents, servants, employees, contractors, subcontractors, licensees or invitees, the Minimum Annual Privilege Fees and Annual Rental Fees payable hereunder shall not abate and the Authority may, in its discretion, subject to the provisions of Article 11.C.4. above, require Company to complete repair and reconstruction of said Premises promptly and pay the costs therefor, or the Authority may repair and reconstruct said Premises, and Company shall be responsible for

reimbursing the Authority for the costs and expenses incurred in such repair and reconstruction.

D. **Complete Destruction.** In the event the Terminal Complex and/or Company's Terminal QTA are so completely destroyed by fire, explosion, the elements, a public enemy or other casualty, or so damaged that they are unusable and cannot be repaired or replaced except after more than ninety (90) calendar days, the Authority will be responsible for the repair, replacement, and reconstruction of the Terminal Complex, including the telephone boards, the Terminal curbside loading and unloading areas, and the Terminal QTA improvements constructed by the Authority and at the Authority's expense, or funded by the CFCs, and Company will be responsible for the repair, replacement, and reconstruction of the Terminal QTA improvements constructed by and at Company's expense; if such damage or destruction of said Terminal Complex or the Terminal QTA occurs within twelve (12) months of the end of the Term of this Agreement, and such Terminal Complex or the Terminal QTA have not have been repaired or reconstructed, the Authority, at its sole discretion, can provide written notice to Company that this Agreement will be terminated in its entirety.

Notwithstanding the foregoing, if Company's Premises are completely destroyed as a result of the act or omission of Company, the Authority may, at its sole discretion, require Company to repair and reconstruct said Premises within twelve (12) months of such destruction and pay the costs therefore; or the Authority may choose to repair and reconstruct the Premises, or not to repair and reconstruct the Premises, within twelve (12) months of such destruction and Company shall be responsible for reimbursing the Authority for the costs and expenses incurred in such repair. Any insurance proceeds paid to Company for such destruction shall be sent directly to the Authority, and the responsibility for payment of any deficiency thereof shall be paid by Company directly to the Authority.

E. **Substitute Space.** Notwithstanding the terms of Article 2.D. above, the Authority may, at its option, with respect to all or any portion of the Premises, provide Company with a substitute area which the Authority determines to be reasonably equivalent in size and suitability to the portion of the Premises which has been damaged or destroyed.

F. **Limits of the Authority's Obligations Defined.** In the application of the provisions of subsection A. through subsection C. of this Article 12, the Authority shall in no event be obligated to repair, replace or reconstruct the Premises in any manner other than as set forth as the Obligation of the Authority in Article 6.A.1. above.

G. **Damage or Destruction of Improvements.** Should Company's Improvements to the Premises or its furnishings, fixtures, signage, trade fixtures and equipment, or any part of them, be destroyed or damaged, whether or not said damage or destruction is covered by insurance, Company shall, at its sole cost and expense, and in compliance with Article 6.C. through Article 6.E. above, reconstruct all Improvements to the Premises and replace all furnishings, fixtures, signage, trade fixtures and equipment with all such replacements being of equal quality to those originally installed by Company in the Premises, except in the event that the Premises are so damaged that they are untenable and cannot reasonably be repaired within thirty (30) calendar days and the Authority has elected to terminate this Agreement as provided in Article 12.C. above. If Company fails to repair or replace such improvements in accordance with a schedule approved by the Authority, the

Authority shall have the right (but not the obligation) to make such repairs and/or replacement and recover from Company the cost and expense thereof.

ARTICLE 13 - DEFAULT BY COMPANY

A. **Events of Default.** Any one of the following events shall constitute an Event of Default by Company hereunder:

1. The failure of Company to make any payment required to be made by Company hereunder when due as herein provided, which failure is not remedied within ten (10) business days after receipt by Company of the Executive Director's written demand;
2. The failure of Company to provide any financial report, independent auditors' report, schedule, or statement required to be submitted to the Authority or any officer or employee thereof when due as herein provided, which failure is not remedied within thirty (30) calendar days after receipt by Company of the Executive Director's written demand;
3. The failure of Company to provide any Contract Bond or Letter of Credit or renewal of a Contract Bond or Letter of Credit on or before the date on which the same is required hereunder;
4. The failure of Company to keep, observe or perform any of the other covenants, conditions, or agreements herein required to be kept, observed or performed by Company, and continued failure to keep, observe or perform any such covenant, condition, or agreement after a period of thirty (30) calendar days after receipt by Company of the Executive Director's written demand. In the event a non-monetary default occurs which cannot be cured within thirty (30) calendar days after written notice, then this Agreement shall not be terminated as long as Company has commenced to cure the default and is proceeding diligently;
5. The repeated failure (defined for this purpose as at least three (3) such failures within any consecutive twelve-month period) to make any payment required to be made by Company hereunder when due as herein provided (provided that notice of such failure shall have been given to Company, but whether or not Company shall have remedied any such failure within the time provided for in such notice);
6. The repeated failure (defined for this purpose as at least three (3) such failures within any consecutive twelve-month period) to keep, observe or perform any of the other covenants or agreements herein contained to be kept, observed or performed by Company (provided that notice of such failure shall have been given to Company, but whether or not Company shall have remedied any such failure within the time provided for in such notice);
7. The discovery by the Executive Director that any material statement of fact furnished by Company in connection with its Bid for this Concession is false or materially misleading;

8. Abandonment of the Premises at any time prior to the expiration of this Agreement without the prior written consent of the Authority, except as permitted under the provisions of this Agreement;

9. Commencement by Company or by any guarantor or surety of this Agreement, in any court pursuant to any statute of the United States or of any State, territory or government, of an insolvency or bankruptcy proceeding, including, without limitation, a proceeding for liquidation, reorganization, or for the adjustment of its indebtedness;

10. Commencement of any insolvency or bankruptcy proceeding (including, without limitation, a proceeding for liquidation, reorganization or for adjustment of indebtedness) against Company or any guarantor or surety of this Agreement, if an order for relief is entered against such party and the same is not stayed or vacated within thirty (30) calendar days after entry thereof, or if such party fails to secure a discharge of the proceedings within sixty (60) calendar days after the filing thereof;

11. Insolvency of Company or any guarantor or surety of this Agreement, or if Company or any guarantor or surety of this Agreement is generally unable to pay its debts as they become due;

12. The making by Company or by any guarantor or surety of this Agreement of an assignment for the benefit of its creditors or the filing of a petition for or the entering into of an arrangement with its creditors;

13. The appointment or sufferance of a receiver, trustee or custodian to take possession of all or substantially all of the property of Company or of any guarantor or surety of this Agreement, whether or not judicial proceedings are instituted in connection with such appointment or sufferance;

14. The placement of any lien upon the Premises or any improvements thereto which is not discharged of record within thirty (30) calendar days, or any levy under any such lien; or

15. The occurrence of an event of default under any other agreement, concession, or otherwise, between Company and the Authority. In addition, Company hereby agrees that the occurrence of an Event of Default under this Agreement shall constitute an event of default under any agreement, concession or otherwise, between Company and the Authority.

16. Company shall not intentionally divert, through direct or indirect means, any of Company's rental Automobile or related business with Airport's Customers, to off-Airport locations of Company, or Affiliates of Company, without including the Gross Receipts of such transactions as defined in Article 1.BB., in Company's reported Gross Receipts. Any such diversion of Gross Receipts shall constitute a breach of specific performance, and shall not be offset against any other amount due the Authority as detailed in this Agreement.

B. **Remedies Upon Company's Default.** Upon the occurrence of any Event of Default, as defined in Article 13.A. above, the Authority may pursue any of the following

remedies, or such other remedies as may be available to the Authority at law or in equity:

1. The Authority may terminate this Agreement by giving notice thereof to Company. In such event, the Term of this Agreement shall cease as of the date of such notice of termination and any and all rights, title and interest of Company hereunder shall likewise cease without further notice or lapse of time, as fully and with like effect as if the entire Term or any Option Period of this Agreement had elapsed; or

2. Without terminating this Agreement, terminate Company's right to possession of the Premises, retake possession of the Premises, and recover immediately from Company damages calculated as follows:

a. all unpaid Minimum Annual Privilege Fees, Annual Rental Fees, and CFCs due and owing at the time of termination of Company's right to possession; together with

b. the amount by which the unpaid Minimum Annual Privilege Fees, Annual Rental Fees, and CFCs due and owing after the date of termination of Company's right to possession of the Premises until the time of award of a new agreement for the Premises exceeds the amount of the loss of Minimum Annual Privilege Fees, Annual Rental Fees, and CFCs that Company proves has been or could have reasonably been avoided, together with interest at the rate set forth in Article 16.F; and

c. the worth, at the time of such award, of the amount by which the unpaid Minimum Annual Privilege Fees, Annual Rental Fees, and CFCs for the balance of the Term after the time of award of a new agreement for the Premises exceeds the amount of the loss of Minimum Annual Privilege Fees, Annual Rental Fees, and CFCs that Company proves could reasonably be avoided. (For purposes of this subsection c., the worth at the time of award of such amount shall be determined by discounting such amount in accordance with accepted financial practice at the rate of eighteen percent (18%) per annum to its present worth).

Upon entry of judgment for such damages, as described above, this Agreement shall be deemed to be terminated; or

3. The Authority may, without terminating this Agreement, terminate Company's right to possession of the Premises, retake possession of the Premises and relet the Premises (including any Improvements), or any part thereof, for a term at the Authority's option, that may be less than or exceed the period which would otherwise have constituted the balance of the Term of this Agreement. In such event, Company shall pay to the Authority any deficiency between the rent herein reserved, and the net amount of the rents collected on account of any other agreement for the Premises for each month of the period which would otherwise have constituted the balance of the Term of this Agreement, provided that the Authority has made a good faith effort to re-let the Premises at a rental rate which it determines to be reasonable under the circumstances. The Authority may recover such deficiency from Company at the time each payment becomes due under this Agreement, or, at the Authority's sole option, upon the expiration of the Term of this Agreement.

C. Further Provisions Regarding Default.

1. In any event, and irrespective of any option exercised, Company shall pay to the Authority upon demand all of the unpaid Minimum Annual Privilege Fees, Annual Rental Fees, CFCs, and other sums due from Company hereunder prior to the date that the Authority terminates this Agreement or Company's right to possession of the Premises, and all of the Authority's costs, charges and expenses, including reasonable Attorneys' Fees and costs, and fees of agents and others retained by the Authority, incurred in connection with the recovery of sums due under this Agreement, or because of the breach of any covenant or agreement of Company contained in this Agreement or for any other relief against Company, including, with respect to the options set forth in Article 13.B.2. and Article 13.B.3. above, all costs and expenses of the Authority in connection with the re-letting of the Premises and collection of Minimum Annual Privilege Fees, Annual Rental Fees, and CFCs due and owing from any successor Concessionaire, and the cost of all repairs or renovations reasonably necessary in connection with the reletting, including, provided however, Company shall not pay for the refixturing of the Premises in connection with the reletting, and without limitation, reasonable Attorneys' Fees. Even if Company has previously elected to proceed under Article 13.B.2. or Article 13.B.3. below, the Authority may, at any time thereafter, elect to terminate this Agreement; provided, however, that no action taken by the Authority pursuant to this Article 13 shall be deemed to terminate this Agreement unless written notice of termination is given by the Authority to Company. Company hereby waives any notices of default not specifically provided for in this Article 13, above, including, without limitation, the three-day notice provided for in Section 83.20, Florida Statutes.

2. No waiver of any covenant or condition or of the breach of any covenant or condition of this Agreement shall be taken to constitute a waiver of any subsequent breach of such covenant or condition or to justify or authorize the non-observance on any other occasion of the same or of any other covenant or condition hereof. The acceptance by the Authority of any sums from Company at any time when Company is in default under any covenant or condition hereof shall not be construed as a waiver of such default or of the Authority's right to exercise any remedy arising out of such default, nor shall any waiver or indulgence granted by the Authority to Company be taken as an estoppel against the Authority, it being expressly understood that the Authority may at any time thereafter if such default continues, exercise any such remedy in the manner hereinbefore provided or as otherwise provided by law or in equity.

3. The rights and remedies given to the Authority by this Agreement shall not be exclusive, and in addition thereto, the Authority shall have such other rights and may pursue such other remedies as are provided by law or in equity. All such rights and remedies shall be deemed to be cumulative, and the exercise of one such right or remedy by the Authority shall not impair its standing to exercise any other right or remedy.

4. It is expressly agreed that in the event of default by Company hereunder, the Authority shall have a lien upon all goods, chattels, personal property and equipment of any description belonging to Company which are located on, or become a part of the Premises or any improvements thereto, as security for any fees or other charges which are then due or

which become due for the remainder of the Term of this Agreement, which lien shall not be in lieu of or in any way affect the statutory landlord's lien given by law, and Company shall not remove or permit the removal of any of such property until all defaults under this Agreement have been cured.

5. Company hereby waives trial by jury in any action, suit or proceeding related to, arising out of or in connection with the terms, conditions, and covenants of this Agreement.

6. By the expiration date, or upon the earlier termination of this Agreement, Company must have fully performed all of its obligations under this Agreement, including: (a) delivery of all keys to any doors and to any Improvements located on the Premises to the Authority; (b) removal of all Personal Property as defined below; (c) surrender of the Premises in good and clean condition, ordinary wear and tear excepted; (d) delivery of all employee badges and parking passes; and (e) performance of any other obligations required to be performed pursuant to this Agreement prior to termination under this Agreement. Failure to satisfy any of the above shall allow the Authority, at the Authority's sole option, to treat Company as a holdover tenant or tenant at sufferance, as provided in Article 4.E. of this Agreement, until such time as Company has fulfilled all of its obligations under this Agreement. For the purpose of this Article 13.C.5., ordinary wear and tear shall not include deterioration that could have been prevented by proper maintenance practices, or by Company performing all of Company's obligations under this Agreement.

Trade fixtures, inventory, supplies and other non-attached personal property (collectively, "Personal Property") shall remain the property of Company except that if Company fails to remove its Personal Property in accordance with the timeframe set forth in Article 6.F. hereof, the Authority, at its option, may take immediate title to such Personal Property at no cost to the Authority. In the alternative, the Authority may dispose of all or any portion of such Personal Property and charge Company all of its costs in disposing of the Personal Property, plus a twenty-five percent (25%) administrative fee. Company shall remove its Personal Property in a manner and at times that do not interrupt other business at the Airport or operations of the Airport, as approved in writing by the Authority. Company shall repair all damage done to the Premises, or other Authority-owned property, resulting from the removal of Personal Property, and shall restore the Premises and other Authority-owned property to the state of good repair that existed prior to the installation and removal of Company's Personal Property, less ordinary wear and tear. In the event of dispute as to the affixed or non-affixed nature of any Improvements or Personal Property, the Authority's determination shall be final and shall not be subject to mediation or any other form of dispute resolution or litigation.

ARTICLE 14 - ASSIGNMENT AND SUBLEASE

A. **The Authority's Right to Approve Assignments and Subleases.** Except as set forth in Article 2.E., Company shall not sell, assign, sublease or transfer this Agreement or any of its rights and privileges hereunder, or permit any such sale, assignment, sublease or transfer to occur by operation of law or contract, for the performance of any of the services to

be provided by it hereunder, without the Authority's prior written approval, which approval may be granted or withheld by the Authority in the exercise of its sole discretion. The Authority may condition its approval of any such sale, assignment, sublease or transfer upon the payment to the Authority by Company of all or any portion of any fees Company receives from such purchaser, assignee, sublessee or transferee in excess of the fees (or a pro rata portion of the fees attributable to the space that is the subject of such sale, assignment, sublease or transfer) payable to the Authority by Company under this Agreement. Any cost of considering or approving such a request for assignment or subcontract shall be borne by Company.

B. **Change of Control.** If Company is a corporation, the issuance or sale, transfer or other disposition of a sufficient number of shares of stock in Company to result in a change of control of Company shall be deemed an assignment of this Agreement for purposes of this Article 14. If Company is a partnership, transfer of any interest in the partnership which results in a change in control of such Company, shall be deemed an assignment of this Agreement for purposes of this Article 14.

ARTICLE 15 - WAIVER OF CLAIMS

Company hereby waives any and all claims it now has or may hereafter have against the City and the Authority, and against any member (including, without limitation, all members of the governing board of the Authority, the Orlando City Council, and the advisory committees of each), officer, agent or employee of each, for any loss of anticipated profits caused by any suit or proceeding attacking directly or indirectly the validity of this Agreement or any part thereof, or by any judgment or award in any suit or proceeding declaring this Agreement null and void or voidable, or delaying the same or any part thereof from being carried out. Company further hereby waives any and all claims for compensation for any and all loss or damage sustained by reason of any delay in making the Premises available to Company or by reason of any defects or deficiencies in the Premises or in the Terminal Complex or because of any interruption in any of the services thereto, including, but not limited to, power, gas, telephone, heating, air-conditioning or water supply systems, drainage or sewage systems, and Company hereby expressly releases the City and the Authority from any and all demands, claims, actions, and causes of action arising from any of such causes.

ARTICLE 16 - REQUIRED, GENERAL AND MISCELLANEOUS PROVISIONS

A. **Required Covenants.** The provisions set forth in the Required Covenants, attached hereto as Appendix 2, are incorporated herein as if set forth in this Agreement verbatim. The Authority shall have the right to enforce the Required Covenants.

B. **Remedies; Attorneys' Fees and Costs.** All remedies provided to the Authority in this Agreement shall be deemed cumulative and additional, and not in lieu of or exclusive of each other or of any other remedy available at law or in equity arising hereunder. In the event that any proceedings at law or in equity arise hereunder or in connection herewith (including any appellate proceedings or bankruptcy proceedings), the prevailing party shall be awarded costs, reasonable Attorneys' Fees, reasonable expert witness fees, and any other expenses incurred in connection with such proceedings.

C. **Warranty of Company as to Conflicts of Interest.** Company represents and warrants to the Authority that, except as may be disclosed in an addendum hereto, no member, officer, employee or agent of the Authority has any interest, direct or indirect, in the business of Company to be conducted hereunder, and that no such persons shall have any such interest at any time during the Term hereof.

D. **Notices.** All notices required or permitted to be given by the Authority to Company hereunder shall be in writing and delivered to it by courier service providing a written record of the date of delivery, or United States certified mail, postage prepaid, return receipt requested, addressed to Company at the address shown on page one hereof. All notices required or permitted to be given to the Authority hereunder shall also be in writing and delivered to it by courier service providing a written record of the date of delivery or United States certified mail, postage prepaid, return receipt requested addressed to:

Executive Director
Greater Orlando Aviation Authority
Orlando International Airport
One Airport Boulevard
Orlando, FL 32827-4399

Either party may change its address for purposes of this paragraph by written notice similarly given.

E. **Regulations of the Authority.** The rights and privileges granted to Company hereunder, and the occupancy and use by Company of the Premises shall at all times be subject to the reasonable rules and regulations of the Authority as the same are now, or may hereafter be prescribed through the lawful exercise of its power, including, but not limited to, all applicable provisions of the Authority's Policy and Procedures Manual as the same may be amended from time to time.

F. **Interest.** In the event that any amount payable to the Authority by Company hereunder is not paid by the date it is due, interest shall accrue on such overdue amount at the rate of eighteen percent (18%) per annum, or, if less, the maximum rate of interest allowed by law, from the date such amount is due until such amount is paid to the Authority.

G. **Miscellaneous Provisions.**

1. Company, and its employees, agents, or subcontractors, shall promptly observe and comply with applicable provisions of all municipal, county, state or federal laws, ordinances, regulations or rules which govern or apply to Company or to its Concession hereunder.

2. Company shall, at its own cost and expense, including all agents or subcontractors, procure and keep in force during the Term of this Agreement, all applicable and necessary licenses, registrations, certificates, bonds, permits, and other authorizations as are required by law in order for Company to operate from the Premises granted hereunder, and shall pay all taxes (including sales, ad valorem, and use taxes), assessments (including, without

limitation, stormwater utility fees), excises, license, certification, permit and examination fees and impact fees which may be assessed, levied, exacted or imposed by all governmental authorities having jurisdiction on Company's property, on its Concession, on its Gross Receipts, on its income, on this Agreement, and the fees payable to the Authority hereunder, on the rights and privileges granted to Company herein, on the Premises and on any and all Improvements on the Premises, and Company shall make and file all applications, reports, and returns required in connection therewith.

3. Company agrees to repair promptly at its sole cost and expense and in a manner acceptable to the Authority, any damage caused by Company or any of its officers, agents, employees, contractors, subcontractors, licensees or invitees to the Airport or any Improvements or property located thereon, subject to the provisions of Article 7.B.1. and Article 11.C.4., above.

4. Company is not authorized to act as the Authority's agent hereunder, and shall have no authority, express or implied, to act for or bind the Authority hereunder, and nothing contained in this Agreement shall be deemed or construed by the Authority or Company or by any third party to create the relationship of partnership or of joint venture. No provision of this Agreement shall be deemed to make the Authority the joint employer of any employee of Company.

5. The Authority, through its designated agents, shall have the right during Company's normal business hours (and at any time during an emergency) to inspect the Premises and the property of Company located thereon, in order to enforce this Agreement, to enforce applicable laws and regulations, and to protect persons and property. The Authority will use reasonable efforts to give Company prior notice, and not to interfere with Company's operating during any inspection.

6. The Article and paragraph headings herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision of this Agreement.

7. Time is expressed to be the essence of this Agreement.

8. This Agreement will inure to the benefit of and shall be binding upon the parties hereto and their authorized successors and assigns.

9. If any covenant, condition or provision of this Agreement is held to be invalid by any court of competent jurisdiction, such holding shall not affect the validity of any other covenant, condition or provision contained herein.

10. Except as otherwise provided herein, if certain action may be taken only with the prior written consent or approval of the Executive Director or the Authority, or if a determination or judgment is to be made by the Executive Director or the Authority, such consent or approval may be granted or withheld, or such determination or judgment shall be made, in the sole discretion of the Executive Director or the Authority.

11. The Authority reserves the right to further develop, improve, repair and alter the Airport and all roadways, parking areas, Terminal Complex (including entering the Premises), landing areas and taxiways as it may reasonably see fit, free from any and all liability to Company for the loss of business or damages of any nature whatsoever to Company occasioned during the making of such improvements, repairs, alterations and additions including, but not limited to, any damages resulting from gross negligence of the Authority or its employees, agents or contractors.

12. As required by Florida law, the Authority hereby includes the following notification as part of this Agreement:

Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

13. Company understands that the Premises are located within or adjacent to the air operations area of the Airport. Company shall comply with all applicable regulations of the Federal Aviation Administration relating to Airport security and shall control the Premises so as to prevent unauthorized persons from obtaining access to the air operations area of the Airport. Any fines or other penalties incurred by the Authority as a result of Company's (or its subtenants') breach of this Article 16.G.13. shall be included in the indemnification provided to the Authority pursuant to Article 11.A. hereof.

H. Applicable Law. This Agreement has been entered into, and shall be governed by, and shall be construed and interpreted in accordance with the laws of the State of Florida. Any proceedings whether local, state or Federal brought by any party to this Agreement, arising out of any covenant, provision or condition of this Agreement shall be filed in a court of competent jurisdiction in Orange County, Florida.

I. Public Entity Crimes Act.

Section 287.133(2)(a), Florida Statutes, provides that:

An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "Affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an Affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a Person who has been convicted of a public

entity crime in Florida during the preceding 36 months shall be considered an Affiliate.

J. **Entire Agreement.** This Agreement, together with the exhibits, items, and schedules attached hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any prior agreements, representations or statements made with respect to such subject matter, whether oral or written, and any contemporaneous oral agreements, representations or statements with respect to such subject matter, are merged herein; provided, however, that Company hereby affirms the completeness and accuracy of the information provided by Company to the Authority in the Eligibility and Qualification Form, the Minimum Annual Privilege Fee Bid Form, and in all attachments thereto and enclosures therewith, submitted by Company to the Authority in connection with the award of the Concession.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and year first above written.

**GREATER ORLANDO
AVIATION AUTHORITY**

By: _____
G. Steve Gardner, Executive Director

Date: _____, 2008.

ATTEST:

Dayci S. Burnette-Snyder, Assistant Secretary

APPROVED AS TO FORM AND LEGALITY
On the ____ day of _____, 2008
for the use and reliance of the Greater
Orlando Aviation Authority, only.
Marchena and Graham, P.A., Counsel.

By: _____
Marchena and Graham, P.A.

* * * * *

[NAME OF COMPANY]

ATTEST: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

[Corporate Seal]

Date: _____

OR

WITNESSES:

Printed Name: _____

Printed Name: _____

[If applicable]

AGREEMENT OF GUARANTY

In order to induce the GREATER ORLANDO AVIATION AUTHORITY (the "Authority") to enter into the attached Rental Automobile Concession Agreement (the "Agreement") with _____ ("Company") (which the Authority would be unwilling to do without this Agreement of Guaranty), the undersigned unconditionally guarantees to the Authority that Company will fully and timely make payment, prior to the expiration of any applicable curative period provided in the Agreement, of all Minimum Annual Privilege Fees, Annual Rental Fees and adjustments thereof, CFCs, and other payments which Company is required to pay to the Authority under the Agreement, and that Company will comply with all of the other terms and conditions of the Agreement.

The obligations of the undersigned hereunder shall be direct and immediate and not conditional or contingent upon the Authority's pursuit of its remedies against Company, and shall remain in full force and effect notwithstanding (i) amendments or modifications to the Agreement entered into by the Authority and Company without the knowledge or consent of the undersigned, (ii) waivers of compliance with or any default under the Agreement granted by the Authority to Company without the knowledge or consent of the undersigned, (iii) the discharge of Company from its obligations under the Agreement as a result of any proceeding initiated under the Bankruptcy Code of 1978, as the same has been or may be amended (the "Bankruptcy Code"), or any similar State or Federal law, or any limitation or reduction of the liability of Company or its estate as a result of any such proceeding, none of which shall be construed as affecting the obligations and liabilities of Company under the Agreement for purposes of this Guaranty, or (iv) any other action taken by the Authority or Company that would, in the absence of this clause, result in the release or discharge by operation of law of the undersigned from its obligations hereunder.

The obligations of the undersigned under this Guaranty shall include the obligation to reimburse the Authority for any preferential payments received by the Authority from Company under or pursuant to the Agreement in the event that Company becomes a debtor under the Bankruptcy Code, or any similar State or Federal law. If a bankruptcy petition has been filed by or against Company during any preferential period (as established by the Bankruptcy Code or other applicable law) and Company has made payments to the Authority under the Agreement during said preferential period, this Guaranty shall not terminate unless and until a final, non-appealable decision by a court of competent jurisdiction or other agreement has been entered or reached pursuant to which the Authority shall be entitled to retain all such monies paid during such preferential period.

The undersigned shall be obligated to pay all costs and expenses (including reasonable attorneys' fees) paid or incurred by the Authority for the enforcement of the obligations of the undersigned hereunder, including, but not limited to, costs, expenses and reasonable attorneys' fees in connection with any bankruptcy proceeding or any appeals. This Guaranty shall inure to the benefit of the Authority, its successors and assigns, and shall be binding upon the undersigned and their successors and assigns. This Guaranty may not be amended or modified

except by written agreement executed by both the Authority and the undersigned. This Guaranty shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the undersigned has executed this Agreement of Guaranty this _____ day of _____, 2008.

NAME OF GUARANTOR

ATTEST: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

[Corporate Seal]

Date: _____

OR

WITNESSES:

Printed Name: _____

Printed Name: _____

APPENDIX 1

Standards for Operating Concession

A. **Operating Hours.** Company shall be required to provide staff in both the A-Side and B-Side locations in the North Terminal Complex, in accordance with the flight schedules. Company shall be open at least two (2) hours before departure of the international flights, and upon arrival of international flights seven (7) days per week. The Executive Director may require Company to have staff available at least on the A-Side or B-Side, twenty-four (24) hours per day, seven (7) days per week, throughout the Term hereof, to provide a high level of service to the traveling public.

B. **Type of Operation.** Company shall at all times during the Term hereof occupy, equip, furnish, operate and maintain a first-class facility on the Premises, and shall keep the Premises in a safe, clean, orderly and attractive condition, satisfactory to the Executive Director, and conforming to the Authority's Automobile Rental Customer Service Facility Standards. Company shall maintain a sufficient number of trained personnel to ensure that Customers of Company will receive prompt and courteous service at all times. Company shall offer services of the highest quality. Company shall not permit any nuisance, waste, or injury to be committed on the Premises.

C. **Quality of Service.**

1. Company acknowledges that the primary goal of the Authority with regard to the Concession hereunder, is to provide to the public and the air traveler high quality services. To ensure that Customers depart Orlando with the best impression possible of the Airport and the community, the Authority is unequivocally committed to maintain high quality services and related equipment at reasonable prices at all times throughout the Term of this Agreement. Company shall provide services and related equipment in a quality comparable to rental Automobile facilities in first-class facilities of similar types in other Airports.

2. Upon written notice to Company by Executive Director of any violation of this Appendix 1.C., with respect to the failure of Company to comply with any applicable municipal county, state and federal laws, ordinances and regulations, with respect to the services at the Premises (which notice shall specify the item constituting the violation), Company shall correct such violation within twenty-four (24) hours of the time of receipt of such written notice (or such greater period of time that the Executive Director may allow) and promptly advise the Executive Director in writing of the corrective measures Company has taken.

3. Company shall be in default under this Agreement if it: (a) fails within the specified time to make the improvements in the quality of its services as required under this Appendix 1.C.3.; (b) fails within the specified time to make the improvements in the quality of Company's services under this Appendix 1.C.2., above, a total of three (3) times (aggregating violations of this Appendix 1.C.2.) during any consecutive twelve (12) month period; or (c) fails to make the improvements in the quality of Company's services required under this Appendix 1.C.2. within twenty-four (24) hours (or such greater period as the Executive Director may

allow) or Appendix 1.C.3., within forty-eight (48) hours after notice from the Executive Director on any single occasion.

D. Standards of Service.

1. Company shall at all times during the Term hereof, maintain a sufficient number of properly trained personnel to ensure that all Customers of Company receive prompt and courteous service at all times, and all such personnel while on or about the Premises, shall be polite, clean, appropriately attired and neat in appearance. Employees of Company shall wear appropriate identification badges, subject to the prior written approval of the Executive Director, and employees performing similar jobs shall wear similar uniforms, which shall be clean and pressed.

2. Except as the Executive Director may otherwise agree in writing, and as set forth in any subcontractor agreements approved by the Executive Director, Company shall operate this Concession at the Premises only through its own employees. Company shall comply with the requirements of all statutes, regulations and rules applicable to its employment practices in connection with the operation of this Concession, including, without limitation, the Fair Labor Standards Act, shall pay all appropriate federal and state employment and withholding taxes, and shall maintain records demonstrating compliance with the foregoing. All such records shall, upon reasonable notice from the Executive Director, be made available, either at the Premises, or, at the Executive Director's option, at the offices of the Authority, for inspection by the Authority, through its duly authorized representatives, as often as the Executive Director shall request for a period of up to four (4) years after the end of the Agreement Period to which such records pertain.

3. Company shall not misrepresent to the public its prices or the terms and provisions of its rental agreements, or those of its competitors. Company shall comply with all applicable rules and regulations of the Federal Trade Commission, and all other governmental agencies. Company shall fully inform each Customer, prior to the execution of such Customer's rental agreement, of all fees and charges applicable to such Customer's rental. If the Authority determines, after reasonable notice and opportunity for Company to comment, that any of Company's business practices are unlawful, deceptive, or discriminatory, Company shall immediately cease such practices upon receipt of a written order to do so by the Authority. The Authority will give reasonable advance notice to Company that the Authority considers a certain practice to be unlawful, deceptive, or discriminatory, and Company shall have an opportunity to respond to the allegation.

E. Sanitary Condition of Premises and Equipment.

1. Company shall maintain at all times during the Term of this Agreement, and at its own cost and expense, an adequate supply of Automobiles on the Airport to reasonably meet Concession demands. Only late-model Automobiles shall be used by Company in the performance of this Agreement. Automobiles used by Company in performance of this Agreement shall be reasonably free from wear and tear.

2. The Premises and all equipment and materials used by Company shall at

all times be clean, sanitary and free from rubbish, refuse, garbage, dust, dirt, and other offensive or unclean materials.

3. Company shall conduct its operations in an orderly and proper manner so as not to commit any nuisance or waste in the Premises, or annoy, disturb, or otherwise be offensive to others in the Terminal Complex.

4. In the event Company fails to perform any sanitation procedures which the Executive Director determines are necessary to maintain the Premises, and any improvements, furnishings, fixtures, trade fixtures, signs, and equipment therein, in proper sanitary condition, the Executive Director may, by written notice, direct Company to perform such procedures promptly, and, if Company fails to do so, the Authority may, without waiving any of its other rights under this Agreement, enter upon the Premises to perform such procedures, and require Company to pay the costs thereof.

F. **Deliveries.** All deliveries to and from the Premises shall be during such hours and at such locations as the Executive Director may allow.

G. **Signs and Graphics.** In entering this Agreement, Company acknowledges the Authority's desire to maintain a high level of aesthetic quality in all Concession facilities throughout the Terminal Complex. The Executive Director shall have the right at any time during the Term of this Agreement to enter the Premises to ensure that Company's Concession conforms to the Authority's Automobile Rental Customer Service Facility Standards. Upon receipt of a written notice from the Executive Director that he has determined that Company's display or operations do not conform to the Authority's Graphic Design Policy for Concessionaires, Company shall immediately make the modification to achieve conformance. All signage and graphics on the Premises must be in accordance with the Authority's Automobile Rental Customer Service Facility Standards, and approved by the Executive Director prior to the installation.

H. **Paging System.** Company shall not install any paging system within the Premises.

I. **Manager.** The management, maintenance, and operation of the Premises and the Concession conducted thereon shall be at all times during the Term hereof under the supervision and direction of an active, qualified, competent, and experienced manager who shall at all times be subject to the direction and control of Company. Company will cause such manager to be available at the Premises during normal business hours, and Company will at all times during the absence of such manager assign or cause to be assigned a qualified subordinate to assume and be directly responsible for the carrying out of his or her duties.

J. **Personnel.**

1. Company shall in its operation of the Premises under this Agreement, employ or permit the employment of only such personnel that will assure a high standard of service to the public. All such personnel while on or about the Premises, shall be clean, neat in appearance, uniformly attired (with appropriate identification badge displaying no less than

Company's and employee name), and courteous at all times.

2. No personnel employed by Company, while on or about the Airport, shall use improper language, act in a loud, boisterous, or otherwise improper manner, or be permitted to solicit business, with the exception of those Solicitation activities permitted pursuant to Section 5 of the Grounds Transportation Rules and Regulations, as they apply to on-Airport or Split Operation Concessionaires on Airport property. Company shall maintain a sufficient number of trained personnel to ensure that Customers of Company will receive prompt and courteous service at all time.

3. Company and its agents shall abide by the code of conduct as expressed in the Commercial Ground Transportation Rules and Regulations. The Authority has the right to monitor the level of service provided by Company through a Shopping Service.

K. **Shopping Service.** At any time during the Term of this Agreement, the Executive Director may hire an independent consultant to undertake a survey of the overall quality of the services and related equipment, and the capture of Gross Receipts as defined in Article 1.BB. (or the quality of one or more particular items thereof), and other Agreement compliance of Company under this Agreement, and the quality of the rental Automobile services sold in a first-class facility of similar type in other first-class airports. If the survey indicates that the quality of any service provided by Company is below that of a facility of similar type in other first-class airports, the Executive Director may send a written notice to Company specifying the deficiencies in the quality of its service noted in the survey, and direct Company to make the required improvements within fifteen (15) calendar days from the date of receipt of such written notice (or such greater period of time that the Executive Director may allow) and to promptly advise Executive Director in writing of the corrective measures Company has taken.

The Executive Director shall have the right (without limitation) to monitor and test the quality of Company's services and the effectiveness of its transaction handling procedures, through the use of a professional shopping service employed by the Authority. In the event that the Authority determines through the use of such shopping service or other Authority representative(s) that the level of Company's service is below that required under the terms of this Agreement, or that Company's transactions are not being properly recorded, or goods, services or prices offered by Company are being misrepresented by Company, then Company shall immediately undertake the correction of the identified problem.

L. **Customer Complaints.** In the event that the Authority receives and forwards to Company any written complaint concerning Company's operation of the Concession under this or any other agreement between Company and the Authority, Company shall promptly respond to such complaint in writing within thirty (30) calendar days of its receipt, and make a good faith attempt to explain, resolve or rectify the cause of the complaint. Without further notice or demand, Company shall keep a copy of Company's written response for a period of one (1) year from the date of the complaint, and shall submit to the Authority a copy of the written response thereto, on a reasonably timely basis after such response is recorded.

M. **No Smoking Policy.** Except for areas otherwise designated by the Authority, the Airport is a non-smoking facility and Company expressly agrees to abide by the Authority's

no smoking policy.

N. **FAA Approval.** This Agreement may be subject to approval by the Federal Aviation Administration ("FAA"). If the FAA disapproves of this Agreement, it shall become null and void, and both parties shall bear their own expenses relative to this Agreement.

O. **Subordination to Trust Agreement.** This Agreement and all rights of Company hereunder are expressly subordinated and subject to the lien and provisions of any pledge, transfer, hypothecation or assignment made (at any time) by the Authority to secure financing. This Agreement is subject and subordinate to the terms, covenants and conditions of the Trust Agreement made by the Authority authorizing the issuance of bonds by the Authority. Conflicts between this Agreement and the documents mentioned herein shall be resolved in favor of such documents.

P. **Headings.** The headings contained herein, including the Table of Contents, are for convenience in reference, and are not intended to define or limit the scope of any provisions of this Agreement. If for any reason there is a conflict between content and headings, the content will control.

Q. **Federal Right to Reclaim.** In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof, wherein the Premises are located, for public purposes, then this Agreement shall thereon terminate, and the Authority and Agreement shall be released and fully discharged from any and all liability hereunder.

R. **Relationship to Parties.** Company is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and the Authority shall in no way be responsible therefore.

S. **Operating Procedures.** Company agrees to establish and follow procedures to prevent congestion in its facilities. Company personnel shall make every effort possible to correct congestion problems when they occur on Level I, including following the directions of the Authority's representative(s).

T. **Employee Parking.** Employee parking will be provided by the Authority at an employee parking lot that is not adjacent to the Terminal Complex, but the Authority will provide shuttle service between such parking lot and the Terminal Complex. Use of the employee parking lot shall be subject to the Authority's rules and regulations, including payment of fees and any taxes for the employee parking lot and shuttle service set by the Authority, and subject to change from time to time at the Authority's discretion.

APPENDIX 2 – REQUIRED COVENANTS

A. **Agreements with the United States, State of Florida, County of Orange and City of Orlando.** This Agreement shall be subject to all restrictions of record affecting the Airport and the use thereof, all federal, state, county and city laws, and regulations affecting the same, and shall be subject and subordinate to the provisions of any and all existing agreements between the Authority and the City of Orlando, and those between the Authority or the City of Orlando and the United States of America, the State of Florida, or the County of Orange, or their boards, agencies or commissions, and to any future agreements between or among the foregoing relative to the operation or maintenance of the Airport, the execution of which may be required as a condition precedent to the expenditure of federal, state, county or city funds for the development of the Airport, or any part thereof. All provisions hereof shall be subordinate to the right of the United States to occupy or use the Airport, or any part thereof, during time of war or national emergency.

B. **Right to Amend.** In the event that the Federal Aviation Administration or its successors require modifications or changes in this Agreement as a condition precedent to the granting of its approval, or to the obtaining of funds for improvements at the Airport, Company hereby consents to any and all such modifications and changes as may be reasonably required.

C. **Covenants Against Discrimination.**

1. Company on behalf of itself, its successors in interest and its assigns, as a part of the consideration hereof, does hereby covenant and agree that: (a) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Premises or the Airport; (b) that in the construction of any Improvements at the Airport and the furnishing of services in connection therewith, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (c) that Company shall operate at the Airport in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally assisted programs of the Department of Transportation-effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. Likewise, Company shall comply with laws of the State of Florida, prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. Should Company authorize another person or entity, with the Authority's prior written consent, to provide services or benefits in or in connection with its rights or obligations under this Agreement, Company shall obtain from such person or entity a written agreement pursuant to which such person or entity shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this paragraph. Company shall furnish the original or a true copy of such agreement to the Authority.

2. Company will provide all information and reports required by said regulations, or by directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the

Authority or the Federal Aviation Administration to be pertinent to ascertain whether there has been compliance with said Regulations and directives. Where any information required of Company is in the exclusive possession of another who fails or refuses to furnish this information, Company shall so certify to the Authority or the Federal Aviation Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

3. In the event of a breach of any of the above non-discrimination covenants, the Authority shall have the right to impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate. Such rights shall include the right to terminate this Agreement and to re-enter and repossess the Premises and the improvements thereto, and hold the same as if this Agreement had never been made. The rights granted to the Authority by the foregoing sentence shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed, including exercise or expiration of appeal rights.

4. Company assures the Authority that no person shall be excluded on the grounds of race, creed, color, national origin or sex from participating in or receiving the services or benefits of any program or activity covered by Title 14, Code of Federal Regulations, Part 152, Subpart E, Federal Aviation Administration, Non-discrimination in Airport Aid Program, and that it will be bound by and comply with all other applicable provisions of such Subpart E, as it may be amended from time to time. Company also assures the Authority that it will require its covered suborganizations to provide assurances to the same effect and provide copies thereof to the Executive Director.

5. Company further assures the Authority that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall on the grounds of race, creed, color, national origin, sex, age or handicap be excluded from participating in any activity conducted at or in connection with its Concession at the Premises. Company also assures the Authority that it will require its contractors and sublessees to provide assurances to the same effect and ensure that such assurances are included in contracts and subleases at all tiers, which are entered into in connection with Company's Concession at the Premises.

6. a. This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23, subpart F. Company agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR Part 23, subpart F.

b. Company agrees to include the above statements in any subsequent concession agreements that it enters and cause those businesses to similarly include the statements in further agreements.

7. The Authority may from time to time be required by the United States Government, or one or more of its agencies, to adopt additional or amended provisions including non-discrimination provisions concerning the use and operation of the Airport, and Company agrees that it will adopt such requirements as part of this Agreement.

D. **Right to Modify.** The parties hereto covenant and agree that, during the Term hereof, the Authority may unilaterally modify this Agreement upon advice of its legal counsel, in order to conform to judicial or Federal Trade Commission rulings or opinions. This Article shall not preclude Company from contesting said rulings or opinions, but Company shall abide by the unilateral change while such a challenge is pending. Except as otherwise specifically provided in this Agreement, this Agreement may not be modified except by a written instrument signed by both parties.

E. **Tax Exempt Status of the Authority's Revenue Bonds.** Company agrees to promptly comply with any applicable provisions of any federal tax statute, and all regulations or other binding authority promulgated or decided thereunder, as required to permit the Authority's capital expansion projects to be planned and constructed by the Authority with revenue bonds the interest on which is generally exempt from federal income taxation, other than any applicable individual or corporate alternative minimum taxes (and other than during any period while such revenue bonds are held by a "substantial user" of the projects financed by such revenue bonds or a "related person" to a "substantial user").

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APPENDIX C

QUARTERLY FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT AUDITORS THEREON FOR THE PERIODS ENDED JUNE 30, 2008 AND 2009

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Independent Certified Public Accountants' Review Report

We have reviewed the accompanying balance sheets of the Orlando International Airport (a department of the Greater Orlando Aviation Authority) as of June 30, 2009 and the related statements of revenues, expenses and changes in net assets, and cash flows for the nine month periods ended June 30, 2009 and 2008, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Greater Orlando Aviation Authority (the Authority).

A review consists principally of inquiries of Authority personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the interim financial statements taken as a whole. Accordingly, we do not express such an opinion.

As discussed in Note 1, the financial statements of the Orlando International Airport are intended to present the financial position and the changes in financial position, and cash flows of only that portion of the activities of the Authority that is attributable to the transactions of the Orlando International Airport. They do not purport to, and do not, present fairly the financial position of the Authority as of June 30, 2009, and the changes in its financial position and its cash flows for the nine month periods ended June 30, 2009 and 2008, in conformity with accounting principles generally accepted in the United States.

Based on our review, we are not aware of any material modifications that should be made to the accompanying June 30, 2009 and 2008 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States.

The balance sheet of the Orlando International Airport as of September 30, 2008, was audited by us and we expressed an unqualified opinion on that statement in relation to the financial statements of the Authority as a whole in our report dated January 12, 2009, but we have not performed any auditing procedures since that date.

Ernst & Young LLP

August 11, 2009

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
BALANCE SHEETS - UNAUDITED
(in thousands)

	June 30, <u>2009</u>	September 30, <u>2008</u>
ASSETS		
Current Assets:		
Unrestricted:		
Cash and cash equivalents	\$ 147,782	\$ 94,717
Accounts and grants receivable, less allowance for uncollectibles of \$46 and \$128	11,331	14,484
Investments	14,998	8,943
Interest receivable	90	508
Prepaid expenses	7,211	5,931
Due from Orlando Executive Airport	<u>530</u>	<u>351</u>
Total unrestricted assets	<u>181,942</u>	<u>124,934</u>
Restricted:		
Cash and cash equivalents	365,460	279,117
Accounts and grants receivable	16,685	41,855
Investments	-	75,755
Interest receivable	459	2,038
Prepaid expenses	<u>274</u>	<u>1,255</u>
Total restricted current assets	<u>382,878</u>	<u>400,020</u>
Total current assets	<u>564,820</u>	<u>524,954</u>
Noncurrent Assets		
Investments, unrestricted	11,186	24,528
Investments, restricted	<u>45,786</u>	<u>138,862</u>
Total noncurrent investments	<u>56,972</u>	<u>163,390</u>
Capital assets, net of accumulated depreciation:		
Property and equipment	1,290,636	1,138,216
Property held for lease	492,124	513,692
Construction in progress	<u>246,992</u>	<u>313,812</u>
Total capital assets, net of accumulated depreciation	<u>2,029,752</u>	<u>1,965,720</u>
Total noncurrent assets	<u>2,086,724</u>	<u>2,129,110</u>
 Total Assets	 <u>\$ 2,651,544</u>	 <u>\$ 2,654,064</u>

See accompanying accountants' review report and notes to financial statements

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
BALANCE SHEETS - UNAUDITED
(in thousands)

	June 30, <u>2009</u>	September 30, <u>2008</u>
LIABILITIES		
Current Liabilities (Payable from Current Assets):		
Accounts payable and accrued liabilities	\$ 33,377	\$ 25,317
Deferred revenue	3,905	3,665
Deposits	5,231	5,168
Advance rent from tenants	6,774	5,026
Accrued airline revenue sharing	<u>12,568</u>	<u>-</u>
Total current liabilities (payable from current assets)	<u>61,855</u>	<u>39,176</u>
Current Liabilities (Payable from Restricted Assets):		
Accrued interest	12,474	25,239
Accounts payable and accrued liabilities	33,468	43,914
Deferred revenue	881	15,456
Notes payable, current	71,772	2,003
Revenue bonds payable, current	<u>65,808</u>	<u>171,430</u>
Total current liabilities (payable from restricted assets)	<u>184,403</u>	<u>258,042</u>
Total current liabilities	<u>246,258</u>	<u>297,218</u>
Noncurrent Liabilities:		
Notes payable, long-term	-	127,256
Revenue bonds payable, long-term	1,029,195	919,352
Other long-term liabilities	<u>14,780</u>	<u>9,489</u>
Total noncurrent liabilities	<u>1,043,975</u>	<u>1,056,097</u>
Total liabilities	<u>1,290,233</u>	<u>1,353,315</u>
NET ASSETS		
Invested in capital assets, net of related debt	981,725	883,539
Restricted:		
For debt service	137,690	170,579
For capital acquisitions	90,452	114,141
Unrestricted	<u>151,444</u>	<u>132,490</u>
Total net assets	<u>1,361,311</u>	<u>1,300,749</u>
 Total Liabilities and Net Assets	 <u>\$ 2,651,544</u>	 <u>\$ 2,654,064</u>

See accompanying accountants' review report and notes to financial statements

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS-UNAUDITED
For the Nine Months Ended June 30,
(in thousands)**

	<u>2009</u>	<u>2008</u>
Operating Revenues		
Airfield area	\$ 27,511	\$ 30,387
Terminal area	93,156	83,450
Hotel	24,921	32,114
Other buildings and grounds	11,637	10,060
Ground transportation	<u>87,516</u>	<u>95,914</u>
Total operating revenues	<u>244,741</u>	<u>251,925</u>
Operating Expenses		
Operations and facilities	85,191	87,179
Safety and security	11,592	11,713
Administration	19,509	21,054
Hotel	19,464	21,789
Other	<u>9,348</u>	<u>8,905</u>
Total operating expenses	<u>145,104</u>	<u>150,640</u>
Operating income before depreciation	99,637	101,285
Depreciation	<u>(75,200)</u>	<u>(70,771)</u>
Operating income	24,437	30,514
Non-Operating Revenues (Expenses)		
Investment income	9,023	15,290
Interest expense	(49,770)	(49,271)
Signatory airline net revenue sharing	(12,568)	-
Passenger facility charges	48,660	59,512
Customer facility charges	16,863	-
Federal, state and other grants	458	1,302
Other	<u>(77)</u>	<u>613</u>
Income before capital contributions and contributions to Orlando Executive Airport	37,026	57,960
Capital Contributions	25,732	16,866
Contributions to Orlando Executive Airport	<u>(4)</u>	<u>(117)</u>
Increase in net assets	62,754	74,709
Total Net Assets, Beginning of Period	1,300,749	1,150,496
Pollution Remediation Obligation Adjustment	<u>(2,192)</u>	<u>-</u>
Total Net Assets, Beginning of Period – Restated	1,298,557	1,150,496
Total Net Assets, End of Period	<u>\$ 1,361,311</u>	<u>\$ 1,225,205</u>

See accompanying accountants' review report and notes to financial statements

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF CASH FLOWS-UNAUDITED
For the Nine Months Ended June 30,
(in thousands)**

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities		
Cash received from customers and tenants	\$ 236,801	\$ 255,572
Cash paid to suppliers	(99,088)	(103,680)
Cash paid to employees for services	<u>(36,551)</u>	<u>(36,439)</u>
Net cash provided by operating activities	<u>101,162</u>	<u>115,453</u>
Cash flows from non-capital financing activities		
Operating grants and passenger facility charges received	<u>2,250</u>	<u>3,389</u>
Net cash provided by non-capital financing activities	<u>2,250</u>	<u>3,389</u>
Cash flows from capital and related financing activities		
Proceeds from issuance of bonds	185,948	283,214
Proceeds from issuance of commercial paper	25,015	62,000
Passenger facility charges	44,281	58,038
Customer facility charges	15,176	-
Bond issue costs	(1,023)	(5,149)
Principal payments – bonds and notes	(257,895)	(337,250)
Swap termination payment	(11,096)	(25,724)
Interest paid	(56,911)	(48,814)
Acquisition and construction of capital assets (including capitalized interest)	(148,643)	(161,147)
Capital contributed by federal grants and state agencies	<u>54,737</u>	<u>11,125</u>
Net cash used for capital and related financing activities	<u>(150,411)</u>	<u>(163,707)</u>
Cash flows from investing activities		
Purchase of investments	(148,201)	(324,233)
Proceeds from sale and maturity of investments	325,688	245,520
Interest received	<u>8,920</u>	<u>16,496</u>
Net cash provided by (used for) investing activities	<u>186,407</u>	<u>(62,217)</u>
Net increase (decrease) in cash and cash equivalents	139,408	(107,082)
Cash and Cash Equivalents, Beginning of Period	<u>373,834</u>	<u>412,941</u>
Cash and Cash Equivalents, End of Period (1)	<u>\$ 513,242</u>	<u>\$ 305,859</u>
(1) Cash and Cash Equivalents – Current Assets	\$ 147,782	\$ 92,417
Cash and Cash Equivalents – Restricted Assets	<u>365,460</u>	<u>213,442</u>
	<u>\$ 513,242</u>	<u>\$ 305,859</u>

See accompanying accountants' review report and notes to financial statements

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF CASH FLOWS-UNAUDITED
For the Nine Months Ended June 30,
(in thousands)**

	<u>2009</u>	<u>2008</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	<u>\$ 24,437</u>	<u>\$ 30,514</u>
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	75,200	70,771
(Increase) Decrease in operating assets		
Accounts and grants receivable	4,763	7,325
Prepaid expenses	(1,280)	(1,439)
Operating revenue settlement	-	(35)
Increase (Decrease) in operating liabilities		
Accounts payable and accrued liabilities	10,566	5,120
Deferred revenue	(14,335)	(1,772)
Deposits	63	130
Advance rent from tenants	<u>1,748</u>	<u>4,839</u>
Total adjustments	<u>76,725</u>	<u>84,939</u>
Net cash provided by operating activities	<u>\$ 101,162</u>	<u>\$ 115,453</u>

Noncash Investing, Capital and Financing Activities

Increase (Decrease) in fair value of investments	\$ 1,257	\$ (159)
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See accompanying accountants' review report and notes to financial statements

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS-UNAUDITED
For the Nine Months Ended June 30, 2009**

1. ORGANIZATION AND PURPOSE

The Orlando International Airport (OIA) functions as a self-supporting department operated by the Greater Orlando Aviation Authority (the "Authority") and uses the accrual method of accounting.

The Authority also operates Orlando Executive Airport (OEA). The department financial statements of Orlando Executive Airport are presented separately in the report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited department financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine month period ended June 30, 2009 are not necessarily indicative of the results that may be expected for the year ending September 30, 2009. For further information, refer to the financial statements and footnotes thereto included in the Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2008.

The GASB issued Statement No. 49 (GASB 49), *Accounting and Financial Reporting for Pollution Remediation Obligations*, in November 2006, which affects the Authority beginning in fiscal year 2009. GASB 49 provides accounting and financial reporting standards for pollution remediation obligations as well as disclosure requirements. In accordance with GASB 49, the Authority expenses environmental expenditures (except in cases where the expenditures require capitalization) and records liabilities when obligations have been incurred and the costs can be reasonably estimated. Disclosure related to that liability is discussed in Note 13. Upon adoption of GASB 49, the Authority recorded the cumulative effect of a change in accounting by increasing the liability for remediation costs and reducing net assets as well as reclassifying several asset and liability accounts. The fiscal year 2008 financial statements have not been restated as the information is not available to determine the impact on the financial statements as of October 1, 2007, although the Authority expects such amounts to be immaterial.

Beginning October 1, 2008, the Authority began collecting a Customer Facility Charge (CFC) from rental car customers. The proceeds of the CFCs will be used exclusively to finance capital projects to service the rental car companies operating from the terminal. The Authority has classified the CFCs as nonoperating revenues. Collection of the CFCs is set to end once the projects have been paid for.

3. CASH DEPOSITS AND INVESTMENTS

The Authority's cash and cash equivalents balances include amounts deposited with the Florida State Board of Administration's Local Government Investment Pool, as well as amounts deposited with commercial banks in interest-bearing and non-interest bearing demand accounts. 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.

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS-UNAUDITED
For the Nine Months Ended June 30, 2009**

3. CASH DEPOSITS AND INVESTMENTS (continued)

The Florida Security for Public Deposits 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 No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires the adjustment of the carrying value 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 Local Government Investment Pool 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 June 30, 2009 and September 30, 2008, the fair value of all securities regardless of the balance sheet classification was as follows (in thousands):

	June 30, 2009	September 30, 2008
U.S. Treasury and government agency securities	\$ 71,510	\$ 288,236
Commercial paper	-	24,884
Local government investment pool	1,538	9,256
Money market funds	313,716	167,020
Securities total	<u>\$ 386,764</u>	<u>\$ 489,396</u>

These securities are classified on the balance sheet as follows (in thousands):

	June 30, 2009	September 30, 2008
Current assets:		
Unrestricted:		
Cash and cash equivalents	\$ 147,782	\$ 94,717
Investments	14,998	8,943
Restricted:		
Cash and cash equivalents	365,460	279,117
Investments	-	75,755
Noncurrent assets:		
Investments, unrestricted	11,186	24,528
Investments, restricted	45,786	138,862
Total cash and investments	585,212	621,922
Adjustment for cash balances included in cash and cash equivalents	(198,448)	(132,526)
Total securities, at fair value	<u>\$ 386,764</u>	<u>\$ 489,396</u>

See accompanying accountants' review report

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS-UNAUDITED
For the Nine Months Ended June 30, 2009**

3. CASH DEPOSITS AND INVESTMENTS (continued)

The Authority is authorized to invest in securities as described in its investment policy and in each bond resolution. As of June 30, 2009, OIA held the following investments as categorized below in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosure*:

Investment Maturities (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 securities	\$ 14,998	\$ 25,052	\$ 12,308	\$ 19,152	\$ 71,510
Local government investment pool	1,077	-	461	-	1,538
Money market funds	313,716	-	-	-	313,716
	<u>\$ 329,791</u>	<u>\$ 25,052</u>	<u>\$ 12,769</u>	<u>\$ 19,152</u>	<u>\$ 386,764</u>

The Authority recorded investments reallocated by the State Board of Administration (SBA) Fund B local government investment pool during the fiscal year ended September 30, 2008. The SBA disclosed the weighted average maturity of investments held in Fund B at June 30, 2008 as being 9.22 years. Therefore, the maturity date of investments held in Fund B has been adjusted to September 16, 2017. Fund B is described in more detail under *Credit Risk*.

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 come 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 each security.

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 AAA by S&P and Aaa by Moody's at the time of purchase.

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS-UNAUDITED
For the Nine Months Ended June 30, 2009**

3. CASH DEPOSITS AND INVESTMENTS (continued)

As of September 30, 2007, the Authority had \$91.6 million invested in the State Board of Administration's Local Government Investment Pool (Pool). On November 2, 2007, the Authority withdrew \$10.0 million for liquidity purposes, and on November 15, 2007, the Authority withdrew another \$57.0 million, leaving a balance of about \$25.1 million invested in the Pool. On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Fund, coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub-prime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate Funds; Fund A consisted of all money market appropriate assets, which was approximately \$12.0 billion or 86% of Pool assets and Fund B consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately \$2.1 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Fund A and Fund B.

As of December 7, 2007, the SBA allowed participants to withdraw 15% of their balance or \$2.0 million, whichever was greater, without penalty from each account in Fund A. Withdrawals from Fund A in excess of the above limit are subject to a 2% redemption fee while there was not a redemption fee to withdraw new deposits. On December 7, 2007, the Authority exercised its option to withdraw (without penalty) \$13.5 million from Fund A, leaving a balance of \$11.5 million in the two pools. On December 21, 2007, Standard and Poor's Ratings Services assigned its "AAAm" principal stability fund rating to Fund A. On May 15, 2008, the SBA raised the liquidity ceiling of Fund A from 37% to 50% of original Fund A balances, with a minimum ceiling of \$8.0 million per account. On September 25, 2008, the SBA raised the liquidity ceiling of Fund A from 50% to 65% of original Fund A balances.

The SBA does not allow participants to withdraw funds from Fund B. As maturities occur in Fund B, the SBA transfers the monies from Fund B to Fund A. Since the SBA established Fund B, they have released approximately \$2.6 million of the Authority's funds into Fund A.

As of June 30, 2009, the Authority had \$2.1 million of OIA funds invested in the Pool with \$1.1 million in Fund A and \$1.0 million invested in Fund B. An entry to adjust the fair value of Fund B by \$0.5 million to reflect the approximate fair value of Fund B investments during the nine months ended June 30, 2009 reduced the combined value of the Fund A and Fund B to \$1.5 million. Additional information regarding the Local Government Surplus Funds Trust Fund 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 June 30, 2009, the Authority held investments exceeding 5 percent of the total investment portfolio with one issuer; Federal Home Loan Mortgage Corporation (6.2%). At September 30, 2008, the Authority held investments exceeding 5 percent of the total investment portfolio with three issuers; Federal Home Loan Bank (28.7%), Federal Home Loan Mortgage Corporation (13.9%), and Federal National Mortgage Association (8.8%). Each of the investments are rated either AAA 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.

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS-UNAUDITED
For the Nine Months Ended June 30, 2009**

4. 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. Majority-in-Interest approval of the Signatory Airlines was granted for (1) the issuance of commercial paper to fund various capital improvements that impact rates and charges at Orlando International Airport, and (2) the use of Airport Facilities Improvement and Development assets to pay all or a portion of project costs with reimbursement from commercial paper, state and federal grants, passenger facility charges, and/or revenue bonds. Composition of restricted accounts is as follows:

Restricted Assets (in thousands)		
	June 30, 2009	September 30, 2008
Debt Service Accounts	\$ 153,960	\$ 197,710
Capital Acquisition Accounts	177,656	218,015
Bond Construction Accounts	59,788	61,183
Passenger Facility Charges Account	13,495	16,132
Customer Facility Charges Account	(9,094)	-
Operating Reserve Account	32,859	32,261
Prepaid Airlines Fees and Charges Account	-	13,581
Total Restricted Assets	<u>\$ 428,664</u>	<u>\$ 538,882</u>

See accompanying accountants' review report

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS-UNAUDITED
For the Nine Months Ended June 30, 2009**

5. CAPITAL ASSETS

A summary of capital asset activity for the nine months ended June 30, 2009 is as follows (in thousands):

	Balance October 1, 2008	Additions and Reclass- ifications	Deductions	Balance June 30, 2009
Property and Equipment				
Capital assets not being depreciated				
Land	\$ 238,133	\$ -	\$ -	\$ 238,133
Assets held for future use	<u>99,602</u>	<u>-</u>	<u>-</u>	<u>99,602</u>
	<u>337,735</u>	<u>-</u>	<u>-</u>	<u>337,735</u>
Other property and equipment				
Buildings	267,187	729	-	267,916
Improvements	1,253,430	186,300	-	1,439,730
Equipment	76,257	17,676	739	93,194
Motor vehicles	<u>18,861</u>	<u>1,493</u>	<u>573</u>	<u>19,781</u>
	<u>1,615,735</u>	<u>206,198</u>	<u>1,312</u>	<u>1,820,621</u>
Accumulated Depreciation				
Buildings	94,209	6,737	-	100,946
Improvements	648,947	39,762	-	688,709
Equipment	58,932	5,906	591	64,247
Motor vehicles	<u>13,166</u>	<u>1,215</u>	<u>563</u>	<u>13,818</u>
	<u>815,254</u>	<u>53,620</u>	<u>1,154</u>	<u>867,720</u>
Net Property and Equipment	<u>1,138,216</u>	<u>152,578</u>	<u>158</u>	<u>1,290,636</u>
Property Held for Lease				
Capital assets not being depreciated				
Land	<u>4,473</u>	<u>-</u>	<u>-</u>	<u>4,473</u>
Other capital assets held for lease				
Buildings	853,069	4	-	853,073
Improvements	<u>75,540</u>	<u>8</u>	<u>-</u>	<u>75,548</u>
	<u>928,609</u>	<u>12</u>	<u>-</u>	<u>928,621</u>
Accumulated Depreciation				
Buildings	385,912	18,541	-	404,453
Improvements	<u>33,478</u>	<u>3,039</u>	<u>-</u>	<u>36,517</u>
	<u>419,390</u>	<u>21,580</u>	<u>-</u>	<u>440,970</u>
Net Property Held for Lease	<u>513,692</u>	<u>(21,568)</u>	<u>-</u>	<u>492,124</u>
Construction in Progress				
Capital assets not being depreciated				
Construction in Progress	<u>313,812</u>	<u>135,235</u>	<u>202,055</u>	<u>246,992</u>
Net Capital Assets	<u>\$ 1,965,720</u>	<u>\$ 266,245</u>	<u>\$ 202,213</u>	<u>\$ 2,029,752</u>

See accompanying accountants' review report

**GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS-UNAUDITED
For the Nine Months Ended June 30, 2009**

6. NON-CURRENT LIABILITIES

A summary of long-term liability activity for the nine months ended June 30, 2009 is as follows (in thousands):

	Balance October 1, 2008	Additions	Deductions	Balance June 30, 2009	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1997	\$ 26,080	\$ -	\$ -	\$ 26,080	\$ 8,200	\$ 17,880
Series 1998	18,765	-	3,040	15,725	2,815	12,910
Series 1999A	184,950	-	695	184,255	14,160	170,095
Series 1999B	12,300	-	265	12,035	275	11,760
Series 2002A	48,325	-	1,040	47,285	1,080	46,205
Series 2002B	109,410	-	445	108,965	465	108,500
Series 2002C	14,940	-	14,940	-	-	-
Series 2002D Taxable	650	-	650	-	-	-
Series 2002E	128,745	-	128,745	-	-	-
Series 2003A	61,335	-	7,440	53,895	425	53,470
Series 2007A	141,485	-	-	141,485	-	141,485
Series 2008A	248,070	-	-	248,070	8,930	239,140
Series 2008B	26,110	-	8,655	17,455	17,455	-
Series 2008C	-	75,000	3,977	71,023	6,193	64,830
Series 2009A	-	98,550	-	98,550	-	98,550
Series 2009B	-	11,275	-	11,275	-	11,275
Subordinated Indebtedness						
Series 1998B Gulf Breeze	690	-	690	-	-	-
Series 1998C Gulf Breeze	19,290	-	1,410	17,880	2,200	15,680
Series 2002A Taxable	17,290	-	3,415	13,875	3,610	10,265
Secondary Subordinated Indebtedness						
Series 1997	90,055	-	-	90,055	-	90,055
Total Revenue Bonds	<u>1,148,490</u>	<u>184,825</u>	<u>175,407</u>	<u>1,157,908</u>	<u>65,808</u>	<u>1,092,100</u>
Less unamortized discounts and premiums	3,931	(344)	(137)	3,724	-	3,724
Less unamortized deferred amounts	<u>53,777</u>	<u>12,108</u>	<u>6,704</u>	<u>59,181</u>	<u>-</u>	<u>59,181</u>
Net Revenue Bonds	<u>1,090,782</u>	<u>173,061</u>	<u>168,840</u>	<u>1,095,003</u>	<u>65,808</u>	<u>1,029,195</u>
Notes Payable						
Commercial Paper	129,259	25,015	82,488	71,786	71,786	-
Less unamortized discounts	-	14	-	14	14	-
Net Notes payable	<u>129,259</u>	<u>25,001</u>	<u>82,488</u>	<u>71,722</u>	<u>71,722</u>	<u>-</u>
Other Liabilities						
Other Post-Employment Benefits	9,489	3,833	595	12,727	-	12,727
Pollution Remediation Liability	2,192	65	89	2,168	115	2,053
Total Other Liabilities	<u>11,681</u>	<u>3,898</u>	<u>684</u>	<u>14,895</u>	<u>115</u>	<u>14,780</u>
Total Long Term Liabilities	<u>\$ 1,231,722</u>	<u>\$ 201,960</u>	<u>\$ 252,012</u>	<u>\$ 1,181,670</u>	<u>\$ 137,695</u>	<u>\$1,043,975</u>

See accompanying accountants' review report

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6. NON-CURRENT LIABILITIES (continued)

A schedule of debt maturities is as follows (in thousands):

	<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
Revenue Bonds			
	2009	\$ 1,522	\$ 704
	2010	65,878	53,560
	2011	68,891	51,632
	2012	72,427	48,060
	2013	74,232	44,345
	2014-2018	374,983	161,817
	2019-2023	297,410	75,577
	2024-2028	151,855	26,203
	2029-2033	50,710	3,565
		<u>1,157,908</u>	<u>\$ 465,463</u>
Less unamortized premiums and discounts		(3,724)	
Less unamortized deferred amounts		(59,181)	
Total Revenue Bonds		<u>\$ 1,095,003</u>	
 Notes Payable			
	2010	\$ 71,786	
Less unamortized discounts		(14)	
Total Notes Payable		<u>\$ 71,772</u>	

7. CAPITAL CONTRIBUTIONS

Grants and other contributions used to acquire capital assets are classified as capital contributions. Capital contributions consisted of the following for the nine months ended June 30, (in thousands):

	<u>2009</u>	<u>2008</u>
Federal grants	\$ 14,418	\$ 9,345
State of Florida grants	9,585	6,971
Other grants	<u>1,729</u>	<u>550</u>
	<u>\$ 25,732</u>	<u>\$ 16,866</u>

See accompanying accountants' review report

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8. OUTSTANDING CONTRACTS

As of June 30, 2009, the Authority had entered into contracts related to OIA totaling approximately \$881.0 million for construction, engineering services and equipment, approximately \$107.0 million of which remains unincurred. Grants and passenger facility charges will be utilized to fund a portion of these projects.

9. CONTINGENT LIABILITIES

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.

10. PLEDGED REVENUES

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 2009. Proceeds from the bonds provided financing for various airport capital projects. The bonds are payable solely from the airport system revenues and are payable through the year 2033. 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 June 30, 2009 is \$1.6 billion with annual requirements ranging from \$2.2 million in 2009 to \$4.7 million in the final year, with the highest requirement of \$149.9 million in fiscal year 2014. For the nine month period ended June 30, 2009, principal and interest paid was \$135.3 million and total airport net revenues pledged for the year was \$133.7 million. The majority of the principal and interest was paid at October 1 and was funded with fiscal year 2008 revenue.

11. BOND ISSUANCE

On October 8, 2008 the Authority issued \$75.0 million in 2008C Series Airport Facilities Revenue Bonds (2008C) with an interest rate of 3.99% to pay off \$69.0 million of existing Commercial Paper. The remaining proceeds of \$6.0 million were deposited with a Special Trustee of which \$5.8 million will be used for construction costs and \$0.2 million for costs of issuance. The 2008C bonds are scheduled to mature on October 1, 2013.

12. DEFERRED AMOUNT ON REFUNDING OF BONDS

On June 16, 2009, the Authority issued \$98,550,000 in 2009A Series Airport Facilities Refunding Revenue Bonds (2009A) with a true interest rate of 5.77 percent and \$11,275,000 in 2009B Series Airport Facilities Refunding Revenue Bonds (2009B) with a true interest rate of 5.19 percent. The majority of the 2009A proceeds, in the amount of \$98,212,709, along with \$16,356,250 of Authority available funds were deposited into the Bank of New York escrow account to refund \$113,450,000 of outstanding 2002E bonds and pay estimated interest \$190,000 on July 1. The remaining 2009A proceeds and net premium totaling \$1,460,051 were used to pay related issuance costs. The 2009B proceeds of \$11,275,000 were used to pay a swap termination amount of \$11,096,000 related to the 2002E bonds and associated issuance costs.

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12. DEFERRED AMOUNT ON REFUNDING OF BONDS (continued)

The refunding resulted in a loss of \$4,654,259 between the reacquisition price and the net carrying amount of the old debt and swap termination payment, and is reported in the accompanying financial statements as a deduction from bonds payable. The deferred loss will be charged to operations over the remaining life of the 2002E bonds using the effective-interest method.

The Authority initiated the refunding to mitigate interest rate risk associated with the 2002E bonds and related swap, as a result of the bond insurer and liquidity facility provider rating downgrades, in addition to other related market events.

The 2002E bonds were considered defeased on June 16, 2009 upon deposit of the proceeds into the escrow account. Therefore, the liability was removed and is no longer reflected on the Authority's financial statements at June 30, 2009.

13. 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 approximately \$2.2 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 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 will recognize these recoveries in its financial statements as they become probable.

	Balance 10/1/08	Additions or adjustments	Payments Current Year	Balance 6/30/09
Net Pollution Remediation Liability Recorded	<u>\$2,191,984</u>	<u>\$ 65,000</u>	<u>\$ (88,860)</u>	<u>\$2,168,124</u>
Disclosed as follows (shown as Pollution Remediation Liability)				
Due within one year	\$ 101,484	\$ 102,376	\$ (88,860)	\$ 115,000
Due after one year	<u>2,090,500</u>	<u>(37,376)</u>	<u>-</u>	<u>2,053,124</u>
	<u>\$2,191,984</u>	<u>\$ 65,000</u>	<u>\$ (88,860)</u>	<u>\$2,168,124</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.

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14. SIGNATORY AIRLINE LEASE AND USE AGREEMENT

Effective October 1, 2008 the Authority entered into new 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 fourteen airlines (collectively, the "Signatory Airlines"). The new Lease and Use Agreements will be effective through September 30, 2013. The key provisions of the new Lease and Use Agreements include a change from a residual to a compensatory rate-making methodology for the terminal building, an increasing amount of net remaining revenue for the Authority over the term of the Lease and Use Agreements and an increased scope of capital expenditures not subject to approval of the Signatory Airlines. Rates and charges are set annually based on budget, reviewed periodically during the year, and trued-up at year-end based on actual costs. In the event the yearly revenue as defined 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 is presented as a Non-Operating Expense on the Statements of Revenues, Expenses, and Changes in Net Assets.

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APPENDIX D

EXCERPTS OF THE AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2007 AND 2008

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Report of Independent Certified Public Accountants

Authority Board
Greater Orlando Aviation Authority:

We have audited the accompanying balance sheets of the Greater Orlando Aviation Authority (the Authority), as of September 30, 2008 and 2007, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States 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 the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Authority's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority at September 30, 2008 and 2007, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2009 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 audits.

The management's discussion and analysis and the schedules of funding progress as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Authority's basic financial statements. The introductory section, supplemental schedules, and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Ernst & Young LLP

January 12, 2009



GREATER ORLANDO AVIATION AUTHORITY

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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, 2008 and 2007, with selected comparative information for the fiscal year ended September 30, 2006. 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, 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 Flow 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

Enplanements at Orlando International Airport increased 2.3% in fiscal year 2008 over fiscal year 2007. The Authority expects enplanements to decline slightly in 2009 as a result of the economic downturn with a return to increases in subsequent years. Enplanements were up 3.0% in fiscal year 2007 from fiscal year 2006.

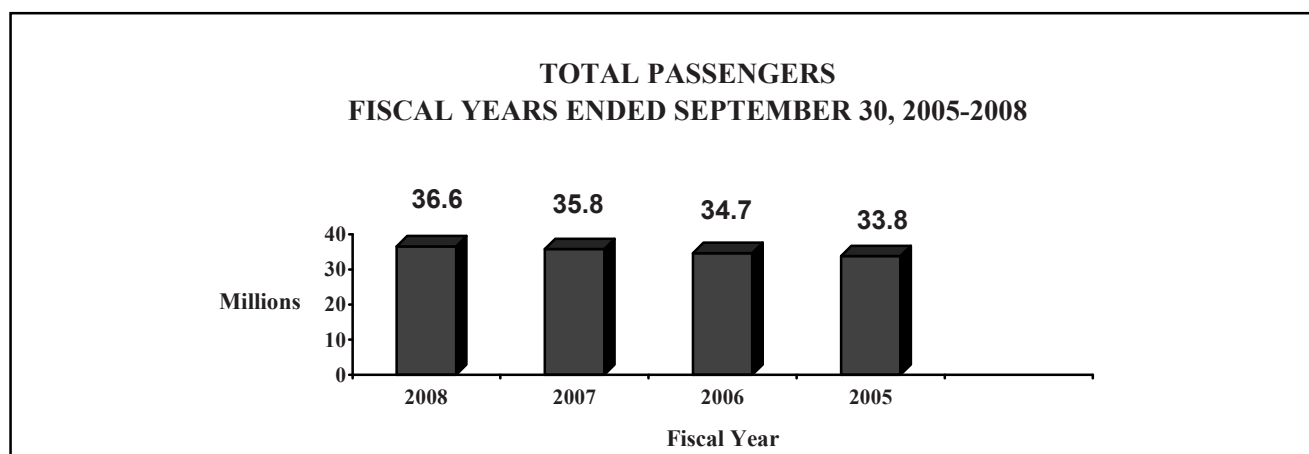
The following chart shows total enplaned passengers and flight operations (landings and take-offs) at Orlando International Airport for three-year comparative period:

ENPLANEMENTS AND OPERATIONS ACTIVITY FOR 2006 TO 2008

	2008	2007	2006
Enplaned Passengers	18,238,278	17,831,818	17,316,873
Operations	329,214	331,080	327,082

The Authority's total passengers served during fiscal year 2008 increased approximately 0.8 million from fiscal year 2007. This follows an increase of 1.1 million total passengers during fiscal year 2007 and an increase of 1.0 million total passengers during fiscal year 2006. The Authority continues to monitor changes in passenger levels, making adjustments when necessary to accommodate the demands of the airport facilities.

The following graph represents total passenger activity at Orlando International Airport for the fiscal years ended September 30.



Despite an overall increase in passengers for the year, many airlines struggled with the weakening economy and skyrocketing fuel prices during the second half of 2008. This compounded the existing pressures of dealing with labor costs and aging aircraft. The airlines responded to the pressures with attempts to cut costs where possible and increase fares when necessary. Several airlines announced reductions in capacity.

Though the Authority continued with capital initiatives including implementation of an in-line baggage screening system, the rehabilitation of Airside terminals 1 and 3, Airside terminal 4 improvements, and the start of design for other elements within the North Terminal Capacity Program, a careful evaluation of each project within the Capital Improvement Program was made to best determine the timing of each project and whether delaying implementation would be in the best interests of the Authority. The Program is capacity driven, and each component will be continually reevaluated based on changes in demand and capacity. Because of the slowdown in passenger activity and the uncertainty regarding the impact of the economy on the airline industry, the Authority will continue to actively seek to improve its facilities based on the demand characteristics of the traveling public and air carriers while weighing the effects of a weakened economy.

A variety of construction projects were completed during fiscal year 2008. The first two phases of the in-line baggage screening system were completed for the North terminal, as well as design of the future south terminal complex. Airfield projects include the rehabilitation of the Airside 2 and 4 ramps, while roadway projects completed include the widening of South Access Road. Ongoing projects include the final phase of the in-line baggage screening system, the rehabilitation of Airside terminals 1 and 3, Airside terminal 4 improvements, as well as the start of design for certain elements within the North Terminal Capacity Program. Orlando Executive Airport has completed the roofing replacement to the electrical vault building as well as the demolition of the old United Buffet building. Additionally, the Authority started projects to improve security fencing, airfield storm water drainage and environmental remediation of certain areas of the airport.

FINANCIAL HIGHLIGHTS

REVENUES

Orlando International Airport had a residual use and lease agreement with various signatory airlines that expired on September 30, 2008. This agreement provided for increases in rates and charges to meet any unanticipated cash shortfall, and sharing of any net surplus with the signatory airlines in the form of prepaid credits. On October 1, 2008, 2007 and 2006 (the beginning of the fiscal years,) signatory airline prepaid credits totaled \$13.6 million, \$18.7 million, and \$22.0 million, respectively. These balances are transferred to the Revenue Account as earned. Because of this transfer, signatory airlines generally have no cash requirement for the first three months of each fiscal year. The signatory airline revenues for fiscal years 2008, 2007, and 2006 represented about 31.6%, 23.5%, and 21.1% respectively, of total operating revenue.

The Authority negotiated a new Lease and Use Agreement relating to the use of the Airport effective October 1, 2008 through September 30, 2013. See the Subsequent Events disclosure (Note 23) for additional information.

The Authority's total revenues reflect increases in each of the last three years over the preceding years. The increases in revenues are the result of a stronger economy and renewed confidence in air safety. Those results are as follows:

TOTAL REVENUES (IN THOUSANDS)

	2008	2007	2006
Total Operating Revenues	\$ 346,666	\$ 302,568	\$ 284,312
Total Nonoperating Revenues	99,488	93,668	87,469
Total Revenues	\$ 446,154	\$ 396,236	\$ 371,781

OPERATING REVENUES

Overall, the operating revenues of the Authority increased \$44.1 million in fiscal year 2008, or 14.6% over the previous year primarily from increased airfield related revenue, terminal rent, concession, rental car parking and hotel revenues. 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 and an increase in total landing fees. The increase of \$10.9 million in terminal area revenue included concession revenue increases of \$2.0 million, as well as an increase of \$1.8 million for rental car, parking and other terminal area revenue. These increases are attributed to a 2.2% increase in passenger traffic. The hotel experienced an increase in revenue earnings of \$2.2 million over the prior year as a result of a slight increase in occupancy and a 2.7% increase in rates.

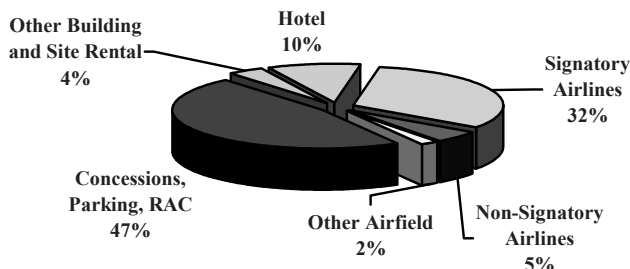
The operating revenues of the Authority increased \$18.3 million in fiscal year 2007 or 6.4% over the previous year primarily from increased airfield related revenue, terminal rent, concession, rental car parking and hotel revenues. Total airfield related revenue increased \$3.2 million over the prior year and is attributed to an increase in total landing fees. The increase of \$13.7 million in terminal area revenue included concession revenue increases of \$2.8 million, and rental car, parking and other terminal area revenue increases of \$8.7 million attributed to a 3.0% increase in passenger traffic. The hotel experienced an increase in revenue earnings of \$0.6 million over the prior year as a result of a 2.4% occupancy level increase and a 2.2% increase in rates.

OPERATING REVENUES BY MAJOR SOURCE (IN THOUSANDS)

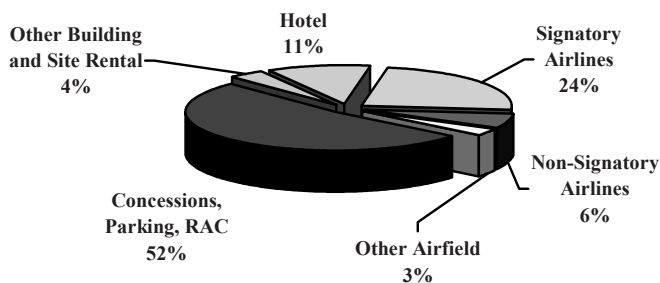
	2008	2007	2006
Signatory Airlines			
Net Landing Fees	\$ 52,441	\$ 20,202	\$ 14,005
Terminal Area Rents	57,122	50,764	45,981
Signatory Airline Revenues	109,563	70,966	59,986
Non-Signatory Airlines			
Landing Fees	4,857	5,519	8,657
Terminal Area Rents	11,618	10,918	13,715
Non-Signatory Airline Revenues	16,475	16,437	22,372
Other Airfield Revenues	8,280	9,558	9,442
Concession			
General Merchandise	15,749	14,531	13,007
Food and Beverage	12,283	11,526	10,220
Rental Car (RAC)	58,389	57,631	55,478
Public Auto Parking	52,587	54,172	47,655
Other Terminal Area	22,587	19,919	19,750
Concession	161,595	157,779	146,110
Other Building and Site Rentals	14,030	13,263	12,461
Hotel	36,723	34,565	33,941
Total Operating Revenues	\$ 346,666	\$ 302,568	\$ 284,312

The following charts show major sources and the percentage of operating revenues for the years ended September 30, 2008, 2007, and 2006.

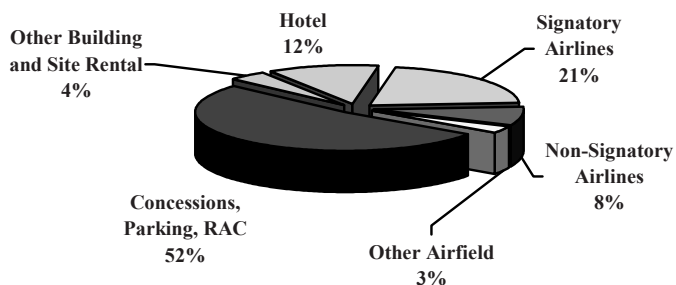
2008 Operating Revenue



2007 Operating Revenue



2006 Operating Revenue



NONOPERATING REVENUES

Nonoperating revenues consist mainly of investment income, passenger facility charges (PFCs), and federal and state operating grants. Investment income was \$19.6 million in fiscal year 2008, \$30.8 million in fiscal year 2007, and \$25.5 million in fiscal year 2006. During 2006 and 2007, interest rates rebounded from the lows of 2004; however, in 2008, interest rates decreased dramatically as a result of the Federal Open Market Committee cutting the Federal Funds Rate six times from 4.75% in September 2007 to 2.00% in September 2008. PFCs were \$70.7 million in fiscal year 2008, \$59.3 million in fiscal year 2007, and \$45.9 million in fiscal year 2006. The continuing growth is a result of increased passenger traffic and an increase from \$3.00 to \$4.50 in the PFC charge, effective July 1, 2007. Federal and state operating grants decreased from \$2.5 million in fiscal year 2007 to \$1.8 million in 2008 as the result of decreased expenses eligible for grant reimbursement.

OPERATING EXPENSES

Operating expenses, before depreciation, increased \$19.9 million, or 10.0%, from fiscal year 2007 to 2008 as a result of \$4.6 million for safety and security, \$3.0 million for various expenses associated with negotiation of the new airline agreement and various process improvements associated with this, an additional \$2.0 million for maintenance for the new in-line baggage system as well as \$1.5 million for higher variable hotel expenses attributed to increased occupancy. Retirement costs and general liability insurance also increased during the year. Total expenses, including depreciation, increased by \$23.0 million or 8.3% over fiscal year 2007 as depreciation expense increased \$3.1 million from completed capital projects. The Authority monitors operating expenses closely to ensure budget objectives are met.

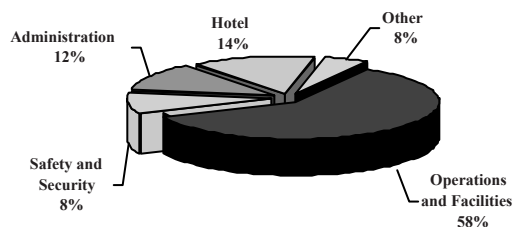
Operating expenses, before depreciation, increased \$9.8 million or 5.6% from fiscal year 2006 to 2007. Operating expenses, before depreciation, increased primarily due to the increase in operations and facilities. Maintenance contracts increased \$5.6 million, other contractual services increased \$1.4 million, janitorial services increased \$0.6 million, and utility services increased \$0.5 million. Total operating expense, including depreciation, increased by \$8.9 million or 3.3 percent, over fiscal year 2006. Depreciation expense decreased \$0.9 million in fiscal year 2007 and increased \$1.7 million in fiscal year 2006 from completed capital projects. The operating expenses of the Authority, before depreciation, increased \$7.4 million or 4.5 percent from fiscal year 2005 to 2006 from repairs undertaken as a result of the hurricanes.

OPERATING EXPENSES BY COST CENTER (IN THOUSANDS)

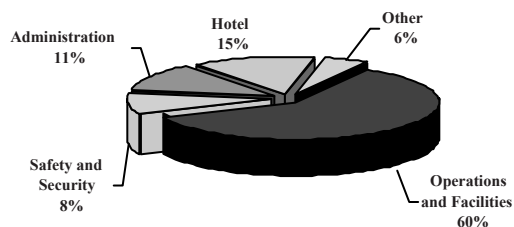
	2008	2007	2006
Operations and Facilities	\$ 117,444	\$ 109,595	\$ 102,056
Safety and Security	17,979	15,409	15,097
Administration	23,704	20,658	21,849
Hotel	28,008	26,505	24,995
Other	16,008	11,110	9,503
Total Operating Expenses Before Depreciation	203,143	183,277	173,500
Depreciation	96,442	93,352	94,220
Total Operating Expenses	\$ 299,585	\$ 276,629	\$ 267,720

The following charts show major cost centers and the percentage of operating expenses (excluding depreciation) for the years ended September 30, 2008, 2007, and 2006.

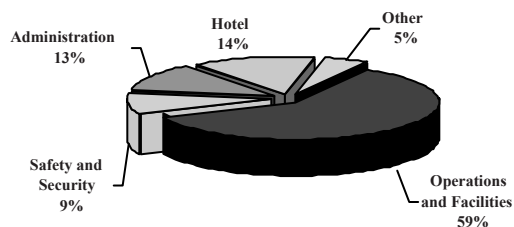
2008 Operating Expenses



2007 Operating Expenses



2006 Operating Expenses



NONOPERATING EXPENSES

Nonoperating expenses consist mainly of interest expense. Interest expense was \$64.1 million in fiscal year 2008, \$67.2 million in fiscal year 2007 and \$68.8 million in fiscal year 2006.

TOTAL EXPENSES (IN THOUSANDS)

	2008	2007	2006
Total Operating Expenses	\$ 299,585	\$ 276,629	\$ 267,720
Total Nonoperating Expenses	64,130	67,150	68,790
Total Expenses	\$ 363,715	\$ 343,779	\$ 336,510

CHANGES IN NET ASSETS

Capital contributions received from the federal and state governments amounted to \$69.9 million during fiscal year 2008. The Authority completed major construction projects, such as the first two phases of the in-line baggage screening system, design of the south terminal complex, Airside 2 and 4 ramps and the widening of South Access Road. Capital contributions decreased \$0.3 million in fiscal year 2007 from fiscal year 2006. Grant funding received on major projects for fiscal year 2008 are as follows:

	2008
In-line Baggage System	\$ 36.7
Rehabilitation of Airside 1 and 3	15.4
Automated People Mover Repairs	6.8
Additions to Fourth Runway	5.9
Additions to North Cross-field Taxiway	2.0
Airfield Lighting and Signage	0.9
Taxiway C Repairs and Pavement Markings	0.8
Miscellaneous	1.4
Total	\$ 69.9

The net assets for the fiscal years ended September 30, are as follows:

CHANGES IN NET ASSETS (IN THOUSANDS)

	2008	2007	2006
Operating Revenues	\$ 346,666	\$ 302,568	\$ 284,312
Operating Expenses	299,585	276,629	267,720
Operating Income	47,081	25,939	16,592
Other Nonoperating Revenues (Expenses)	35,358	26,518	18,679
Income Before Capital Contributions	82,439	52,457	35,271
Capital Contributions	69,876	47,639	47,959
Increase in Net Assets	\$ 152,315	\$ 100,096	\$ 83,230

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 is the difference between total assets and total liabilities and is an indicator of the current fiscal health of the Authority. The following is a summarized comparison of the Authority's assets, liabilities, and net assets at September 30:

NET ASSETS (IN THOUSANDS)

	2008	2007	2006
Assets:			
Current Assets			
Unrestricted Assets	\$ 165,742	\$ 152,125	\$ 122,706
Restricted Assets	400,020	352,702	303,862
Non-Current Assets	138,862	191,223	212,857
Capital Assets	2,008,382	1,897,728	1,842,947
Total Assets	2,713,006	2,593,778	2,482,372
Liabilities:			
Current (payable from unrestricted assets)	42,691	60,247	52,236
Current (payable from restricted assets)	258,042	132,849	129,461
Non-Current Liabilities	1,059,000	1,200,991	1,201,080
Total Liabilities	1,359,733	1,394,087	1,382,777
Net Assets:			
Invested in Capital Assets, net of related debt	926,201	758,380	658,885
Restricted	284,720	327,979	351,097
Unrestricted	142,352	113,332	89,613
Total Net Assets	\$ 1,353,273	\$ 1,199,691	\$ 1,099,595

The majority of the Authority's net assets at September 30, 2008, 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, 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, 2008, 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, \$142.4 million at September 30, 2008, may be used to meet the Authority's ongoing obligations.

AIRLINE RATES AND CHARGES

The Authority operated under a negotiated Airline Lease and Use Agreement in effect with seventeen airlines known collectively as the signatory airlines. This agreement established the rates and charges methodology for the signatory airlines and their affiliates each year and expired on September 30, 2008.

The Authority negotiated a new Lease and Use Agreements relating to the use of the Airport, the rental of space, and the establishment of landing fees with fourteen of the airlines effective October 1, 2008. See the Subsequent Events disclosure (Note 23) for additional information.

The following chart shows the signatory airlines' rates and charges:

SIGNATORY AIRLINE RATES AND CHARGES

	Rates effective for FY 2008	Rates effective for FY 2007	Rates effective for FY 2006
Terminal Average Square Foot Rate	\$ 69.38	\$ 55.53	\$ 54.94
Landing Fee – per 1,000 lbs. Unit (gross)	1.9657	1.9469	1.9698
Landing Fee – per 1,000 lbs. Unit (net)	1.4391	1.1363	0.6199
Cargo Landing Fee – per 1,000 lbs. Unit	2.08	2.00	1.95

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 (PFC) per eligible enplaned passenger at Orlando International Airport and has imposed the PFC since February 1993. Effective July 1, 2007, the charge increased from \$3.00 to \$4.50. The FAA authorizes PFCs either to pay for eligible capital improvements or to pay debt service on bonds issued to finance projects eligible for PFC funding. Through September 2008, the Authority approved applications to impose PFCs of approximately \$1.6 billion to fund project costs of various airport improvements. PFC collections to date (including investment earnings) are \$653.8 million. Expenditures on PFC-approved projects and debt service-to-date are \$632.8 million.

CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

During fiscal year 2008, the Authority expended \$197.0 million on capital projects. This included \$16.2 million funded by FAA contributions, \$21.4 million funded by Florida Department of Transportation contributions, \$31.5 million funded by Transportation and Security Administration, \$0.3 funded by Office of Tourism Trade and Economic Development, and \$81.0 million funded by PFCs. The balance was paid from tenant and other Authority funds. Major projects under construction and the amounts expended during fiscal year 2008 are listed as follows (in millions):

Airside Terminals 1 and 3	\$ 97.2
In-line Baggage System	57.7
Automated People Mover	10.6
Roadway and Pavement Repairs	9.0
International Passenger Enhancements	5.8
North Terminal Capacity Enhancements	3.3
Elevator and Escalator Repairs	2.5
Airside Terminal 4 Improvements	1.6
Electrical and Lighting Repairs	1.3
Fire and Smoke Control Alarm Systems	1.3
Airline Relocation	1.1
Airfield Lighting and Signage	1.0
Hangar Replacement	0.9
Miscellaneous	3.7
Total	\$ 197.0

Major projects completed and the amounts transferred to fixed assets depreciable and nondepreciable during the fiscal year are listed as follows (in millions):

ITS Guideway	\$ 47.6
South Terminal Building Design	47.5
Terminal Enhancements	40.3
Security	25.5
Master Grading and Drainage	23.7
Accommodating Larger (Group VI) Aircraft	16.6
Roadway and Pavement Repairs	10.3
Airside 4 Improvements Program	9.9
South Terminal Access Road Design	3.2
South Terminal Parking Facility Design	1.6
Multi-User Flight Information Displays	1.3
Hangar Replacement	0.9
Miscellaneous	4.0
Total	\$ 232.4

The South Terminal design, Intermodal Transit System (ITS) design and first phase of ITS construction, various related grading, drainage and infrastructure projects were transferred from Construction in Progress (CIP) to Fixed Assets during fiscal year 2008, to reflect that the design and land improvements are complete. Currently there are no other related projects underway. The construction of the South Terminal and the ITS have been postponed due to the decline in passenger traffic and reduction of space rented by the airlines will no longer rent after October 1, 2008, as a result of the new lease and use agreement.

The construction of the South Terminal and ITS are still included in the Authority's long term capital improvement plans to begin construction in 2012. The Authority plans to build the South Terminal to coincide with the passenger traffic exceeding the anticipated maximum capacity of 45 million total passengers per year in the North Terminal.

The Authority believes that the design is current and could go forward with very little alteration. The South Terminal design and ITS projects have been added to a non-depreciable Fixed Asset category called Projects Held for Future Use since they have not been placed in service yet. The asset will be reviewed annually to determine whether it should be impaired should changes occur in the airport/airline industry that could render the design insufficient to construct the structures. The grading and drainage projects were added to the cost basis of the land, which is non-depreciable.

More detailed information about the Authority's capital assets is presented in Note 9 to the financial statements.

DEBT ACTIVITIES

During fiscal year 2008, the Authority defeased the Airport Facilities Variable Rate Subordinated Revenue Refunding Periodic Auction Rate Security (PARS) Bonds, Series 1998 in the amount of \$282.3 million, by using proceeds of the Airport Facilities Refunding Revenue Bonds, Series 2008A, in the amount of \$248.1 million, and Authority funds. The Authority also issued Airport Facilities Refunding Revenue Bonds, Series 2008B in the amount of \$26.1 million, in order to pay a swap termination fee in the amount of \$25.7 million associated with the PARS debt. Additional commercial paper in the amount of \$62.0 million was also issued during the current year to pay for construction projects.

During fiscal year 2007, the Authority refinanced a majority of the Airport Facilities Revenue Bonds, Series 1997, in the amount of \$143.8 million, by using proceeds of the Airport Facilities Refunding Revenue Bonds, Series 2007A, in the amount of \$141.5 million.

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, 2008, was \$1.0 billion. Insured Airport Facilities Revenue Bonds have a Standard & Poor's rating of AAA, a Moody's rating of Aaa, and a Fitch rating of AAA.

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; Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997; and commercial paper notes. 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, 2008, the aggregate principal amount of all other parity-subordinated indebtedness was \$256.6 million, including \$90.1 million of secondary-subordinated indebtedness and other such principal amounts as further discussed below.

As of September 30, 2008, the Authority has outstanding \$129.3 million of Airport Facilities Subordinated Commercial Paper Notes of which the aggregate principal amount outstanding at any one time may not exceed \$400.0 million. The commercial paper program consists of Series A Notes (tax-exempt), Series B Notes (AMT) and Series C Notes (taxable). The Authority may issue additional commercial paper to provide interim financing for various construction projects included in the Authority's capital improvement program.

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, 2008, was \$19.9 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. During fiscal year 2008, the Authority defeased the Airport Facilities Variable Rate Subordinated Revenue Refunding Periodic Auction Rate Security (PARS) Bonds, Series 1998 by using proceeds of the Airport Facilities Refunding Revenue Bonds, Series 2008A and 2008B. Because the 2008A and 2008B bonds were senior lien debt replacing the PARS subordinated debt, the coverage ratio dropped from 2007 to 2008. Coverage ratios for the past three years are shown in the following table.

COVERAGE RATIOS

	2008	2007	2006
Senior lien debt	1.70%	2.21%	2.07%
All indebtedness	1.27%	1.37%	1.41%

More detailed information about the Authority's noncurrent liabilities is presented in Note 15 to the financial statements.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview for all of those interested 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 Airport Boulevard, Orlando, FL 32827-4399.

Jacki Churchill
Chief Financial Officer

Christopher Pike
Assistant Finance Director

GREATER ORLANDO AVIATION AUTHORITY
BALANCE SHEETS
(in thousands)

ASSETS	September 30, 2008	2007
Current Assets		
Unrestricted:		
Cash and cash equivalents	\$ 103,766	\$ 94,458
Accounts and grants receivable, less allowance for uncollectibles of \$128 and \$125	14,727	18,027
Investments	40,559	33,115
Interest receivable	603	768
Prepaid expenses	6,087	5,757
Total unrestricted assets	<u>165,742</u>	<u>152,125</u>
Restricted:		
Cash and cash equivalents	279,117	326,491
Accounts and grants receivable, less allowance for uncollectibles of \$0	41,855	16,599
Investments	75,755	6,949
Interest receivable	2,038	2,491
Prepaid expenses	1,255	172
Total restricted assets	<u>400,020</u>	<u>352,702</u>
Total current assets	<u>565,762</u>	<u>504,827</u>
Noncurrent Assets		
Investments, restricted	138,862	191,223
Total long-term investments	<u>138,862</u>	<u>191,223</u>
Capital assets, net of accumulated depreciation:		
Property and equipment	1,170,006	996,842
Property held for lease	522,834	550,094
Construction in progress	315,542	350,792
Total capital assets, net of accumulated depreciation	<u>2,008,382</u>	<u>1,897,728</u>
Total noncurrent assets	<u>2,147,244</u>	<u>2,088,951</u>
 Total Assets	 <u>\$ 2,713,006</u>	 <u>\$ 2,593,778</u>

GREATER ORLANDO AVIATION AUTHORITY
BALANCE SHEETS
(in thousands)

LIABILITIES AND NET ASSETS	September 30, 2008	2007
Current Liabilities (Payable from Unrestricted Current Assets)		
Accounts payable and accrued liabilities	\$ 28,621	\$ 26,810
Deferred revenue	3,665	25,561
Deposits	5,185	4,940
Advance rent from tenants, current	5,220	1,669
Total current liabilities (payable from unrestricted current assets)	<u>42,691</u>	<u>58,980</u>
Current Liabilities (Payable from Restricted Assets)		
Accrued interest	25,239	17,489
Accounts payable and accrued liabilities	43,914	46,508
Deferred revenue	15,456	13,928
Notes payable, current	2,003	9,424
Revenue bonds payable, current	171,430	45,500
Total current liabilities (payable from restricted assets)	<u>258,042</u>	<u>132,849</u>
Total current liabilities	<u>300,733</u>	<u>191,829</u>
Noncurrent Liabilities		
Notes payable, long-term	127,256	78,681
Revenue bonds payable, long-term	919,352	1,114,225
Advance rent from tenants, long-term	2,722	2,916
Other postemployment benefits	9,670	5,169
Total noncurrent liabilities	<u>1,059,000</u>	<u>1,200,991</u>
Total liabilities	<u>1,359,733</u>	<u>1,392,820</u>
NET ASSETS		
Invested in capital assets, net of related debt	926,201	758,380
Restricted:		
For debt service	170,579	174,601
For capital acquisitions	114,141	153,378
Unrestricted	142,352	114,599
Total net assets	<u>1,353,273</u>	<u>1,200,958</u>
Total Liabilities and Net Assets	<u>\$ 2,713,006</u>	<u>\$ 2,593,778</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,	
	2008	2007
Operating Revenues		
Airfield area	\$ 65,578	\$ 35,264
Terminal area	230,335	219,461
Hotel	36,723	34,565
Other buildings and site rentals	14,030	13,278
Total operating revenues	<u>346,666</u>	<u>302,568</u>
Operating Expenses		
Operations and facilities	117,444	109,595
Safety and security	17,979	15,409
Administration	23,704	20,658
Hotel	28,008	26,505
Other	16,008	11,110
Total operating expenses before depreciation	<u>203,143</u>	<u>183,277</u>
Operating income before depreciation	143,523	119,291
Depreciation	<u>(96,442)</u>	<u>(93,352)</u>
Operating income	47,081	25,939
Nonoperating Revenues (Expenses)		
Investment income	19,579	30,833
Interest expense	(64,130)	(67,150)
Passenger facility charges	70,656	59,302
Federal and state grants	1,842	2,531
Other	7,411	1,002
Income before capital contributions	<u>82,439</u>	<u>52,457</u>
Capital Contributions	<u>69,876</u>	<u>47,639</u>
Increase in net assets	<u>152,315</u>	<u>100,096</u>
Total Net Assets, Beginning of Year	<u>1,200,958</u>	<u>1,100,862</u>
Total Net Assets, End of Year	<u><u>\$ 1,353,273</u></u>	<u><u>\$ 1,200,958</u></u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
STATEMENTS OF CASH FLOW
(in thousands)

	Years Ended September 30,	
	2008	2007
Cash flows from operating activities		
Cash received from customers and tenants	\$ 336,049	\$ 287,854
Cash paid to suppliers	(145,457)	(126,646)
Cash paid to employees for services	(51,442)	(50,606)
Net cash provided by operating activities	<u>139,150</u>	<u>110,602</u>
Cash flows from noncapital financing activities		
Operating grants and passenger facilities charges received	8,048	7,047
Net cash provided by noncapital financing activities	<u>8,048</u>	<u>7,047</u>
Cash flows from capital and related financing activities		
Proceeds from issuance of bonds	283,214	149,845
Proceeds from issuance of commercial paper notes	62,000	60,100
Passenger facilities charges and insurance proceeds	68,224	55,788
Principal payments - bonds and notes	(348,671)	(221,463)
Bond issue costs and discount on bonds	(5,164)	(1,205)
Swap termination payment	(25,724)	-
Interest paid	(49,824)	(64,622)
Acquisition and construction of capital assets (including capitalized interest)	(209,401)	(130,127)
Capital contributed by federal and state agencies	43,023	56,106
Net cash used for capital and related financing activities	<u>(182,323)</u>	<u>(95,578)</u>
Cash flows from investing activities		
Purchase of investments	(360,280)	(185,852)
Proceeds from sale and maturity of investments	335,583	252,562
Interest received	21,756	30,438
Net cash (used for) provided by investing activities	<u>(2,941)</u>	<u>97,148</u>
Net (decrease) increase in cash and cash equivalents	(38,066)	119,219
Cash and Cash Equivalents, Beginning of Year	420,949	301,730
Cash and Cash Equivalents, End of Year ⁽¹⁾	<u>\$ 382,883</u>	<u>\$ 420,949</u>
(1) Cash and Cash Equivalents - Current Assets	\$ 103,766	\$ 94,458
Cash and Cash Equivalents - Restricted Assets	279,117	326,491
	<u>\$ 382,883</u>	<u>\$ 420,949</u>

(continued)

GREATER ORLANDO AVIATION AUTHORITY
STATEMENTS OF CASH FLOW
(in thousands)

	Years Ended September 30,	
	<u>2008</u>	<u>2007</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	<u>\$ 47,081</u>	<u>\$ 25,939</u>
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	96,442	93,352
Noncash operating revenue	(35)	(4,710)
(Increase) Decrease in operating assets		
Accounts and grants receivable	4,844	(7,718)
Prepaid expenses	(330)	(191)
Increase (Decrease) in operating liabilities		
Accounts payable and accrued liabilities	7,720	5,885
Deferred revenue	(20,368)	(275)
Deposits	245	142
Advance rent from tenants	3,551	(1,822)
Total adjustments	<u>92,069</u>	<u>84,663</u>
Net cash provided by operating activities	<u><u>\$ 139,150</u></u>	<u><u>\$ 110,602</u></u>

Noncash Investing, Capital and Financing Activities

(Decrease) Increase in fair value of investments	\$ (798)	\$ 1,043
Capital assets received in lieu of cash from exchange transaction	\$ 2,883	\$ -

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

1. 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 replaced by Chapter 98-492, Laws of Florida, as amended. The Authority operates Orlando International Airport and Orlando Executive Airport. For reporting purposes, these airports are combined into a single enterprise fund.

2. 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 and 39. 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Basis of Presentation and Accounting: The Authority's financial statements are accounted for on 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 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 financing costs are considered nonoperating expenses.

The GASB issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfer of Assets and Future Revenues*, in September 2006 and is effective for the Authority in fiscal year 2008. The Statement establishes criteria for government agencies on the reporting of receivables, and provides guidance in recognizing other assets and liabilities for sales of receivables or future revenues. The Authority pledged future airport revenues, net of specified operating expenses, to repay Airport Facilities Revenue Bonds issued from 1997 to 2008. Proceeds from the bonds provided financing for various airport capital projects. The bonds are payable solely from the airport system revenues. The Authority 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. Disclosures related to GASB Statement No. 48 are found in Note 15.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

The GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, in November 2006, which affects the Authority beginning in fiscal year 2009. The Statement provides accounting and financial reporting standards for pollution remediation obligations as well as disclosure requirements. The Authority is currently evaluating the effect that the adoption of GASB No. 49 may have on the financial statements.

The GASB issued Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27*, in May 2007, effective for the Authority in fiscal year 2008. This Statement amends Statements 25 and 27 to require pension plans to disclose specific details that align with the financial reporting requirements for other postemployment benefits (OPEB). The Authority discloses the information required by this Statement in Note 12.

The GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, in June 2007, effective for the Authority in fiscal year 2010. Intangible assets are required to be classified as capital assets under the Statement 51. The Statement also provides guidance on the useful life and amortization of intangible assets. The Authority has not yet determined the effect that the adoption of GASB No. 51 may have on the financial statements.

The GASB issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, in November 2007, effective for the Authority in fiscal year 2009. This Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also report the changes in fair value as investment income and disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value. The Authority does not anticipate the adoption of this statement will have any effect on amounts reported in the financial statements.

The GASB issued Summary of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, in June 2008, effective for the Authority in fiscal year 2010. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are often complex financial arrangements used by governments to manage specific risks or to make investments. Much of this Statement describes the methods of evaluating effectiveness. The Authority has not yet determined the effect that the adoption of GASB No. 53 may have on the financial statements.

Cash and Cash Equivalents: Demand deposits, certificates of deposit, 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.

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 available market information to determine these fair values.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

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 restricted assets is reported as noncurrent. This represents amounts restricted as to withdrawal or use for other than current operations, designated for expenditure in the acquisition or construction of noncurrent assets, or segregated for the liquidation of long-term debt.

Lease and Concession Agreements: The Authority's operations consist of agreements for use of land, buildings, terminal space and privileges to airlines and concessionaires. 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 2009 and 2013. The Authority accounts for revenue from these agreements under the operating method and records 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.

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	5 to 50 years
Improvements	5 to 50 years
Equipment	3 to 7 years
Motor vehicles	5 to 15 years

Pension Plans: Pension expense includes amortization of prior service costs over a period of thirty years. The Authority's policy is to fund accrued defined benefit pension costs which include normal costs and amortization of prior service costs for regular employees as actuarially determined. The Authority recognizes plan member contributions in the period in which contributions are due, and the employer made a formal commitment to provide contributions.

Other Post-Employment Benefit Plans: In fiscal year 2006, the Authority implemented GASB 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" ("OPEB"). GASB 45 improves the relevance and usefulness of financial reporting by (a) requiring systematic, accrual-basis measurement and recognition of 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 posts 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. The Authority is currently reviewing its funding options.

Compensated Absences: The Authority recognizes expenses relating to compensated absences as incurred and includes those liabilities in accrued expenses.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Passenger Facility Charges: The Federal Aviation Administration 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 based upon information provided by the airlines. Accordingly, the Authority records these nonoperating revenues when passenger facility charges are collected by the airlines.

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 estimates the rebate payable and reduces investment income accordingly.

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, inflight catering 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, rental car facilities and fees, public parking, ground transportation, and other miscellaneous fees.
- Hotel – Revenue associated with rooms, food and beverage, telecommunications, and other rentals and income.
- Other Buildings and Site Rentals – Fees associated with fixed base operators, foreign trade zone, and other building and land rentals.

Interest Rate Risk Management: The Authority uses interest rate swap agreements to reduce its debt service costs. The Authority has entered into interest-rate swap agreements to reduce interest costs on the Airport Facilities Taxable Subordinated Refunding Revenue Bonds, Series 2002A, the Airport Facilities Variable Rate Refunding Revenue Bonds, Series 2002E, and 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 life of the agreement. The related amount payable to or receivable from counterparties is included in accrued interest or interest receivable. The fair values of the swap agreements are not recognized in the financial statements. In March 2008, the interest-rate swap associated with the Airport Facilities Variable Rate Subordinated Revenue Refunding Bonds, Series 1998, was terminated along with the refunding of its underlying debt.

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 as received.

Interest During Construction: The Authority capitalizes interest during construction to Construction in Progress, and consists of interest cost on certain borrowings in excess of interest earned on related investments acquired with the proceeds of borrowings.

Deferred Revenues: The Authority defers fifty percent of certain fees and charges collected from tenants and other sources, in excess of certain required deposits, in accordance with the Airline Lease and Use Agreement.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

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, through subsequent events, 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.

4. 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.

The City of Orlando and the Authority entered into certain property sales and exchange transactions as discussed in Note 10, which resulted in gains and amounts due to and from the City.

The City of Orlando provides certain police and fire protection services to the Authority. Total charges for these services amounted to approximately \$10.0 million and \$7.8 million for 2008 and 2007, respectively. Approximately, \$1.0 million is recorded as a liability due to the City of Orlando in connection with these services at September 30, 2008 and 2007.

In August 2006, the United States Department of Transportation, Office of the Inspector General (OIG) issued a report on the use of airport revenues by the Authority. The report identified a police pension credit from the State of Florida that was not credited for the police services charged to the Authority, an overcharge for a radio communications system upgrade and the retention of net proceeds received from parking tickets issued by Authority employees. In January 2008, the Authority and the City reached a resolution regarding these and other issues. See Note 10 for discussion of resolution..

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

5. CASH DEPOSITS AND INVESTMENTS

The Authority's cash and cash equivalents balances include amounts deposited with the Florida State Board of Administration's Local Government Investment Pool, as well as amounts deposited with commercial banks in interest-bearing and non-interest bearing demand accounts. 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 Florida Security for Public Deposits 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 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 Local Government Investment Pool 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, 2008 and 2007, the fair value of all securities regardless of the balance sheet classification was as follows (in thousands):

	2008	2007
U.S. Treasury and government agency securities	\$ 300,249	\$ 216,265
Repurchase agreements	-	82,410
Commercial paper	24,884	29,813
Local government investment pool	9,538	91,620
Investment in money market funds	167,020	229,887
U.S. Equities (bankruptcy settlements)	-	4,089
Securities total	<u>\$ 501,691</u>	<u>\$ 654,084</u>

These securities are classified on the balance sheet as follows (in thousands):

	2008	2007
Current assets		
Cash and cash equivalents	\$ 382,883	\$ 420,949
Investments	116,314	40,064
Noncurrent Assets		
Investments	138,862	191,223
Total cash and investments	<u>638,059</u>	<u>652,236</u>
Adjustment for cash on deposit	(136,368)	1,848
Total securities, at fair value	<u>\$ 501,691</u>	<u>\$ 654,084</u>

The Authority is authorized to invest in securities as described in its investment policy and in each bond resolution. As of September 30, 2008 and 2007, the Authority held the following investments as categorized below in accordance with GASB Statement No. 40:

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

5. CASH DEPOSITS AND INVESTMENTS (continued)

Investment Maturities at September 30, 2008 (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	\$ 130,721	\$ 98,500	\$ 38,693	\$ 32,335	\$ 300,249
Commercial paper	24,884	-	-	-	24,884
Local government investment pool	8,638	-	900	-	9,538
Money market funds	167,020	-	-	-	167,020
	<u>\$ 331,263</u>	<u>\$ 98,500</u>	<u>\$ 39,593</u>	<u>\$ 32,335</u>	<u>\$ 501,691</u>

The Authority recorded investments reallocated by the State Board of Administration (SBA) Fund B local government investment pool during the fiscal year ended September 30, 2008. The SBA disclosed the weighted average maturity of investments held in Fund B at June 30, 2008 as being 9.22 years. Therefore, as of September 30, 2008, the maturity date of investments held in Fund B was adjusted to September 16, 2017. Fund B is described in more detail under *Concentration of Credit Risk*.

Investment Maturities at September 30, 2007 (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	\$ 43,718	\$ 93,163	\$ 48,442	\$ 30,942	\$ 216,265
Repurchase Agreements	82,410	-	-	-	82,410
Commercial paper	29,813	-	-	-	29,813
Local government investment pool	91,620	-	-	-	91,620
Money market funds	229,887	-	-	-	229,887
	<u>\$ 477,448</u>	<u>\$ 93,163</u>	<u>\$ 48,442</u>	<u>\$ 30,942</u>	<u>\$ 649,995</u>

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 come 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 each security.

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 AAA by S&P and Aaa by Moody's at the time of purchase.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

5. CASH DEPOSITS AND INVESTMENTS (continued)

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 investments 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, 2008, the Authority held investments exceeding five percent of the total investment portfolio with three issuers; Federal Home Loan Bank (34.0%), Federal Home Loan Mortgage Corporation (15.5%), and Federal National Mortgage Association (10.2%). At September 30, 2007, the Authority held investments exceeding five percent of the total investment portfolio with three issuers; Federal Home Loan Bank (12.1%), Federal Home Loan Mortgage Corporation (13.9%), and Federal National Mortgage Association (7.3%). Each of the investments are rated either AAA 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.

As of September 30, 2007, the Authority had \$91.6 million invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool). On November 2, 2007, the Authority withdrew \$10.0 million for liquidity purposes, and on November 15, 2007, the Authority withdrew another \$57.0 million, leaving a balance of about \$25.1 million invested in the Pool. On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Fund, coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub-prime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate Funds; Fund A consisted of all money market appropriate assets, which was approximately \$12.0 billion or 86% of Pool assets and Fund B consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately \$2.1 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Fund A and Fund B.

As of December 7, 2007, the SBA allowed participants to withdraw 15% of their balance or \$2.0 million, whichever was greater, without penalty from each account in Fund A. Withdrawals from Fund A in excess of the above limit are subject to a 2% redemption fee while there was not a redemption fee to withdraw new deposits. On December 7, 2007, the Authority exercised its option to withdraw (without penalty) \$13.5 million from Fund A, leaving a balance of \$11.5 million in the two pools. On December 21, 2007, Standard and Poor's Ratings Services assigned its "AAAm" principal stability fund rating to Fund A. On May 15, 2008, the SBA raised the liquidity ceiling of Fund A from 37% to 50% of original Fund A balances, with a minimum ceiling of \$8.0 million per account. On September 25, 2008, the SBA raised the liquidity ceiling of Fund A from 50% to 65% of original Fund A balances.

The SBA does not allow participants to withdraw funds from Fund B. As maturities occur in Fund B, the SBA transfers the monies from Fund B to Fund A. Since the SBA established Fund B, they have released approximately \$2.5 million of the Authority's funds into Fund A.

As of September 30, 2008, the Authority had \$9.7 million invested in the Pool with \$8.6 million in Fund A and \$1.1 million invested in Fund B. An entry to adjust the fair value of Fund B by \$0.2 million reduced the total value to \$0.9 million as reported on the SBA statements dated September 30, 2008. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

6. ACCOUNTS AND GRANTS RECEIVABLE

Accounts and grants receivable, net of allowance for doubtful accounts, consist of the following:

Accounts and Grants Receivable As of September 30, (in thousands)		
Current Assets	<u>2008</u>	<u>2007</u>
Accounts receivable	\$ 14,708	\$ 17,517
Allowance for doubtful accounts	(128)	(125)
Grants receivable	147	635
	<u>\$ 14,727</u>	<u>\$ 18,027</u>
Restricted Assets		
Accounts receivable	\$ 6,628	\$ 8,716
Grants receivable	35,227	7,883
	<u>\$ 41,855</u>	<u>\$ 16,599</u>

7. GRANT RECOGNITION

A Letter of Intent (LOI) is a provision under Section 47110(e) of Title 49, United States Code to obligate funds for future budget authority to issue grants to pay the Authority for the FAA's shares of allowable costs. The amounts listed below are estimates and are not obligations of the United States or administrative commitments. The LOI can be amended to adjust the payment schedule or the maximum obligation.

Under GASB Statement No. 33, the Authority recognizes revenues from the LOI when all eligibility requirements are met. Since there are time and reimbursement requirements associated with these LOI, the balance to be collected will be recognized as revenues in the years the grants are awarded. As of September 30, 2008, the Authority expended \$4.8 million under LOI ASO-99-01 for which grants have not been awarded. As of September 30, 2007, the Authority expended \$10.6 million and \$2.0 million, respectively, under LOI ASO-99-01 and LOI ASO-98-02 for which grants have not been awarded. The Authority received the following LOI's from the FAA.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

7. **GRANT RECOGNITION** (continued)

LOI ASO-99-01 dated April 3, 2000 for construction of a new runway, associated taxiways, and security roads is listed as follows (in thousands):

	<u>2008</u>	<u>2007</u>
Maximum Obligation	<u>\$ 73,190</u>	<u>\$ 73,680</u>
Collected in prior years	\$ 62,700	\$ 56,800
Collected in current year	<u>5,710</u>	<u>5,900</u>
Collected to date	<u>68,410</u>	<u>62,700</u>
Balance to be collected	<u>\$ 4,780</u>	<u>\$ 10,980</u>
Schedule of balance to be collected:		
2008	\$ -	\$ 6,200
2009	<u>4,780</u>	<u>4,780</u>
	<u>\$ 4,780</u>	<u>\$ 10,980</u>

LOI ASO-98-02 dated November 10, 1998 (amended October 7, 2002) for construction of the new single North Crossfield Taxiway is listed as follows (in thousands):

	<u>2008</u>	<u>2007</u>
Maximum Obligation	<u>\$ 37,583</u>	<u>\$ 37,583</u>
Collected in prior years	\$ 35,583	\$ 33,583
Collected in current year	<u>2,000</u>	<u>2,000</u>
Collected to date	<u>37,583</u>	<u>35,583</u>
Balance to be collected	<u>\$ -</u>	<u>\$ 2,000</u>
Schedule of balance to be collected:		
2008	\$ -	\$ 2,000
	<u>\$ -</u>	<u>\$ 2,000</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

8. 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. Majority-in-Interest approval of the Signatory Airlines was granted for (1) the issuance of commercial paper to fund various capital improvements to Orlando International Airport, and (2) the use of Airport Facilities Improvement and Development assets to pay all or a portion of project costs with reimbursement from commercial paper, state and federal grants, passenger facility charges, and/or revenue bonds. Composition of restricted accounts is as follows:

Restricted Assets As of September 30, (in thousands)		
	2008	2007
Debt Service Accounts	\$ 197,710	\$ 194,724
Capital Acquisition Accounts	218,015	178,129
Bond Construction Accounts	61,183	69,265
Passenger Facility Charges Account	16,132	59,050
Operating Reserve Account	32,261	28,829
Prepaid Airlines Fees and Charges Account	13,581	13,928
Total Restricted Assets	<u>\$ 538,882</u>	<u>\$ 543,925</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

9. CAPITAL ASSETS

A summary of capital assets activity for the years ended September 30, 2008 and 2007 follows (in thousands):

	Balance October 1, 2007	Additions and Reclass- ifications	Deductions	Balance September 30, 2008
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 186,221	\$ 60,562	\$ 120	\$ 246,663
Assets Held for Future Use	-	99,602		99,602
	<u>186,221</u>	<u>160,164</u>	<u>120</u>	<u>346,265</u>
Other Property and Equipment				
Building	268,568	1,842	-	270,410
Improvements	1,224,272	70,853	-	1,295,125
Equipment	71,922	5,868	1,359	76,431
Motor Vehicles	18,180	1,945	741	19,384
	<u>1,582,942</u>	<u>80,508</u>	<u>2,100</u>	<u>1,661,350</u>
Accumulated Depreciation				
Building	85,336	9,081		94,417
Improvements	621,798	48,774		670,572
Equipment	52,413	7,955	1,284	59,084
Motor Vehicles	12,774	1,502	740	13,536
	<u>772,321</u>	<u>67,312</u>	<u>2,024</u>	<u>837,609</u>
Net Property and Equipment	<u>996,842</u>	<u>173,360</u>	<u>196</u>	<u>1,170,006</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,154	-	23	8,131
Other Property and Equipment				
Building	860,127	878	-	861,005
Improvements	75,354	1,015	-	76,369
	<u>935,481</u>	<u>1,893</u>	<u>-</u>	<u>937,374</u>
Accumulated Depreciation				
Building	363,954	24,990	-	388,944
Improvements	29,587	4,140	-	33,727
	<u>393,541</u>	<u>29,130</u>	<u>-</u>	<u>422,671</u>
Net Property and Equipment Held for Lease	<u>550,094</u>	<u>(27,237)</u>	<u>23</u>	<u>522,834</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	350,792	197,454	232,704	315,542
Net Capital Assets	<u>\$ 1,897,728</u>	<u>\$ 343,577</u>	<u>\$ 232,923</u>	<u>\$ 2,008,382</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

9. CAPITAL ASSETS (continued)

	Balance October 1, 2006	Additions and Reclass- ifications	Deductions	Balance September 30, 2007
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 186,221	\$ -	\$ -	\$ 186,221
Other Property and Equipment				
Building	248,100	20,468	-	268,568
Improvements	1,203,288	20,984	-	1,224,272
Equipment	68,012	5,375	1,465	71,922
Motor Vehicles	16,626	2,825	1,271	18,180
	<u>1,536,026</u>	<u>49,652</u>	<u>2,736</u>	<u>1,582,942</u>
Accumulated Depreciation				
Building	76,854	8,482	-	85,336
Improvements	574,197	47,601	-	621,798
Equipment	46,486	7,393	1,466	52,413
Motor Vehicles	13,087	955	1,268	12,774
	<u>710,624</u>	<u>64,431</u>	<u>2,734</u>	<u>772,321</u>
Net Property and Equipment	<u>1,011,623</u>	<u>(14,779)</u>	<u>2</u>	<u>996,842</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,154	-	-	8,154
Other Property and Equipment				
Building	859,827	300	-	860,127
Improvements	74,136	1,218	-	75,354
	<u>933,963</u>	<u>1,518</u>	<u>-</u>	<u>935,481</u>
Accumulated Depreciation				
Building	338,975	24,979	-	363,954
Improvements	25,645	3,942	-	29,587
	<u>364,620</u>	<u>28,921</u>	<u>-</u>	<u>393,541</u>
Net Property and Equipment Held for Lease	<u>577,497</u>	<u>(27,403)</u>	<u>-</u>	<u>550,094</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	253,827	140,556	43,591	350,792
Net Capital Assets	<u>\$ 1,842,947</u>	<u>\$ 98,374</u>	<u>\$ 43,593</u>	<u>\$ 1,897,728</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

9. CAPITAL ASSETS (continued)

During 2008, the Authority capitalized interest in the amount of \$219,000 to construction in progress, representing the excess of interest cost (\$291,000) on certain borrowings during the construction period over the interest earned (\$72,000) on related interest-bearing investments acquired with the proceeds of the borrowings. In addition, the Authority capitalized commercial paper interest in the amount of \$2.5 million to construction in progress related to the Airside 1 and 3 renovations and the in-line baggage screening system.

During 2007, the Authority capitalized interest in the amount of \$1.1 million to construction in progress, representing the excess of interest cost (\$1.6 million) on certain borrowings during the construction period over the interest earned (\$0.5 million) on related interest-bearing investments acquired with the proceeds of the borrowings.

The South Terminal design, Intermodal Transit System (ITS) design and first phase of ITS construction were transferred from Construction in Progress (CIP) to a non-depreciable Fixed Assets category called Assets Held for Future Use during fiscal year 2008 since they have not been placed in service yet. Various grading, drainage and infrastructure projects were transferred from CIP to Land. The asset will be reviewed annually to determine whether it should be impaired should changes occur in the airport/airline industry that could render the design insufficient to construct the structures. The grading and drainage projects were added to the cost basis of the land, which is non-depreciable.

10. NONMONETARY EXCHANGE TRANSACTION

During fiscal year 2008, the Authority entered into an exchange transaction with the Orlando Orange County Expressway Authority where land, with a cost of \$22,000 and fair market value of \$1.6 million, and rights to a permanent easement with an appraised value of \$0.9 million was transferred to Orlando Orange County Expressway Authority (OOCEA) in exchange for \$2.8 million in infrastructure improvements constructed by the OOCEA for the benefit of the Authority. The Authority recorded nonoperating revenue of \$2.4 million, an increase in capital assets of approximately \$2.8 million and a liability of \$0.3 million as a result of this transaction.

In addition, during fiscal year 2008 the Authority entered into exchange transactions with the City of Orlando where land located at OEA, with a cost of \$39,000 and fair market value of \$1.8 million and rights to a permanent easement with an appraised value of \$0.9 million, were transferred to the City of Orlando in exchange for land with a \$26,000 cost and fair value of \$1.2 million and improvements valued at \$0.4 million. The Authority also transferred OIA property with a cost of \$82,000 and fair value of \$208,000 to the City of Orlando in exchange for infrastructure improvements valued at \$167,000. The Authority recorded nonoperating revenue of \$1.1 million, an increase in capital assets of \$72,000 and a receivable of \$1.1 million as a result of this transaction.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

11. LEASE AND CONCESSION AGREEMENTS

The following is a schedule by years of minimum future revenues (in thousands) on non-cancelable agreements:

2009	\$ 147,962
2010	105,435
2011	102,310
2012	99,553
2013	92,529
Later Years	160,173
Total Minimum future revenues	<u>\$ 707,962</u>

Minimum future revenues do not include contingent revenues which may be received under agreements for use of land and buildings on the basis of revenue or fuel flowage fees earned. Contingent revenues amounted to approximately \$38.2 million and \$32.7 million for the years ended September 30, 2008 and 2007, respectively.

12. 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 (Plan), a single-employer retirement plan. The Plan provides retirement and death benefits to Plan members and beneficiaries. Charles Schwab Trust Company holds the assets of the Plan in various mutual funds. Schwab currently pays plan benefits. Gabriel, Roeder, Smith & Company issues a publicly available actuarial report that includes required supplementary information for the Plan. That report may be obtained by writing to Greater Orlando Aviation Authority, One Airport Boulevard, Orlando, Florida 32827, Attention: Human Resources.

Plan Description: The Authority authorizes all employees hired before October 1, 1999, other than firefighters to participate in the Plan. The Authority authorizes employees hired after September 30, 1999 to participate in the Single-Employer Defined Contribution Retirement Plan. The Authority allowed employees who were members of the defined benefit plan to convert to the defined contribution 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 earlier 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. The Authority Board establishes benefit provisions.

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 had retired on the date of death with an immediate 50% annuity.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

12. PENSION PLANS (continued)

If a vested participant dies before becoming eligible for early retirement, his eligible spouse or other named beneficiary receives an amount equal to that which would have been received if the participant had 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 Plan.

The Authority requires contributions at the actuarially determined rate. The rates for the years ended September 30, 2008 and 2007 were 43.07% and 41.41% of annual covered payroll, respectively. The Authority's covered payroll for employees under the Plan was \$15.0 million and \$14.8 million for the years ended September 30, 2008 and 2007, respectively.

Annual Pension Cost and Net Pension Obligation: The Authority's annual pension cost and net pension obligation to the single employer defined benefits plan for the current fiscal year were as follows:

Annual required contribution (ARC)	\$ 5,646,681
Interest on net pension obligation	(104,526)
Adjustment to ARC	<u>208,124</u>
Annual pension cost	5,750,279
Contributions made	<u>(5,646,681)</u>
Increase in net pension obligation	103,598
Net pension obligation - 10/1/07	<u>(1,393,683)</u>
Net pension obligation - 9/30/08	<u><u>\$ (1,290,085)</u></u>

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/2006	\$ 5,518,127	108.5%	\$ (1,495,242)
9/30/2007	6,081,342	98.3	(1,393,683)
9/30/2008	5,750,279	98.2	(1,290,085)

Funded Status and Funding Progress: As of October 1, 2007, the most recent actuarial valuation date, the plan was 74% funded. The actuarial accrued liability for benefits was \$85.8 million, and the actuarial value of assets was \$63.5 million resulting in an unfunded actuarial accrued liability (UAAL) of \$22.3 million. The covered payroll was \$15.0 million, and the ratio of the UAAL to the covered payroll was 148.5%.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

12. PENSION PLANS (continued)

Actuarial Methods and Assumptions: The October 1, 2006 actuarial valuation determined the required contribution for the 2008 fiscal year. The actuarial assumptions for fiscal years 2008 and 2007 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. The Plan's unfunded actuarial accrued liability amortizes using the level dollar, closed method. The remaining amortization period at October 1, 2006 was 27 years. Five-year smoothed market method values plan assets. The frozen entry age method determines the plan's actuarial valuation.

During fiscal year 2008, the Authority changed its cost method from the Frozen Initial Liability Method to the Aggregate Cost Method. This change impacted the required fiscal 2008 disclosures and will impact the fiscal 2009 annual required contribution calculation. As a result of the change, the Authority reduced the probability of retirement and terminating employment for reasons other than retirement, disability or death. In addition, the Authority updated its mortality table to the RP2000 Generational Mortality Table from the 1983 Group Annuity Mortality Table. Finally, the Authority set the actuarial value of assets equal to market value. Because the aggregate actuarial cost method is used, it does not identify or separately amortize unfunded actuarial liabilities.

Single-Employer Defined Contribution Retirement Plan

Plan Description: The Authority Board established the Greater Orlando Aviation Authority Defined Contribution Retirement Plan to provide benefits upon retirement to employees of the Authority. At September 30, 2008, there were 345 active plan members. The plan provides retirement and death benefits to plan members and beneficiaries.

General: The Authority contributed to a single-employer defined contribution retirement plan administered by a committee appointed by the Authority Board. The Authority Board can modify, alter or amend the plan.

The plan authorizes employees, other than firefighters, hired on or after October 1, 1999, to participate in the defined contribution retirement plan. 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 plan allows employees to participate after three full months of service. The 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 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 original defined benefit retirement plan, or converted at their option from the defined benefit plan to the defined contribution plan during the period of February 23, 2001 to June 30, 2001.

The Authority's payroll for employees covered by the plan was \$13.8 million and \$12.1 million for the years ending September 30, 2008 and 2007, respectively. The Authority contributed \$1.1 million and \$1.2 million for the years ending September 30, 2008 and 2007. Participants contributed \$0.6 million and \$0.5 million for the years ending September 30, 2008 and 2007. A contribution by the Authority of \$1.0 million and participant contributions of \$0.4 million were made for the year ending September 30, 2006.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

12. PENSION PLANS (continued)

Multiple-Employer Pension Plans

Plan Description: All firefighters employed by the Authority participate in the Florida Retirement System (System), a cost-sharing, multiple-employer defined benefit public retirement plan. The System provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan members and beneficiaries. Florida Statutes establish benefit provisions. The System 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 System is compulsory for all full-time and part-time firefighters employed by the Authority. The plan 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 plan authorizes members who meet certain requirements to purchase additional service credits to increase their retirement benefit. The System provides vesting of benefits after six years of creditable service. Special risk members meet eligibility for normal retirement after; (a) six years of special risk service and attaining age fifty-five, (b) twenty-five total years special risk service and attaining age fifty-two (may include four years military), (c) twenty-five continuous years special risk service, regardless of age, or (d) thirty years of any creditable service, regardless of age (may include four years military). The plan 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.

The contribution rate for each of the three years in the period beginning July 1, 2003 and ending on June 30, 2006 was 18.53%. Effective July 1, 2006 the contribution rate changed to 20.92%. The Authority's contributions to the System for the years ended September 30, 2008, 2007, and 2006 were \$0.9 million, \$0.9 million, and \$0.8 million, respectively, equal to the required contributions for each year.

Multi-Employer Defined Contribution Retirement Plan

Effective July, 2002, the System offered its members the Florida Retirement System Investment Plan as a second retirement plan option. The Florida Retirement System Investment Plan is a defined contribution plan funded by employer contributions established by law. The employers' contributions are based on salary and Florida Retirement System membership class, ranging from 9% for regular to 20% for special risk. The plan does not allow participant contributions. Employees that do not elect this plan automatically enroll in the defined benefit plan. Employees vest after one year of service. Participants of the defined benefit plan have one lifetime option of transferring the value of their plan to the Florida Retirement System Investment Plan. As of September 30, 2008 and 2007, the Authority had two and zero participants in this plan, respectively.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

13. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description

The Greater Orlando Aviation Authority Healthcare Plan (GOAAHP) is a single-employer defined benefit healthcare plan administered by the Authority. The plan 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, 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 Airport Boulevard, Orlando, Florida 32827, Attention: Human Resources. As of September 30, 2008, the GOAAHP provides benefits to 174 recipients.

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. Effective August 2, 1997, 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 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%

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. The annual contribution of the employer, an amount actuarially determined in accordance with GASB Statement 45, 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 15% of annual covered payroll. For the fiscal years ended September 30, 2008 and 2007, the Authority's annual other postemployment benefit (OPEB) costs (expenses) were calculated based on the actuarially determined annual contribution of \$5.3 million and \$3.3 million, respectively.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

13. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

The following table shows the components of the Authority's annual OPEB cost for the year ended September 30, 2008, the amount actually contributed to the plan, and changes in the Authority's net OPEB obligation to GOAAHP:

Annual contribution	\$ 5,375,277
Interest on net OPEB obligation	310,149
Adjustment to annual contribution	<u>(375,533)</u>
Annual OPEB cost (expense)	5,309,893
Benefit payments	-
Contributions made	<u>(808,730)</u>
Increase in net OPEB obligation	4,501,163
Net OPEB obligation – 10/1/07	<u>5,169,146</u>
Net OPEB obligation – 9/30/08	<u><u>\$ 9,670,309</u></u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended September 30, 2006, 2007, and 2008 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost	Net OPEB Obligation
9/30/2006	\$ 3,253,051	18.2%	\$ 2,661,619
9/30/2007	3,278,220	23.5%	5,169,146
9/30/2008	5,309,893	15.2%	9,670,309

Funded Status and Funding Process

The funded status of the plan as of October 1, 2007, the most recent actuarial valuation date, is as follows:

Actuarial Accrued Liability (a)	\$ 44,082,109
Actuarial Value of Plan Assets (b)	<u>-</u>
Unfunded Actuarial Accrued Liability (a) – (b)	<u><u>\$ 44,082,109</u></u>
Funded Ratio (b) / (a)	0.00%
* Covered Payroll (c)	\$ 36,536,030
Unfunded Actuarial Accrued Liability As a Percentage of Covered Payroll [(a) – (b)] / (c)	120.65%

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

13. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

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 plan 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 2007-2008 budgeted regular salaries for active employees covered under the plan.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Authority and the plan members 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, 2007
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar amounts
Remaining Amortization Period	30
Asset Valuation Method	N/A
Investment Rate of Return	6.0%
Projected Salary Increase	N/A

Healthcare Inflation Rate:

Medical/RX		Dental/Vision	
Year	Rate	Year	Rate
2008	0.0%	2008	0.0%
2009	8.0%	2009	6.0%
2010	7.5%	2010	6.0%
2011	7.0%	2011	6.0%
2012	6.5%	2012	6.0%
2013+	6.0%	2013+	6.0%

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

14. 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. administers the plan. 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.

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:

Unpaid Claims As of September 30, (in thousands)		
	2008	2007
Unpaid claims and claims adjustment expenses at beginning of year	\$ 779	\$ 779
Incurred claims and claims adjustment expenses:		
Provisions for insured events of the current fiscal year	281	314
Decrease in provision for insured events of prior years	10	(85)
Total incurred claims and claims adjustment expenses	291	229
Payments:		
Claims and claims adjustment expenses attributable to insured events of prior years	(239)	(146)
Claims and claims adjustment expenses attributable to insured events of current year	(52)	(83)
Total payments	(291)	(229)
Total unpaid claims and claims adjustment expenses at end of year	\$ 779	\$ 779

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

15. NONCURRENT LIABILITIES

A summary of noncurrent liability activity for the years ended September 30, 2008 and 2007, is as follows (in thousands):

	October 1, 2007	Additions	Deductions	September 30, 2008	Due Within One Year	Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1997	\$ 26,080	\$ -	\$ -	\$ 26,080	\$ -	\$ 26,080
Series 1998	22,000	-	3,235	18,765	3,040	15,725
Series 1999A	185,620	-	670	184,950	695	184,255
Series 1999B	12,555	-	255	12,300	265	12,035
Series 2002A	49,330	-	1,005	48,325	1,040	47,285
Series 2002B	109,840	-	430	109,410	445	108,965
Series 2002C	29,230	-	14,290	14,940	14,940	-
Series 2002D Taxable	1,270	-	620	650	650	-
Series 2002E	143,320	-	14,575	128,745	128,745	-
Series 2003A	62,590	-	1,255	61,335	7,440	53,895
Series 2007A	141,485	-	-	141,485	-	141,485
Series 2008A	-	248,070	-	248,070	-	248,070
Series 2008B	-	26,110	-	26,110	8,655	17,455
Subordinated Indebtedness						
Series 1998B Gulf Breeze	2,690	-	2,000	690	690	-
Series 1998C Gulf Breeze	19,290	-	-	19,290	1,410	17,880
Series 1998A,B,C,D	286,250	-	286,250	-	-	-
Series 2002A Taxable	20,530	-	3,240	17,290	3,415	13,875
Secondary Subordinated Indebtedness						
Series 1997	90,055	-	-	90,055	-	90,055
Total Revenue Bonds	1,202,135	274,180	327,825	1,148,490	171,430	977,060
Less unamortized discounts and premiums	8,621	(3,869)	821	3,931	-	3,931
Less unamortized deferred amounts	33,789	27,204	7,216	53,777	-	53,777
Net Revenue Bonds	1,159,725	250,845	319,788	1,090,782	171,430	919,352
Notes Payable						
Commercial Paper	88,105	62,000	20,846	129,259	2,003	127,256
Total Notes payable	88,105	62,000	20,846	129,259	2,003	127,256
Other Liabilities						
Advance Rent	3,110	-	194	2,916	194	2,722
Other PostEmployment Benefits	5,169	5,310	809	9,670	-	9,670
Total Other Liabilities	8,279	5,310	1,003	12,586	194	12,392
Total Noncurrent Liabilities	\$ 1,256,109	\$ 318,155	\$ 341,637	\$ 1,232,627	\$ 173,627	\$ 1,059,000

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

15. NONCURRENT LIABILITIES (continued)

	Balance October 1, 2006	Additions	Deductions	Balance September 30, 2007	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1997	\$ 169,880	\$ -	\$ 143,800	\$ 26,080	\$ -	\$ 26,080
Series 1998	25,180	-	3,180	22,000	3,235	18,765
Series 1999A	186,260	-	640	185,620	670	184,950
Series 1999B	12,800	-	245	12,555	255	12,300
Series 2002A	50,305	-	975	49,330	1,005	48,325
Series 2002B	110,260	-	420	109,840	430	109,410
Series 2002C	42,900	-	13,670	29,230	14,290	14,940
Series 2002D Taxable	1,865	-	595	1,270	620	650
Series 2002E	157,225	-	13,905	143,320	14,575	128,745
Series 2003A	71,685	-	9,095	62,590	1,255	61,335
Series 2007A	-	141,485	-	141,485	-	141,485
Subordinated Indebtedness						
Series 1998B Gulf Breeze	4,600	-	1,910	2,690	2,000	690
Series 1998C Gulf Breeze	19,290	-	-	19,290	-	19,290
Series 1998A,B,C,D	300,900	-	14,650	286,250	3,925	282,325
Series 2002A Taxable	23,065	-	2,535	20,530	3,240	17,290
Secondary Subordinated Indebtedness						
Series 1997	90,055	-	-	90,055	-	90,055
Total Revenue Bonds	1,266,270	141,485	205,620	1,202,135	45,500	1,156,635
Less unamortized discounts and premiums	15,146	-	6,525	8,621	-	8,621
Less unamortized deferred amounts	35,851	-	2,062	33,789	-	33,789
Net Revenue Bonds	1,215,273	141,485	197,033	1,159,725	45,500	1,114,225
Notes Payable						
Commercial Paper	38,550	60,100	10,545	88,105	9,424	78,681
Florida Department of Transportation	1,200	-	1,200	-	-	-
Total Notes payable	39,750	60,100	11,745	88,105	9,424	78,681
Other Liabilities						
Advance Rent	3,304	-	194	3,110	194	2,916
Other PostEmployment Benefits	2,662	3,278	771	5,169	-	5,169
Total Other Liabilities	5,966	3,278	965	8,279	194	8,085
Total Noncurrent Liabilities	\$ 1,260,989	\$ 204,863	\$ 209,743	\$ 1,256,109	\$ 55,118	\$ 1,200,991

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

15. NONCURRENT LIABILITIES (continued)

A schedule of debt maturities is as follows (in thousands):

	Fiscal Year	Principal	Interest
Airport Facilities Revenue Bonds			
	2009	\$ 57,980	\$ 53,166
	2010	66,090	55,078
	2011	69,130	51,564
	2012	72,695	47,685
	2013	74,525	43,648
	2014-2018	335,255	161,516
	2019-2023	275,250	71,920
	2024-2028	146,855	26,066
	2029-2033	50,710	3,565
		1,148,490	\$ 514,208
Less unamortized premiums and discounts		(3,931)	
Less unamortized deferred amounts		(53,777)	
		<u>\$ 1,090,782</u>	
Notes Payable			
	2009	\$ 2,003	
	2010	127,256	
		<u>\$ 129,259</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 \$1.1 billion in Airport Facilities Revenue Bonds issued from 1997 to 2008. Proceeds from the bonds provided financing for various airport capital projects. The bonds are payable solely from the airport system revenues and are payable through the year 2033. 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, 2008 is \$1.7 billion with annual requirements ranging from \$111.0 million in 2009 to \$4.7 million in the final year. For the twelve month period ended September 30, 2008, principal and interest paid was \$119.4 million and total airport net revenues pledged for the year was \$146.3 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 \$168,000 and \$251,000.

\$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 5.00% to 5.50% due semi-annually on April 1 and October 1; unamortized premium of \$142,000 and \$185,000.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

15. NONCURRENT LIABILITIES (continued)

\$189,100,000 Airport Facilities Revenue Bonds Series 1999A, dated June 1, 1999, of which a portion is due October 1 of each year beginning in 2002 through 2008; \$26,085,000 in Term Bonds due October 1, 2018; and \$69,525,000 in Term Bonds due October 1, 2028. Interest at 4.60% to 5.25% due semi-annually on April 1 and October 1; unamortized discount of \$2,060,000 and \$2,276,000.

\$13,890,000 Airport Facilities Revenue Bonds Series 1999B, dated October 1, 1999 of which a portion is due October 1 of each year beginning in 2001 through 2009; \$3,030,000 in Term Bonds due October 1, 2024; and \$5,580,000 in Term Bonds due October 1, 2028. Interest at 4.30% to 5.25% due semi-annually on April 1 and October 1; unamortized discount of \$156,000 and \$168,000.

\$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 3.60% to 5.25% due semi-annually on April 1 and October 1; unamortized discount of \$1,128,000 and \$1,204,000.

\$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 3.75% to 5.50% due semi-annually on April 1 and October 1; unamortized discount of \$2,560,000 and \$2,764,000.

\$80,870,000 Airport Facilities Refunding Revenue Bonds, Series 2002C, dated June 28, 2002, of which a portion is due October 1 of each year beginning 2003 through 2008. Interest at 3.50% to 5.25% due semi-annually on April 1 and October 1; unamortized premium of \$0 and \$88,000.

\$3,525,000 Airport Facilities Taxable Refunding Revenue Bonds, Series 2002D, dated June 28, 2002, of which a portion is due October 1 of each year beginning in 2003 through 2008. Interest at 5.06% due semi-annually on April 1 and October 1; unamortized premium of \$0 and \$4,000.

\$180,685,000 Airport Facilities Variable Rate Refunding Revenue Bonds, Series 2002E, dated September 24, 2002, of which a portion is due October 1 of each year beginning in 2003 through 2021. Interest rate is in the Weekly Mode as determined by the Remarketing Agent, which was 8.25% on September 30, 2008; interest is due monthly on the first business day of each calendar month; unamortized discount of \$1,122,000 and \$1,289,000.

The 2002E bonds are issued as variable rate bonds initially in the Weekly Mode. To provide liquidity support for these bonds, the Authority entered into the 2002E Liquidity Facility. The 2002E Liquidity Facility Issuer is obligated to provide funds for the purchase of 2002E Bonds that are tendered for purchase and that are not remarketed. The 2002E Liquidity Facility has been in effect from the initial delivery date of the 2002E bonds until the earliest of July 31, 2009 or to an extended date as may become effective under the 2002E Liquidity Facility or the Business Day next succeeding the effective date of any Purchase Period. In accordance with Generally Accepted Accounting Principles, these bonds have been classified as current liabilities until a replacement credit facility is in effect or the bonds are refunded.

\$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 2.25% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$2,559,000 and \$2,949,000.

\$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

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

15. NONCURRENT LIABILITIES (continued)

April 1 and October 1; unamortized premium of \$3,104,000 and \$3,425,000. These bonds refunded \$143,800,000 of the Airport Facilities Revenue Bonds Series 1997.

\$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 \$3,918,000. These bonds, along with Authority funds, refunded \$282,325,000 of the Airport Facilities Variable Rate Subordinated Revenue Refunding Bonds, 1998 Series A, B, C and D.

\$26,110,000 Airport Facilities Refunding Revenue Bonds, Series 2008B, dated March 31, 2008, of which a portion is due October 1 of each year beginning in 2008 through 2009. Interest at 2.81% to 3.02% due semi-annually on April 1 and October 1; unamortized premium of \$223,000. These bonds were used to pay a swap termination amount of \$25,724,000 related to the Airport Facilities Variable Rate Subordinated Revenue Refunding Bonds, 1998 Series A, B, C and D.

Subordinated Indebtedness:

The Authority financed \$33,990,000 of the cost of the hotel with the proceeds of loans from the City of Gulf Breeze, Florida, Local Government Loan Program. The details of these loans are set forth below:

\$14,700,000 Airport Facilities Subordinated Revenue Bonds, Series 1998B, dated June 1998, principal payable December 1 of each year beginning 1999 through 2008. Interest at 4.55% due semi-annually on June 1 and December 1; unamortized discount of \$33,000 and \$41,000.

\$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 4.55% to 5.05% due semi-annually on June 1 and December 1; unamortized discount of \$43,000 and \$54,000.

\$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 5.06% to 5.64% due semi-annually on April 1 and October 1; unamortized discount of \$103,000 and \$156,000.

Secondary Subordinated Indebtedness:

\$90,055,000 Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997, dated December 1997, principal payable October 1 of each year beginning 2023 through 2027. Variable interest rate, which was 2.43% at September 30, 2008, due quarterly on January 1, April 1, July 1 and October 1; unamortized discount of \$6,057,000 and \$6,207,000.

Notes Payable

The commercial paper notes are classified as long-term debt obligations. A Letter of Credit provided by a syndicate of banks currently supports payment of the principal amount and interest on the Commercial Paper Notes.

With respect to Program A, the Letter of Credit and Reimbursement Agreement, dated February 1, 2003 and amended February 3, 2005, establishes the Authority's obligation to reimburse the banks for draws made under the Letter of Credit. Interest is payable at maturity at a variable rate, not in excess of the maximum rate, and matures not more than 270 days after their respective dates, but in no event later than the fifth Domestic Business Day prior to the Stated Termination Date of February 3, 2010, or any subsequent date to which the letter of credit is extended.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
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15. NONCURRENT LIABILITIES (continued)

With respect to Program B, the Letter of Credit and Reimbursement Agreement, dated November 1, 2006, establishes the Authority's obligation to reimburse the banks for draws made under the Letter of Credit. Interest is payable at maturity at a variable rate, not in excess of the maximum rate, and matures not more than 270 days after their respective dates, but in no event later than the fifth Domestic Business Day prior to the Stated Termination Date of November 5, 2009, or any subsequent date to which the letter of credit is extended.

The Authority paid a non-interest bearing note payable to Florida Department of Transportation in July 2007.

Swap Payments and Associated Debt

Variable Rate Bonds: Using interest rates as of September 30, 2008, debt service requirements of the variable rate debt and net swap payments, assuming current interest rates remain the same for their term, were as follows. As rates vary, variable rate bond interest payments and net swap payments will vary.

Variable Rate Bonds
Projected Debt Service Requirements
(in thousands)

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate Swaps, Net</u>	<u>Total</u>
2009	6,475	11,544	(2,432)	15,587
2010	6,790	11,009	(2,188)	15,611
2011	7,120	10,449	(1,934)	15,635
2012	7,460	9,862	(1,667)	15,655
2013	7,820	9,246	(1,387)	15,679
2014-2018	45,135	35,909	(2,244)	78,800
2019-2023	45,285	16,392	6,628	68,305
2024-2027	77,420	4,796	4,007	86,223
	<u>\$ 203,505</u>	<u>\$ 109,207</u>	<u>\$ (1,217)</u>	<u>\$ 311,495</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

15. NONCURRENT LIABILITIES (continued)

Fixed Rate Bonds: Using interest rates as of September 30, 2008, principal and interest requirements of the debt and net swap payments on the pay-variable, receive-fixed interest rate swap for the term of the swap and the debt are as follows. As rates vary, net swap payments will vary.

Fixed Rate Bonds
Projected Debt Service Requirements
(in thousands)

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate Swaps, Net</u>	<u>Total</u>
2009	\$ 3,610	\$ 757	\$ (146)	\$ 4,221
2010	3,820	569	(99)	4,290
2011	4,060	363	(56)	4,367
2012	2,385	134	(21)	2,498
	<u>\$ 13,875</u>	<u>\$ 1,823</u>	<u>\$ (322)</u>	<u>\$ 15,376</u>

16. DERIVATIVES AND HEDGING ACTIVITIES

Pay-Fixed, Receive-Variable Interest Rate Swaps

Objective of the swaps: The Authority entered into three separate pay-fixed, receive-variable interest rate swaps in order to reduce the impact of fluctuations in interest rates on its variable rate debt. The Authority terminated the swap associated with the 1998 PARS during the year ended September 30, 2008.

Terms, fair values, and risks: The notional amounts of the swaps match the principal amounts of the associated debt. The Authority's swap agreements contain scheduled reductions to outstanding notional amounts that approximate scheduled or anticipated reductions in the outstanding principal amounts from debt repayments. The terms, fair values and credit ratings of the outstanding swaps as of September 30, 2008 and 2007, were as follows:

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Effective Date</u>	<u>Fixed Rate Paid</u>	<u>Variable Rate Received</u>	<u>Sept. 30, 2008 Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
1997B	\$ 90,055,000	Jan. 1, 2003	4.45%	SIFMA*	\$ (7,328,000)	Oct. 2027	AAA/AA+
2002E	128,745,000	Oct. 1, 2002	4.31	SIFMA*	(6,182,000)	Oct. 2021	AAA/AA+

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

16. DERIVATIVES AND HEDGING ACTIVITIES (continued)

<u>Associated Bond Issue</u>	<u>Notional Amounts</u>	<u>Effective Date</u>	<u>Fixed Rate Paid</u>	<u>Variable Rate Received</u>	<u>Sept. 30, 2007 Fair Values</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit Rating</u>
1997B	\$ 90,055,000	Jan. 1, 2003	4.45%	SIFMA*	\$ (5,255,000)	Oct. 2027	AAA/AA+
1998 PARS Subordinated	298,625,000	Jan. 1, 1998	4.39	SIFMA* LIBOR**	(13,475,000)	Oct. 2018	Aa3/A+
2002E	143,320,000	Jan. 1, 2002	4.31	SIFMA*	(5,148,000)	Oct. 2021	AAA/AA+

*The Securities Industry and Financial Markets Association Municipal Swap Index

**London Interbank Offered Rate

Fair Value: Because interest rates have declined, all of the pay-fixed, receive-variable swaps noted above had negative fair values as of September 30, 2008. The fair values were obtained from the swap counterparty as of September 30, 2008.

Credit Risk: As of September 30, 2008, the Authority was not exposed to credit risk because the pay-fixed, receive-variable swaps had negative fair values. Should interest rates change and the fair value of the swaps becomes positive, the Authority would be exposed to credit risk in the amount of the derivatives' fair values.

Termination Risk: Goldman Sachs Mitsui Marine Derivative Products, L.P. (GSMMDP) has the right to terminate the 1997B Gulf Breeze Swap and the 1999 Forward Swap associated with the 2002E bonds 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 and the 1999 Forward Swap, or the occurrence of certain credit downgrades of MBIA provided that, among other things, MBIA does not provide sufficient credit support or collateral to GSMMDP. Such an early termination would result in a cash settlement, based upon market conditions at the time of termination. The 1997B Gulf Breeze Swap and the 1999 Forward Swap also contain early termination and cash settlement provisions at the election of the Authority.

The Authority terminated the swap associated with the 1998 PARS during the year ended September 30, 2008. Goldman Sachs Capital Markets, L.P. (GSCM) had the right to terminate the 1998 Subordinated Bonds Swap upon the occurrence of certain insolvency events with respect to Financial Guaranty Insurance Company ("FGIC"), the insurer of the payments due from the Authority under the 1998 Subordinated Bonds Swap, or the occurrence of certain credit downgrades of FGIC provided that, among other things, FGIC did not provide sufficient credit support or collateral to GSCM. Early termination resulted in a cash settlement, based upon market conditions at the time of termination. The 1998 Subordinated Bonds Swap also contained 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 mismatch could result in the Authority having to pay the difference between the LIBOR-based rate and the tax-exempt variable rate.

Under the 1999 Forward Swap, GSMMDP has the right to convert the SIFMA Index based rate to a rate based upon percentage of LIBOR upon the occurrence of certain taxability events. A conversion to the LIBOR-based rate could result in a mismatch in the tax-exempt variable rate payment payable by the Authority under the 2002E Bonds and the LIBOR-based rate to be received by the Authority from GSMMDP under the 1999 Forward Swap. Such a

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

16. DERIVATIVES AND HEDGING ACTIVITIES (continued)

mismatch 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 swaps expose 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 modify an existing swap, either because it is no longer economically beneficial or because the related debt should be restructured. The Authority would evaluate the potential and effects of this risk when considering any event where market access becomes an issue.

Pay-Variable, Receive-Fixed Interest Rate Swap

Objective of the swap: The Authority entered into a separate pay-variable, receive-fixed interest rate swap in order to affect interest cost savings.

Terms, fair values, and risks: The terms, fair value and credit rating of the outstanding swap as of September 30, 2008 and 2007, were as follows.

<u>Associated Bond Issue</u>	<u>Notional Amount *</u>	<u>Effective Date</u>	<u>Variable Rate Paid</u>	<u>Fixed Rate Received</u>	<u>Fair Value Sept. 30, 2008</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit</u>
2002A Subordinated	\$16,989,000	8/6/1999	140% of SIFMA	6.505%	\$ 294,000	Oct. 2008	AAA/AA+

<u>Associated Bond Issue</u>	<u>Notional Amount *</u>	<u>Effective Date</u>	<u>Variable Rate Paid</u>	<u>Fixed Rate Received</u>	<u>Fair Value Sept. 30, 2007</u>	<u>Swap Termination Date</u>	<u>Counterparty Credit</u>
2002A Subordinated	\$19,795,000	8/6/1999	140% of SIFMA	6.505%	\$ 430,000	Oct. 2008	AAA/AA+

*The notional amount does not match the outstanding principal of the debt.

Fair Value: The fair value of the swap associated with the 2002A Subordinated (the "1999 Fixed to Floating Swap") is \$294,000 as of September 30, 2008. This value was derived from GSMMDP.

Credit Risk: The swap's fair value represents the Authority's credit exposure to GSMMDP as of September 30, 2008. Should GSMMDP fail to perform according to the terms of the swap contract, the Authority faces a maximum possible loss equivalent to the swap's \$294,000 fair value.

Interest Rate Risk: The swap increases the Authority's exposure to interest rate risk. As SIFMA increases, the Authority's net payment on the swap increases.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

16. DERIVATIVES AND HEDGING ACTIVITIES (continued)

Termination Risk: GSMMDP has the right to terminate the 1999 Fixed to Floating Swap upon the occurrence of certain insolvency events with respect to MBIA, the insurer of the payments due from the Authority under the 1999 Fixed to Floating Swap, or the occurrence of certain credit downgrades of MBIA provided that, among other things, MBIA does not provide sufficient credit support or collateral to GSMMDP. Such an early termination would result in a cash settlement, based upon market conditions at the time of termination. The 1999 Fixed to Floating Swap contains early termination and cash settlement provisions at the election of the Authority.

Rollover Risk: The Authority is exposed to rollover risk on swaps that mature or may be terminated prior to the maturity of the associated debt. When this swap terminates, the Authority will not realize the synthetic rate offered by the swap on the underlying debt issues. The 2002A Subordinated debt which has a maturity date of October 2012 and swap termination date of October 2008 is exposed to rollover risk.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

17. CONDUIT DEBT OBLIGATIONS

The Authority has outstanding the following series of conduit debt obligations:

Amounts Outstanding As of September 30, (in thousands)	2008	2007
Special Purpose Facilities Revenue Bonds issued to provide for the acquisition, construction and installation of an aircraft maintenance hangar; payable solely from and secured by a pledge of rentals to be received from lease agreements and from proceeds of the letter of credit provided by the borrower.	\$ 228	\$ 532
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.	4,100	4,100
Special Purpose Facilities Revenue Bonds issued to provide for the construction and installation of a service center for aircraft; payable solely from and secured by a pledge of rentals to be received from lease agreements and an Unconditional Guaranty Agreement.	30,000	30,000
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.	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.	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.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

18. DEFERRED AMOUNT ON REFUNDING OF BONDS

On March 31, 2008, the Authority issued \$248.0 million in 2008A Series Airport Facilities Refunding Bonds (2008A) with a true interest rate of 4.89% and \$26.1 million in 2008B Series Airport Facilities Refunding Bonds (2008B) with a true interest rate of 4.30%. The 2008A proceeds of \$257.1 million, along with \$30.0 million of Authority available funds were deposited into the 1998 Airport Facilities Variable Rate Refunding Revenue Bonds Series 1998 A, B, C and D (PARS) sinking fund account to refund \$282.3 million of outstanding PARS and to pay related issuance costs. The 2008B proceeds of \$26.1 million were used to pay a swap termination amount of \$25.7 million related to the PARS and related issuance costs.

The refunding resulted in a loss of \$27.2 million between the reacquisition price and the net carrying amount of the old debt and swap termination payment, and the loss is reported in the accompanying financial statements as a deduction from bonds payable. The deferred loss will be charged to operations over the life of the 2008A and 2008B bonds using the effective-interest method.

The Authority initiated the refunding to mitigate interest rate risk associated with the PARS and related swap, as a result of the bond insurer rating downgrade and other related market events. The PARS were defeased on April 1 and April 3, 2008. The liability was removed and is no longer reflected on Authority's financial statements at September 30, 2008.

19. 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, (in thousands):

	<u>2008</u>	<u>2007</u>
Federal Grants	\$ 47,572	\$ 26,104
State of Florida Grants	21,371	20,759
Other Grants	933	776
	<u>\$ 69,876</u>	<u>\$ 47,639</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

20. AIRLINE LEASE AND USE AGREEMENT

The Authority entered into residual lease and use agreements with various signatory airlines that extend through the end of fiscal year 2008. Among other provisions, the agreements require that landing fees and terminal fees and charges will be reviewed annually and adjusted as necessary so that the total revenues of the Airport Facilities Revenue Account are sufficient to meet debt service requirements. The Authority negotiated new Lease and Use Agreements relating to the use of the Airport, the rental of space, and the establishment of landing fees with the airlines effective October 1, 2008. See the Subsequent Events disclosure (Note 23) for additional information.

At the end of the fiscal year, after all required deposits have been made, the remaining funds on deposit are divided equally between the airlines and the Authority. The Authority's share is deposited into the Airport Facilities Improvement and Development Account and the airlines' share is deposited into the Airport Facilities Prepaid Airline Fees and Charges Account which is used to meet revenue requirements for the following fiscal year. The airline's share is included in the Balance Sheet as deferred revenue payable from restricted assets.

For the years ended September 30, 2008 and 2007, deferred revenues allocable to the airlines for that year amounted to approximately \$13.6 million and \$13.9 million, respectively. Airfield area revenues on the Statements of Revenues, Expenses and Changes in Net Assets have been increased by \$12.0 million for the 2008 fiscal year. This increase was the result of previously deferred revenue of \$25.6 million offset by the 2008 credit of \$13.6 million. Since the Airline Lease and Use Agreement expired September 30, 2008, the Authority recognized the previous deferred revenue as landing fee income. Airfield area revenues on the Statements of Revenues, Expenses and Changes in Net Assets have been reduced by \$18.5 million for the 2007 fiscal year. For the years ended September 30, 2008 and 2007, no signatory airline's revenues under the lease and use agreement represented more than 5% of operating revenues.

21. OUTSTANDING CONTRACTS

As of September 30, 2008 and 2007, the Authority had entered into construction contracts totaling approximately \$1.2 billion and \$958.3 million, respectively, for construction, engineering services and equipment. Approximately \$197.5 million and \$274.1 million, remained unincurred as of September 30, 2008 and 2007, respectively. Grants and passenger facility charges will be utilized to fund a portion of these projects.

22. 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 4) provides 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, 2008, this contingent liability of the Authority was 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, 2008, this contingent liability of the Authority amounted to approximately \$4.3 million.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

22. COMMITMENTS AND CONTINGENCIES (continued)

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

Although it is difficult to quantify the potential impact of compliance with environmental protection laws, the Authority believes that the ultimate aggregate cost of environmental remediation will not result in a material adverse effect on its future financial condition or results of operations. The Authority expects to recover any costs expended on environmental remediation through rates and charges.

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.

For fiscal year 2008, the Authority continued the monitoring and maintenance of both on-site and off-site wetland mitigation areas and preparation of applicable conservation easements. No new mitigation credits were acquired during this reporting period. Although it is difficult to quantify the potential cost of compliance with the conditions contained in existing environmental permits, the Authority expects to recover any costs of compliance in the Authority's capital improvements program.

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.

23. SUBSEQUENT EVENTS

Lease and Use Agreement: Effective as of October 1, 2008 the Authority entered into new 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, US Airways, Virgin Atlantic Airways, Ltd. ("Virgin") and WestJet (collectively, the "Signatory Airlines"). The new Lease and Use Agreements will be effective through October 1, 2013. The key provisions of the new Lease and Use Agreements include a change from a residual to a compensatory rate-making methodology for the terminal building, an increasing amount of net remaining revenue for the Authority over the term of the Lease and Use Agreements, an increased scope of capital expenditures not subject to Majority-In-Interest approval of the signatory airlines and the ability to use an Extraordinary Coverage Protection provision when the 1.25x Rate Covenant is not met.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2008 and 2007

23. SUBSEQUENT EVENTS (continued)

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 on a proportionate formula, (c) a landing fee, based on maximum gross landed weight, the number of landings, and the applicable landing fee rate (d) an annual charge for tenant improvements financed by the Authority, and (e) an annual charge for preferential use of aircraft parking aprons.

Bond Issuance: On October 8, 2008 the Authority issued \$75.0 million in 2008C Series Airport Facilities Revenue Bonds (2008C) with an interest rate of 3.99% to pay off \$69.0 million of existing Commercial Paper. The remaining proceeds of \$6.0 million were deposited with a Special Trustee of which \$5.8 million will be used for construction project costs and \$0.2 million for costs of issuance. The 2008C bonds are scheduled to mature on October 1, 2013.

2002E Bonds: The Authority issued \$180.7 million Airport Facilities Variable Rate Refunding Bonds, Series 2002E (the "2002E Bonds") on September 18, 2002. The 2002E Bonds were issued as senior lien variable rate revenue bonds initially in the Weekly Mode (as defined in the Supplemental Airport Facilities Revenue Bond Resolution). While in Weekly Mode, the interest rate on the 2002E Bonds resets weekly and the 2002E Bonds are subject to tender for purchase on any Business Day at the option of the registered owners thereof upon seven days prior notice given by such registered owners. The Authority currently maintains a Standby Bond Purchase Agreement ("Liquidity Facility") which requires the Liquidity Facility Issuer to purchase any and all tendered bonds under the terms of the agreement. The Liquidity Facility has been in effect from the initial delivery date of the bonds until the earliest of July 31, 2009 or to an extended date as may become effective under the Liquidity Facility or the Business Day next succeeding the effective date of any Purchase Period. The final maturity date of the bonds is October 1, 2021.

The Trustee and Tender Agent for the 2002E Bonds received notification of the tender of \$0.8 million of the Bonds effective October 1, 2008. Subsequently, they received notification that \$111.6 million of the Bonds were being tendered effective October 8, 2008. In accordance with the Standby Bond Purchase Agreement, the Liquidity Facility Issuer purchased the tendered bonds resulting in \$112.4 million of the 2002E Bonds being held.

According to the terms of the Agreement, the Authority will pay the Liquidity Facility Issuer the Purchased Bonds Rate on the principal amount of the Purchased Bonds. The Purchased Bonds Rate is based on the Base Rate which is the rate equal to the greater of (1) the Prime Rate or (2) the Federal Funds Rate plus 0.50% per annum. According to the Agreement, if the Liquidity Facility Issuer shall own Purchased Bonds at the end of the Purchase Period, then the Purchased Bonds Rate shall be equal to the Base Rate plus 3.00% per annum for any period thereafter.

As of December 31, 2008, all of the 2002E Bonds held by the Liquidity Facility Issuer had been remarketed.

GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTAL INFORMATION
SINGLE-EMPLOYER PENSION PLAN
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date Oct. 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)
2007	\$63,464,807	\$85,766,727	\$22,301,920	74%	\$15,018,218	148%
2006	49,810,788	76,168,951	26,358,163	65	14,794,646	178
2005	43,371,174	70,428,136	27,056,962	62	15,277,308	177

GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTAL INFORMATION
SINGLE-EMPLOYER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	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)
Oct. 01, 2007	\$ -	\$44,082,109	\$44,082,109	-	\$36,536,030	120.65 %
Oct. 01, 2006	-	26,973,954	26,973,954	-	34,859,180	77.38
Dec. 31, 2005	-	25,288,646	25,288,646	-	27,983,670	90.37

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APPENDIX E

REPORT OF THE AIRPORT CONSULTANT

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September 14, 2009

Mr. Jeffry Fuqua
Chairman
Greater Orlando Aviation Authority
Orlando International Airport
One Airport Boulevard
Orlando, FL 32827-4399

**Re: Report of the Airport Consultant, Greater Orlando Aviation Authority
Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility
Project) Series 2009, of the City of Orlando, Florida**

Dear Mr. Fuqua:

We are pleased to submit this Report of the Airport Consultant on certain aspects of the proposed issuance of the Special Purpose Facilities Taxable Revenue Bonds, (Rental Car Facility Project) Series 2009 (the 2009 Bonds) by the Greater Orlando Aviation Authority (the Authority), an agency of the City of Orlando, Florida, for rental car facility improvements at Orlando International Airport (the Airport or MCO). This letter and the accompanying attachment and exhibits constitute our report.

The net proceeds of the 2009 Bonds, and certain investment earnings thereon, will be used to (1) pay a portion of the costs of the 2009 Project (as defined below), (2) fund the Debt Service Reserve Requirement for the 2009 Bonds, (3) fund the Coverage Fund Requirement on the 2009 Bonds, (4) refund the \$25 million in commercial paper issued in June 2009 to provide bridge financing for the 2009 Project in advance of the issuance of the 2009 Bonds, and (5) pay the costs of issuance of the 2009 Bonds.* The 2009 Bonds are payable from and secured by a lien on and pledge of the Trust Estate granted under the Indenture. The Pledged Revenues of the Trust Estate consist primarily of Customer Facility Charges (CFCs) receivable by the Authority pursuant to the terms of the CFC Enabling Resolution.

The Airport is owned by the City of Orlando and is operated by the Authority as a self-supporting Enterprise Fund, under an agreement that extends to 2026.

*Capitalized terms in this report and not otherwise defined have the meanings given to such terms as defined in the Indenture and the preliminary official statement related to the 2009 Bonds.

Mr. Jeffry Fuqua
September 14, 2009

The 2009 Project is a rental car facility expansion project at the Airport. *MCO is the largest rental car market in the U.S. in terms of revenues.*

The Airport ranked 8th among U.S. airports in terms of total domestic revenue enplaned passengers in FY 2008.* More notably, the Airport ranked 3rd among U.S. airports in terms of domestic origin-destination (O&D) passengers in FY 2008, ahead of major hub airports such as Chicago-O'Hare, Atlanta, Denver, Phoenix, and Dallas/Ft. Worth. The Airport is the busiest airport in Florida in terms of both total domestic enplaned passengers and domestic O&D passengers.

The report presents a forecast of visiting origin-destination (O&D) passengers because these passengers rent cars at the Airport (i.e., not residents or connecting passengers). Visiting O&D passengers constitute approximately 70% of all enplaned passengers at the Airport. The report also presents our forecast of CFCs and evaluates the ability of the Airport to generate Pledged Revenues sufficient to satisfy the requirements of the Rate Covenant (defined below) under the Trust Indenture, dated as of October 1, 2009 (the Indenture) between the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee, for the forecast period FY 2010 through FY 2014.

The 2009 Project

In 2007, the Authority completed a Rental Car Operations Assessment and Facility Improvements Study which identified a need to expand existing rental car facilities at the Airport. In early 2008, the Authority initiated the process to rebid the rental car agreements that were set to expire in 2009 guided by the following principles:

- Increase customer service by bringing more rental car companies on-Airport.
- Provide a seamless transportation experience by having the rental car companies remain in the terminal.
- Increase revenue to the Authority.

With these principles in mind, the Authority developed the 2009 Project and additional future projects (together the "CFC Project") and developed an associated business plan that was designed to:

- Increase rental car operational capacity.
- Maximize the efficiency of on-Airport rental car facilities and operations.
- Improve overall traffic around the Airport.
- Accommodate 95% of the rental car market on-Airport.
- Accommodate as many as 11 brands on-Airport.

*The Authority's Fiscal Year (FY) ends September 30.

Mr. Jeffry Fuqua
September 14, 2009

The CFC Project was developed on the basis of the Rental Car Operations Assessment and Facility Improvements Study, the guiding principles noted above, and discussions with the rental car companies. The CFC Project consists of (1) expansion and reconfiguration of the existing Terminal A Quick Turnaround Area (QTA), (2) construction of a new Terminal B QTA and associated relocation of the bus and taxi hold facilities, (3) addition of ready/return spaces at Terminal A, (4) construction of a common fuel distribution system (Common Fueling System), and (5) associated terminal roadway and signage improvements.

The 2009 Project, which includes the Terminal A QTA, the Terminal B QTA, temporary taxi/bus hold facilities, and certain roadway improvements, is under construction and scheduled to be occupied by the Concessionaire Rental Car Companies (as defined below) on April 1, 2010. As of August 2009, the 2009 Project was 65% complete. As shown on Exhibit A at the end of this report, the 2009 Project is projected to cost \$60.3 million (including soft costs and allowance for contingencies) of which \$10.3 million has been permanently funded with pay-as-you-go CFCs and the remaining \$50 million will be funded with the net proceeds of the 2009 Bonds. In June 2009, the Authority issued \$25 million in taxable commercial paper to provide bridge financing for the 2009 Project in advance of the issuance of the 2009 Bonds. The future elements of the CFC Project total \$39.5 million and are expected to be funded entirely from CFCs on a pay-as-you-go basis as CFCs are deposited into the Facility Improvement Fund over the next five years. The entire CFC Project, including the 2009 Project, is currently estimated to cost \$99.8 million.

The CFC Project represents to the Authority's best knowledge and belief at this time, all of the significant rental car facility improvements expected to be undertaken through FY 2014. Cost estimates were provided by the Authority and its consultants and include allowances for design, construction management, contingencies, and escalation.

Automobile Rental Car Concession Agreement

In August 2008, the Authority executed four rental car concession agreements (Automobile Rental Car Concession Agreements) with (1) Avis Budget Car Rental, LLC (Avis and Budget brands), (2) DTG Operations, Inc. (Dollar and Thrifty brands), (3) EAN-Orlando, LLC (Enterprise, Alamo and National brands), and (4) The Hertz Corporation (Hertz and Simply Wheelz brands). The Automobile Rental Car Concession Agreements are to become effective 60 days after the Authority grants occupancy of the rental car premises leased under the agreements, which may only be granted following the completion of the Terminal QTA. The Commencement Date of these agreements is scheduled to be April 1, 2010. In October 2007, the Authority approved a second amendment to extend the existing agreement with L&M for 3 years, which was further amended on August 19, 2009. L&M and EZ effectively operate as one company at the Airport under similar terms as the other

Mr. Jeffry Fuqua
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rental car concessions, including the payment of CFCs. The four signatories to the Automobile Rental Car Concession Agreement and L&M/EZ are collectively referred to as the Concessionaire Rental Car Companies.

Under the Automobile Rental Car Concession Agreements and the L&M agreement, the Concessionaire Rental Car Companies will pay (1) 10% of gross receipts (which will apply to both on and off Airport companies) (2) ready/return space rent on a per space basis, (3) QTA rent, and (4) rent for terminal counters, office, and queuing space leased at airline Class II rental rates. QTA facility rent will include ground rent at 10% of the fair market value of the land. In addition, the Concessionaire Rental Car Companies will pay for all operating, utility, maintenance, and service management expenses and following the full recovery of the cost of the 2009 Project (project costs and debt service), QTA rent converts to the fair market rent for land and improvements. These rental car revenues are not Pledged Revenues as defined in the Indenture, but instead are Revenues as defined in the Airport Facilities Revenue Bond Resolution (the Bond Resolution).

The Automobile Rental Concession Agreement and the L&M agreement provide that the Concessionaire Rental Car Companies must collect a CFC from customers for automobiles delivered, rented to, or picked up at the Airport or the Customer Service Facility.*

Customer Facility Charges and CFC Enabling Resolution

CFCs are the per rental car transaction day fees payable by rental car customers that are collected, accounted for, and remitted by the rental car companies to the Authority (whether collected from customers or not), as established by resolution of the Authority approved August 17, 2008, as amended and restated on August 19, 2009 (the CFC Enabling Resolution). The CFC Enabling Resolution also provides that the Authority can periodically adjust, as necessary, the CFC level and the period of time it is collected.

On October 1, 2008, the Concessionaire Rental Car Companies began collecting the CFC. The CFC is currently set at \$2.50 per rental car transaction day, not to exceed five transaction days. The CFC will be collected from customers by the Concessionaire Rental Car Companies and will fund rental car improvements such as the CFC Project. CFCs may be used to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining, the rental

*A Customer Service Facility is generally defined to mean any facility operated by a Concessionaire Rental Car Company for the processing, servicing, or delivery of automobiles rented to its customers located on Airport premises, or within an eight mile radius of either the northern entrance or the southern entrance to the Airport.

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September 14, 2009

automobile related facilities, and facilities to be modified, improved, or relocated to accommodate rental automobile related facilities.

The CFC Enabling Resolution provides that the rental car facilities to be acquired, constructed, and/or relocated and funded by obligations of the Authority secured by CFCs are "Special Purpose Facilities," as defined under the Bond Resolution. Therefore, the 2009 Project is designated a "Special Purpose Facility."

Under the CFC Enabling Resolution, the Authority has agreed to pledge the CFCs by resolution or trust indenture to secure financings to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental automobile related facilities, and facilities to be modified, improved, or relocated to accommodate rental automobile related facilities. Although CFCs can be used to fund maintenance costs of rental car facilities, it is the Authority's intent that the Concessionaire Rental Car Companies pay for such maintenance out of their funds.

2009 Bonds

Exhibit B shows the expected sources and uses of funds for the CFC Project. Debt service requirements for the proposed 2009 Bonds, which are presented in Exhibits C and D-1, were provided by Morgan Keegan & Company, the Authority's financial advisor, on the basis of certain data and information provided by the Authority on the cost and timing of the CFC Project elements. The 2009 Bonds were assumed to be issued at fixed interest rates.

Indenture

The 2009 Bonds are being issued under the Indenture. Pledged Revenues securing the 2009 Bonds consist of CFCs received by the Authority and investment income derived from amounts credited to certain Pledged Funds (Revenue Fund, Debt Service Fund, Debt Service Reserve Fund, Coverage Fund, and CFC Stabilization Fund). As defined in the Indenture, the 2009 Bonds are special, limited obligations of the Authority payable from the Pledged Revenues of the Airport. The Revenues and Net Revenues of the Authority (as defined in the Bond Resolution) are not pledged to the payment of the 2009 Bonds.

In addition, as security for the payment of the 2009 Bonds, the Authority has pledged the amounts on deposit in (1) the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Coverage Fund, and the CFC Stabilization Fund and (2) the Facility Improvement Fund and the Project Fund, with the exception of interest earnings therein and only to the extent such amounts have not been encumbered or otherwise allocated by the Authority.

Mr. Jeffrey Fuqua
September 14, 2009

Rate Covenant

In Section 7.2 of the Indenture (referred to as the Rate Covenant), the Authority has covenanted to cause CFCs to be calculated, established, and imposed as provided in the CFC Enabling Resolution so long as any Bonds remain Outstanding under the Indenture. The Authority covenants to adjust the CFC so that Pledged Revenues, along with amounts then on deposit in the Coverage Fund, in each Fiscal Year are an amount (1) at least equal to 1.25x the Current Annual Debt Service Requirement in such Fiscal Year on the Bonds then Outstanding under the Indenture and (2) sufficient to replenish any shortfalls in the amounts required to be maintained in either the Coverage Fund or the Debt Service Reserve Fund within 12 months.

Scope of Report

The report was prepared to address the ability of the Authority to meet the requirements of the Rate Covenant in the forecast period, FY 2010 through FY 2014. In conducting our study, we analyzed:

- Future visiting passenger traffic demand at the Airport, giving consideration to the demographic and economic characteristics of the Airport air trade area, historical trends in airline traffic, recent airline service developments and airfares, the economic outlook for the nation and air trade area, and other key factors that may affect future visiting passenger traffic.
- The status and estimated costs of the CFC Project.
- Estimated sources and uses of funds and Current Annual Debt Service Requirements for the 2009 Bonds in each Fiscal Year of the forecast period.
- Historical and estimated future CFCs and the use of CFCs to pay Current Annual Debt Service Requirements as well as pay a portion of the costs of the 2009 Project on a pay-as-you-go basis.
- Historical relationships between visiting O&D passengers, rental car transactions, and rental car transaction durations for the Airport.
- The facilities expected to be provided under the 2009 Project.
- The CFC Enabling Resolution.
- The Automobile Rental Car Concession Agreement and the L&M agreement.

Mr. Jeffry Fuqua
September 14, 2009

We have relied upon the Authority and its consultants for estimates of project costs and construction schedules for the CFC Project and upon the Authority's Financial Advisor for the plan of debt finance and estimated debt service requirements for the 2009 Bonds.

We also identified key factors upon which the future financial results of the Rental Car Special Purpose Facilities may depend and formulated assumptions about those factors. On the basis of those assumptions, we assembled the financial forecasts presented in the accompanying exhibits provided at the end of this report.

Forecast Debt Service Coverage and Rate Covenant Compliance

As shown in Exhibit E at the end of this report, and the table below, Pledged Revenues are forecast to be sufficient to meet the Rate Covenant. The following table summarizes forecasts of Pledged Revenues, Current Annual Debt Service Requirements, and debt service coverage.

FORECAST RATE COVENANT COMPLIANCE Orlando International Airport (in thousands, except coverage) (for the 12 months ending September 30)					
	2010	2011	2012	2013	2014
Pledged Revenues	\$ 21,281	\$ 21,324	\$ 21,649	\$ 21,979	\$ 22,317
Coverage Fund Balance	2,489	2,489	2,489	2,489	2,489
Adjusted Pledged Revenues	\$ 23,770	\$ 23,813	\$ 24,138	\$ 24,468	\$ 24,806
Current Annual Debt Service Requirement	9,952	9,953	9,954	9,957	9,956
Debt Service Coverage	2.39	2.39	2.42	2.46	2.49
Debt Service Coverage (without Coverage Fund)	2.14	2.14	2.17	2.21	2.24

Pledged Revenues are forecast to be at least equal to 214% of the Current Annual Debt Service Requirement in each of the Fiscal Years 2010 through 2014 and to be at least equal to 239% with the Coverage Fund. Thus, the Rate Covenant of the Indenture is forecast to be met in each Fiscal Year of the forecast period.

Assumptions Underlying the Financial Forecasts

The forecasts are based on information and assumptions that were provided by or reviewed with and agreed to by Authority management. The forecasts reflect Authority management's expected course of action during the forecast period and, in Authority management's judgment, present fairly the expected financial results of the Rental Car Special Purpose Facilities. Those key factors and assumptions that are significant to the forecasts are set forth in the attachment, "Background, Assumptions, and Rationale for the Financial Forecasts." The attachment should be read in its entirety for an understanding of the forecasts and the underlying assumptions.

Mr. Jeffry Fuqua
September 14, 2009

In our opinion, the underlying assumptions provide a reasonable basis for the forecasts. However, any forecast is subject to uncertainties. Inevitably, some assumptions will not be realized and unanticipated events and circumstances may occur. Therefore, there will be differences between the forecast and actual results, and those differences may be material. Neither Jacobs Consultancy nor any person acting on our behalf makes any warranty, expressed or implied, with respect to the information, assumptions, forecasts, opinions, or conclusions disclosed in the report. We have no responsibility to update this report to reflect events and circumstances occurring after the date of the report.

Sensitivity Analysis Projection


As a result of the current economic recession and the potential implications for the airline and rental car industries, uncertainties exist about the number of O&D visitors that will enplane and rent cars at the Airport in the future. To test the sensitivity of the financial forecasts to hypothetical levels of O&D visitor activity, a sensitivity analysis projection was developed in addition to the base forecast. The sensitivity analysis projection should not be considered as a forecast of expected future results.

Under the sensitivity analysis projection, visiting O&D passengers and CFC revenues are assumed to be less than the base forecast. All other assumptions are the same as for the base forecast. Under the Sensitivity Analysis Projection, debt service coverage ratios are projected to be lower than those for the base forecast, but to be at least equal to 196% of the Current Annual Debt Service Requirement without the Coverage Fund and 221% with the Coverage Fund in each of the Fiscal Years 2010 through 2014.

* * * * *

We appreciate the opportunity to serve as the Authority's Airport Consultant in connection with this proposed financing.

Respectfully submitted,


JACOBS CONSULTANCY

Attachment

BACKGROUND, ASSUMPTIONS, AND RATIONALE
FOR THE FINANCIAL FORECASTS

Greater Orlando Aviation Authority

Orlando International Airport

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BACKGROUND

This section provides a summary of existing Airport facilities, rental car operations at Orlando International Airport (the Airport or MCO), rental car industry trends and profiles, and the 2009 Project to address rental car demand.

AIRPORT FACILITIES

Orlando International Airport occupies approximately 13,756 acres of land on a site nine miles southeast of downtown Orlando in Orange County. The Airport has four north-south commercial aircraft runways and a midfield passenger terminal complex.

Airfield

Runway 17R/35L is 10,000 feet long, Runway 17L/35R is 9,000 feet long, and Runways 18L/36R and 18R/36L are both 12,000 feet long. All four runways are equipped with precision Instrument Landing Systems (ILS) and are capable of accommodating all-weather operations by the largest airline aircraft in use today. The spacing between sets of parallel runways is adequate to allow triple simultaneous approaches under FAA instrument flight rules. The runways are supported by a network of taxiways, aprons, and hold areas. Three crossover taxiways connect the runways on either side of the midfield terminal complex.

North Terminal Complex

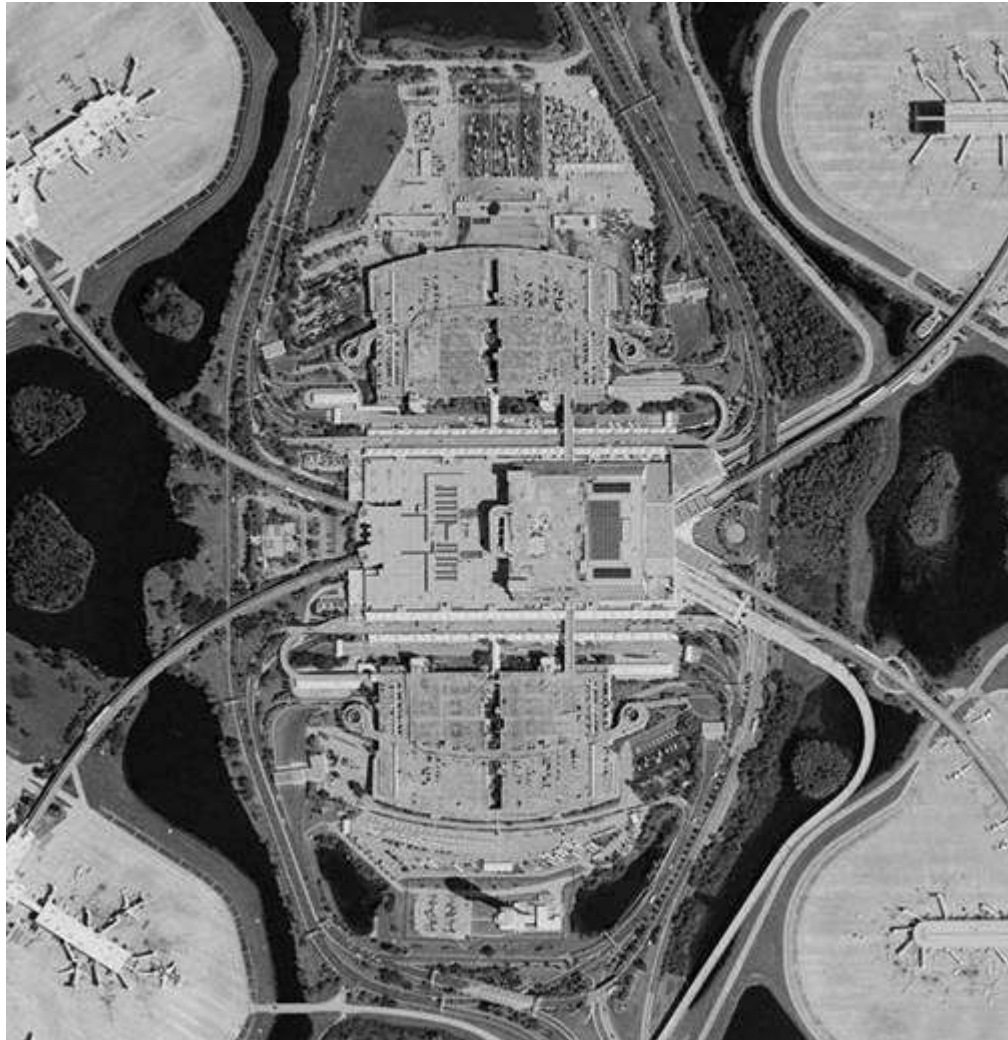
The North Terminal Complex consists of the landside terminal, four airside buildings with associated aircraft parking aprons and connecting taxiways, automated people movers connecting the landside terminal to the airside buildings, an in-terminal hotel, a terminal roadway system with associated signage, ground level and structural parking for automobiles, rental car facilities, landscaping, a hydrant fueling storage and distribution system, a flood control bypass canal, and utilities and drainage.

The landside terminal and airside buildings provide approximately 3.5 million square feet of space, excluding the hotel, which comprises an additional 514,000 square feet. The north and south sides of the landside terminal are known as Terminals A and B, respectively.

Figure 1 shows the layout of the landside terminal, airside buildings, automated people movers, and garages in the North Terminal Complex. Areas to the south have been reserved for future development of the South Terminal Complex.

Figure 1

NORTH TERMINAL COMPLEX LAYOUT – ORLANDO INTERNATIONAL AIRPORT



Source: Greater Orlando Aviation Authority.

The landside terminal has 10 levels. Level 1 accommodates ground transportation functions, including staging and parking areas for buses, limousines, and taxis as well as a tunnel under the terminal roadway system to connect passengers to parking facilities. Level 2 accommodates arrival and baggage claim functions, including space for rental car and bus check-in counters. Level 3 accommodates airline ticketing and departure functions and most of the landside terminal space allocated to food/beverage and retail merchandise concessions.

A 445-room hotel with restaurants and conference facilities is an integral part of the landside terminal and is directly accessible from Level 3, the departure level. The

hotel occupies Levels 4 through 8 on the eastern-most portion of the landside terminal. Except for the hotel areas, Levels 4 through 10 accommodate parking.

The landside terminal is connected by automated people movers to the four airside buildings. The airside buildings and aprons provide 96 contact aircraft gates for jet aircraft and associated passenger waiting areas, concessions, and airline operations space. Of the 96 jet aircraft gates, 56 gates are leased on a preferential use basis by the signatory airlines and the remaining gates are available for use on a per-turn basis by signatory, non-signatory, and charter airlines. Federal Inspection Services (FIS) facilities are provided in airside buildings 1 and 4 and can accommodate international arrivals at 16 gates. Combined FIS throughput capacity can accommodate approximately 2,600 arriving international passengers per hour. In addition to the 96 contact aircraft gates, the terminal apron provides aircraft parking for the 16 commuter aircraft positions, and 27 remain-over-night (RON) spaces.

Roadway System and Public Parking Facilities

The North Terminal Complex is served by a three-level roadway system that provides access to separate enplaning, deplaning, and commercial vehicle curbsides on the north (Terminal A) and south (Terminal B) sides of the landside terminal at Levels 1, 2 and 3. Public parking spaces are located on levels 3 through 6 of the garages adjacent to the landside terminal.

There are 20,600 public parking spaces located on the Airport, including 9,300 garage spaces and 11,300 satellite parking spaces located at remote lots to the north and south of the North Terminal Complex.

Rental Car Facilities

Rental car ready/return stalls are located on levels 1 and 2 of the garages adjacent to the landside terminal. Adjacent to the garages at grade level (level 1) there are Quick Turnaround Areas (QTA) for stacking, cleaning, fueling, washing, and staging cars prior to moving them into the ready car spaces in the garage.

In addition to these facilities, Budget maintains a support facility on the Airport on Casa Verde, and both Avis and the combined Enterprise brands (see discussion below) maintain support facilities on Hangar Boulevard, which is in the vicinity of Casa Verde and Cargo Road.

Ground Access

The Airport can be accessed directly from the north or south using Airport Boulevard, which forms a loop around the Airport and connects with South Access Road south of the Airport, the Bee Line Expressway (SR 528) and Semoran Boulevard (SR 436) both north of the Airport. SR 436 is the most direct route to downtown Orlando, which is approximately nine miles northwest of the Airport.

The Airport is served by a combination of state roads and interstates that allow for convenient access to Orlando and the major attractions. On the north side of the Airport

is SR 528 that connects to Interstate-4 (I-4) in the west, the Central Florida Greenway (SR 417 or Greenway) on the east, as well as Interstate-95 (I-95) on the coast. From the Airport I-4 is approximately 11 miles. Interstate-4, which starts in Tampa, runs northeast and passes just west of downtown Orlando before ending near Daytona Beach. The Greenway forms a half loop around the City of Orlando and connects with I-4 southwest of the Airport, passes directly south of the Airport before turning north and passes just east of downtown Orlando. The Florida Turnpike passes the Greenway west of the Airport and runs, northwest connecting with I-4. North of the Airport is Semoran Boulevard (SR 436) which heads directly north, passing through the eastern side of downtown Orlando.

Commercial Property Development and Other Facilities

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

Facilities at the Tradeport include a long-term public parking lot, air cargo aircraft parking and cargo handling facilities, two fixed base operator facilities (Signature Flight Support and Galaxy Aviation), an aircraft fuel farm, aircraft maintenance hangars and shops, Airtran's corporate headquarters and certain maintenance facilities, a U.S. Department of Agriculture inspection station, a regional U.S. Postal center, a Continental Airlines major maintenance facility, Federal Express sorting facility, Cessna Aircraft Company Citation Service Center, FlightSafety International pilot training simulation center, and a Foreign Trade Zone. jetBlue Airways operates a flight support campus in the Heintzelman corridor.

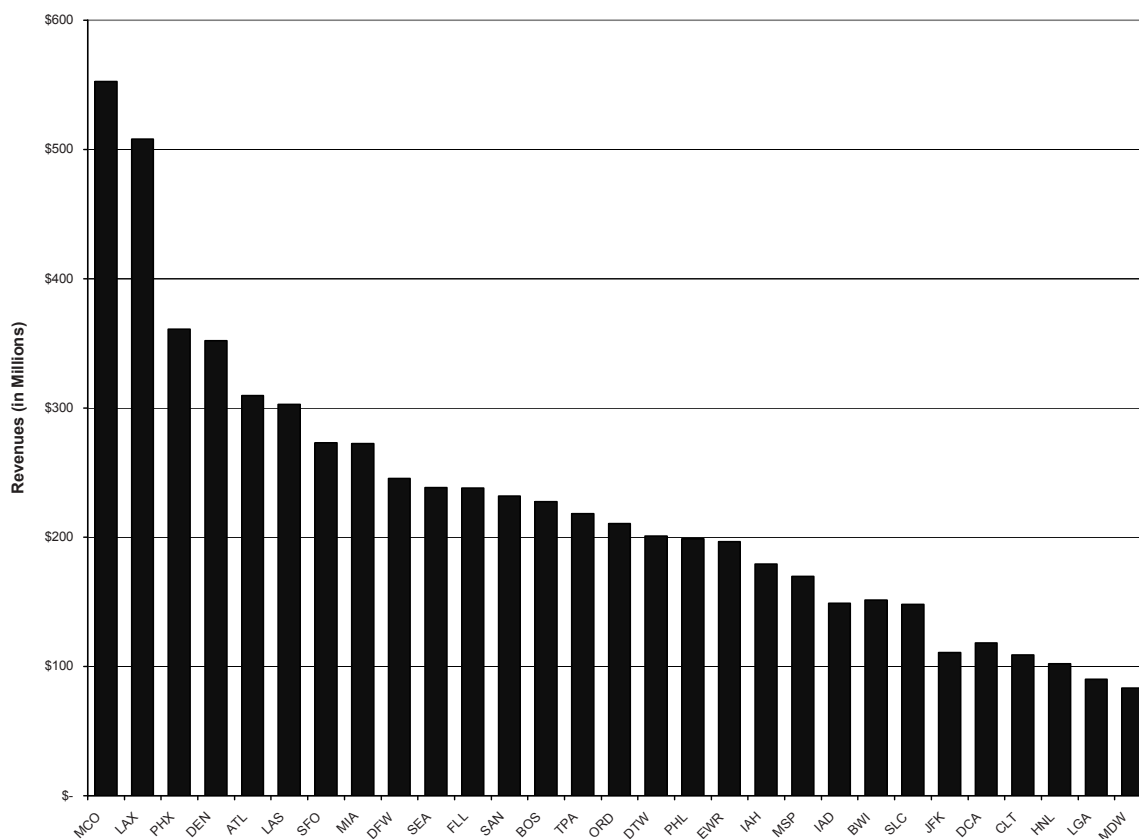
RENTAL CAR OPERATIONS AT THE AIRPORT

According to American Car Rental Association, industry rental car revenues totaled \$21.5 billion in 2007. We estimate that airport rental revenues at the top 100 airports totaled about \$11 billion in 2007 or roughly 51% of the industry total. Orlando International Airport is the largest rental car market in the U.S. in terms of revenues as shown on Figure 2.

In 1998, the Authority entered into 10-year concession agreements with Avis, Budget, Dollar, National, and L&M to operate from the on-Airport facilities. Previous to this agreement, Hertz operated on the Airport. Alleging site constraints as the reason, Hertz elected not to bid for a concession agreement in 1998 and moved their operation off the Airport to a new facility near the Airport on Semoran Boulevard (SR 436) and commenced a busing operation. This move by Hertz meant that a significant portion of the Orlando Airport rental car market, including Hertz, Alamo, Enterprise, and Thrifty, as well as numerous specialty and local operators, operated facilities off-Airport in 1998.

Figure 2

2007 GROSS RENTAL CAR REVENUES –LARGE HUB U.S. AIRPORTS



Source: *Fact Book 2008*, Airport Revenue News and various airport records.

In the 10-plus years since the commencement of the 1998 agreement, consolidation in the rental car industry has affected the location of the various brands serving the Orlando Airport market.

In November 2001, ANC Rental Corp., (ANC) the parent company of Alamo Rent A Car (off-Airport) and National Car Rental (on-Airport), filed for Chapter 11 bankruptcy protection. Through this process, the bankruptcy court approved ANC's plan to operate the National and Alamo brands from a single shared on Airport location, a concept dubbed "dual branding." In December 2002, Alamo moved its operations on-Airport into the National leasehold. In August 2007, Enterprise bought Alamo/National, moving the Enterprise brand on-Airport in May 2009. Beginning January 1, 2003, Dollar Thrifty Automotive Group changed their operating structure to combine the Dollar Thrifty operations, and Thrifty brought its operation on Airport in May 2009 into the Dollar leasehold. In November 2002, Avis acquired Budget, but the two brands continue to operate separately at the Airport. In March, 2008, E-Z moved on-Airport to operate beside L&M in the L&M leasehold.

As a result, there are currently five “companies” and nine brands of rental car companies that operate on-Airport from the garages – (1) Avis, (2) Budget, (3) Vanguard (Alamo, National, and Enterprise), (4) Dollar/Thrifty, and (5) L&M/E-Z. These agreements were set to expire on February 28, 2009 (except for the L&M agreement that was extended separately), but have been extended on a month-to-month basis until the 2009 Project has been completed. The estimated Commencement Date of the new rental car agreements is April 1, 2010. The on-Airport companies lease office, ticket counters, and ready-return spaces (in the Terminal A and Terminal B parking garages) as well as land for service, maintenance, and storage sites.

Off-Airport operators currently include Hertz, Payless, and some smaller specialty and local operators. As discussed later, Hertz will be moving on-Airport in April 2010.

CONSOLIDATION IN THE U.S. RENTAL CAR INDUSTRY

In the decade since the commencement of the 1998 agreements, a serious movement toward consolidation has significantly changed the rental car industry.

Alamo/National/Enterprise

In November, 2001 ANC Rental Car Corporation (ANC) filed for Chapter 11 bankruptcy protection and sold the National and Alamo brands to a New York investment firm, Cerberus Capital Management. ANC was renamed Vanguard Car Rental USA Inc. (Vanguard) and continued to operate National and Alamo as two brands, maintaining a dual branding model at most airport locations. In August of 2007, Enterprise Rent A Car Company (Enterprise) acquired Vanguard Car Rental USA Inc. Enterprise continues to operate the Enterprise brand as a stand alone brand while continuing to dual brand Alamo/National at most U.S. airport locations. Their long term vision for the operation of the three brands has not yet been made clear.

Avis/Budget

In November of 2002, Cendant Corporation (Cendant), owner of Avis Rent-A-Car System, Inc., acquired Budget Rent A Car Systems, Inc. out of Chapter 11 bankruptcy protection. Cendant consolidated the administrative functions of Avis and Budget, but continued to operate them as stand alone brands. In late 2005, Cendant’s vehicle rental businesses (Avis and Budget) were separated into a new publicly held company referred to as Avis Budget Group.

Dollar/Thrifty

Prior to the 1998 agreements, Pentastar Transportation Group, Inc. (PTG) merged Dollar with Thrifty to form the Dollar-Thrifty Automotive Group, Inc. (DTG) in 1997. Through 2002, DTG operated the Dollar and Thrifty brands through three subsidiaries: DTG Operations, Inc., Dollar Rent A Car, Inc. and Thrifty, Inc.

Beginning on January 1, 2003, DTG combined the operations and management functions of the Dollar and Thrifty brands under one corporate structure. Like Avis Budget Group, DTG continues to operate its two brands as stand alone brands versus the dual branding model of Alamo/National.

Hertz/Simply Wheelz

Although technically not a consolidation, in 2007 the Hertz Corporation joined the rest of the industry in their ability to present more than one brand to the traveling public by the roll out of a new brand called Simply Wheelz. Simply Wheelz is advertised as an online rental service designed for online customers who seek low prices from recognized companies.

RENTAL CAR BRAND PROFILES

Table 1 shows the number of cars in service, revenues, and market share for the U.S. rental car companies in 2008, which includes airport and other outlets.

Alamo

Alamo began operations in Florida in September 1974, serving the cities of Miami, Fort Lauderdale, Tampa, and Orlando with a fleet of 1,000 cars. By 1979, the company had expanded to eleven locations and positioned itself as a price leader in the leisure segment of the rental car industry. In 1980, the company extended its service into Nevada, California, and London, England. In 1981, Alamo began testing the on-airport market with a facility in Atlanta. The company completed its testing and actively pursued this market in 1983. In 1988, Alamo started its first international operations with offices at London's Gatwick and Heathrow airports.

In 1995, Alamo's expansion made it the third largest rental car agency in terms of fleet size. Its revenues exceeded \$1.3 billion. Ownership of Alamo has undergone many changes since that time. In 1996 Alamo was purchased by Republic Industries, Inc., later becoming AutoNation, Inc. The subsequent ownership changes are detailed above.

Table 1

2008 U.S. CAR RENTAL MARKET

Company	Cars in Service	Revenue (millions)	Revenue Share
Enterprise Rent-A-Car ¹	627,314	\$ 7,500	34.3%
Hertz ²	311,000 ³	3,860	17.6%
National Car Rental/Alamo Rent A Car ²	226,717	2,900	13.3%
Avis Rent A Car ²	220,000 ³	3,200	14.6%
Dollar Thrifty Automotive Group ²	140,184	1,650	7.5%
Budget Rent A Car ²	155,000 ³	1,600	7.3%
Advantage Rent-A-Car ²	15,000	136	0.6%
U-Save Auto Rental System Inc. ²	11,500	98	0.4%
Payless Car Rental System Inc. ²	10,000	100	0.5%
ACE Rent A Car ²	9,000	97	0.4%
Fox Rent A Car ²	8,700	81	0.4%
Rent-A-Wreck of America ²	5,775	36	0.2%
Triangle Rent-A-Car ¹	5,500	45	0.2%
Affordable/Sensible ²	4,000	36	0.2%
Independents ^{2, 4}	63,000 ³	540	2.5%
Total	1,812,690	\$ 21,879	100.0%

Source: Auto Rental News website.

1. Fleet and U.S. locations are solely corporate owned. No franchise operations.

2. Fleet and revenues represent entire U.S. operations, including franchises.

Avis Rent A Car, System Inc.

Avis Rent A Car, System Inc. was founded in 1946 when Warren Avis opened rental car locations at Detroit and Miami Airports. By 1948, Avis had locations in seven additional major metropolitan locations including Chicago, Dallas, Houston, New York, Los Angeles and Washington D.C.

The Avis System has grown to include 160 countries and territories.

In 1987, Avis was purchased by its Employee Stock Ownership Plan and became one of the largest employee-owned companies in the U.S. In 1989, General Motors acquired a significant ownership interest in the company. In October 1996, Avis was purchased by HFS, and became a publicly traded company in 1997. In March 2001, Cendant, a successor in interest in HFS, acquired Avis Group Holdings, Inc., making Avis a wholly owned subsidiary of Cendant. In late 2005, Cendant's vehicle rental businesses (Avis and Budget) were separated into a new publicly held company referred to as Avis Budget Group.

Business travelers have historically accounted for approximately 65% of the company's domestic airport market.

Budget Group Inc.

The idea for Budget Rent a Car was conceived in 1958 in Los Angeles by Morris Mirkin and Jules Lederer. Budget Rent a Car Corporation (BRACC) of America was formed in 1960. In 1968, TransAmerica Corporation purchased the company. Between 1968 and 1997, the company went through three changes of ownership and finally was acquired from Ford Motor Company in April of 1997 by Team Rental when it became the Budget Group, Inc. In November of 2002, Cendant acquired Budget and merged its administrative functions with those of Avis.

The sector percentages of leisure-related and business-related rentals are closely split with approximately 45%/55% business/leisure.

Dollar Rent A Car

Dollar was formed in Los Angeles in 1966. In 1990, Dollar was acquired by and became a subsidiary of Pentastar Transportation Group, itself a subsidiary of the Chrysler Corporation. In 1997, Chrysler divested Dollar in an initial public offering as part of Dollar-thrifty Automotive Group, Inc. (DTG). DTG operates both Thrifty Car Rental and Dollar. Today Dollar accounts for roughly three-quarters of all DTAG revenue. Dollar caters to the price-conscious segment of the market.

Enterprise

Enterprise traces its beginnings to 1957 when Jack Taylor, a sales manager at a St. Louis Cadillac dealership, decided to try leasing vehicles instead of selling them. He started a car leasing company called Executive Leasing. In 1962, the business expanded into the rental of automobiles and eventually split into two distinct businesses. Responsibility for rental operations was turned over to Don Holtzman, who carved out a special niche for Enterprise by focusing on the replacement market – insurance adjusters who needed temporary replacement vehicles for policyholders whose cars were damaged or stolen. Court decisions in the late 1960s requiring insurance companies to cover the cost of lost transportation helped Executive grow and, in 1969, a branch office opened in Atlanta. Since there was already an Executive Leasing company in Atlanta, the company changed its name to Enterprise Rent-A-Car.

In the 1970s, the company expanded into Florida and Texas by targeting garages and auto body repair shops that performed repairs for insured drivers. In 1972, a branch manager in Orlando started a new pick-up program that provided customers with a free ride to the rental office. The service quickly spread to other Enterprise branches.

Beginning in October of 1999, the company announced plans to aggressively expand its on-airport rental car operations. Enterprise serves 95 of the top 100 airports in the

continental U.S., with much of that service starting in 1998, when Enterprise doubled the number of on-airport offices.

Hertz Corporation

Hertz invented the rental car business in 1918 when John Jacobs started operations in Chicago with 12 Ford Model Ts. In 1923, John Hertz, president of the Yellow Cab Company and the Yellow Truck and Coach Manufacturing Company, bought Jacob's business and renamed it Hertz Drive-Ur-Self System. Three years later in 1926, General Motors (GM) acquired the company when it bought Yellow Truck from John Hertz. Hertz opened its first airport location at Chicago-Midway Airport in 1932 and started the first one-way rental plan a year later. The company expanded to Canada in 1938 and to Europe in 1950.

Omnibus bought Hertz from GM in 1953 and changed the name to The Hertz Corporation the following year. In 1967, RCA bought Hertz and started the first frequent traveler's club, the #1 Club, in 1972. United Airlines briefly owned Hertz from 1985-87 then sold it for \$1.3 billion to Park Ridge, 80 percent of which was owned by Ford Motors. In 1994, Ford purchased all the shares of Hertz it did not already own. Ford sold 17 percent of Hertz to the public in 1997. Hertz became a wholly owned subsidiary of Ford again when Ford reacquired the outstanding shares in 2001. In December 2005, Ford completed the sale of Hertz to an investor group of private equity firms and in 2006 Hertz went public.

Historically, Hertz's revenues are split approximately 55%/44% business/leisure.

National Car Rental

National Car Rental was formed August 27, 1947, when 24 independent car rental operators met to create a national car rental system. National's headquarters was established in St. Louis, Missouri.

In 1961, a group of Minneapolis businessmen invested in the corporation and moved the headquarters to Minneapolis in 1965. National became a wholly-owned subsidiary of Household International in 1974. A new investment group purchased National from Household in 1986. The group completed its buy-out on September 30, 1988, including General Motors Corporation as a significant shareholder. In 1992, GM became the majority shareholder of the company.

On June 9, 1995, William E. Lobeck and partners purchased National Car Rental System, Inc. from General Motors, and Lobeck became President and Chief Executive Officer. National became a wholly owned subsidiary of Republic Industries, Inc., on February 25, 1997. In January 2000, the company became a subsidiary of ANC Rental Corporation (ANC), which also owns Alamo. The subsequent ownership changes are detailed above.

Thrifty Car Rental

In 1958, Thrifty began renting cars in Tulsa, Oklahoma. In 1989, Thrifty was acquired by the Chrysler Corporation, and in 1997 Chrysler divested Thrifty in an initial public offering as part of Dollar-Thrifty Automotive Group, Inc. (DTG).today it operates along with Dollar Rent A Car as DTAG, a Chrysler subsidiary.

Thrifty has been primarily a franchise organization. However, Thrifty is now moving to acquire franchise locations in critical markets and change them over to corporate locations.

Historically, Thrifty has accounted for approximately 25% of the revenues of DTAG. Thrifty tends to rent more cars to leisure travelers than to business travelers by a margin of roughly two thirds to one third.

Others

L&M Car Rental began in Puerto Rico in 1965 with 7 vehicles and has grown to a fleet of about 600 in peak season. In 1998, they expanded their service from the island of Puerto Rico to mainland U.S., to Florida, Georgia, and Texas. L&M has 7 locations in Puerto Rico and 15 in the mainland U.S., including 4 in the Orlando area. L&M stands for Land & Mobility and also for "Less Money." L & M is an affiliate of E-Z Car Rental company.

E-Z Rent-A-Car is a privately held company based in Orlando, Florida that was founded in 1994 with a fleet of nine cars. E-Z currently has a fleet of approximately 5,000 cars in 13 locations in Florida, Georgia, and Texas.

Payless Car Rental is a privately held company headquartered in St. Petersburg, Florida that was founded in 1971. In 2001, Avalon Global Group was formed to serve as the parent company for Payless and other brands. Payless operates a fleet of over 10,000 vehicles and has over 80 locations worldwide, including 26 in the U.S.

NEW RENTAL CAR AGREEMENTS

In early 2008, the Authority initiated the process to rebid the rental car agreements guided by the following three principles:

- Increase customer service by bringing more rental car companies on-Airport.
- Provide a seamless transportation experience by having the rental car companies remain in the terminal.
- Increase revenue to the Authority.

With these principles in mind, the Authority developed the 2009 Project and additional future projects (together the "CFC Project") and an associated business plan that was designed to:

- Increase rental car operational capacity.

- Maximize the efficiency of on-Airport rental car facilities and operations.
- Improve overall traffic around the Airport.
- Accommodate 95% of the rental car market on-Airport.
- Accommodate as many as 11 brands on-Airport.

In August 2008, the Authority executed four rental car concession agreements (Automobile Rental Car Concession Agreement) with (1) Avis Budget Car Rental, LLC (Avis and Budget brands), (2) DTG Operations, Inc. (Dollar and Thrifty brands), (3) EAN-Orlando, LLC (Enterprise, Alamo and National brands), and (4) The Hertz Corporation (Hertz and Simply Wheelz brands). The Automobile Rental Car Concession Agreements are to become effective 60 days after the Authority grants occupancy of the rental car premises leased under the agreements, which may only be granted following the completion of the Terminal QTA. The Commencement Date is scheduled to be April 1, 2010. . The terms of the Automobile Rental Car Concession Agreements as well as the authority and basis for the customer facility charge (CFC) are described more fully below in the Financial Analysis section. The Authority has also executed an agreement and associated amendments with L&M which provide substantially similar conditions, except for a shorter term. The four signatories to the Automobile Rental Car Concession Agreement and L&M/EZ are collectively referred to as the Concessionaire Rental Car Companies.

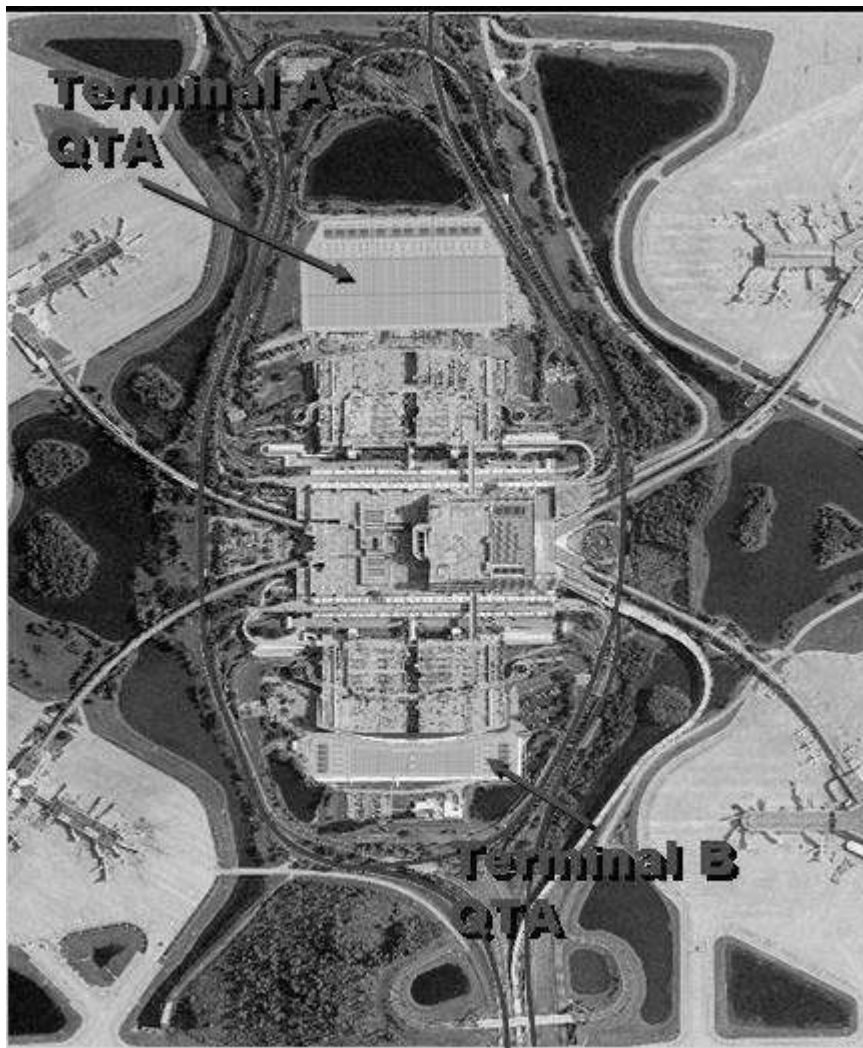
THE 2009 PROJECT AND CFC PROJECT

In 2007, the Authority completed a Rental Car Operations Assessment and Facility Improvements Study which identified a need to expand existing rental car facilities at the Airport. The CFC Project was developed on the basis of this study, the guiding principles noted above, and discussions with the rental car companies. The CFC Project consists of (1) expansion and reconfiguration of the existing Terminal A Quick Turnaround Area (QTA), (2) construction of a new Terminal B QTA and associated relocation of the bus and taxi hold facilities, (3) addition of ready/return spaces at Terminal A, (4) construction of a common fuel distribution system (Common Fueling System), and (5) associated terminal roadway and signage improvements. The Common Fueling System will either be managed and operated by the Concessionaire Rental Car Companies or the Authority may elect to contract for management and operation of the Common Fueling System with any entity, including, a third party operator, or an entity comprising certain of the Concessionaire Rental Car Companies.

Figure 3 shows the location of the QTAs in relation to the North Terminal Complex. Figures 4 and 5 show the specific QTA improvements for Terminals A and B, respectively. The 2009 Project as shown in Exhibit A is under construction. The 2009 Project, which includes the Terminal A QTA, the Terminal B QTA, temporary taxi/bus hold facilities, and certain roadway improvements, is under construction and expected to be complete in February 2010 to provide beneficial occupancy by

the rental car companies on April 1, 2010 (the expected Commencement Date of the new agreements). As of August 2009, the 2009 Project was 65% complete, and is projected to cost \$60.3 million (including soft costs and allowances for contingencies). Two other design/bid pack ages (future elements of the CFC Project) have been bid, but temporarily deferred—(1) the cell lot/taxi hold area and return to Terminal A is expected to be constructed in 2013 and (2) the permanent bus hold area in 2011. The Authority expects to fund these additional projects, projected to cost \$39.5 million, using CFCs on a pay-as-you-go basis as CFCs are deposited into the Facility Improvement Fund. The entire CFC Project, including the 2009 Project, is estimated to cost \$99.8 million.

Figure 3

QUICK TURNAROUND AREA IMPROVEMENTS – ORLANDO INTERNATIONAL AIRPORT

Source: Greater Orlando Aviation Authority.

Figure 4

TERMINAL A QUICK TURNAROUND AREA IMPROVEMENTS – ORLANDO INTERNATIONAL AIRPORT



Source: Greater Orlando Aviation Authority.

Figure 5

TERMINAL B QUICK TURNAROUND AREA IMPROVEMENTS – ORLANDO INTERNATIONAL AIRPORT

Source: Greater Orlando Aviation Authority.

BASIS FOR VISITING AIR PASSENGER DEMAND

This proposed financing is directed at rental car facilities and will be supported by Customer Facility Changes. It is visiting passengers who will rent cars at this facility (i.e., not passengers who are originating trips at the Airport, nor connecting passengers). Hence, the discussion of demand and the subsequent traffic forecasts developed herein will focus on visiting air passengers. These passengers constitute approximately 70% of all enplaned passengers at the Airport.

This section focuses more heavily upon the factors underlying the demand for airline travel by visitors to the local area than on local demographic and socioeconomic trends (which more directly influence air travel by local residents).

DEFINITION OF THE AIR TRADE AREA

The Orlando-Kissimmee Metropolitan Statistical Area (the MSA) encompasses one of the largest leisure and hospitality centers in the world. Seven of the top 10 U.S. theme parks, based on attendance, are located in the MSA. In 2008, the Orlando area attracted nearly 49 million visitors, whose spending generated an economic impact of approximately \$25 billion dollars on the area economy, according to the Orlando Convention and Visitors Bureau (CVB).

The Air Trade Area of the Airport is generally represented by the MSA (consisting of Lake, Orange, Osceola, and Seminole counties), in which Orlando is the primary city. (See Figure 6.)

DEMOGRAPHIC AND ECONOMIC PROFILE

Demographic and economic trends reflect the health and growth of the MSA economy. A growing economy correlates with increasing volumes of both resident and visitor air traffic. Travel to the MSA for leisure reasons (largely theme park visits) is less directly related to local demographic and economic trends and is discussed later.

Demographic Trends

The growth of population and income both result from, as well as support, a growing economy.

Population. The MSA accounted for approximately 11% (2.1 million) of Florida's estimated 2008 population (18.3 million) and ranks third largest in the state, after Miami-Fort Lauderdale-Pompano Beach and Tampa-St. Petersburg-Clearwater.

Between 1990 and 2008, the MSA population increased at a rate approximately one-and-a-half times that of Florida and two-and-a-half times that of the nation. (See Figure 7.)

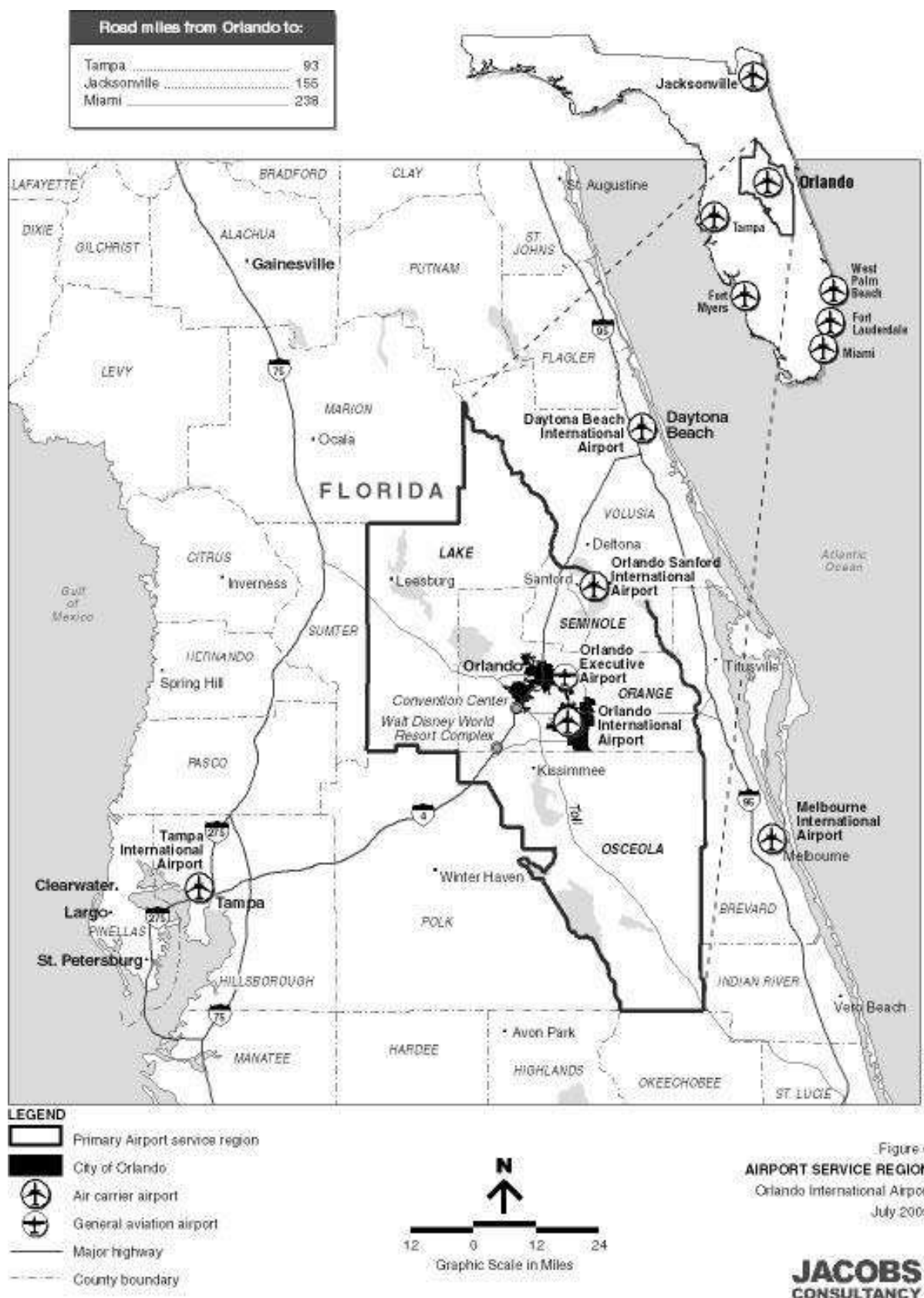
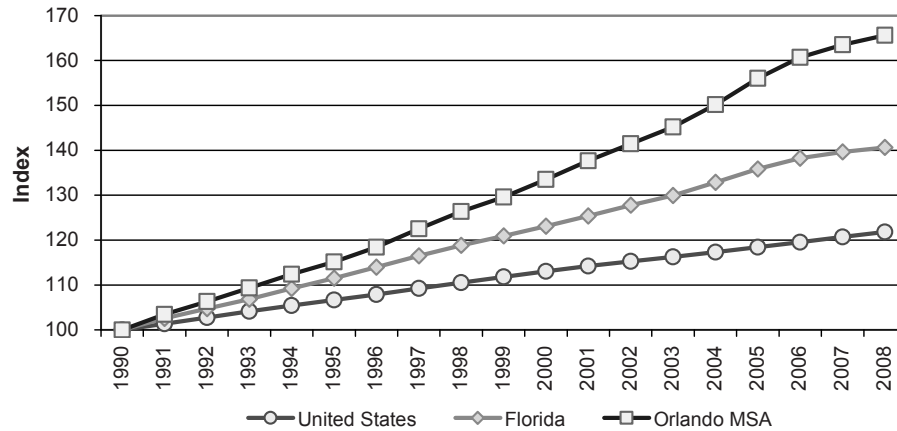


Figure 7

COMPARATIVE INDEX OF POPULATION TRENDS
(1990 = 100)

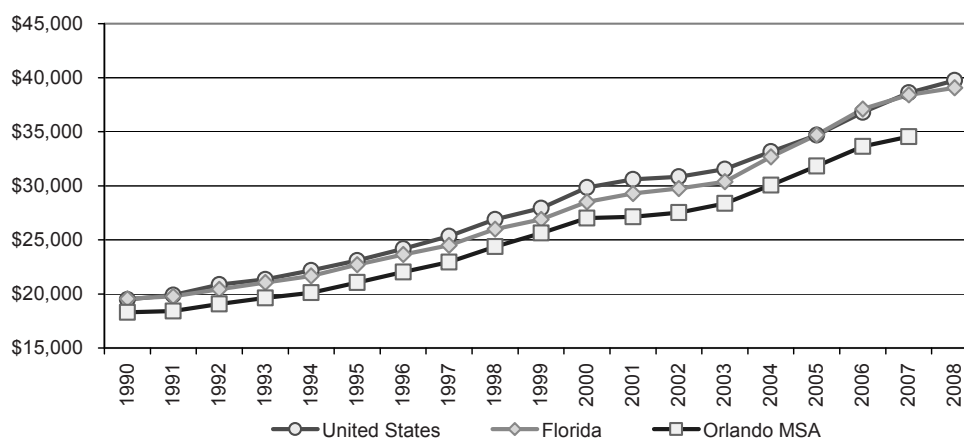


Compound annual growth rate	1990-2000	2000-2008
United States	1.2%	0.9%
Florida	2.1	1.7
Orlando MSA	2.9	2.7

Source: U.S. Department of Commerce, Bureau of the Census website, accessed June 25, 2009.

Income. The MSA's per capita personal income in 2007 (\$34,500) was 89% of the national average (\$38,600) and 90% of the state average (\$38,400). (See Figure 8.)

Figure 8

PER CAPITA PERSONAL INCOME

Compound annual growth rate	1990-2000	2000-2003	2003-2008 (a)
United States	4.4%	1.8%	4.7%
Florida	3.8	2.1	5.2
Orlando MSA	4.0	1.7	5.0

(a) The percentage shown for the Orlando MSA is for 2003-2007, the most recent data available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis website, accessed June 25, 2009.

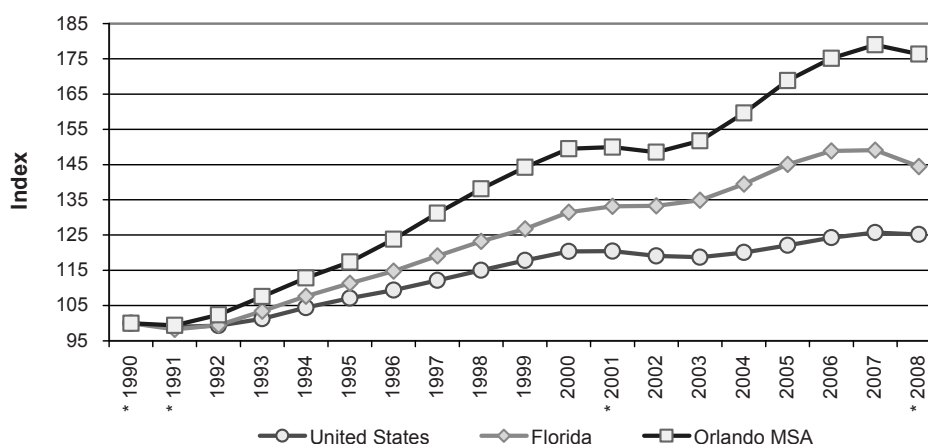
Economic Trends

One of the principal drivers of the Orlando economy is the national economy. The key tourism sector is heavily reliant on domestic visitors. The strength of the U.S. economy is therefore an instrumental factor influencing demand for the MSA's goods and services.

Employment. Since 1990, MSA employment has exhibited stronger growth than that of Florida and the nation. Between 1990 and 2008, employment in the MSA increased at a rate one-and-a-half times that of Florida and two-and-a-half times that of the nation—similar to population growth patterns. (See Figure 9.) Following the 2001 recession, employment levels rebounded more quickly in the MSA than in the nation.

Figure 9

COMPARATIVE INDEX OF TOTAL NON-AGRICULTURAL EMPLOYMENT
(1990 = 100)



Compound annual growth rate	1990-2000	2000-2003	2003-2008
United States	1.9%	(0.5%)	1.1%
Florida	2.8	0.8	1.4
Orlando MSA	4.1	0.5	3.1

Note: * Indicates national recession during all or part of year, according to the National Bureau of Economic Research.

Source: U.S. Department of Labor, Bureau of Labor Statistics website, accessed June 25, 2009.

Unemployment Rate. Unemployment rates serve as an inverse proxy for an area's economic health. From 1993 to 2007, the MSA exhibited lower unemployment rates than either Florida or the nation. In the current economic recession, however, MSA unemployment rates have increased significantly; estimates by the Bureau of Labor Statistics indicate that unemployment in the MSA climbed to 10.2% in May 2009, roughly equivalent to Florida (10.0%) and above the national (9.1%) rate.

Employment by Sector. Table 2 profiles the relative composition of employment in the MSA, Florida, and the nation. The two largest sectors of the MSA economy are (a) the trade, transportation, and utilities sector, and (b) the leisure and hospitality sector, each of which accounted for 18.6% of the MSA's 2008 non-agricultural employment.

The leisure and hospitality sector, which incorporates hotels, restaurants, theme parks, and other attractions, is a mainstay of the local economy. The importance of this sector to Orlando is evident by comparison to the shares of employees working in the sector in Florida (12.1%) and nationwide (9.8%).

Table 2

2008 Employment Share by Industry

Industry	2008 Percent of Total			MSA Location Quotient relative to	
	United States	Florida	Orlando MSA	United States	Florida
Trade, Transportation, Utilities	19.2%	20.4%	18.6%	0.97	0.92
Leisure & Hospitality	9.8	12.1	18.6	1.89	1.53
Professional/Business Services	13.0	14.8	16.7	1.29	1.13
Government	16.4	14.5	10.9	0.67	0.75
Education & Health Services	13.8	13.5	10.9	0.79	0.81
Nat. Resources, Mining, Construction	5.8	6.7	6.8	1.16	1.01
Financial Activities	5.9	6.8	6.2	1.05	0.92
Other Services	4.0	4.4	4.9	1.22	1.12
Manufacturing	9.8	4.8	4.0	0.40	0.83
Information	<u>2.2</u>	<u>2.0</u>	<u>2.4</u>	1.11	1.21
TOTAL	100.0%	100.0%	100.0%		

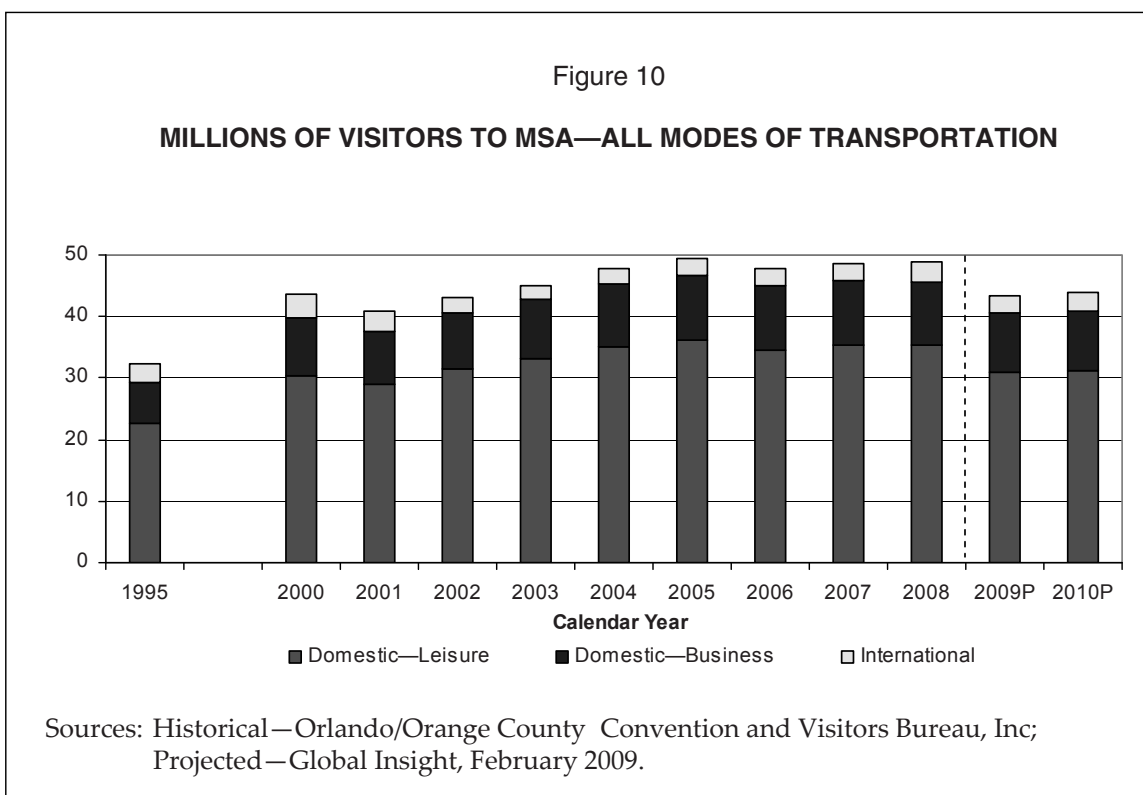
Source: U.S. Department of Labor, Bureau of Labor Statistics website, accessed June 25, 2009.

Major Employers. The Walt Disney Company is, by a wide margin, the largest private employer in the MSA, with 62,000 employees at its four theme parks (the Magic Kingdom, EPCOT, Hollywood Studios, and Animal Kingdom), hotels, water parks, and golf courses. The hospitality and leisure industry is well-represented among the MSA's top employers: Universal Orlando (13,000 employees), Marriott (6,300), Darden Restaurants (5,900), and SeaWorld Orlando (5,500).

According to the Metro Orlando Economic Development Commission, major companies with corporate headquarters located in the MSA include Darden Restaurants, AirTran Holdings, and Tupperware. Darden Restaurants is listed on Fortune magazine's list of the top 500 corporations in the U.S., ranked by revenues.

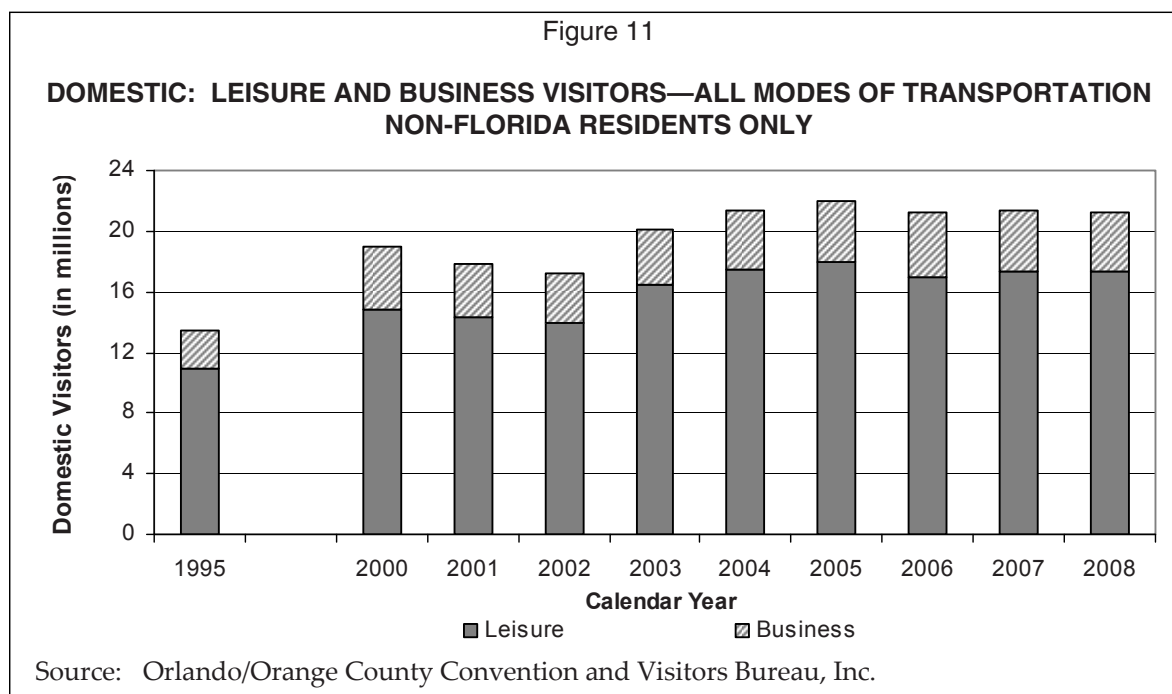
AIR TRADE AREA VISITOR DEMAND—LEISURE AND BUSINESS

A total of 48.9 million visitors traveled to the MSA by all modes of transport in 2008, up 51% percent from 1995 and 12% from 2000, but unchanged from 2005. (See Figure 10.) According to the Orlando CVB, the vast majority of visitors in 2008 (93%) were domestic travelers, while the remainder (7%) were international travelers. Visitors to Orlando by all modes of transport are projected to decline 11% in 2009 and increase 1% in 2010, according to a forecast prepared for the Orlando CVB by Global Insight.



Among domestic visitors arriving by all modes of transport in 2008, those traveling to Orlando for leisure reasons accounted for 78% of the total, with the remainder visiting on business. The top five non-Florida cities of origin by all travel modes were New York, Chicago, Atlanta, Philadelphia, and Washington, DC, according to the Orlando CVB.

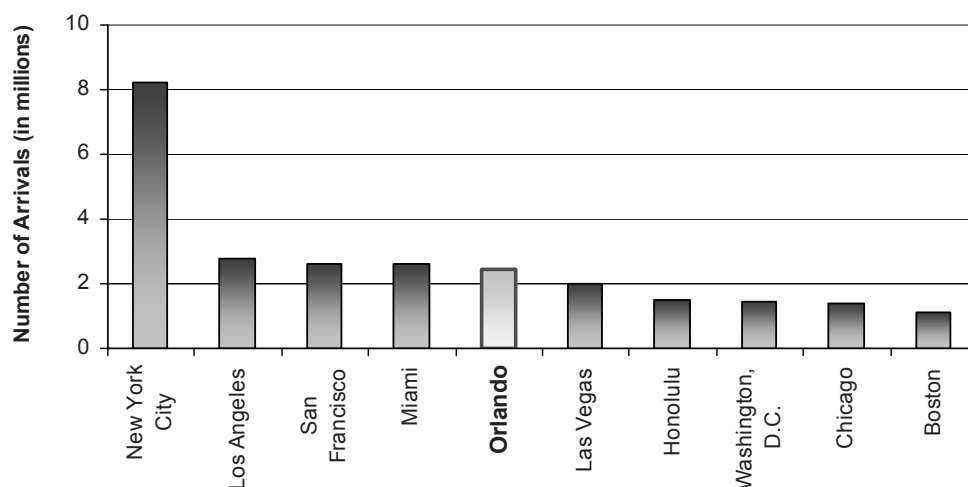
Figure 11 illustrates trends in domestic out-of-state visitors to Orlando arriving by all modes of transport. Leisure visitors far outnumber business visitors. Since 2004, there has been no net growth in out-of-state visitors arriving by all modes of transport, for either leisure or business purposes. As will be discussed subsequently in this Report, visitors arriving by air have increased substantially since 2004. Given that total surface and air visitors have shown no increase over that period, one can conclude that the proportion of those arriving by air has increased in recent years.



Among international visitors in 2008, more than half (56%) originated in either the United Kingdom or Canada. According to the Orlando CVB, the majority (83%) of overseas travelers visit for leisure purposes. Orlando was the fifth most popular U.S. destination for overseas visitors in 2008, after New York City, Los Angeles, San Francisco, and Miami. (See Figure 12.)

Figure 12

TOP U.S. DESTINATION CITIES FOR TRAVELERS FROM OVERSEAS
(2008)



Source: U.S. Department of Commerce, International Trade Administration, Office of Tourism Industries.

The key characteristics of MSA visitors, according to the Orlando CVB, are shown in Table 3.

Table 3

Orlando MSA Visitor Characteristics
(calendar year 2007)

Characteristics	Domestic		Overseas
	Leisure, non-Florida resident	Convention/ group meeting	
Average nights stayed	5.8	3.4	9.4
Average party size	3.4	1.8	2.5
Spending per visitor	\$940	\$737	\$980
Expenditures per party	\$3,194	\$1,326	\$2,450
Economic impact (billions)	\$16.3	\$2.8	\$2.0

Source: Orlando/Orange County Convention and Visitors Bureau, Inc.

The inventory of hotel rooms in the MSA showed steady growth between 1990 and 2005 but then plateaued over the following 3 years. (See Table 4.) In 2008, while the average daily room rate was 60% higher than it had been in 1990 (in line with

general inflation), room occupancy was nearly 10 percentage points lower, indicating a supply of accommodation growing in excess of demand.

Table 4

Orlando MSA Hotel Occupancy

Year	Number of rooms	Room nights available (in Millions)	Room nights occupied (in millions)	Occupancy	Average daily rate
1990	76,260	26.6	20.1	75.5%	\$66.20
1995	84,327	30.4	22.7	74.5%	\$68.55
2000	102,838	36.9	26.7	72.4%	\$89.83
2005	111,564	41.0	29.0	70.8%	\$92.00
2008	111,700	41.1	27.0	65.7%	\$106.11
Compound annual growth rate					
1990-2008	2.1%	2.4%	1.7%		2.7%

Note: Revenue per room equals average daily rate times the occupancy percentage.

Source: Orlando/Orange County Convention and Visitors Bureau, Inc.

Leisure Travel Demand

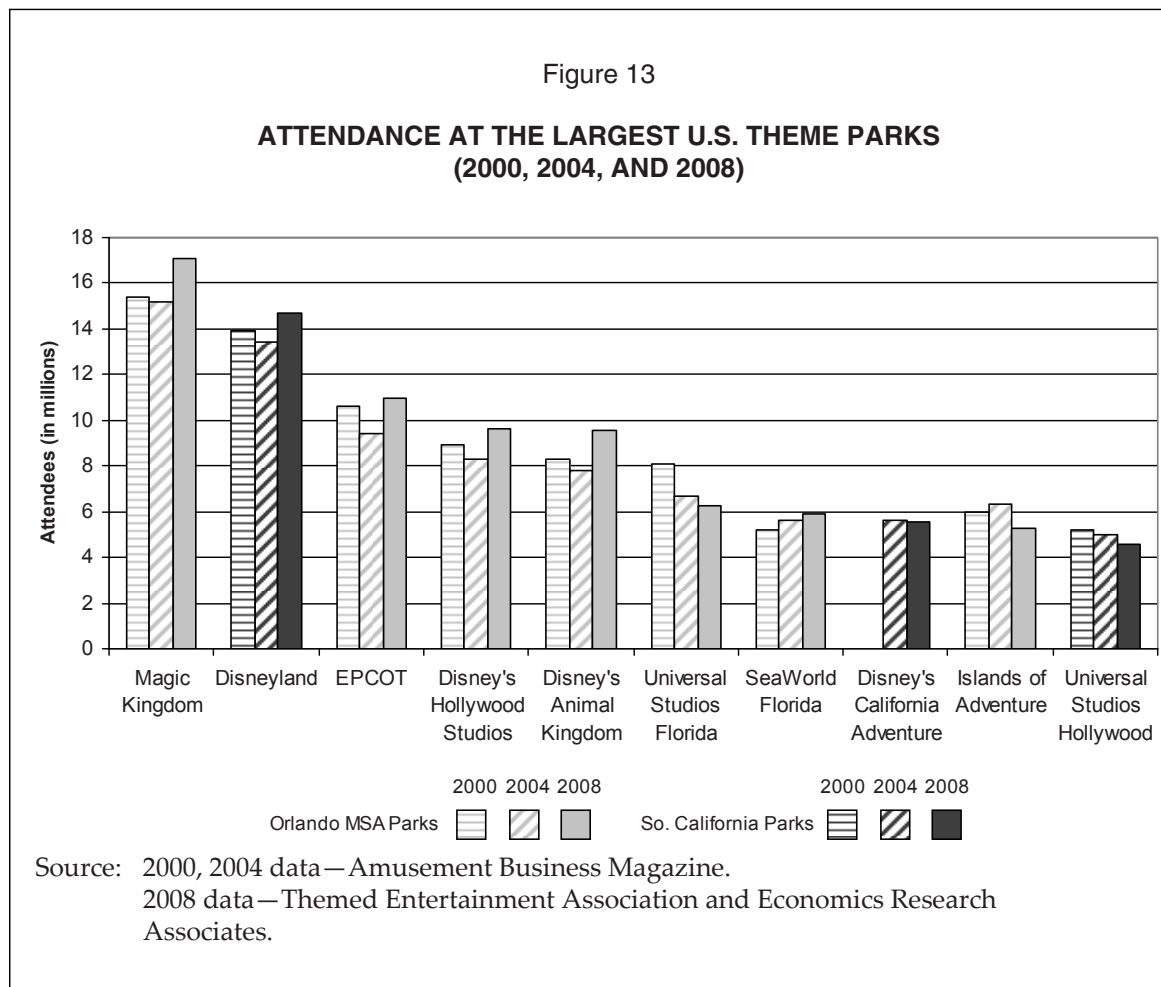
Orlando is one of the primary tourist destinations in the United States. With its focus on entertainment-based theme parks, the MSA is a popular destination for domestic and international visitors alike.

Leisure/Hospitality Employment. An examination of employment trends in the leisure and hospitality sector offers an indication of the health of the tourism industry. Employers tend to increase staffing as demand warrants and trim employment as tourism levels weaken.

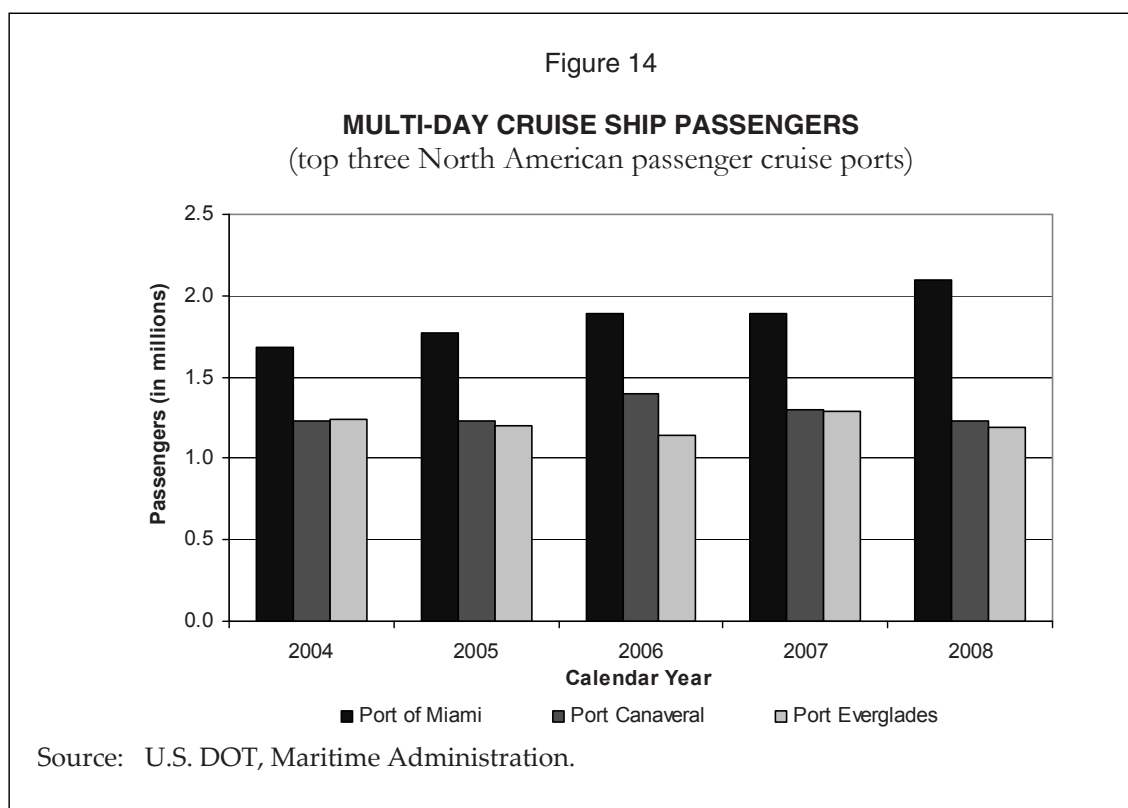
Since 1990, leisure and hospitality employment has shown relatively stronger growth in the MSA than in Florida or the nation. While the leisure and hospitality sector showed a pronounced reduction in employment in the MSA during and after the 2001 national economic recession, it increased 3.5% year-over-year in the MSA in 2008, the first full year of the current recession.

Theme Parks. Seven of the top 10 U.S. theme parks are located in the MSA. (See Figure 13.) in 2008, these seven parks reported combined attendance of 65 million,

compared to combined attendance of 25 million at the three Southern California theme parks. In the MSA, attendance increased at the four Disney parks and SeaWorld between 2000 and 2008, while attendance declined at Universal Studios and Universal's Islands of Adventure.



Cruises. Port Canaveral, one of the world's busiest cruise ship ports, is located less than 50 miles east of MCO and is adjacent to the John F. Kennedy Space Center and NASA visitor center at Cape Canaveral. Multi-day cruise ship passengers at Port Canaveral (the second busiest North American passenger cruise port after the Port of Miami, according to the U.S. DOT, Maritime Administration) stood at 1.2 million in 2008. (See Figure 14.). Neither Port Canaveral nor Fort Lauderdale's Port Everglades has recorded any net growth in passengers since 2004, in contrast to the sustained growth recorded at the Port of Miami over the same period. While many out-of-state cruise ship passengers arrive and depart Florida via MCO, these visitors are likely to make use of rental car services at the Airport only when combining a ground stay with their cruise itineraries.



Business Travel Demand

Ten million visitors came to Orlando for business purposes in 2008, and 4 million of those visitors were non-Florida residents. Business travel can be further segmented into group meetings (e.g., conventions, seminars, corporate retreats) and general (non-group meeting related) business.

Conventions/Group Meetings. An abundance of convention and meeting space, as well as diversions for families of convention attendees, makes Orlando a popular location for convention and meeting planners. The Orlando CVB estimates that 3.5 million domestic visitors traveled to the MSA in 2008 for conventions and group meetings. The primary facility in the region is the Orange County Convention Center (OCCC). One of the nation's largest convention facilities, the OCCC hosted 231 events and 1.3 million convention attendees in 2008. (See Table 5.) In the first 4 months of 2009, the OCCC recorded an 18% decline in attendance compared to the first 4 months of 2008.

General Business. Strong growth in population and employment in the MSA since 1990 has contributed to growth of general business travel. The key driver of local economic growth is a world-class tourism industry, with additional impetus from defense, high-tech, and digital media industry sectors. According to the Metro Orlando Economic Development Commission, a competitive cost environment has also favored the Orlando economy in attracting new businesses, which in turn generate additional travel demand. General business travel can be expected to increase in line with growth in the MSA economy in the future.

Table 5

Orange County Convention Center Activity, Selected Years

Year	Number of events	Attendees	Attendees/ event
1985	135	500,571	3,708
1990	239	596,050	2,494
1995	168	700,429	4,169
2000	205	1,035,353	5,051
2004	255	1,367,146	5,361
2008	231	1,310,377	5,673
Jan-Apr, 2008	84	548,180	6,526
Jan-Apr, 2009	102	451,773	4,429

Source: Orlando/Orange County Convention and Visitors Bureau, Inc.

High Tech. The MSA is part of Florida's high-tech corridor that stretches from Sarasota on the Gulf coast and runs along Interstate 4, across the center of the state, to Daytona Beach on the Atlantic coast. The high-tech industry in Orlando was initially propelled by the defense and aerospace industry in the 1950s. Now, the state of Florida leads the southeastern United States in high-tech employment, and ranks fourth nationwide, according to Enterprise Florida.

Some of the most prominent industry clusters in Orlando's high-tech sector, according to Enterprise Florida, are clean technology (solar energy, biofuel, fuel cells), life sciences (biotech, medical manufacturing, pharmaceuticals), and information technology (software development, modeling/simulation, photonics/optics).

Modeling and simulation technologies, in particular, evolved originally out of defense spending in the 1960s, with the establishment of the Army and Navy simulation and training systems commands in Orlando. The subsequent construction of major theme parks in the MSA led to further refinement of simulation technologies in support of the development of theme park rides.

New Medical Facilities. In August 2009, classes began at the new University of Central Florida Medical School campus located at Lake Nona, adjacent to the Airport. The Lake Nona site is the location of a complex of new medical and research facilities including the Burnham Institute for Medical Research, a pediatric hospital affiliated with the Nemours Foundation, and a planned Veterans Affairs hospital.

Combined Business/Leisure Travel Demand

Given the variety of leisure attractions, convention facilities, and businesses in the MSA, all as discussed above, some visitors choose to combine business and leisure visits to Orlando. Recent Airport surveys suggest that 6-9% of visitors arriving by air travel to the MSA for more than one purpose.

ECONOMIC OUTLOOK

Economic activity in the MSA and Florida is directly linked to the production of goods and services in the rest of the United States. Airline passenger travel through the Airport depends on the economic linkages between the MSA, Florida, and national economies.

U.S. Economy

While the short-term economic outlook is negative, the U.S. economy exhibits a generally positive medium- and long-term outlook through 2015. The current recession in the U.S. economy started with a contraction in the real estate markets combined with a surge in energy and other commodity prices in 2006. Financial markets began to show signs of stress during the summer of 2007. During the first half of 2008, mortgage-related problems with some large investment and commercial banks triggered a financial system crisis in the United States. In October, Congress passed the Emergency Economic Stabilization Act of 2008, which provided for a government bailout of troubled banks.

During the second half of 2008, key indicators of U.S. economic performance showed significant changes. U.S. Gross Domestic Product decreased at a seasonally adjusted annual rate of 0.5% during the third quarter of 2008, followed by a 6.3% decrease in the fourth quarter of 2008. National unemployment rates increased from 5.8% in July 2008 to 7.2% in December 2008, reflecting the loss of 2.2 million U.S. jobs during the second half of 2008. Crude oil prices fell from a peak of \$147 per barrel in July 2008 to \$40 per barrel in December 2008, contributing to declines in consumer prices.

Overall U.S. economic activity during the first quarter of 2009 continued to contract. U.S. Gross Domestic Product decreased at a seasonally adjusted annual rate of 5.7% during the first quarter of 2009, accompanied by an increase in the national unemployment rate to 8.5% in March 2009. During the first quarter of 2009, an additional 2.1 million U.S. jobs were lost.

The spillover effects from the U.S. recession have weakened the economies of other countries. In April 2009, the International Monetary Fund (IMF) declared a global economic recession, the fourth since World War II. The IMF forecasts a 2.5% decrease in real per capita world GDP in 2009.

The Congressional Budget Office (CBO) prepared economic projections in January 2009 and updated those projections in March 2009. In the March 2009 projections,

the CBO anticipated that a recovery begins to take hold late in 2009 and quickens in 2010. The CBO March 2009 projections are based on the assumption that the Federal Reserve and the Treasury, along with the Federal Deposit Insurance Corporation, will continue to address the problems in financial markets. As shown in Table 5, the CBO forecasts in the near-term (in 2009 and 2010) reflect:

- A marked contraction in the U.S. economy in 2009, with real (inflation-adjusted) gross domestic product (GDP) falling by 3.0%.
- A recovery in 2010, with real GDP growing by 2.9%.
- An unemployment rate that is expected to reach 9.4% by the end of 2009, as employment declines by an additional 1.5 million jobs—for a total loss of nearly 6 million jobs since the recession started.
- A continued decline in inflation, both because energy prices have been falling and because inflation, excluding energy and food prices, tends to ease during and immediately after a recession.

The CBO does not predict cyclical movements in the U.S. economy beyond 2010. Therefore, the CBO forecasts through 2015 reflect its long-term expectations for economic growth. As shown in Table 5, the CBO forecasts in the long-term reflect:

- Real GDP is projected to grow an average of 2.6% per year from 2008 through 2015.
- Inflation is expected to average 1.0% annually from 2008 through 2015, well below the historical average of 3.5%.

Table 5 also presents a comparison of the CBO forecasts with the forecasts presented in the *Blue Chip* Consensus and the Federal Reserve Board (FRB), Federal Open Market Committee (FOMC) published April 29, 2009. The *Blue Chip* Consensus is the average of about 50 forecasts by private-sector economists. The FOMC economic projections reflect the input of its participants based on their assumptions regarding factors likely to affect economic outcomes and appropriate monetary policy and are expressed as a range of potential outcomes in Table 6.

Table 6
Economic Projections for the U.S. Economy
(2009-2015)

	Compound annual growth rate			
	Historical	Projected		
	1980-2008	2008-2009	2009-2010	2008-2015
Real GDP				
CBO (March 2009)	3.0%	(3.0%)	2.9%	2.6%
CBO (January 2009)		(2.2)	1.5	2.6
<i>Blue Chip</i> Consensus		(2.6)	1.9	2.1
FOMC		(2.5) – (0.5)	1.5 – 4.0	2.4 – 3.0
CPI-U <i>(a)</i>				
CBO (March 2009)	3.5%	(0.7%)	1.4%	1.0%
CBO (January 2009)		0.1	1.7	17.0
<i>Blue Chip</i> Consensus		(0.8)	1.6	1.8
	Calendar year average percent			
	Historical	Projected		
	1980-2008	2008-2009	2009-2010	2008-2015
Unemployment rate (percent)				
CBO (March 2009)	6.1% <i>(b)</i>	8.8%	9.0%	4.9% <i>(c)</i>
CBO (January 2009)		8.3	9.0	4.9 <i>(c)</i>
<i>Blue Chip</i> Consensus		8.6	9.1	6.3 <i>(d)</i>
FOMC		9.1 – 10.0	8.0 – 9.6	4.5 – 5.3
Three-Month Treasury Bill rate				
CBO (March 2009)	5.6% <i>(b)</i>	0.3%	0.9%	4.7% <i>(c)</i>
CBO (January 2009)		0.2	0.6	4.7 <i>(c)</i>
<i>Blue Chip</i> Consensus		0.3	1.1	4.0 <i>(d)</i>
Ten-Year Treasury Note rate				
CBO (March 2009)	7.4% <i>(b)</i>	2.9%	3.4%	5.4% <i>(c)</i>
CBO (January 2009)		3.0	3.2	5.4 <i>(c)</i>
<i>Blue Chip</i> Consensus		2.9	3.7	5.2 <i>(d)</i>

Notes: GDP= Gross Domestic Product; CBO= Congressional Budget Office.
The Blue Chip Consensus is the average of about 50 forecasts by private-sector economists.
FOMC = Federal Reserve Board, Federal Open Market Committee

- (a) The consumer price index for all urban consumers.
(b) Represents the average from 1980 through 2008.
(c) Level in 2015.
(d) Represents the annual average from 2012 through 2015.

Sources: Congressional Budget Office, The Budget and Economic Outlook: Fiscal Years 2009-2019, January 8, 2009 and A Preliminary Analysis of the President's Budget and An Update of the CBO's Budget and Economic Outlook, March 2009. Federal Reserve Board, Federal Open Market Committee, Summary of Economic Projections, April 28-29, 2009.

Florida and MSA Economies

Recent economic projections for Florida and the MSA prepared by the University of Central Florida's Institute for Economic Competitiveness are shown in Table 7. In terms of the projected socioeconomic variables, the MSA is anticipated to outperform statewide trends over the period through 2014.

- The rate of population growth in the MSA is projected to exceed the overall rate of growth of Florida's population throughout the forecast period.
- Non-agricultural employment is projected to decline to a slightly lesser extent over the 2008-2010 period in the MSA relative to Florida and to return to stronger growth in the MSA relative to the state after 2010.

Table 7

Comparison of Socioeconomic Projections for the Orlando MSA and Florida

		Compound annual growth rate			
		Historical	Projected		
			2008-2009	2009-2010	2010-2014
Population					
Orlando MSA	1990-2008	2.8%	1.1%	0.9%	1.7%
Florida	1990-2008	1.9	0.6	0.5	1.1
Non-agricultural employment					
Orlando MSA	1990-2008	3.2%	(4.6%)	(0.2%)	3.2%
Florida	1990-2008	2.1	(4.6)	(0.4)	2.4
Personal income (constant \$)					
Orlando MSA	2002-2008	1.3%	(0.9%)	1.0%	4.6%
Florida	2002-2008	3.5	(0.9)	0.7	3.9
Gross metro/state product (constant \$)					
Orlando MSA	2002-2008	4.9%	(3.8%)	1.3%	4.6%
Florida	2002-2008	3.3	(4.3)	1.1	3.8

Source: University of Central Florida, Institute for Economic Competitiveness, Florida & Metro Forecast: 2009-2039, June 2009.

- Real personal income is projected to decline to the same extent in the MSA and Florida in 2009 and to experience stronger growth in the MSA relative to the state after 2009.
- Orlando's gross metropolitan product is projected to decline less in 2009 than Florida's gross state product and to return to stronger growth relative to the state thereafter.

The long-term outlook for the MSA remains favorable based on its many competitive advantages: a growing population, a diversifying economy, its popularity as a domestic and international tourist destination, and its substantial tourism and hospitality infrastructure.

Risks to the Economic Outlook

While the projections presented in this section represent the most likely economic scenarios, there are some risks to the economic outlook. In the near term, the principal risk is that the federal government's policy response to the current financial crisis and recession in the United States may not be effective in providing the foundation for a recovery in 2010. Inflation risks still persist due to the sizable amount of liquidity that the Federal Reserve Bank has injected into the banking system, which could eventually trigger upward pressures on prices. A prolonged global slowdown extending beyond 2009 could result in a lower average annual growth rate of the United States, Florida, and MSA economies through 2015. Additionally, weakness in leisure travel demand will have a relatively outsized negative impact on the economies of Florida, and more particularly, the MSA, given their roles as prominent leisure destinations and their greater reliance upon the hospitality sector relative to the nation.

In the longer term, the principal risks to U.S. economic performance are the sizable external and fiscal deficits. The continuing deficits in the U.S. balance of payments could result in greater volatility in the currency markets, which would then translate into higher interest rates and, therefore, slower economic growth. These consequences could be compounded if the fiscal deficit does not shrink within the next 5 years, thereby leading to much larger financing requirements, increased interest rates, reduced housing and business investment, and slower productivity growth.

AVIATION DEMAND FORECAST

The previous section described factors that affect demand for airline travel to the MSA. This section considers how factors such as air service and fares affect the realization of that demand at the Airport in the form of passenger traffic. This section examines past trends and presents forecasts through Fiscal Year (FY) 2014 of visiting O&D passengers—the segment of passenger traffic that rents cars at the Airport. A base forecast of visiting passengers, and a lower “sensitivity” forecast, are provided.

INTRODUCTION

The Airport ranked 8th among U.S. airports in terms of total domestic revenue enplaned passengers in FY 2008. (See Table 8.) More notably, the Airport ranked 3rd among U.S. airports in terms of domestic origin-destination (O&D) passengers in FY 2008, ahead of major hub airports such as Chicago-O’Hare, Atlanta, Denver, Phoenix, and Dallas/Ft. Worth. The Airport is the busiest airport in Florida in terms of both total domestic enplaned passengers and domestic O&D passengers.

Table 8

Ranking of U.S. Airports

(for the 12 months ended September 30, 2008)

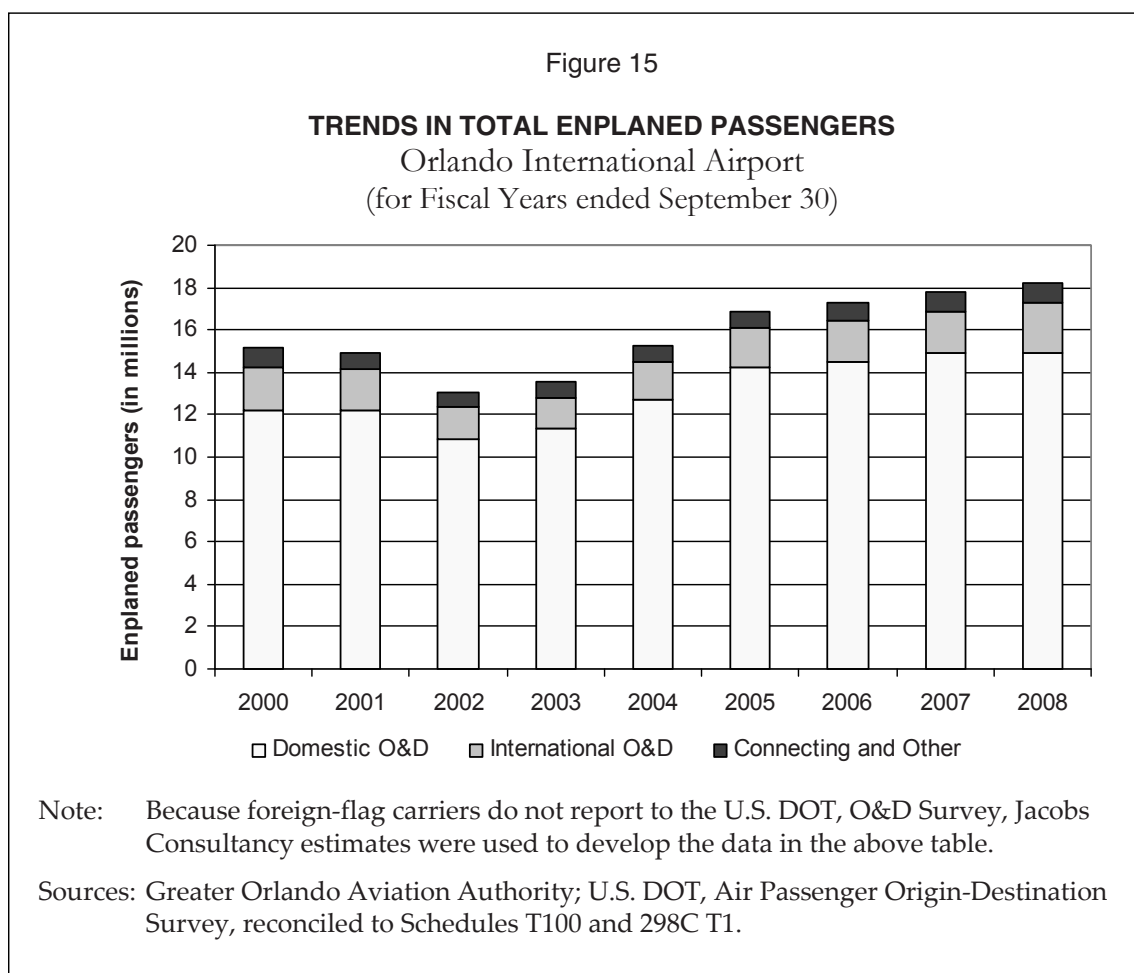
Domestic revenue enplaned passengers (a)			Domestic outbound O&D passengers		
Rank	Airport	Passengers	Rank	Airport	Passengers
1	Atlanta	38,963	1	Las Vegas	16,040
2	Chicago-O'Hare	29,035	2	Los Angeles	15,409
3	Dallas/Fort Worth	25,165	3	Orlando	14,440
4	Denver	23,230	4	Chicago-O'Hare	13,982
5	Los Angeles	21,118	5	Atlanta	13,009
6	Las Vegas	20,491	6	Denver	12,005
7	Phoenix	18,963	7	Phoenix	11,381
8	Orlando	16,416	8	Dallas/Fort Worth	10,596
9	Houston-Bush	16,402	9	Seattle	10,523
10	Charlotte	16,029	10	New York-LaGuardia	10,035
11	Minneapolis-St. Paul	15,405	11	Boston	9,937
12	Detroit	15,385	12	San Francisco	9,893
13	Seattle	14,540	13	New York-Newark	9,410
14	San Francisco	13,866	14	New York-Kennedy	9,099
15	Philadelphia	13,845	15	Fort Lauderdale	8,902

Includes scheduled and non-scheduled (i.e., charter) passengers. Passenger figures shown for Orlando may not match those reported by the airlines to the Airport.

Sources: U.S. DOT, Schedule T100; U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedules T100 and 298C T1.

Total enplaned passengers (including both revenue and non-revenue passengers) at MCO numbered 18.2 million in FY 2008, marking a record year for the Airport. However, in the first 8 months of FY 2009, enplaned passenger levels at the Airport were 10.5% lower than in the corresponding period of FY 2008, reflecting weak passenger demand amidst the current economic recession.

Nearly 95% of all enplaned passengers at the Airport in FY 2008 were O&D passengers, with connecting passengers accounting for the remaining 5%. (See Figure 15.) Of the O&D passengers, 86% were making purely domestic trips while the remaining 14% were traveling to destinations outside the United States.



AIR SERVICE TRENDS

Scheduled passenger air service at MCO is made up primarily of domestic flights (accounting for 93% of total departing seats in FY 2008); international and charter flights account for the remainder. (See Table 9.) Charter (non-scheduled) flights represent a negligible amount of service at MCO; in FY 2008, passengers traveling on charter flights accounted for less than 0.5% of total enplaned passengers at the Airport.

In FY 2009, published *Official Airline Guide* schedules indicate an -11.0% decline in domestic seats, but a 15.1% increase in international seats, at the Airport.

Table 9

Total Departing Seats and Flights

Orlando International Airport

(for Fiscal Years ended September 30)

Fiscal Year	Departing Seats			Departing Flights		
	Domestic	International	Total	Domestic	International	Total
2003	16,210,221	1,148,814	17,359,035	121,751	6,723	128,474
2004	17,917,018	1,266,988	19,184,006	131,162	6,894	138,056
2005	19,764,622	1,344,797	21,109,419	148,860	7,365	156,225
2006	20,188,275	1,353,110	21,541,385	150,609	7,795	158,404
2007	20,737,194	1,367,855	22,105,049	152,417	7,699	160,116
2008	21,054,530	1,597,070	22,651,600	150,760	8,693	159,453
2009E	18,738,352	1,838,050	20,576,402	129,295	9,138	138,433
<u>Percent change from previous year</u>						
2004	10.5%	10.3%	10.5%	7.7%	2.5%	7.5%
2005	10.3	6.1	10.0	13.5	6.8	13.2
2006	2.1	0.6	2.0	1.2	5.8	1.4
2007	2.7	1.1	2.6	1.2	(1.2)	1.1
2008	1.5	16.8	2.5	(1.1)	12.9	(0.4)
2009E	(11.0)	15.1	(9.2)	(14.2)	5.1	(13.2)

Note: E=Estimated.

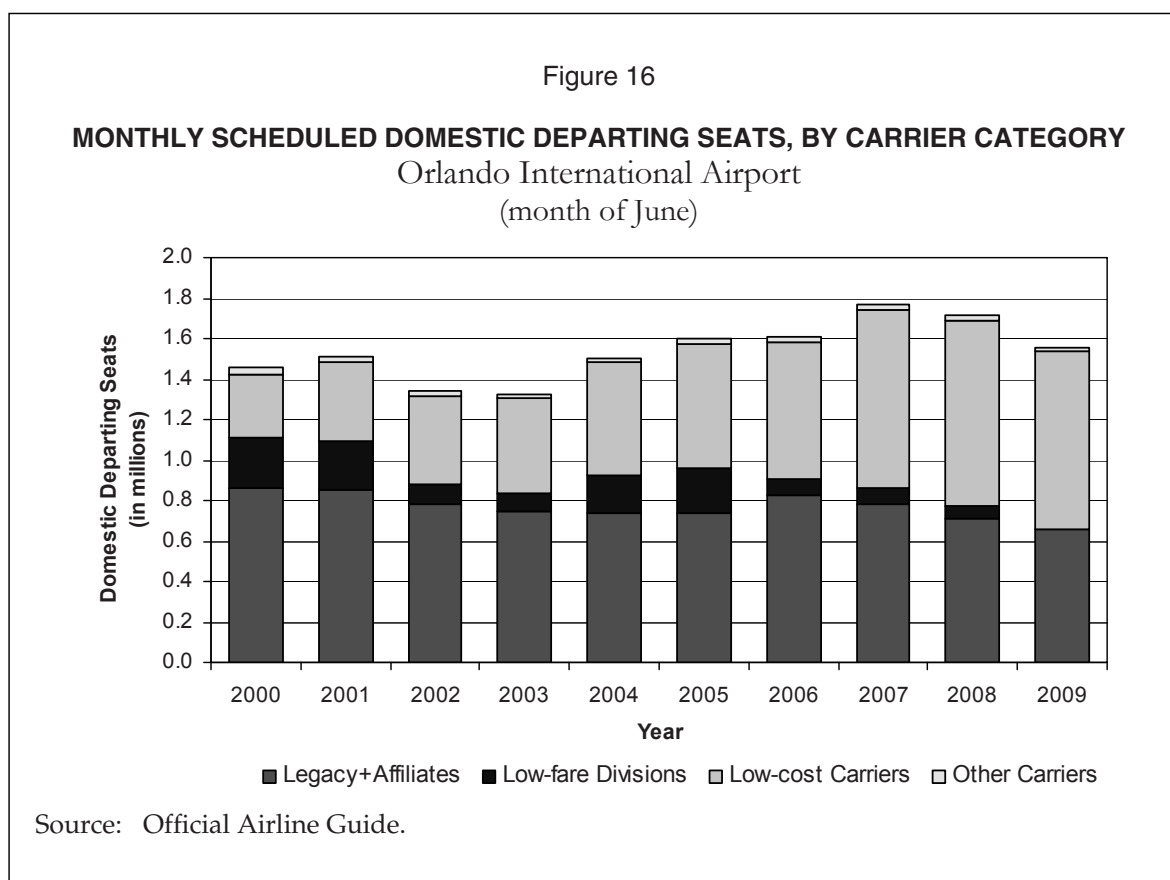
Source: U.S. DOT, Schedule T100.

Between FY 2003 and FY 2009, the average seating capacity of scheduled flights operated at MCO increased significantly—from 133 to 145 seats on domestic flights, and from 171 to 201 seats on international flights.

Domestic Service Trends

With the significant reduction in domestic capacity at the Airport in FY 2009, the number of total domestic departing seats is only 7% higher in FY 2009 than it was in FY 2000. Meanwhile, the composition of domestic air service at MCO shifted substantially during these 10 years. (See Figure 16.)

In FY 2009, legacy airlines and their affiliates accounted for 42% of domestic seats at the Airport, down from 59% in FY 2000. Capacity offered by low-fare divisions of legacy carriers, which had accounted for 17% of domestic seats at MCO in FY 2000, was completely gone by FY 2009. The share of domestic capacity offered by low-cost carriers (LCCs), by contrast, nearly tripled between FY 2000 and FY 2009, increasing from 21% to 57% of total domestic seats.



Carrier Shares. MCO has a relatively low concentration of domestic departing seats by a single airline. Southwest, the largest provider of domestic service at the Airport, accounted for just over one-quarter (28%) of total domestic departing seats at MCO. The five next-ranking airlines—AirTran, Delta, JetBlue, American, and US Airways—together accounted for an additional 51% of domestic departing seats.

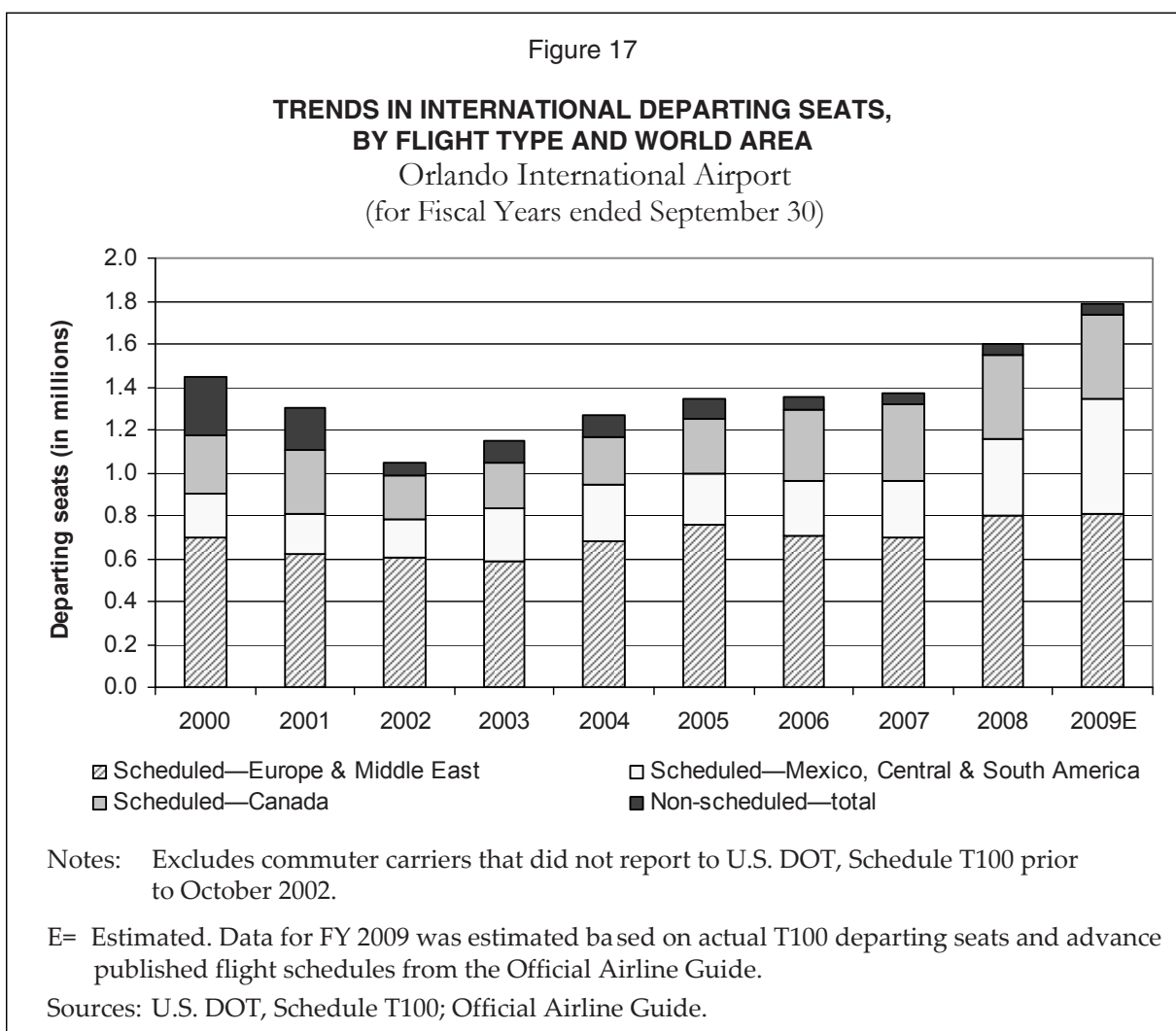
Competing Airports. Orlando Sanford International Airport (SFB) is a small hub airport located within the MSA, approximately 35 miles north of MCO. In July 2009, SFB was served primarily by Allegiant Air, a niche LCC specializing in low-frequency service from relatively small northerly U.S. airports to Sunbelt vacation destinations in Florida and the Southwest.

Tampa International Airport (TPA) is a large hub airport located approximately 75 miles southwest of the Disney World Resort Complex, which is a key destination in the Airport's Airport Trade Area. For visitors who want to combine a visit to the Orlando theme parks with time on the beaches of Florida's Gulf Coast, TPA offers an alternative gateway to the region.

International Service Trends

International departing seats at MCO are estimated to have increased 24% between FY 2000 and FY 2009. (See Figure 17.) Virtually all international service at MCO is operated by scheduled flights, in FY 2009, international charter flights are expected to account for only about 3% of total international departing seats at the Airport.

Since FY 2000, transatlantic service has tended to account for about half of all international seats at MCO. In FY 2009, service to Canada is estimated to account for 23% of total international seats, while service to Mexico and Latin America will make up 31% of the total.



Carrier Shares. As was the case with domestic service at the Airport, no single airline dominates international service at MCO. Virgin Atlantic, the largest provider of international service at the Airport, accounted for only 31% of departing international seats in FY 2009. The three next-ranking airlines—Air Canada, JetBlue, and WestJet—together accounted for an additional 30% of international seats. It is worth noting that the majority of international service at MCO is provided by foreign-flag carriers; in FY 2009, U.S. airlines (almost entirely JetBlue) accounted for just 11% of scheduled international seats.

Competing Airports. MCO is expected to offer 1.8 million international departing seats in FY 2009, three times the number at SFB (530,000). SFB provides most of the international charter seats offered at the two airports, the majority of which originate in Europe.

TPA offers international service but on a much more limited scale than MCO. In FY 2008, the number of international seats at TPA was 15% of the number provided at MCO.

AIRLINE PASSENGER TRENDS

After several years of strong growth worldwide, airline passenger figures slowed and turned negative in mid-2008, in large part due to the global economic recession. According to the International Air Transport Association (IATA), robust growth in the early part of 2008 gave way to year-over-year declines in September and, by December, was down nearly 5% from December 2007. Passenger declines have continued in 2009 and show no sign of abating. IATA indicates that the declines, particularly in North America and Europe, have affected business travel to a greater extent than leisure travel. The organization reported that worldwide premium (first class and business class) passengers declined 23.6% year-over-year in May 2009, more than triple the decline (7.6%) experienced by economy (coach class) passengers over the same period.

Total enplaned passengers at MCO declined 14% between FY 2000 and FY 2002, the period encompassing the 2001 economic recession and the 9/11 terrorist attacks. Over the following 2 years, passenger volumes recovered, with the FY 2004 enplaned passenger level slightly exceeding the FY 2000 level. Over the next 4 years, passenger levels grew robustly at MCO, increasing 4.6% per year, on average. In the first 8 months of FY 2009, however, as demand weakened in the face of the current economic recession, the number of enplaned passengers fell 10.5%, year-over-year.

The three most recent passenger forecasts prepared for MCO called for similar long-term rates of growth but differing near-term passenger trends:

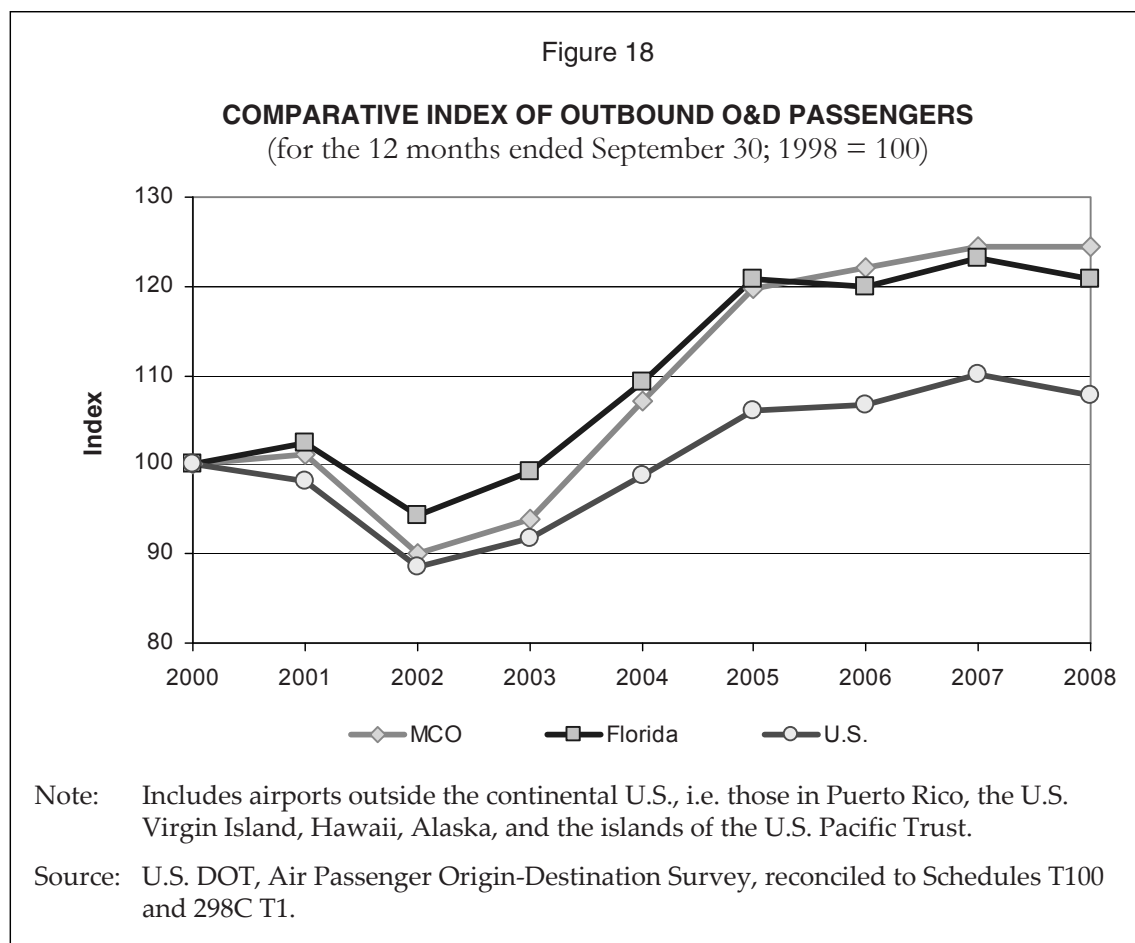
- The passenger forecast prepared by John F. Brown Company in support of financial planning in May 2007 called for a long-term passenger growth rate of 2.9% per year. As this forecast was prepared prior to the 2008 fuel spikes and the onset of the current economic recession, no passenger decline was envisaged in the near-term.
- The latest Terminal Area Forecast (TAF) for MCO, prepared by the FAA in December 2008, called for a 7.8% decline in FY 2009 enplaned passengers, minimal growth in FY 2010, and a gradual rise to a 3.0% long-term rate of growth thereafter. The TAF envisaged a return to the FY 2008 level of enplanements in FY 2013.
- More recently, Ricondo & Associates prepared a forecast of enplaned

passengers in support of the Series 2009A and 2009B issuance of bonds at the Airport in June 2009. The Ricondo forecast called for a 10.3% passenger decline in FY 2009, minimal growth in FY 2010, and relative to the TAF, a slower rise to a 3.0% long-term rate of growth. The Ricondo forecast envisaged a return to the FY 2008 level of enplanements only after the FY 2014 forecast horizon year.

Overall O&D Passenger Trends

O&D passengers at MCO are comprised primarily of domestic travelers. Since FY 2000, domestic O&D passengers have accounted for between 85% and 88% of total O&D passengers at the Airport. International O&D passengers, which make up the balance, consist of two types of travelers: those who travel on international flights that operate at MCO, and those who travel internationally via other U.S. gateway airports (e.g., passengers who travel between MCO and Europe through New York-Kennedy).

Domestic O&D passenger growth at the Airport since FY 1998, relative to Florida and national trends, is illustrated in Figure 18. Domestic O&D passenger growth at MCO has tracked closely to statewide O&D passenger growth, although there has been stronger growth at MCO since FY 2005. Growth in the number of domestic O&D passengers at MCO, and in Florida as well, has significantly exceeded the increase in domestic O&D passengers nationwide.



Since 2006, fares have shown a rising trend, which became particularly pronounced in the latter half of 2008. Average domestic one-way fares paid at MCO are shown in Table 10.* In response to record-high fuel costs in the spring and summer of 2008, most airlines added fuel surcharges, reduced capacity, and restricted the availability of discount fares, all of which had the effect of increasing average fares paid.

* It is worth noting that the fares that airlines reported to the U.S. DOT O&D Survey do not include ancillary fees (i.e., checked bag fees, priority seating fees, onboard sales) and, given the rapid rise in such fees beginning in 2008, increasingly understate the consumer's real cost of airline travel.

Table 10

Average Domestic One-Way Fare Paid, by Quarter on Selected Carriers

Orlando International Airport

Year	Quarter	Southwest	AirTran	JetBlue	All Other
2006	Jan-Mar	\$103.50	\$104.95	\$105.75	\$133.29
	Apr-Jun	108.20	103.73	122.38	141.17
	Jul-Sep	98.04	86.79	111.88	129.29
	Oct-Dec	108.78	88.61	112.97	133.07
2007	Jan-Mar	111.97	98.07	117.19	142.86
	Apr-Jun	105.17	96.77	118.30	136.77
	Jul-Sep	95.76	87.16	113.30	131.15
	Oct-Dec	111.37	90.93	113.06	137.57
2008	Jan-Mar	116.63	112.28	121.52	144.66
	Apr-Jun	114.45	104.67	122.40	142.48
	Jul-Sep	116.52	102.39	123.53	140.24
	Oct-Dec	124.67	104.95	123.46	144.45
2009	Jan-Mar	112.31	104.12	118.40	132.49

Note: Average one-way fares shown are net of all taxes, fees, and PFCs, and exclude ancillary fees charged by the airlines.

Source: U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedules T100 and 298C T1.

Since FY 2000, the average distance traveled by domestic O&D passengers has been consistent at approximately 1,100 miles, meaning that increases in average airfares at MCO have not resulted simply from passengers traveling longer distances.

Visiting O&D Passengers

Visiting passengers (i.e., those O&D passengers whose trip itineraries are destined for MCO) outnumber area residents (i.e., those O&D passengers whose itineraries originate at MCO) by a roughly 3-to-1 ratio at the Airport. (See Table 11.) Since FY 2000, however, the area resident component at MCO has grown relatively more robustly than the visitor component. The share of visiting passengers declined from 78% of all O&D passengers at MCO in FY 2000 to 74% in FY 2008. Since visiting O&D passengers are the ones who rent cars at MCO, it is this segment of traffic that has been forecast in this report.

Among total visiting O&D passengers at MCO, domestic visitors have accounted for 84-88% since FY 2000.

Table 11

Total Enplaned Passengers, by Type of Passenger
 Orlando International Airport
 (for Fiscal Years ended September 30; passengers in thousands)

Fiscal Year	Outbound O&D passengers					Connect. & other psgrs.	Total
	Residents		Visitors		Total		
	Psgrs.	% of Total	Psgrs.	% of Total			
2000	3,153	22.1%	11,117	77.9%	14,270	887	15,157
2001	3,142	22.2	11,025	77.8	14,167	767	14,934
2002	2,855	23.1	9,492	76.9	12,347	678	13,025
2003	3,037	23.7	9,790	76.3	12,827	705	13,532
2004	3,470	24.0	10,987	76.0	14,457	776	15,234
2005	4,092	25.4	12,019	74.6	16,111	722	16,833
2006	4,357	26.5	12,073	73.5	16,430	882	17,311
2007	4,442	26.3	12,447	73.7	16,889	943	17,832
2008	4,443	25.7	12,835	74.3	17,279	960	18,238

Compound annual growth rate

2000-2008	4.4%	1.8%	2.4%	1.0%	2.3%
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Note: Because foreign-flag carriers do not report passenger numbers to the U.S. DOT *O&D Survey*, Jacobs Consultancy estimates were used to develop the data in the above table.

Source: Greater Orlando Aviation Authority; U.S. DOT, *Air Passenger Origin-Destination Survey*, reconciled to Schedules T100 and 298C T1

Following the 2001 economic recession and the events of September 11, 2001, domestic visiting passengers declined to a lesser extent (down 11.5% between FY 2000 and FY 2002) than did international visiting passengers (down 31.7%). Domestic visiting passengers also returned to their FY 2000 level more quickly (by FY 2004) than did international visiting passengers (by FY 2008). By contrast, based in part upon actual results from part of the current fiscal year, domestic visiting passengers are expected to decline relatively more in FY 2009 (down 10.5%) than international visiting passengers (down 1.2%).

KEY FACTORS UNDERLYING FORECASTS

In addition to the economic health and tourist draw of the MSA, as discussed earlier, key factors that will affect future passenger levels at MCO include:

- Economic and political conditions
- Financial health of the airline industry
- Availability and price of aviation fuel
- Aviation safety and security concerns
- Airline competition and airfares
- Airline consolidation and alliances
- Capacity of the national air traffic control system
- Capacity of the Airport

Economic and Political Conditions

Historically, airline passenger traffic nationwide has correlated closely with the state of the U.S. economy and levels of real disposable income. Recession in the U.S. economy in 2001 and stagnant economic conditions in 2002 contributed to reduced passenger numbers during those years. The recession that began in December 2007 combined with reduced discretionary income will contribute to reduced airline travel demand in the near term.

With the globalization of business and the increased importance of international trade, growth in the U.S. economy has become more closely tied to worldwide economic, political, and social conditions. As a result, international economics, currency exchange rates, trade balances, political relationships, and hostilities are now important influences on passenger traffic at major U.S. airports. Sustained future increases both in domestic and international passenger traffic will depend on stable and peaceful international conditions and global economic growth.

Financial Health of the Airline Industry

The number of passengers at the Airport will depend partly on the profitability of the U.S. airline industry and the associated ability of the industry and individual airlines to make the necessary investments to continue providing service.

The 1990-1991 economic recession, coupled with increased operating costs and security concerns during the Gulf War, generated then-record financial losses in the airline industry. Those losses put particular pressures on financially weak or highly indebted airlines, forcing many to seek bankruptcy protection, sell productive assets, lay off workers, reduce service, or discontinue operations in the early 1990s.

Between 1995 and 2000, the airline industry as a whole was profitable, but as a result of the 2001 economic recession, the disruption of the airline industry that followed the September 2001 attacks, increased fuel and other operating costs, and price competition, the industry again experienced huge financial losses. In 2001 through

2005, the major U.S. passenger airlines collectively recorded net losses of approximately \$40 billion.

To mitigate those losses, all of the major network airlines restructured their route networks and flight schedules and reached agreement with their employees, lessors, vendors, and creditors to cut costs, either under Chapter 11 bankruptcy protection or the possibility of such. US Airways twice filed for bankruptcy protection, in 2002 and 2004. In December 2002, United filed for bankruptcy protection (emerged in February 2006). In 2003, American avoided filing for bankruptcy protection after obtaining labor cost concessions from its employees and drastically reducing service at its St. Louis hub. In 2005, Delta eliminated its Dallas/Fort Worth hub, reduced service at its Cincinnati hub, and restructured its other airport operations. In September 2005, Delta filed for bankruptcy protection (emerged in April 2007). Also in September 2005, Northwest filed for bankruptcy protection (emerged in May 2007). Among smaller airlines, between 2003 and 2005, Hawaiian Airlines, Aloha Airlines, and Independence Air filed for Chapter 11 protection. (Of these airlines, only Hawaiian was still operating as of May 2009.)

In 2006 and 2007, the U.S. passenger airline industry as a whole was profitable, but in 2008, as oil and aviation fuel prices increased to unprecedented levels, the industry experienced significant financial losses. The industry responded by grounding older, less fuel-efficient aircraft, adopting fuel-saving operating practices, hedging their fuel requirements, reducing scheduled seat capacity, eliminating unprofitable routes, laying off employees, reducing employee compensation, reducing other non-fuel expenses, increasing airfares, and imposing other fees and charges. In the fourth quarter of 2008, U.S. passenger airlines collectively reduced domestic capacity (as measured by available seat-miles) by approximately 10% compared with the fourth quarter of 2007.

Various industry analysts have suggested that further industrywide capacity reductions may be required to achieve equilibrium between seat supply and passenger demand at airfares adequate to achieve airline profitability. Several airlines have announced additional capacity reductions for 2009. The combination of reduced seat capacity, increased airfares, and weak economic conditions is expected to lead to reduced passenger numbers at most airports in the near term.

Continuing losses could cause airlines to seek bankruptcy protection or liquidate. During 2008, Aloha, ATA, and Skybus Airlines, along with other small airlines, declared bankruptcy and ceased operations. Frontier Airlines filed for Chapter 11 protection in April 2008, but continues to operate. The liquidation of one or more of the large network airlines could drastically affect airline service at many connecting hub airports, present business opportunities for the remaining airlines, and change airline travel patterns throughout the U.S. aviation system.

Availability and Price of Aviation Fuel

The price of aviation fuel is a critical and uncertain factor affecting airline operating economics. Fuel prices are particularly sensitive to worldwide political instability and economic uncertainties. Beginning in 2003, fuel prices increased as a result of the invasion and occupation of Iraq; political unrest in other oil-producing countries; the rapidly growing economies of China, India, and other developing countries; and other factors influencing the demand for and supply of oil. By mid-2008, average fuel prices were three times higher than they were in mid-2004 and represented the largest item of expense for most airlines. In the second half of 2008, oil prices fell sharply as demand was reduced worldwide.

Airline industry analysts hold differing views on how oil and aviation fuel prices may change in the near term. However, there is widespread agreement that fuel prices are likely to increase over the long term as global energy demand increases in the face of finite and increasingly expensive oil supplies.

While aviation fuel prices have not affected the ability of airlines to provide service, fluctuating prices will affect airline service, airfares, and passenger numbers. Airline operating economics are also likely to be affected as regulatory costs are imposed on the airline industry to account for aircraft emissions contributing to global climate change.

Aviation Safety and Security Concerns

Concerns about the safety of airline travel and the effectiveness of security precautions influence passenger travel behavior and airline travel demand.

Anxieties about the safety of flying and the inconveniences and delays associated with security screening procedures lead to both the avoidance of travel and the switching from air to surface modes of transportation for short trips.

Safety concerns in the aftermath of the terrorist attacks in September 2001 were largely responsible for the steep decline in airline travel nationwide in 2002. Since September 2001, government agencies, airlines, and airport operators have upgraded security measures to guard against changing threats and maintain confidence in the safety of airline travel. These measures include strengthened aircraft cockpit doors, changed flight crew procedures, increased presence of armed sky marshals, federalization of airport security functions under the Transportation Security Administration (TSA), and more intensive screening of passengers and baggage. In the summer of 2006, the discovery of a plot to attack transatlantic flights with liquid explosives led to further changes in screening procedures.

Public health concerns have also affected travel demand from time to time. In 2003, concerns about the spread of severe acute respiratory syndrome (SARS) led public health agencies to issue advisories against non-essential travel to certain regions of the world. Beginning in April 2009, concerns about the spread of “swine flu” caused by the H1N1 virus reduced certain international airline travel.

Historically, airline travel demand has recovered after temporary decreases stemming from terrorist attacks or threats, hijackings, aircraft crashes, public health concerns, and international hostilities. Provided that precautions of government agencies, airlines, and airport operators serve to maintain confidence in the safety of commercial aviation without imposing unacceptable inconveniences for airline travelers, it can be expected that future demand for airline travel at the Airport will depend primarily on economic, not safety or security, factors.

Airline Competition and Airfares

Airline fares have an important effect on passenger demand, particularly for relatively short trips, where the automobile and other travel modes are potential alternatives, and for price-sensitive “discretionary” travel. The price elasticity of demand for airline travel increases in weak economic conditions when the disposable income of potential airline travelers is reduced. Airfares are influenced by capacity and yield management; passenger demand; market presence; labor, fuel, and other airline operating costs; airline debt burden; taxes, fees, and other charges assessed by governmental and airport agencies; and competitive factors. Future passenger numbers, both nationwide and at the Airport, will depend on the level of airfares.

Overcapacity in the industry, the ability of consumers to compare airfares and book flights easily via the Internet, and other competitive factors combined to reduce airfares between 2000 and 2005. During that period, the average domestic yield for U.S. airlines was reduced from 14.9 cents to 12.7 cents per passenger-mile. From 2006 to 2008, as airlines reduced capacity and were able to sustain fare increases, industry-wide yields increased, to an average of 14.7 cents in 2008. The ability of airlines to continue to increase and rationalize fares while controlling seat capacity is seen as vital to the industry regaining and sustaining profitability.

Airline Consolidation and Alliances

In response to competitive and financial pressures, consolidation of the U.S. airline industry has occurred. In April 2001, American completed an acquisition of failing Trans World Airlines. In September 2005, US Airways and America West merged. In October 2008, Delta and Northwest cleared the final major regulatory hurdle to their merger plan. Various other merger combinations of American, Continental, United, and US Airways have been rumored, but in an environment of high fuel prices and weak demand, none are expected to be pursued in the near term. In the longer term, further airline consolidation is possible and could change airline service patterns, particularly at the connecting hub airports of the merging airlines.

Alliances provide airlines with many of the advantages of mergers and all of the large U.S. network airlines are members of such alliances with foreign-flag airlines. Alliances typically involve marketing, code-sharing, and scheduling arrangements to facilitate the transfer of passengers between the airlines.

In July 2008, Southwest announced its intention to form an international code-share partnership with the Canadian airline WestJet. In December 2008, Southwest applied to the U.S. DOT for international route authority to operate flights between the United States and Canada—a requirement to implement the code-share agreement. Southwest has announced that it will delay implementation of this agreement until late 2010 at the earliest. In November 2008, Southwest announced a similar partnership with Mexican airline Volaris, with further details to be announced in early 2010. In November 2008, Delta and Northwest announced an enhanced marketing and code-sharing agreement with Alaska Airlines.

Capacity of the National Air Traffic Control System

Demands on the national air traffic control system have, in the past, caused delays and operational restrictions affecting airline schedules and passenger traffic. The FAA is gradually implementing its Next Generation Air Transport System (NextGen) air traffic management programs to modernize and automate the guidance and communications equipment of the air traffic control system and enhance the use of airspace and runways through improved air navigation aids and procedures. After 2001, air traffic delays abated as a result of reduced aircraft operations but returned as nationwide demand strengthened in the years that followed. Air traffic delays are again declining given the widespread airline capacity cuts already made and those published for the second half of 2009.

Capacity of the Airport

In addition to any future constraints that may be imposed by the national air traffic control system, long-term future growth in airline traffic at MCO will depend on the capacity at MCO itself. The forecast is conditioned on the assumption that, during the forecast period, neither available airfield or terminal capacity, nor demand management initiatives, will constrain traffic growth at the Airport.

VISITING O&D PASSENGER FORECASTS

Because the passenger forecasts presented herein were prepared in support of projections of future Airport rental car transactions, and because visiting passengers are the primary renters of cars, the forecasts focus only on visiting O&D passengers.*

The forecasts of visiting O&D passengers at MCO through FY 2014 were developed taking into account visitor demand for the MSA, trends in historical passengers, and key factors likely to affect future passenger levels, all as discussed in earlier sections.

Underlying Assumptions

In developing the forecasts, the following key assumptions were made, over the long term:

* While some portion of automobile rentals at the Airport represent rentals by area residents, this number is small and difficult to quantify. For this reason, the traffic forecasts represent visiting O&D passengers only.

- Visiting O&D passenger levels at MCO will increase as a function of growth in the tourism (i.e., visitor) demand for the MSA and the general economic health of the MSA.
- Visiting passengers will grow at a somewhat slower rate than resident passengers, and, indeed, slower than total passenger traffic, over the forecast period.

The following additional assumptions underlie the forecast of visiting O&D passengers:

- The economic recession will end in the fourth quarter of 2009, with the first signs of economic recovery appearing in the first quarter of 2010. Recovery will not be robust; growth will be gradual through the remainder of 2010 and most of 2011.
- Given that airline travel tends to lag the economy, domestic airline passenger growth will resume in the second quarter of 2010.
- Given that airline travel to the MSA correlates closely with discretionary income, passenger growth at MCO will lag much of the rest of the country, with resident O&D passenger growth starting in the third quarter of 2010 and visitor O&D passenger growth starting in the fourth quarter of 2010 (i.e., the beginning of FY 2011).
- Any consolidation (or failures) of legacy carriers or LCCs, should they occur, will not have a lasting impact on the level of passenger activity at MCO.
- There will be a net reduction of domestic seats at MCO in both FY 2009 and FY 2010 and, although airlines will begin to increase their domestic capacity in FY 2011, the level of domestic capacity even at the end of the forecast period (FY 2014) will be less than that offered in FY 2008. International capacity, by contrast, will continue to grow in each year of the forecast period.
- Legacy carriers will tend to withdraw domestic capacity at MCO during FY 2009 and FY 2010 at a greater rate, and add capacity in subsequent years at a lower rate, than the LCCs. Consequently, the LCCs will increase their collective share of domestic capacity at the Airport over the forecast period.
- International flights will increase their share of total seats at MCO. Foreign-flag airlines will account for most of the increase.
- The annual enplaned passenger load factor at MCO will fluctuate narrowly, between 80% and 81%, over the forecast period. Although load factors on domestic flights will not change materially, the percentage of seats occupied on international flights will increase.

- MCO will not lose share to competing airports over the forecast period. The regional share of international passengers handled at Sanford International Airport will not change materially, and airline service at Tampa International Airport will roughly keep pace with that at MCO.
- Airline service at MCO will not be constrained by the availability of aviation fuel, airline fleet capacity, the capacity of the air traffic control system or the Airport itself, charges for the use of aviation facilities, or government policies or actions.

Base Forecast

On the basis of the foregoing assumptions, the number of visiting passengers at MCO is forecast to decrease in both FY 2009 and FY 2010 and to return to a 2.1% per year long-term rate of growth by FY 2012. (See Table 12 and Figure 19.) in FY 2014, visiting passengers are forecast to be nearly 12.0 million, still 7% below the Airport's record FY 2008 level and roughly equivalent to the number of visiting passengers in FY 2005.

Note that the composition of the MCO passenger base (i.e., residents, visitors, and connections) is dynamic and subject to change over time. Consequently, the forecast of visiting passengers may show a different pattern than the forecast of total enplaned passengers.

In the period between FY 2009 and FY 2011, visiting O&D passenger levels are expected to transition from negative to positive growth. The timing of the return of the national economy to positive growth; the degree to which airlines are able to adjust their business models to re-balance demand, capacity, cost, and airfares; and the extent to which consumers alter their travel behavior, including vacationing at destination theme parks such as those in the MSA, in response to these factors will determine the pace and magnitude of the resumption of visitor growth at MCO.

Table 12

Historical and Forecast Outbound O&D Visiting Passengers

Orlando International Airport
(for Fiscal Years ended September 30)

This forecast was prepared on the basis of the information and assumptions given in the text. The achievement of any forecast is dependent upon the occurrence of future events, which cannot be assured. Therefore, the actual results may vary from the forecast, and the variance could be material.

Fiscal Year	Domestic		International		Total	
	Visiting Passengers	Percent change	Visiting Passengers	Percent change	Visiting Passengers	Percent change
2000	9,391,374		1,725,974		11,117,349	
2001	9,428,905	0.4%	1,595,745	(7.5%)	11,024,650	(0.8%)
2002	8,312,828	(11.8)	1,179,468	(26.1)	9,492,296	(13.9)
2003	8,593,251	3.4	1,196,701	1.5	9,789,953	3.1
2004	9,628,027	12.0	1,359,101	13.6	10,987,128	12.2
2005	10,523,105	9.3	1,495,996	10.1	12,019,102	9.4
2006	10,611,958	0.8	1,460,930	(2.3)	12,072,889	0.4
2007	10,895,217	2.7	1,551,745	6.2	12,446,962	3.1
2008	10,944,484	0.5	1,890,663	21.8	12,835,146	3.1
2009E	9,798,854	(10.5)	1,868,470	(1.2)	11,667,325	(9.1)
2010	9,255,000	(5.6)	1,899,000	1.6	11,154,000	(4.4)
2011	9,276,000	0.2	1,959,000	3.2	11,235,000	0.7
2012	9,449,000	1.9	2,020,000	3.1	11,469,000	2.1
2013	9,626,000	1.9	2,082,000	3.1	11,708,000	2.1
2014	9,811,000	1.9	2,143,000	2.9	11,954,000	2.1
<u>Compound annual growth rate</u>						
2000-2008	1.9%		1.1%		1.8%	
2008-2014	(1.8)		2.1		(1.2)	

Note: Because foreign-flag carriers do not report passenger numbers to the U.S. DOT, O&D Survey, Jacobs Consultancy estimates were used to develop the data in the above table.

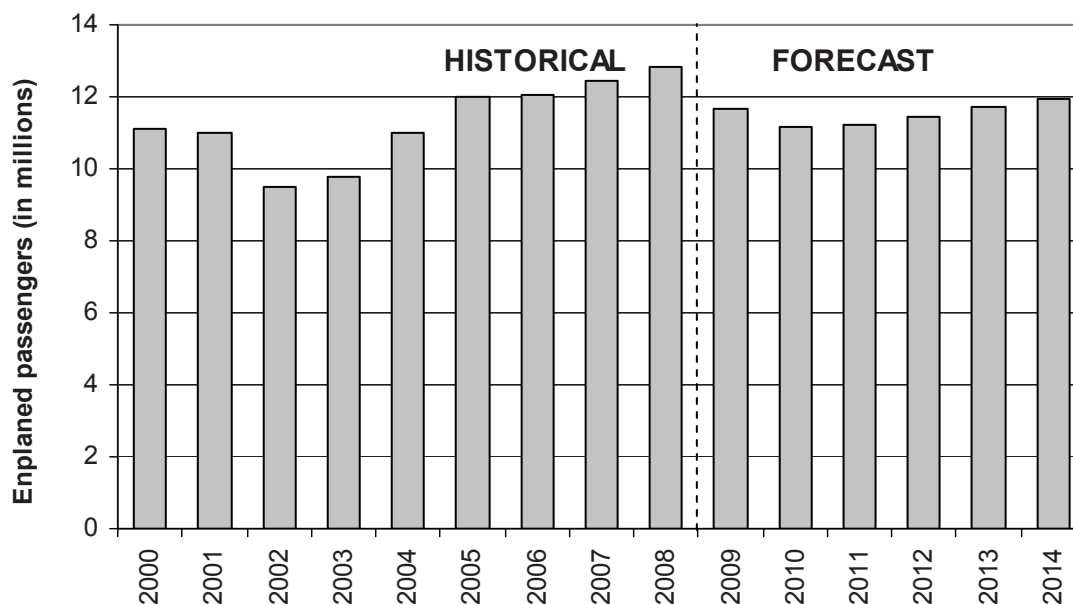
Sources: Historical—Greater Orlando Aviation Authority; U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedules T100 and 298C T1.
Forecast—Jacobs Consultancy.

Figure 19

HISTORICAL AND FORECAST OUTBOUND O&D VISITING PASSENGERS

Orlando International Airport
(for Fiscal Years ended September 30)

This forecast was prepared on the basis of the information and assumptions given in the text. The achievement of any forecast is dependent upon the occurrence of future events, which cannot be assured. Therefore, the actual results may vary from the forecast, and the variance could be material.



Note: Because foreign-flag carriers do not report passenger numbers to the U.S. DOT, O&D Survey, Jacobs Consultancy estimates were used to develop the data in the above table.

Sources: Historical—Greater Orlando Aviation Authority; U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedules T100 and 298C T1.
Forecast—Jacobs Consultancy.

Sensitivity Forecast

There are a number of events that could occur over the forecast period that would inhibit the growth envisaged in the Base Forecast, including the following:

- The economic recession drags on into 2010, ending mid-year. The first signs of economic recovery appear in the third quarter of 2010, with gradual growth through the rest of 2010 and all of 2011.
- As the economy recovers, oil prices increase until, by late 2011, they exceed \$100 per barrel. As occurred in 2008, crack spreads increase, producing disproportionately higher jet fuel prices.

- One U.S. legacy carrier declares bankruptcy and liquidates. Two other U.S. legacy carriers merge and rationalize their services. Together, these events result in a substantial reduction in domestic capacity and a material upswing in airfares by the latter part of 2011.
- Business travel, including conference attendance, does not rebound as it had in the past after the recession, partly due to significant increases in the quality and usage of videoconferencing technology.
- Attendance at U.S. destination theme parks, such as those in the MSA, does not recover quickly following the recession as travelers opt for closer, regional theme parks.
- Another major terrorism incident occurs elsewhere in the U.S. and, as was the case in September 2001, commercial aviation is involved.

While it is not anticipated that all of the above events would occur, one or more such events would extend and deepen the period of passenger decline and result in slower rates of passenger growth thereafter.

Such a scenario would result in further declines in visiting O&D passengers in the near term, and a longer period before the onset of traffic recovery, than were envisaged in the Base Forecast. (See Table 13 and Figure 20.) This 'sensitivity' forecast foresees FY 2012 as a flat year and FY 2013 as the first year of positive visitor growth. It also forecasts a lower long-term rate of increase (1.5%, compared to 2.1% in the Base Forecast) in visiting O&D passengers. The net result would be 10.8 million visiting O&D passengers in FY 2014, a level 9.5% below that in the Base Forecast and slightly below the FY 2004 level of visiting passengers.

Table 13

Historical and “Sensitivity” Forecast Outbound O&D Visiting Passengers

Orlando International Airport
(for Fiscal Years ended September 30)

This forecast was prepared on the basis of the information and assumptions given in the text. The achievement of any forecast is dependent upon the occurrence of future events, which cannot be assured. Therefore, the actual results may vary from the forecast, and the variance could be material.

Fiscal Year	Domestic		International		Total	
	Visiting Passengers	Percent change	Visiting Passengers	Percent change	Visiting Passengers	Percent change
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2002	8,312,828	(11.8)	1,179,468	(26.1)	9,492,296	(13.9)
2003	8,593,251	3.4	1,196,701	1.5	9,789,953	3.1
2004	9,628,027	12.0	1,359,101	13.6	10,987,128	12.2
2005	10,523,105	9.3	1,495,996	10.1	12,019,102	9.4
2006	10,611,958	0.8	1,460,930	(2.3)	12,072,889	0.4
2007	10,895,217	2.7	1,551,745	6.2	12,446,962	3.1
2008	10,944,484	0.5	1,890,663	21.8	12,835,146	3.1
2009E	9,773,031	(10.7)	1,848,411	(2.2)	11,621,443	(9.5)
2010	8,923,000	(8.7)	1,776,000	(3.9)	10,699,000	(7.9)
2011	8,753,000	(1.9)	1,755,000	(1.2)	10,508,000	(1.8)
2012	8,751,000	(0.0)	1,760,000	0.3	10,511,000	0.0
2013	8,864,000	1.3	1,799,000	2.2	10,663,000	1.4
2014	8,983,000	1.3	1,839,000	2.2	10,822,000	1.5
<u>Compound annual growth rate</u>						
2000-2008	1.9%		1.1%		1.8%	
2008-2014	(3.2)		(0.5)		(2.8)	

Note: Because foreign-flag carriers do not report passenger numbers to the U.S. DOT, O&D Survey, Jacobs Consultancy estimates were used to develop the data in the above table.

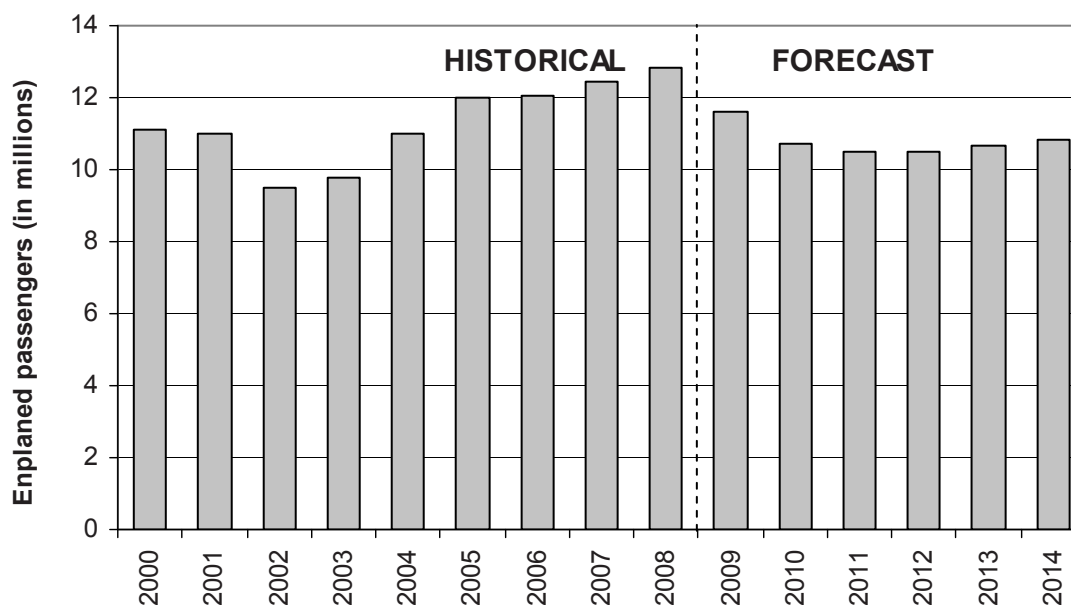
Sources: Historical—Greater Orlando Aviation Authority; U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedules T100 and 298C T1.
Forecast—Jacobs Consultancy.

Figure 20

HISTORICAL AND “SENSITIVITY” FORECAST OUTBOUND O&D VISITING PASSENGERS

Orlando International Airport
(for Fiscal Years ended September 30)

This forecast was prepared on the basis of the information and assumptions given in the text. The achievement of any forecast is dependent upon the occurrence of future events, which cannot be assured. Therefore, the actual results may vary from the forecast, and the variance could be material.



Note: Because foreign-flag carriers do not report passenger numbers to the U.S. DOT, O&D Survey, Jacobs Consultancy estimates were used to develop the data in the above table.

Sources: Historical—Greater Orlando Aviation Authority; U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedules T100 and 298C T1.
Forecast—Jacobs Consultancy.

RENTAL CAR DEMAND FORECAST

CHARACTERISTICS OF MCO RENTAL CAR CUSTOMERS

The past four quarterly surveys of passengers at the Airport, conducted in March, August, and November 2008 and February 2009, indicated that visitors represent 75.4% of all passengers using the facility. Of those visitors, about 75% were destined for the Orlando area and approximately one in five of those stayed longer than a week; the remaining 25% of visitors were destined for elsewhere in Florida.

Nearly half (49.1%) of all visitors who were surveyed rented a car during their stay. Of those who rented a car, 18% used the car simply for access from and to the Airport, while the remainder (82%) used the car for other reasons as well.

The survey also indicated that the purpose of a visitor's trip is related to whether a car is rented. Passengers visiting friends and relatives tend to be least likely to obtain a rental car, representing 20.5% of all visitors but only 15.5% of car renters. Business and conference visitors are more likely to rent a car, representing 17.2% of all visitors but 15.1% of car renters. Vacationers have a relatively high propensity to obtain a rental car; they represented 55.7% of all visitors but 60.9% of all car renters. Visitors who have made the trip for a combination of the foregoing reasons have the highest relative likelihood of renting a car at the Airport; while these passengers accounted for only 6.6% of all visitors, they represented 8.6% of car renters.

KEY FACTORS AFFECTING RENTAL CAR DEMAND AT THE AIRPORT

The demand for rental cars at MCO is derived primarily from visitor air traffic arriving at the Airport, which itself is derived from the demand for travel to MCO from various domestic and international points of origin. However, visiting passengers have other options for transportation when they have reached their destination. The choice to rent a car versus using other options is likely to be the result of trip purpose, destinations during the visit, as well as other personal preferences. The decision of car renting is generally influenced by the following considerations:

- Market Segmentation (Business/Leisure)
- Rental Car Pricing Trends and Demand
- Rental Car Costs as Component of Total Travel Costs
- Convenience
- Alternative Forms of Ground Transportation at the Airport
- Capacity of the QTA and Rental Car Facilities
- Events External to Rental Car Industry

Market Segmentation (Business/Leisure)

As noted above, a passenger's reason for travel to Orlando, as well as their travel plans while in Florida, appear to bear directly on their propensity to rent a vehicle

rather than choose an alternate form of transportation. While business and conference visitors have a reasonable likelihood to rent a car, vacationers have a relatively higher propensity, and those traveling for a combination of those purposes have the highest likelihood of any travelers to Orlando to rent a car.

Traditionally, the rental car industry has striven for a balance between business and leisure renters. In most rental car markets, it is generally anticipated that business customers rent early in the week – Monday or Tuesday morning, and return after midweek – Thursday or Friday. In these markets, rental car companies depend on leisure business to utilize vehicles over the weekend, when they would otherwise sit on the lot. Orlando is a unique market, in that not only is the leisure market the stronger segment (55.7% of visitors), but the length of average rentals is 5.78 days – the average in most U.S. markets is approximately 3 days.

Although the high vacationer proportion of visitors can be assumed to put pricing pressure on the rental car companies – leisure travelers are generally considered to be more price conscious than business travelers – the length of rental helps to offset the price pressure and make the rentals more profitable. The longer a vehicle is on the road, and the less often it has to be moved, serviced, and put back on the ready lot, the higher the return to the rental car company.

In addition, while the high leisure segment in Orlando has implications for adjusting fleet sizes for seasonality of the market, the rental car companies are spared some of the weekly peaks and lulls of more traditional rental car markets.

As the largest rental car market in the U.S., the rental car companies at MCO have for the most part enjoyed adequate volume and length of rentals to allow for profitable operations while maintaining prices at a level to drive demand.

Alternatively, as discussed below, there is a disproportional impact of economic downturns on leisure travel, and coupled with the higher price sensitivity of leisure travelers, the market segmentation in Orlando can present a risk in extended periods of economic stress.

Rental Car Pricing Trends and Demand

From the 1980's to the present, the changes in ownership of the rental car companies have taken them from essentially car manufacturer owned entities with a focus on the secondary market to publicly traded or privately held corporations with intense pressure for profitability. As the movement away from car manufacturer ownership to public or private ownership took place, the focus began to shift from pure market share competition to profitability. For most of the industry this has meant a serious foray into yield management practices similar to those long practiced by the airlines. The rental car companies' goals are no longer so much just having a car for every customer who might want one, but instead to assess and anticipate demand, and to price the product for maximum return within the overall price constraints of the industry.

The rental car industry has traditionally been an oversupplied, underpriced industry. Consolidation within the industry, resulting in far fewer players making pricing decisions, as well as the development of sophisticated yield management practices, allows the industry the flexibility to reduce fleet and maintain or increase revenue by pricing to meet demand. When revenue is maintained, the Airport benefits in the area of concession payments, as the rental car companies are not engaging as often in “slash and burn” pricing just to get their fleets rented. However, as the rental car companies trim their fleets to meet profitable demand rather than all demand, the Airport may receive fewer CFC payments than it would if the rental car companies were simply pricing to get excess fleet rented.

In addition, yield management and fleet optimization considerations could possibly lead a rental car company to under-serve a market at certain times because its capacity might be more profitably allocated to other locations. Such an under-supply of rental cars could potentially prevent rental transactions and thereby constrain the full realization of rental car demand within the area. The Orlando rental car market, however, is a critical market for the rental car industry. As noted earlier, Orlando International Airport is the largest airport rental car market in the U.S. For this reason, it seems unlikely any rental car company serving the Orlando market would elect to under-supply fleet to this market and risk a loss of market share to their competitors.

On the other hand, the long term benefits of effective yield practice management include more efficient utilization of limited Airport facilities as well as the potential for improved financial viability of the rental car operations.

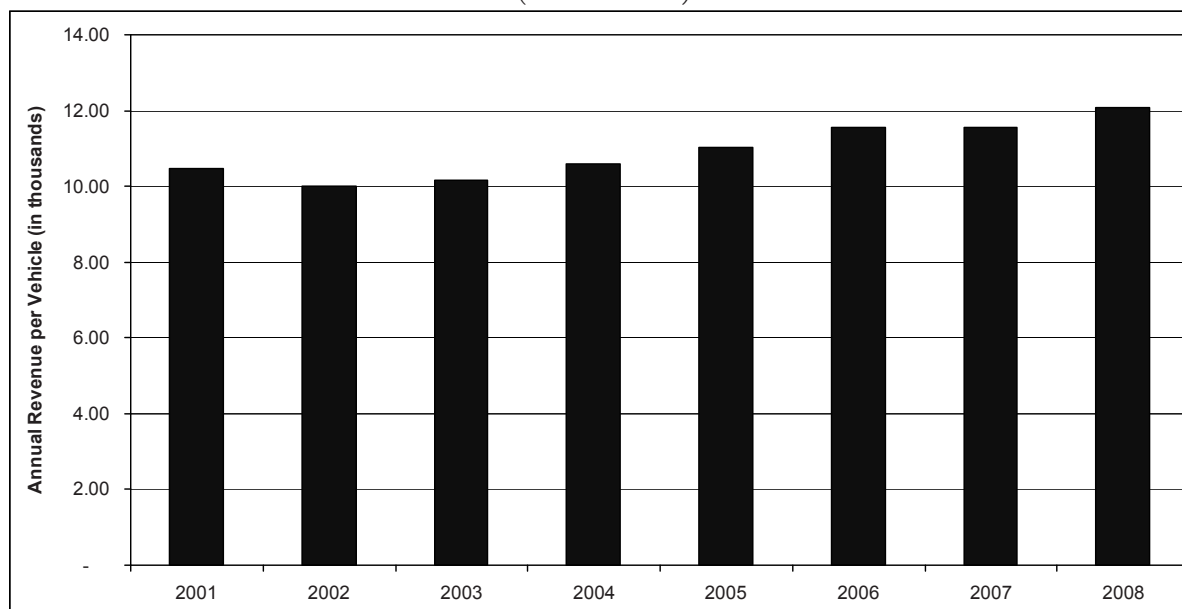
As the Figure 21 demonstrates, with the implementation of more effective yield management practices, the rental car industry has been able to manage their fleet and pricing practices in such a way that there has been an increase in annual revenue per fleet vehicle every year since 2002. This incremental increase in annual revenue per vehicle has been maintained despite fluctuations in fleet size in response to periodic downturns in enplanements.

Figure 21

ANNUAL REVENUE PER VEHICLE

U.S. Rental Car Market

(in thousands)



Source: Auto Rental News.

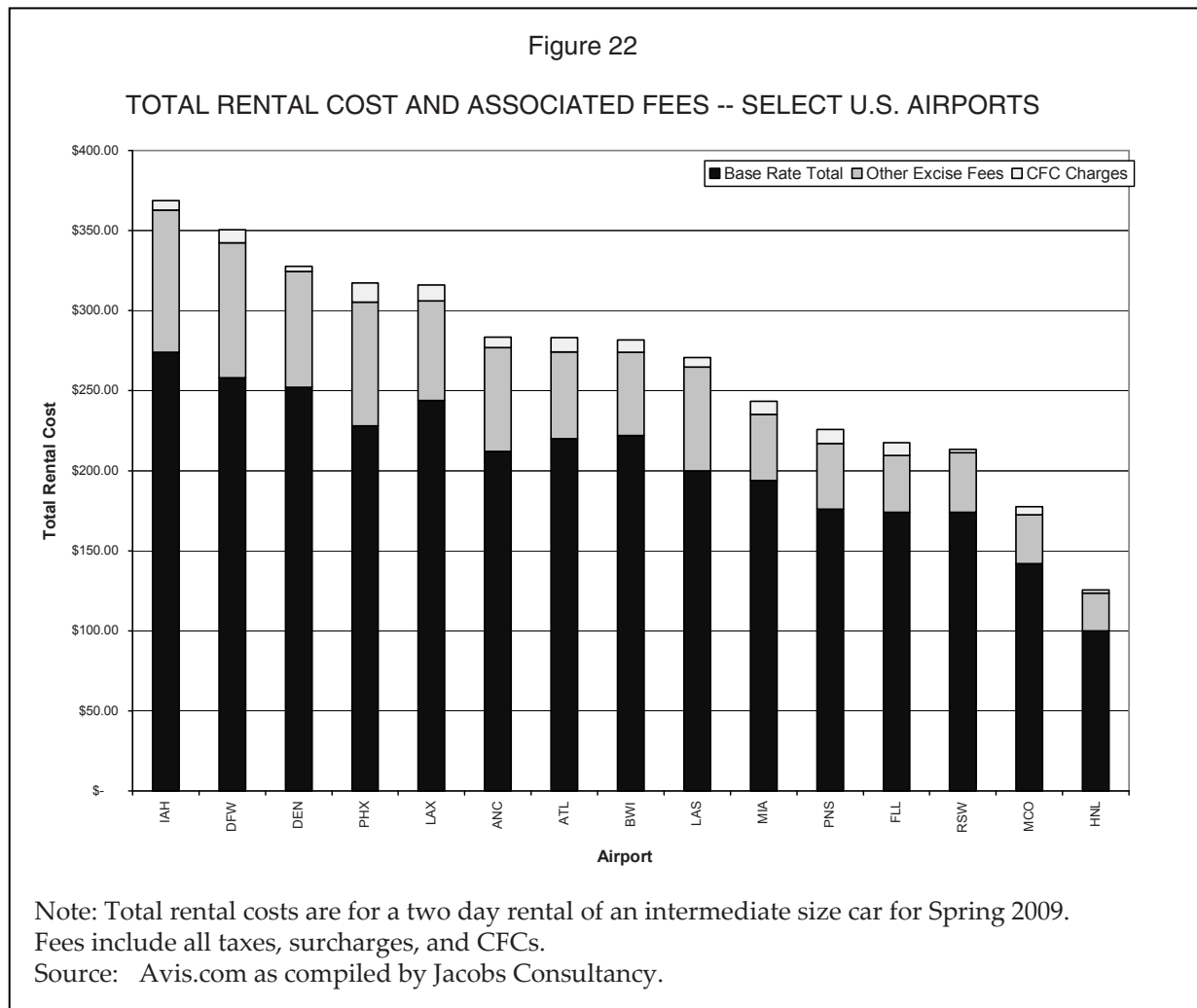
Rental Car Costs as Component of Total Travel Costs

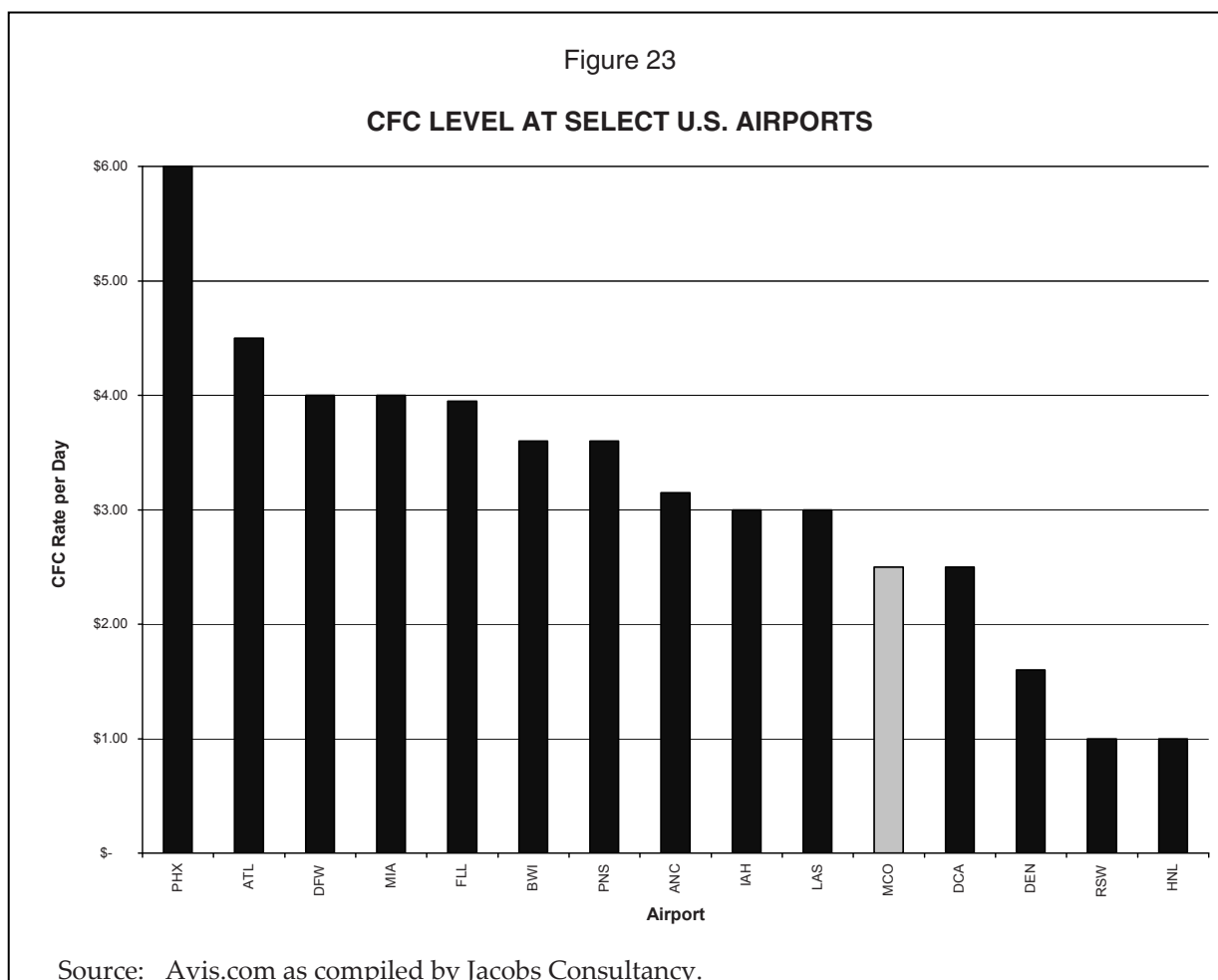
A visitor's air travel budget consists principally of four components: airfare, lodging, meals, and local transportation. Travelers can allocate budget among these components to satisfy their preferences and manage their total costs. So cost must be taken into account in conjunction with convenience and other factors. The cost of local transportation varies with the travel itinerary and destinations. However, in the absence of convenient public transportation, renting a car could be substantially cheaper than using a taxi in a majority of cases within the Orlando area. Other modes such as Disney Magical Express or Mears shuttle may be available at a lower cost but only with substantial sacrifice in mobility.

A significant component of the cost of renting a car at most major U.S. airports is the growing list of add-on fees and taxes, ranging from customer facility charges (CFCs), taxes, and unbundled rental car operating costs such as tire recycling fees, facility maintenance costs, etc. As this list continues to grow, the practice of add on fees draws increased scrutiny and frequent criticism from travel writers, consumer groups and others. The Authority started collecting a CFC on October 1, 2008 at \$2.50 per day (with a five day cap). It is important to note the potential impact of the CFC on overall rental car costs. It may also be helpful to understand how any given airport fares against others of similar size or within a given region in order to

attempt to assess whether there is any risk of a decline in transactions as a consequence of the implementation of the fee.

Figure 22 shows the CFC fees and other excise taxes as a component of the total cost to rent a car for (1) other airports that have issued standalone CFC-backed bonds – Anchorage (ANC), Atlanta (ATL), Baltimore (BWI), Dallas Fort Worth (DFW), Denver (DEN), Houston Intercontinental (IAH), Miami (MIA), and Phoenix (PHX), (2) Florida airports that levy a CFC – Fort Myers (RSW), Pensacola (PNS), and Fort Lauderdale (FLL), and (3) other tourist destinations –Honolulu (HNL) Las Vegas (LAS), and Los Angeles (LAX). Figure 23 shows the CFC rate for the same airports (excluding LAX which is \$10 per transaction). Other airports with similar or higher CFCs have not experienced attrition. Therefore, we do not expect MCO has a high risk of customer attrition based on the current CFC fee.





Convenience

A rental car provides maximum mobility for a visitor to Orlando. Rental car substitutes include taxis, shuttles, and public transportation though the region lacks a well-developed public transportation system. . These substitutes may work well for single, short-duration trips, but they provide a substantially lower overall quality of service for more demanding local travel needs such as multiple, geographically-dispersed locations. Furthermore, the broad disbursement of business and tourist destination throughout the area and the state provide further encouragement for individually controlled mobility.

To completely measure the convenience of the rental car as transportation, the entire transaction must be evaluated. It is the consensus of the rental car industry that, all things being equal, customers strongly prefer to have ready and return spaces within the terminal complex, within easy wayfinding and walking distance of bag claim, ticket counters, etc. By this measure, Orlando's rental car operations meet the highest standards of customer service and convenience.

Alternative Forms of Ground Transportation at the Airport

Disney Magical Express

In May 2005, Walt Disney World Resort initiated an airport shuttle service called Disney's Magical Express (DME) for registered guests. DME provides a complimentary shuttle bus from the Airport to and from the Disney resort properties that includes luggage delivery directly to the passenger's Disney resort hotel room. According to the on-Airport rental car operators, the introduction of DME service has had an impact on rental car transactions at the Airport. Although it is impossible to isolate the potential impact of DME, the data also suggest that rental car transactions per visiting passenger declined after the introduction of DME, but have since stabilized. In recognition of this potential impact, the Authority negotiated a fee from Disney for DME service, which is currently \$0.75 per passenger and totaled \$1.6 million in FY 2008. Disney also pays the Authority for counter rentals. In addition, Mears Transportation which provides the bus service to Disney and ASIG which provides the baggage handling, pay the Authority a concession fee. As discussed below under "Historical Rental Car Revenues." Disney visitors can rent cars on Disney property during their stay.

Shuttle Service, Taxi, and Other

Visiting passengers also have the option to use shuttle service, sedan service, charter bus service, and taxis. Mears Transportation provides scheduled and on-demand shuttle service to resort locations.

High Speed Rail Proposal

Florida High Speed Rail is a proposed high-speed rail network in Florida designed to link the five largest urban areas in the state. Funding for the system was authorized by a 2000 referendum of Florida voters that was subsequently repealed by Florida voters in a 2004 referendum. The first phase, planned for completion in 2009, would have connected Orlando to Tampa followed by an extension to St. Petersburg. Later phases would have extended the network to Miami, Fort Myers, Jacksonville, Tallahassee, and Pensacola. Although the voters denied continued funding of Florida High Speed Rail in the 2004 referendum, the Florida High Speed Rail Authority continues to meet, and is almost done with the environmental impact statement for the Tampa-Orlando segment. In January 2007 the authority issued an update letter to the Florida governor. The Florida Department of Transportation is currently seeking federal funds to construct the section from Orlando to Tampa and complete design from Orlando to Miami. The project will only proceed with the receipt of federal funds and no commitment has been made by the federal government at this time. The availability of high speed rail in Florida during the forecast period is unlikely.

Capacity of the QTA and Rental Car Facilities

Expanded capacity of the QTA and rental car facilities will allow the rental car operators to fuel, wash and return cars to the ready line more quickly, and will provide more storage for fleet. This will enable them to cut down on the number of customer waits and thereby provide a higher level of customer service.

In addition, the expanded facilities will make it possible for Hertz to bring its market share onto the Airport. At that point, more than 95% of the Orlando Airport rental car market will be able to be serviced on the Airport, where the facilities provide an excellent level of customer service and convenience.

Events External to Rental Car Industry

The events of September 11, 2001 significantly adversely affected the U.S. air transportation system. While the immediate impact on rental car operators was mitigated by an increased need for rental cars for short haul travel, and it is possible that increased travel costs and inconvenience since 9/11 continues to benefit the rental car operators because of an ongoing increase in the number of people who elect to rent cars for short haul travel rather than fly, the overall impact was a significant loss of rental car revenue that continued through 2003.

It is reasonable to assume that any future similar disruptions to air traffic, the Airport, or the airlines will have an adverse effect on the rental car operators, but it is not possible to anticipate or quantify this impact.

HISTORICAL RENTAL CAR REVENUES

Gross Revenues

Figure 24 presents the historical gross rental car revenues generated by the Concessionaire Rental Car Companies. Gross revenues declined 13% from \$474 million in FY 2001 to \$412 million in FY 2002, due in part to the economic recession, the September 11 terrorist attacks and the related traffic decline at the Airport.

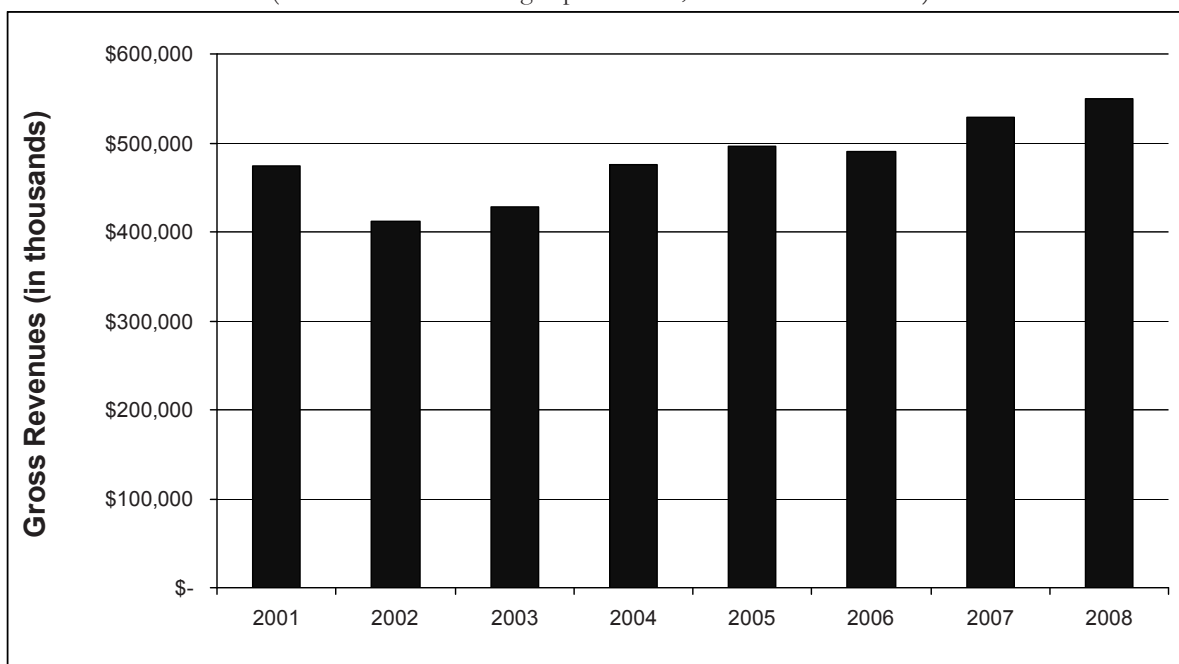
Between FY 2002 and FY 2008, gross rental car revenues increased 33.5%, which compares to a 35.2% increase in visiting passengers. Revenues increased each year during this period except FY 2006, when the annual change in visiting passengers was virtually nil. In May 2005, Walt Disney World Resort began to offer a complimentary guest service, known as Disney's Magical Express (DME), which provides complimentary bus service between the Airport and the Disney resort hotels and allows the guests to claim their baggage at the resort hotels instead of at the Airport. The DME service also facilitates car rentals at the Disney resort hotels rather than the Airport. The DME service may have contributed to the FY 2006 revenue results.

On average 2 million annual visitors per year (or 16% of total visitors) have been using the Disney Magical Express (DME) for the past three years it has been in

operation. The ratio of O&D visiting passengers to rental car transactions at the Airport declined slightly from 20.6% in 2004 before DME was initiated to 20.0% in FY 2006, the first full year after this service came on line. It is not possible to determine if DME was solely responsible for this decline, but it is likely it contributed. It is also likely that some of the passengers using the Mears shuttle bus services switched to the free DME service.

Figure 24

GROSS RENTAL CAR REVENUES -- CONCESSIONAIRE RENTAL CAR COMPANIES
Orlando International Airport
 (for the 12 month ending September 30; numbers in thousands)



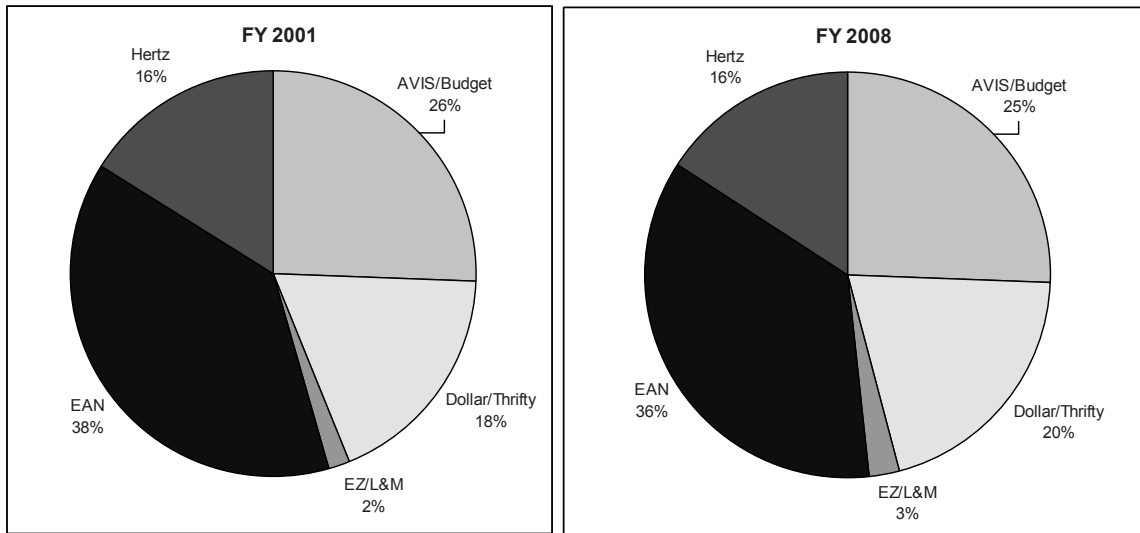
Source: Greater Orlando Aviation Authority.

Market Share

EAN group, including Enterprise, Alamo, and National, is the largest Concessionaire Rental Car Company, accounting for about one-third of total gross revenues generated at the Airport. Avis/Budget is the second largest group, accounting for about one-fourth of total gross revenues. Market share of each rental car group remained relatively stable from FY 2001 and FY 2008, as shown in Figure 25 below.

Figure 25

GROSS REVENUES BY RENTAL CAR GROUP
Orlando International Airport
(for the 12 months ending September 30)



Source: Greater Orlando Aviation Authority.

FORECAST OF CFC TRANSACTION DAYS

Historical data for rental car transactions and transaction days were provided by the Authority as accessed from the rental car companies on a voluntary and proprietary basis. The rental car companies were not contractually required to provide this data and there are some gaps in the information, which were filled using historical data and relationships. As noted earlier, CFCs have only been in effect at MCO since October 1, 2008. Table 14 shows the collections by company through June 2009.

Table 14

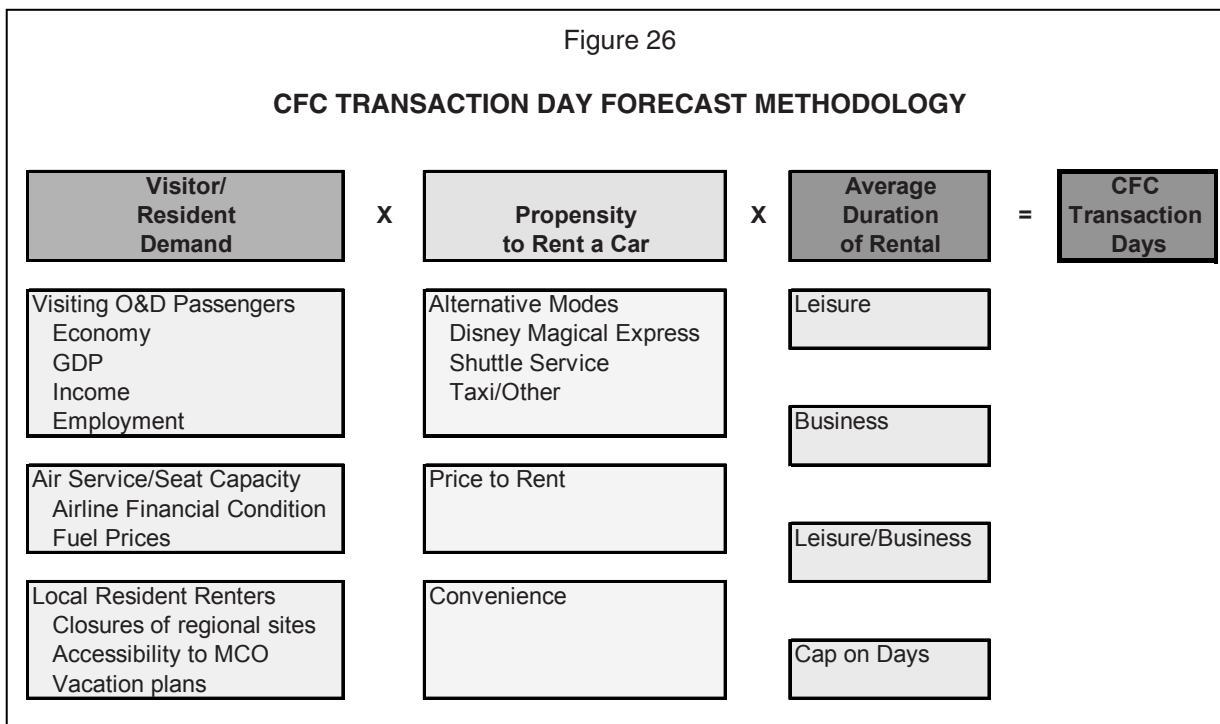
CFC Collections by Company -- FY 2009
(in thousands)
Orlando International Airport

Company	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-08
Avis/Budget	\$ 491	\$ 565	\$ 423	\$ 501	\$ 517	\$ 656	\$ 611	\$ 533	\$ 421
Dollar/Thrifty	352	358	592	531	344	470	414	352	338
EZ/L&M	48	58	67	70	62	77	73	71	55
EAN	513	404	583	706	744	889	783	666	583
Hertz	195	202	201	264	225	265	260	297	295
Total	\$1,599	\$ 1,586	\$ 1,867	\$ 2,073	\$ 1,892	\$ 2,357	\$2,140	\$ 1,918	\$ 1,692

Note: Numbers may not add due to rounding.

Source: Greater Orlando Aviation Authority.

CFC transaction days are forecast as the product of rental car demand, the propensity to rent a car at the Airport, and the duration of a rental car transaction. The duration variable is treated in terms of the number of transactions for discrete measures of duration (1-day, 2-day, 3-day, etc.) to reflect the structure of the CFC. Figure 26 shows our conceptual approach to forecasting CFC transaction days.



Rental Car Demand

The forecast of visiting passengers, as previously discussed, reflects leisure and business demand for air travel to the Air Trade Area and various other factors reflected in the forecast of visiting passengers summarized in Table 12. The Airport staff and the rental car companies report that an increasing number of local residents are also renting cars at the Airport. Car rentals by local residents reflects the both the consolidation at the Airport of rental car operations in the MSA and the trend to travel by rented car for trips and vacations. Although local resident demand comprises some portion of Airport rental car demand, the effect of this component of demand on rental transaction days is not explicitly recognized in our forecast.

Rental Car Transactions Per Visiting Passenger (Propensity to Rent)

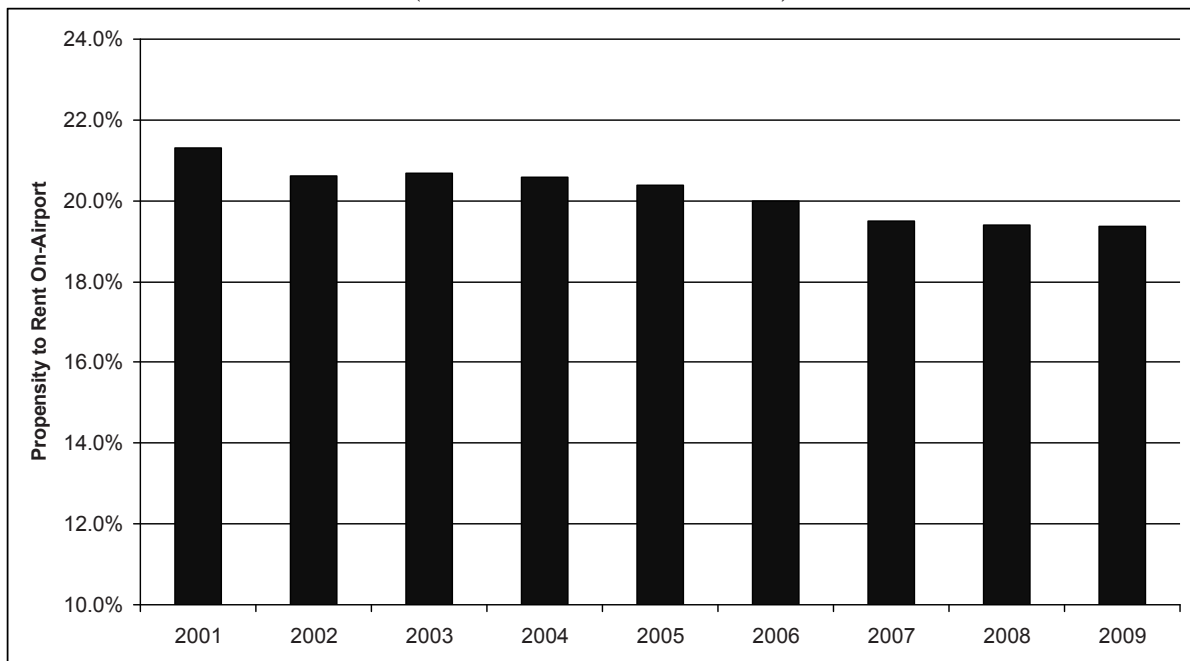
Since FY 2001, approximately 1 of every 5 visiting passengers (20%) has rented a car at the Airport. (See Figure 27.) However, the apparent trend in the propensity of visiting passengers to rent has been declining; it has fallen from 21.3% in FY 2001, to 20.6% in FY 2000, to 19.4% in FY 2008. We surmise that the weak economy, contractions in consumer spending, increases in rental car prices, and other factors have contributed to the decline of about 2 percentage points in the number of visiting passengers having a propensity to rent.

The propensity to rent is forecast to decline gradually to 18.9% by FY 2014 reflecting faster rates of increase in the total cost of travel, including car rental rates and fees, than disposable income. However, as discussed later, the forecast decline in the propensity to rent is offset by expected increases in visiting passengers after FY 2010 resulting in a forecast increase in CFC collections as shown in Exhibit C at the end of this report.

Figure 27

HISTORICAL PROPENSITY TO RENT

Orlando International Airport
(for the first six months of FY 2009)

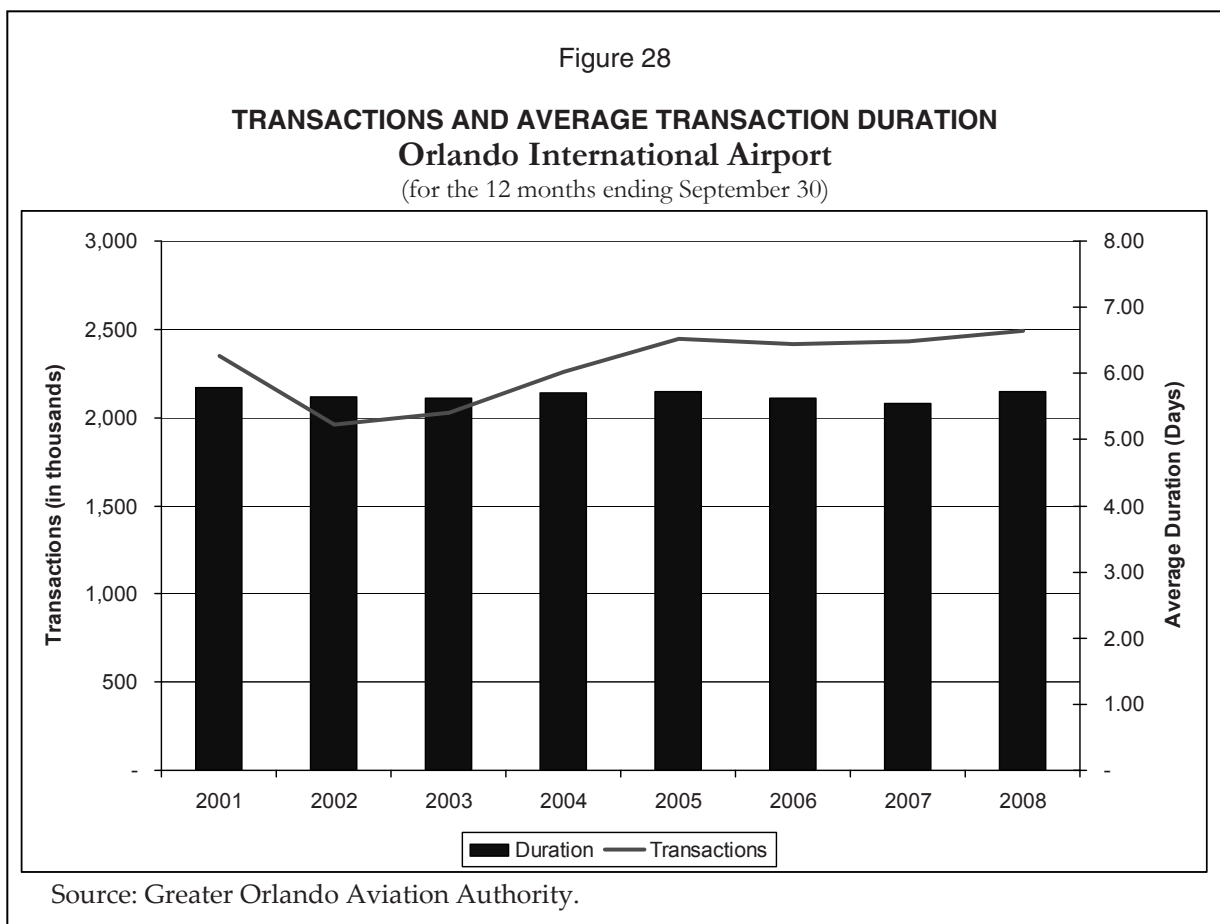


Note: FY 2009 propensity to rent is based on six-month actual data, annualized based on FY 2008.

Source: Greater Orlando Aviation Authority.

Transaction Duration

Since FY 2001, rental car transactions have averaged 5.67 days in duration. Between FY 2001 and FY 2008, there has been only modest variation around this average as shown in Figure 28.



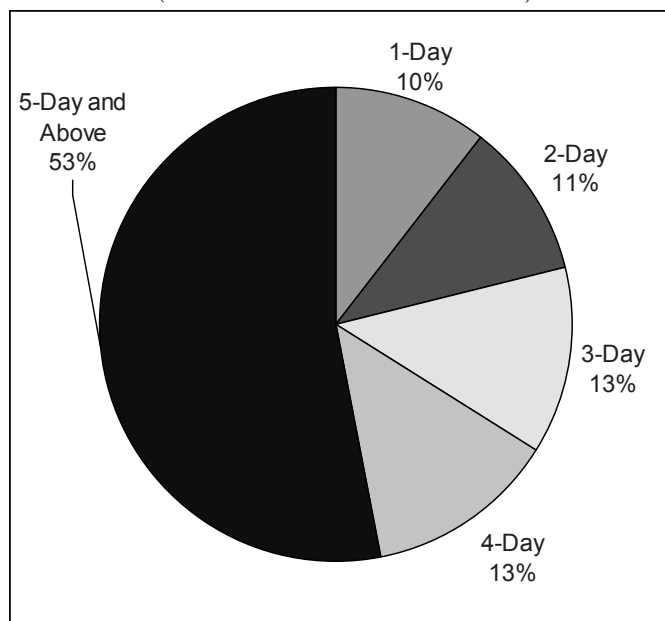
The distribution of transactions by duration during the first six months of FY 2009 is depicted in Figure 29. As discussed below, the CFC Enabling Resolution establishes the CFC on a transaction day basis not to exceed 5 transaction days. More than half of all transactions (53%) exceed 5-days in duration. Thus, all of these transactions are capped and, for the purpose of the forecast, are treated as 5-day transactions. The 1-day, 2-day, 3-day, and 4-day transactions account for all remaining transactions and range from 10% to 13% of the total.

Figure 29

CFC TRANSACTIONS BY DURATION

Orlando International Airport

(for the first six months of FY 2009)



Source: Greater Orlando Airport Authority.

Historically, rental car companies have not been required to submit a record of transactions by transaction days. Although the average duration per rental car transaction (5.67) going back to FY 2001 can be derived from the number of transactions and the number of transaction days, the number of transactions by duration was not reported prior to the imposition and collection of CFCs in October 2008. As a consequence, the frequency distribution depicted in Figure 29 can only be derived from the available data for FY 2009.

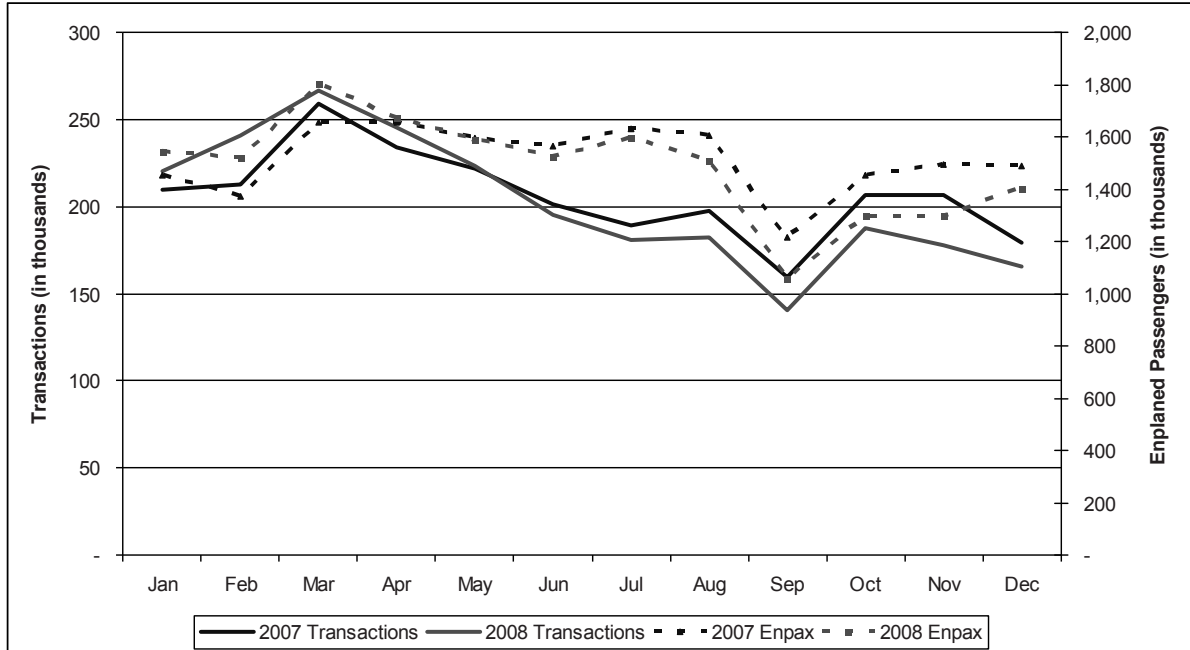
The distribution of transactions by duration is forecast to remain as observed in the first six months of FY 2009, with transactions of 5 or more days continuing to account for 53% of total transactions. Due to the seasonality of the rental car market at the Airport, the average duration of the first six months of FY 2001-2008 was compared to that of the second halves of the same fiscal years, in order not to overstate the ratio of transactions of 5 or more days. Figure 30 presents the monthly rental car transactions compared to monthly enplaned passengers to illustrate the seasonality.

Figure 30

MONTHLY ENPLANED PASSENGERS AND RENTAL CAR TRANSACTIONS

Orlando International Airport

(for the 12 months ending December 31; numbers in thousands)

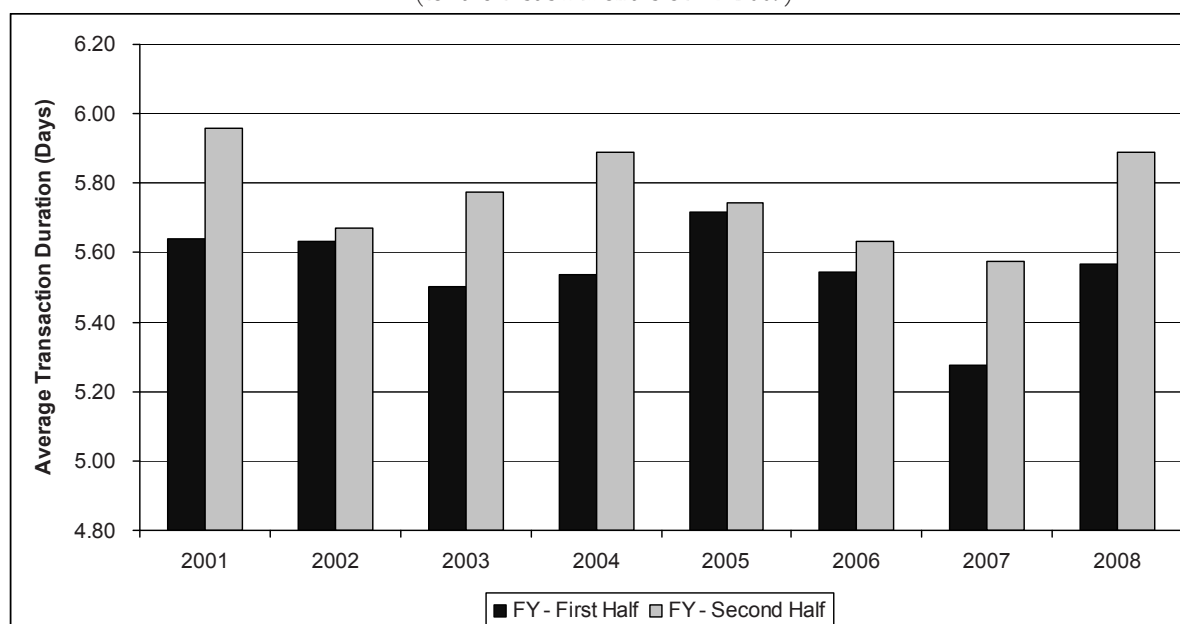


Source: Greater Orlando Aviation Authority.

As shown in Figure 31, average rental car transaction duration during the second half of a fiscal year generally exceeds that of the first half, implying that the transaction of 5 or more Transaction Days accounts for a higher percentage of transactions in the second half of a fiscal year. Therefore using the distribution ratio derived from the first six months of FY 2009 is conservative for financial planning purposes.

Figure 31

AVERAGE DURATION COMPARISON: FIRST HALF OF FY VS. SECOND HALF
 Orlando International Airport
 (for the first six months of FY 2009)



Source: Jacobs Consultancy.

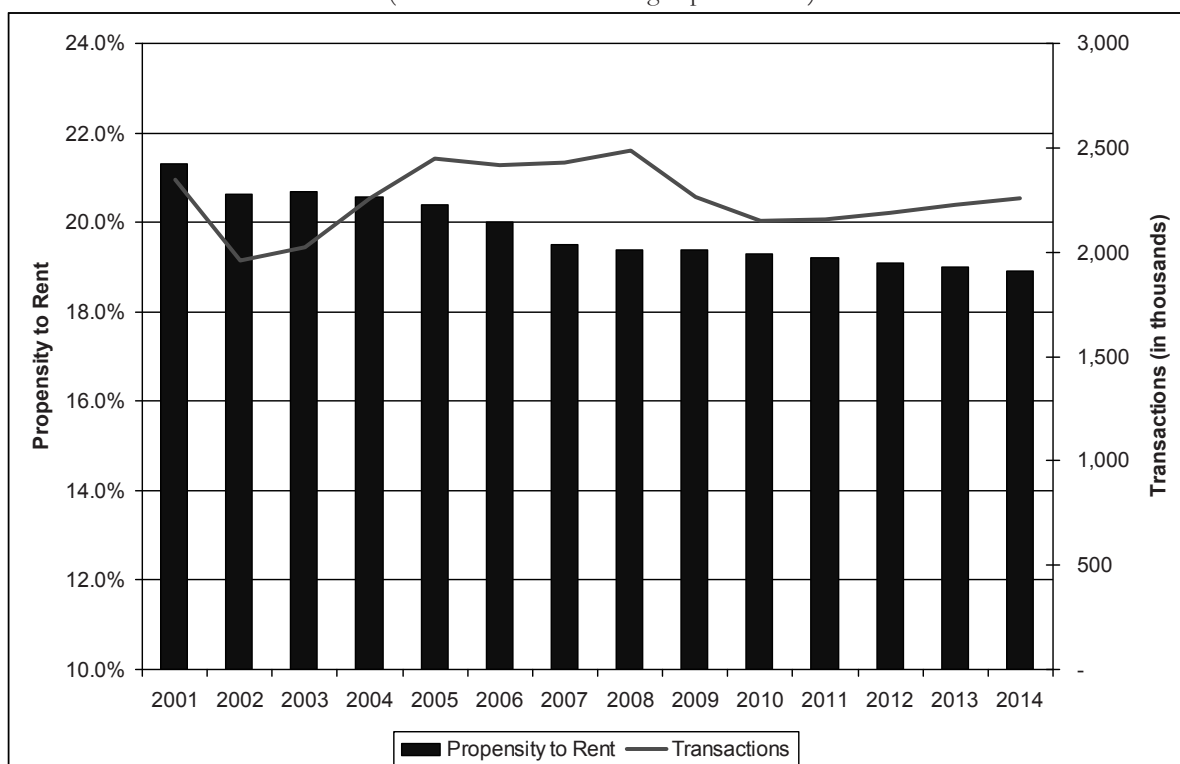
Forecast of CFC Transaction Days

Figure 32 presents the forecast of rental car transactions and propensity to rent. Despite an expected reduction in the propensity of visiting passengers to rent cars, the number of rental transactions is forecast to increase after FY 2010. Table 15 presents the forecast of CFC Transaction Days. CFC Transaction Days are forecast to decline 4.9% in FY 2010, remain relatively flat in FY 2011, and to increase at an annual growth rate of 1.5% to 1.6% thereafter. The growth rate of CFC Transaction Days is expected to lag behind the visitor growth rate, as a result of gradually decreasing propensity to rent on the basis of expected continued efficiencies in yield management by the rental car companies, forecast weakness in near-term leisure and business travel demand, and the availability of alternative modes of transportation from the Airport.

Figure 32

FORECAST OF TRANSACTIONS AND PROPENSITY TO RENT

Orlando International Airport
(for the 12 months ending September 30)



Source: Jacobs Consultancy.

Table 15

FORECAST OF CFC TRANSACTION DAYS

Orlando International Airport

(in thousands)

(for the 12 months ending September 30)

	2001	2002	2003	2004	2005	2006	2007	Historical 2008	Estimate 2009	Forecast 2010	2011	2012	2013	2014
Visiting O&D Passengers	11,025	9,492	9,790	10,987	12,019	12,073	12,447	12,835	11,667	11,154	11,235	11,469	11,708	11,954
Percent Change		-13.9%	3.1%	12.2%	9.4%	0.4%	3.1%	3.1%	-9.1%	-4.4%	0.7%	2.1%	2.1%	2.1%
Propensity to Rent	<u>21.3%</u>	<u>20.6%</u>	<u>20.7%</u>	<u>20.6%</u>	<u>20.4%</u>	<u>20.0%</u>	<u>19.5%</u>	<u>19.4%</u>	<u>19.4%</u>	<u>19.3%</u>	<u>19.2%</u>	<u>19.1%</u>	<u>19.0%</u>	<u>18.9%</u>
Concessionaire Rental Car Company Transactions	2,348	1,957	2,026	2,260	2,449	2,414	2,429	2,488	2,261	2,153	2,157	2,191	2,225	2,259
Percent Change		-16.6%	3.5%	11.6%	8.4%	-1.4%	0.6%	2.4%	-9.1%	-4.8%	0.2%	1.6%	1.5%	1.6%
CFC Transaction Days									8,766	8,346	8,363	8,493	8,624	8,759
Percent Change										-4.8%	0.2%	1.6%	1.5%	1.6%

Sources: Historical - Greater Orlando Aviation Authority; forecast - Jacobs Consultancy.

FINANCIAL ANALYSIS

FRAMEWORK FOR FINANCIAL OPERATIONS

Under the Greater Orlando Aviation Act, the Authority is charged with operating the Airport as a financially self-sustaining enterprise and is authorized to issue revenue bonds, payable solely from Airport System revenues, to pay the costs of acquiring or constructing improvements to the Airport System. The Authority is also authorized to establish and collect rentals, fees, and charges for services and facilities provided by the Airport System and to pledge such revenues to the payment of debt service on revenue bonds.

Airport Facilities Bond Resolution

The Authority issues Airport Facilities Revenue Bonds (Airport Facilities Bonds) 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 Bond Resolution). Airport Facilities Bonds are secured by a pledge of and first lien on Revenues of the Airport System. Under the Bond Resolution, CFCs are included in the definition of Revenues, unless and until they are deemed revenue or income from a Special Purpose Facility, and are pledged to repay obligations issued to fund construction of Special Purpose Facilities. Therefore, upon the issuance of the 2009 Bonds, the 2009 Project becomes a Special Purpose Facility and CFCs become Pledged Revenues under the Special Purpose Trust Indenture.

Special Purpose Trust Indenture

The Authority also has the ability under the Bond Resolution to issue Special Purpose Facility Bonds that can be used for “any capital improvements or facilities acquired or constructed by the Authority from funds other than Revenues or obligations payable from Revenues” and are located within the Airport System.

The 2009 Bonds are being issued under the terms and conditions of the Special Purpose Facilities Taxable Revenue Bonds Trust Indenture authorizing the issuance of the 2009 Bonds both executed by the Authority on September 1, 2009 (the Indenture). The 2009 Bonds will be secured by Pledged Revenues.

Pledged Revenues securing the 2009 Bonds consist of CFCs received by the Authority and investment income derived from amounts credited to certain Pledged Funds (Revenue Fund, Debt Service Fund, Debt Service Reserve Fund, Coverage Fund, and CFC Stabilization Fund). As defined in the Indenture, the 2009 Bonds are special, limited obligations of the Authority payable from the Pledged Revenues of the Airport. The Revenues and Net Revenues of the Authority (as defined in the Bond Resolution) are not pledged to the payment of the 2009 Bonds.

In addition, as security for the payment of the 2009 Bonds, the Authority has pledged the amounts on deposit in (1) the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Coverage Fund, and the CFC Stabilization Fund and (2) the Facility Improvement Fund and the Project Fund, with the exception of interest earnings therein and only to the extent such amounts have not been encumbered or otherwise allocated by the Authority.

Customer Facility Charges or CFCs is defined as the per day fee payable by rental car customers that are collected, accounted for, and remitted by the rental car companies to the Authority (whether collected from customers or not), as established by the Authority by resolution, and periodically adjusted by the Authority as necessary.

Rate Covenant

In Section 7.2 of the Indenture (referred to as the Rate Covenant), the Authority has covenanted to cause CFCs to be calculated, established, and imposed as provided in the CFC Enabling Resolution so long as any Bonds remain Outstanding under the Indenture. The Authority covenants to adjust the CFC so that Pledged Revenues, along with amounts then on deposit in the Coverage Fund, in each Fiscal Year are an amount (1) at least equal to 1.25x the Current Annual Debt Service Requirement in such Fiscal Year on the Bonds then Outstanding under the Indenture and (2) sufficient to replenish any shortfalls in the amounts required to be maintained in either the Coverage Fund or the Debt Service Reserve Fund within 12 months.

Additional Bonds Test

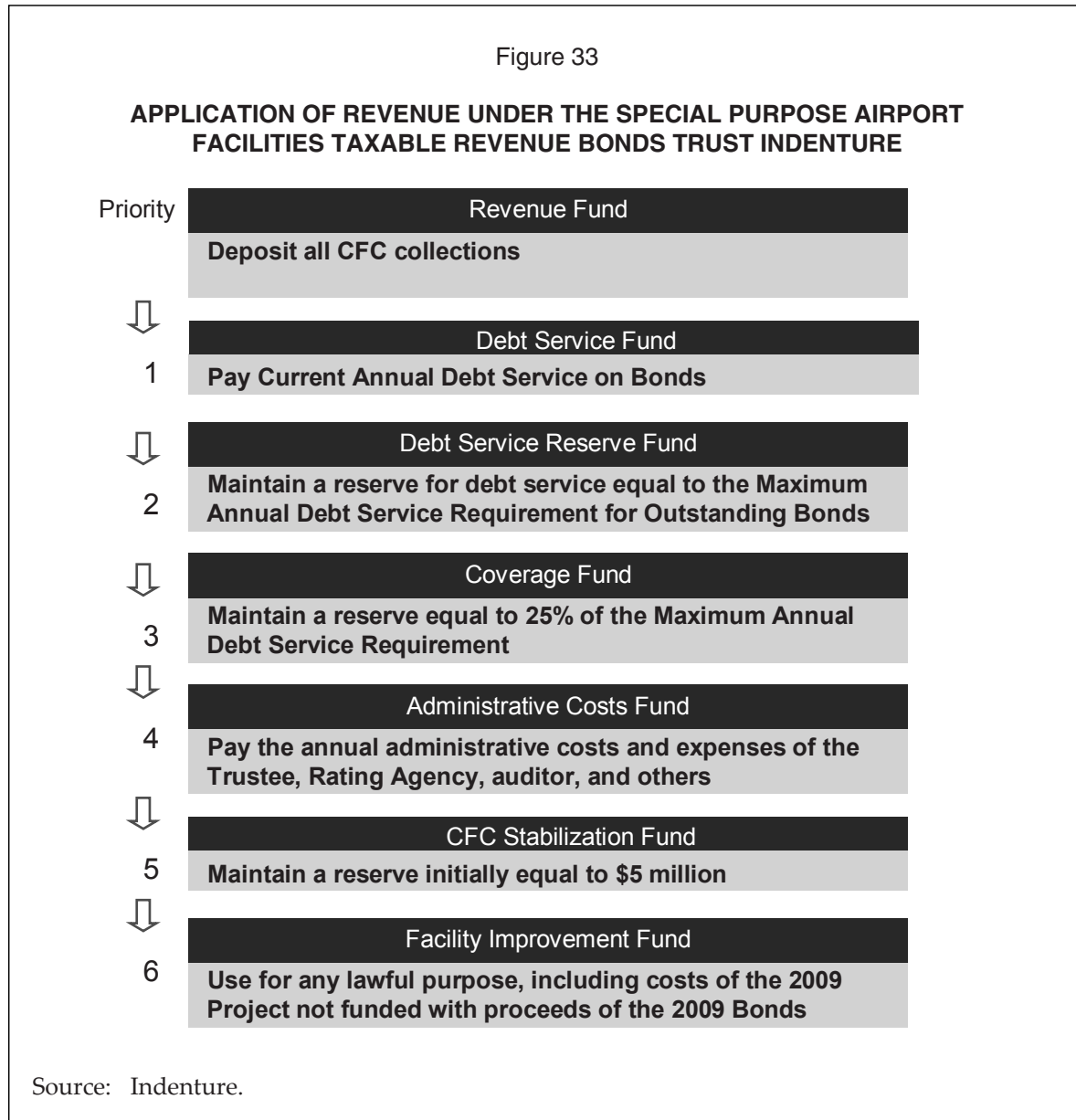
Section 6.1 of the Indenture (referred to as the Additional Bonds Test), sets forth the conditions under which Additional Bonds may be issued for the purpose of paying all or a portion of the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the Project not fully funded with proceeds of the 2009 Bonds, funding all or a portion of the Debt Service Reserve Fund Requirement, funding all or a portion of the Coverage Fund Requirement, funding all or a portion of the CFC Stabilization Fund Requirement, and paying the costs of issuance relating to such series of Additional Bonds.

Prior to the issuance of Additional Bonds, the Indenture requires:

1. The Authority and Trustee must execute a supplement to the Indenture providing for the issuance of such Additional Bonds and providing the means by which the Coverage Fund Requirement, CFC Stabilization Fund Requirement, and the Debt Service Reserve Fund Requirement will each be satisfied upon the issuance of such proposed series of Additional Bonds;
2. An Authorized Officer of the Authority executes a certificate stating that the Authority has the right to issue Additional Bonds and the Authority is still receiving the CFCs;
3. and either:
 - (i) An Authorized Officer of the Authority certifies that the Pledged Revenues, along with amounts then on deposit in the Coverage Fund, for the prior Fiscal Year or any twelve consecutive months out of the eighteen months prior to the authorization by the Authority of the proposed series of Additional Bonds was equal to at least 1.25x the Maximum Annual Debt Service Requirement on the Bonds that will be Outstanding after the issuance of such series of Additional Bonds; or
 - (ii) The Airport Consultant certifies that the Pledged Revenues, including any projected increases in the CFCs, estimated to be received in each of the first five consecutive Fiscal Years immediately following the issuance of the proposed series of Additional Bonds , plus all amounts required to be on deposit in the Coverage Fund during such five years, will in each such Fiscal Year not be less than 1.25x the Maximum Annual Debt Service Requirement in such Fiscal Year on all Bonds that will be Outstanding after the issuance of such Additional Bonds

Flow of Funds

The Indenture also prescribes the application of Revenues to the funds and accounts established under the Indenture, as described in the later section “Application of Revenues” and as illustrated in Figure 33.



Rental Car Agreements

The eight on-Airport rental car companies operate under the terms of leases that provide that the companies pay the greater of the minimum annual guarantee or a concession fee of 9.8% of gross revenues plus space rentals (counter, office & garage spaces) and ground rentals (vehicle processing & maintenance) rent for their facilities

in the terminal and garage. These agreements expire on the Commencement Date of the new agreements. Off-Airport rental car companies pay 8.7% of gross revenues to the Authority.

In August 2008, the Authority approved four rental car concession agreements (Automobile Rental Concession Agreement) with (1) Avis Budget Car Rental, LLC (Avis and Budget brands), (2) DTG Operations, Inc. (Dollar and Thrifty brands), (3) EAN-Orlando, LLC (Enterprise, Alamo and National brands), and (4) The Hertz Corporation (Hertz and Simply Wheelz brands) to streamline processing for rental car customers. The rental car agreements will cause 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 Simply Wheelz) to maintain vehicles and operations on Airport property. The Authority estimates that once the rental car improvements are made and the new facilities are occupied, the on-Airport rental car operators will serve approximately 95% of rental car customers and will have facilities to accommodate the higher demand in the future. The new agreements have a five-year term with two one-year options at the Authority's sole discretion.

Under the new agreements, the rental cars will pay (1) 10% of gross receipts (which will apply to both on and off Airport companies) (2) ready/return space rent on a per space basis, (3) QTA rent, and (4) rent for terminal counters, office, and queuing space leased at airline Class II rental rates. QTA facility rent will include ground rent at 10% of the FMV of the land. In addition, rental car companies will pay for all operating, utility, maintenance, and service management expenses and following the full recovery of the cost of the 2009 Project (project costs and debt service), QTA rent converts to the fair market rent for land and improvements. These rental car revenues are not Pledged Revenues, but instead are Revenues as defined in the Bond Resolution.

The Automobile Rental Concession Agreement provides that the Concessionaire Rental Car Companies must collect a CFC from customers for automobiles delivered, rented to, or picked up at the Airport or the Customer Service Facility.* It also provides that the companies must remit the amount of CFCs collected by the fifteenth (15th) day of the following month through the expiration or termination of the Automobile Rental Concession Agreement. The Rental Car Companies are required to remit CFC's on the 15th day of each month. On the 16th day of each month if the CFC has not been received by the Authority, the Authority determines who has not remitted and immediately begins the collections process, which includes pursuing payment and the associated reports.

* A Customer Service Facility is generally defined to mean any facility operated by a Concessionaire Rental Car Company for the processing, servicing, or delivery of automobiles rented to its customers located on Airport premises, or within an eight mile radius of either the northern entrance or the southern entrance to the Airport.

CFC Enabling Resolution

By resolution approved August 17, 2008, as amended and restated on August 19, 2009 (the CFC Enabling Resolution), the Authority authorized collection of a CFC assessed on each rental car transaction. The CFCs will fund rental car improvements such as the CFC Project. On October 1, 2008, the Concessionaire Rental Car Companies began collecting the CFC. CFCs may be used to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining, the rental automobile related facilities, and facilities to be modified, improved, or relocated to accommodate rental automobile related facilities.

The CFC Enabling Resolution provides that the rental car facilities to be acquired, constructed, and/or relocated and funded by obligations of the Authority secured by CFCs are "Special Purpose Facilities," as defined under the Bond Resolution. The CFC Enabling Resolution also provides that the Authority can periodically adjust, as necessary, the CFC level and period of time it is collected.

Although CFCs can be used to fund maintenance costs of rental car facilities, it is the Authority's intent that the Concessionaire Rental Car Companies pay for such maintenance out of their funds. As such under the CFC Enabling Resolution, the Authority has agreed to pledge the CFCs by resolution or trust indenture to secure financings to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental automobile related facilities, and facilities to be modified, improved, or relocated to accommodate rental automobile related facilities.

PROJECT COSTS AND SOURCES OF FUNDING

Exhibit A shows the expected costs of the CFC Project, including the 2009 Project and associated sources of funding as provided by the Authority. The cost estimates include all soft costs and allowances for contingencies.

As noted earlier, the 2009 Project, which includes the Terminal A QTA, the Terminal B QTA, temporary taxi/bus hold facilities, and certain roadway improvements) is under construction and scheduled to be occupied by the Concessionaire Rental Car Companies on April 1, 2010. As show on Exhibit A, the 2009 Project is projected to cost \$60.3 million of which \$10.3 million has been permanently funded with pay-as-you-go CFCs and the remaining \$50 million will be funded with the 2009 Bonds. In June 2009, the Authority issued \$25 million in taxable commercial paper to provide bridge financing for the initial elements of the 2009 Project in advance of the issuance of the 2009 Bonds. The future elements of the CFC Project total \$39.5 million and are expected to be funded entirely from future CFCs on a pay-as-you-go basis as CFCs are deposited into the Facility Improvement Fund in the next five years. The entire CFC Project, including the 2009 Project, is currently estimated to cost \$99.8 million.

PLAN OF FINANCE

Exhibit B shows the expected sources and uses of funds for the CFC Project. The net proceeds of the 2009 Bonds, and certain investment earnings thereon, will be used to (1) pay a portion of the costs of the 2009 Project, (2) fund the 2009 Bonds Debt Service Reserve Requirement for the 2009 Bonds, (3) fund the Coverage Fund Requirement on the 2009 Bonds, (4) refund the \$25 million in commercial paper issued in June 2009 to provide bridge financing for the 2009 Project in advance of the issuance of the 2009 Bonds, and (5) pay the costs of issuance of the 2009 Bonds. Balances in the CFC Fund prior to the issuance of the 2009 Bonds will be used to fund the CFC Rate Stabilization Fund.

DEBT SERVICE REQUIREMENTS

Exhibit C shows the forecast of the Annual Debt Service Requirement for the 2009 Bonds. Debt service requirements for the proposed 2009 Bonds were provided by Morgan Keegan & Company, the Authority's financial advisor, on the basis of certain data and information provided by the Authority on the cost and timing of the 2009 Project elements and the following assumptions:

True Interest cost	5.46%
Bond term	8 years

The 2009 Bonds were assumed to be issued at fixed interest rates. In addition, Morgan Keegan assumed there would be no capitalized interest on the 2009 Bonds.

CFC REVENUES

Exhibit C also presents estimated and forecast CFC collections for FY 2009 through FY 2014. Exhibit D shows the forecast of CFC collections and investment income from the Pledged Funds (Revenue Fund, Debt Service Fund, Debt Service Reserve Fund, Coverage Fund, and CFC Stabilization Fund). It was assumed that interest on the Debt Service Reserve Fund would be 3% per year and that interest on all other funds would be 1.0% per year.

APPLICATION OF REVENUES

Exhibit D presents the forecast application of Pledged Revenues as required under the Indenture. Upon the issuance of the 2009 Bonds, the priorities for applying Pledged Revenues and other amounts on deposit in the Revenue Fund are as follows:

1. Deposit to the Debt Service Fund to pay all principal and interest payable on Bonds.
2. Restore any deficiency in the Debt Service Reserve Fund to maintain the Debt Service Reserve Requirement equal to Maximum Annual Debt Service (no such amounts are forecast to be required).

3. Restore any deficiency in the Coverage Fund to maintain the Coverage Fund Requirement equal to 25% of Maximum Annual Debt Service (no such amounts are forecast to be required).
4. Deposit to the Administrative Costs Fund to pay all administrative fees, including Trustee, rating agency, audits, consultants, and other professional services projected to be approximately \$100,000 per year.
5. Restore any deficiency in the CFC Rate Stabilization Fund to maintain the CFC Stabilization Fund Requirement of initially \$5 million (no such amounts are forecast to be required).
6. Deposit all remaining funds to the Facility Improvement Fund to use for any lawful purpose, including paying costs associated with the future elements of the CFC Project.

DEBT SERVICE COVERAGE

Exhibit E-1 presents the calculation of debt service coverage in accordance with the Rate Covenant of Section 7.2 of the Indenture in each year FY 2010 through FY 2014. Pledged Revenues are forecast to be at least equal to 214% of the Current Annual Debt Service Requirement in each of the Fiscal Years 2010 through 2014 and to be at least equal to 239% with the Coverage Fund. Thus, the Rate Covenant of the Indenture is forecast to be met in each Fiscal Year of the forecast period.

SENSITIVITY ANALYSIS

As a result of the current economic recession and the potential implications for the airline and rental car industries, uncertainties exist about the number of O&D visitors that will enplane and rent cars at the Airport in the future. To test the sensitivity of the financial forecasts to hypothetical levels of O&D visitor activity, a sensitivity analysis projection was developed in addition to the base forecast. The sensitivity analysis projection should not be considered as a forecast of expected future results.

Exhibit E-2 presents a summary of projected debt service coverage under the sensitivity analysis traffic projection summarized in Table 13 and discussed in the earlier section "Sensitivity Analysis Projection." CFC revenues are assumed to be less than the base forecast. All other assumptions are the same as for the base forecast. Under the Sensitivity Analysis Projection, debt service coverage ratios are projected to be lower than those for the base forecast, but to be at least equal to 200% of the Current Annual Debt Service Requirement without the Coverage Fund and 225% with the Coverage Fund in each of the Fiscal Years 2010 through 2014.

Exhibit A

Project Costs and Sources of Funding CFC Project Orlando International Airport (numbers in thousands)

	Costs By Funding Source				Total Sources
	2009 Bonds	CFC Collections		Total	
		Historical /1	Future/2		
2009 Project					
H-176 Temporary Taxi/Bus Hold Facility	\$ 990	\$ 264	\$ -	\$ 264	\$ 1,254
BP-407 Loop Road Improvements	6,194	1,651	-	1,651	7,845
BP-409 Rent-A-Car QTA and Support Facilities	42,592	8,329	-	8,329	50,921
ZC-067 RAC Capacity Operations Analysis	224	60	-	60	283
2009 Project	\$ 50,000	\$ 10,304	\$ -	\$ 10,304	\$ 60,304
Future Projects					
BP-408 Cell Lot, Taxi Hold Area and Return to Terminal A Road	\$ -	\$ 505	\$ 30,167	\$ 30,673	\$ 30,673
BP-406 Permanent Bus Hold Area	-	244	8,535	8,779	8,779
Future Projects	\$ -	\$ 749	\$ 38,702	\$ 39,452	\$ 39,452
Total CFC Project	\$ 50,000	\$ 11,054	\$ 38,702	\$ 49,756	\$ 99,756

Source: Greater Orlando Aviation Authority.

Note: 1. Project costs permanently funded from pay-as-you-go CFCs prior to the issuance of commercial paper in June 2009.

2. From the Facility Improvement Fund.

Exhibit B

Sources and Uses of Funds CFC Project Orlando International Airport

(for the 12 months ending September 30; numbers in thousands)

	2009 Bonds	CFC Collections	Total
Sources Of Funds			
Par Amount of Bonds	\$ 63,625	\$ -	\$ 63,625
CFC Revenues	-	54,756	54,756
Total Sources	\$ 63,625	\$ 54,756	\$ 118,381
Uses Of Funds			
Commercial Paper Redemption	\$ 25,000	\$ -	\$ 25,000
Deposit to Project Construction Fund	25,000	-	25,000
Deposit to Facility Improvement Fund	-	49,756	-
Total Projects	\$ 50,000	\$ 49,756	\$ 99,756
Underwriter's Discount	477	-	477
Costs of Issuance	700	-	700
Debt Service Reserve Fund	9,957	-	9,957
Coverage Fund	2,489	-	2,489
CFC Stabilization Fund	-	5,000	5,000
Rounding Amount	2	-	2
Total Uses	\$ 63,625	\$ 54,756	\$ 118,381

Source: Morgan Keegan & Company, Inc. for 2009 Bonds, Greater Orlando Aviation Authority for CFC Collections.

Exhibit C

Forecast of Transaction Days and CFC Collections CFC Project Orlando International Airport (for the 12 months ending September 30; numbers in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	2001	2002	2003	2004	2005	2006	2007	Historical 2008	Estimate 2009	Forecast 2010	2011	2012	2013	2014
Visiting O&D Passengers	11,025	9,492	9,790	10,987	12,019	12,073	12,447	12,835	11,667	11,154	11,235	11,469	11,708	11,954
Propensity to Rent/1	<u>21.3%</u>	<u>20.6%</u>	<u>20.7%</u>	<u>20.6%</u>	<u>20.4%</u>	<u>20.0%</u>	<u>19.5%</u>	<u>19.4%</u>	<u>19.4%</u>	<u>19.3%</u>	<u>19.2%</u>	<u>19.1%</u>	<u>19.0%</u>	<u>18.9%</u>
Concessionaire Rental Car Company Transactions	2,348	1,957	2,026	2,260	2,449	2,414	2,429	2,488	2,261	2,153	2,157	2,191	2,225	2,259
Percent Change		-16.6%	3.5%	11.6%	8.4%	-1.4%	0.6%	2.4%	-9.1%	-4.8%	0.2%	1.6%	1.5%	1.6%
Transactions by Duration														
1 Day									236	225	225	229	232	236
2 Days									238	227	227	231	234	238
3 Days									294	280	281	285	289	294
4 Days									291	277	278	282	287	291
5 Days and Above									<u>1,201</u>	<u>1,144</u>	<u>1,146</u>	<u>1,164</u>	<u>1,182</u>	<u>1,200</u>
Total Transactions									2,261	2,153	2,157	2,191	2,225	2,259
CFC Transaction Days														
1-Day Transactions									236	225	225	229	232	236
2-Day Transactions									476	454	454	462	469	476
3-Day Transactions									882	840	842	855	868	882
4-Day Transactions									1,166	1,110	1,112	1,129	1,147	1,165
5-Day Transactions									<u>6,006</u>	<u>5,718</u>	<u>5,729</u>	<u>5,818</u>	<u>5,908</u>	<u>6,001</u>
Total CFC Transaction Days									8,766	8,346	8,363	8,493	8,624	8,759
CFC per Transaction Day									<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>	<u>2.50</u>
CFC Collections									\$ 21,916	\$ 20,865	\$ 20,908	\$ 21,232	\$ 21,561	\$ 21,898

Sources: Historical - Greater Orlando Aviation Authority; Forecast - Jacobs Consultancy.

Note: 1. The visitors' propensity to rent a car from the rental car companies that are currently collecting Customer Facility Charges.

Exhibit D

Application of Pledged Revenues CFC Project Orlando International Airport (for the 12 months ending September 30; numbers in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Forecast				
	2010	2011	2012	2013	2014
Pledged Revenues					
CFC Revenues	\$ 20,865	\$ 20,908	\$ 21,232	\$ 21,561	\$ 21,898
Interest Income on					
Revenue Fund	-	-	-	-	-
Debt Service Fund	42	43	43	44	45
Debt Service Reserve Fund	299	299	299	299	299
Coverage Fund	25	25	25	25	25
CFC Stabilization Fund	50	50	50	50	50
Pledged Revenues	\$ 21,281	\$ 21,324	\$ 21,649	\$ 21,979	\$ 22,317
Application of Pledged Revenues					
Debt Service Fund	\$ 9,952	\$ 9,953	\$ 9,954	\$ 9,957	\$ 9,956
Debt Service Reserve Fund	-	-	-	-	-
Coverage Fund	-	-	-	-	-
Administrative Costs Fund	100	105	110	116	122
CFC Stabilization Fund	-	-	-	-	-
Facility Improvement Fund	11,229	11,267	11,584	11,906	12,239
Total Application of Pledged Revenues	\$ 21,281	\$ 21,324	\$ 21,649	\$ 21,979	\$ 22,317

Source: Jacobs Consultancy.

Exhibit E-1

Debt Service Coverage and Fund Balance – Base Forecast CFC Project Orlando International Airport (for the 12 months ending September 30; numbers in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Forecast				
	2010	2011	2012	2013	2014
Debt Service Coverage					
Pledged Revenues	\$ 21,281	\$ 21,324	\$ 21,649	\$ 21,979	\$ 22,317
Coverage Fund Balance	2,489	2,489	2,489	2,489	2,489
Adjusted Pledged Revenues	\$ 23,770	\$ 23,813	\$ 24,138	\$ 24,468	\$ 24,806
Current Annual Debt Service Requirement	9,952	9,953	9,954	9,957	9,956
Debt Service Coverage	2.39	2.39	2.42	2.46	2.49
Debt Service Coverage (without Coverage Fund)	2.14	2.14	2.17	2.21	2.24
Facility Improvement Fund					
Beginning Balance /1	\$ 5,862	\$ 17,206	\$ 20,124	\$ 31,967	\$ 13,935
Deposits	11,229	11,267	11,584	11,906	12,239
BP-408 Cell Lot, Taxi Hold Area and Return to Terminal A Road (Design/Build)				(30,167)	
BP-406 Permanent Bus Hold Area (Design/Build)	-	(8,535)	-	-	-
Interest Income from Facility Improvement Fund	115	186	259	228	201
Ending Balance	\$ 17,206	\$ 20,124	\$ 31,967	\$ 13,935	\$ 26,374

Source: Jacobs Consultancy.

Note: 1. The FY 2010 starting balance reflects CFC revenues collected in FY 2009 (net of pay-as-you-go project funding), funding of CFC Stabilization Fund, and reimbursement for certain 2009 Project costs.

Exhibit E-2

Debt Service Coverage and Fund Balance – Sensitivity Analysis Projection CFC Project Orlando International Airport (for the 12 months ending September 30; numbers in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by, the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Forecast				
	2010	2011	2012	2013	2014
Debt Service Coverage					
Pledged Revenues	\$ 20,430	\$ 19,971	\$ 19,876	\$ 20,054	\$ 20,243
Coverage Fund Balance	2,489	2,489	2,489	2,489	2,489
Adjusted Pledged Revenues	\$ 22,919	\$ 22,460	\$ 22,365	\$ 22,544	\$ 22,732
Current Annual Debt Service Requirement	9,952	9,953	9,954	9,957	9,956
Debt Service Coverage	2.30	2.26	2.25	2.26	2.28
Debt Service Coverage (without Coverage Fund)	2.05	2.01	2.00	2.01	2.03
Facility Improvement Fund					
Beginning Balance /1	\$ 5,809	\$ 16,297	\$ 17,845	\$ 27,884	\$ 7,876
Deposits	10,378	9,914	9,811	9,982	10,165
BP-408 Cell Lot, Taxi Hold Area and Return to Terminal A Road (Design/Build)				(30,167)	
BP-406 Permanent Bus Hold Area (Design/Build)	-	(8,535)	-	-	-
Interest Income from Facility Improvement Fund	110	170	228	178	130
Ending Balance	\$ 16,297	\$ 17,845	\$ 27,884	\$ 7,876	\$ 18,171

Source: Jacobs Consultancy.

Note: 1. The FY 2010 starting balance reflects CFC revenues collected in FY 2009 (net of pay-as-you-go project funding), funding of CFC Stabilization Fund, and reimbursement for certain 2009 Project costs.

APPENDIX F

FORM OF CO-BOND COUNSEL OPINION

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On the date of issuance of the Series 2009 Bonds in definitive form, Greenberg Traurig, P.A. and Marchena and Graham, P.A., Co-Bond Counsel, propose to render their opinion in substantially the following form:

October __, 2009

Greater Orlando Aviation Authority
One Airport Boulevard
Orlando, FL 32827

Re: \$62,800,000 Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 of the City of Orlando, Florida

Ladies and Gentlemen:

We have acted as Co-Bond Counsel in connection with the issuance by the Greater Orlando Aviation Authority (the "Authority") of the \$62,800,000 Greater Orlando Aviation Authority, Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 of the City of Orlando, Florida (the "Series 2009 Bonds") dated of even date herewith. All terms used herein in capitalized form and not otherwise defined herein shall have the same meaning as ascribed to them in the hereinafter described Indenture.

The Series 2009 Bonds are being issued pursuant to the authority of (a) the Constitution and laws of the State of Florida, that certain 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 "Indenture"), (b) that certain resolution of the Authority adopted on August 20, 2008, as amended and restated on August 19, 2009 authorizing, among other things, the collection of the Customer Facility Charges (the "Enabling Resolution"), (c) that certain resolution of the Authority adopted on August 19, 2009 (the "Authority Resolution") and (d) that certain resolution of the City of Orlando, Florida (the "City") adopted on August 24, 2009 (the "City Resolution").

In rendering this opinion, we have examined the transcript of the proceedings relating to the issuance of the Series 2009 Bonds which include the Indenture, the Enabling Resolution, Authority Resolution, City Resolution, an executed or facsimile of each of the Series 2009 Bonds and such other documents as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the City furnished to us and in the certified proceedings and other certifications of officials furnished to us, without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that:

1. All conditions precedent to the delivery of the Series 2009 Bonds have been duly fulfilled and the Enabling Resolution and the Authority Resolution have been duly adopted by the Authority and approved by the City and constitute valid and legally binding obligations of the Authority enforceable in accordance with their respective terms.

2. The issuance and sale of the Series 2009 Bonds have been duly authorized by the Authority and the Series 2009 Bonds constitute valid and legally binding limited obligations of the Authority and the City, payable solely from, and secured by, the Trust Estate held pursuant to the Indenture in the manner and to the extent specified therein.

3. The Series 2009 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 2009 Bonds, or the interest or premium, if any, thereon. The Authority has no taxing power. The principal of and interest on the Series 2009 Bonds shall not be payable from or be a charge or lien on any funds of the City or the Authority other than the Trust Estate and the owners of the Series 2009 Bonds shall have no recourse to the taxing power of the City, the State of Florida or any agency or political subdivision thereof.

4. Under existing statutes, regulations, rulings and court decisions, interest on the Series 2009 Bonds is not excluded from gross income for federal income tax purposes. This opinion is not intended or written to be used, and cannot be used, by an owner of the Series 2009 Bonds for purposes of avoiding United States federal income tax penalties that may be imposed on the owner of the Series 2009 Bonds. The opinion set forth in this paragraph is provided to support the promotion or marketing of the Series 2009 Bonds. Each owner of the Series 2009 Bonds should seek advice based on such owner's particular circumstances from an independent tax advisor.

5. The Series 2009 Bonds and the interest thereon are not subject to taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations, as defined in Chapter 220, Florida Statutes, as amended.

Except as stated in Paragraphs 4 and 5 above, we express no opinion as to any other tax consequences regarding the Series 2009 Bonds.

This opinion is qualified to the extent that the enforceability of the Series 2009 Bonds, the Enabling Resolution and the Indenture, respectively, may be limited by general principles of equity which may permit the exercise of judicial discretion, and by bankruptcy, insolvency,

moratorium, reorganization or similar laws relating to the enforcement of creditors' rights generally, now or hereafter in effect.

In rendering the foregoing opinions we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

We have not been engaged nor have we undertaken to review or verify and therefore express no opinion as to the accuracy, adequacy, fairness or completeness of any official statement or other offering materials relating to the Series 2009 Bonds, except as may be otherwise set forth in our supplemental opinion delivered to the initial purchaser of the Series 2009 Bonds. In addition, other than as expressly set forth herein, 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, or the necessity of such parties complying, with any federal or state registration requirements or security statutes, regulations or rulings with respect to the offer and sale of the Series 2009 Bonds.

Reference is made to the opinions of even date herewith of Broad and Cassel, Issuer's Counsel to the Authority, on which we rely as to the due organization and valid existence of the Authority, the due adoption of the Authority Resolution and the Enabling Resolution and to the opinion of even date herewith of the City's Office of Legal Affairs, as to the due adoption by the City of the City Resolution. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such opinions, and have relied solely on the matters described therein.

We express no opinion with respect to any other document or agreement entered into by the Authority or by any other person in connection with the Series 2009 Bonds, other than as expressed herein.

Our opinions expressed herein are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

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APPENDIX G

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

by and between

GREATER ORLANDO AVIATION AUTHORITY

and

DIGITAL ASSURANCE CERTIFICATION, L.L.C.

relating to:

**Greater Orlando Aviation Authority
\$62,800,000**

**Special Purpose Facilities Taxable Revenue Bonds
(Rental Car Facility Project)
Series 2009
of the City of Orlando, Florida**

DATED AS OF OCTOBER 7, 2009

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement") is dated as of October 7, 2009 by and between the **GREATER ORLANDO AVIATION AUTHORITY** (the "Authority") and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.** and any successor disclosure dissemination agent serving hereunder pursuant to Section 12 hereof (in such capacity, the "Dissemination Agent" or "DAC").

RECITALS:

A. Contemporaneously with the execution and delivery of this Disclosure Agreement, the Authority will issue its \$62,800,000 Greater Orlando Aviation Authority Airport Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 of the City of Orlando, Florida (the "Series 2009 Bonds"), pursuant to the Trust Indenture, dated as of October 1, 2009 (the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee.

B. The Series 2009 Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority, to: (a) pay costs and expenses of designing, constructing, operating, relocating and maintaining automobile rental facilities at the Orlando International Airport (the "Airport") including quick turnaround facilities as further described herein (the "2009 Project"), (b) fund all or a portion of the Debt Service Reserve Fund Requirement, Coverage Fund Requirement and CFC Stabilization Fund Requirement for the Series 2009 Bonds, (c) refund certain taxable commercial paper debt, and (d) pay certain costs of issuance of the Series 2009 Bonds.

C. The Authority has authorized the preparation and distribution of the Preliminary Official Statement dated September 15, 2009 with respect to the Series 2009 Bonds (the "Preliminary Official Statement") and, on or before the date of the Preliminary Official Statement, the Authority deemed that the Preliminary Official Statement was final within the meaning of Rule 15c2-12, as amended (the "Rule"), of the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended.

D. Upon the initial sale of the Series 2009 Bonds to the underwriters named in the herein referenced Official Statement (collectively, the "Underwriter"), the Authority authorized the preparation and distribution of the Official Statement dated September 23, 2009 with respect to the Series 2009 Bonds (the "Official Statement").

E. As a condition precedent to the initial purchase of the Series 2009 Bonds by the Underwriter in accordance with the Bond Purchase Agreement dated September 23, 2009 (the "Bond Purchase Agreement") by and among the Underwriter and the Authority, and in compliance with the Underwriter's obligations under the Rule, the Authority has agreed to provide for the public disclosure of annual reports of financial information on an ongoing basis for so long as the Series 2009 Bonds remain outstanding as set forth herein and the Authority has agreed to retain the Dissemination Agent to perform certain disclosure dissemination tasks as provided for herein on its behalf.

NOW THEREFORE, in consideration of the purchase of the Series 2009 Bonds by the Underwriter and all subsequent Beneficial Owners of the Series 2009 Bonds, and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the Authority and the Dissemination Agent do hereby certify and agree as follows:

Section 1. Incorporation of Recitals. The above recitals are true and correct and are incorporated into and made a part hereof.

Section 2. Definitions.

(a) For the purposes of this Disclosure Agreement, all capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed thereto in the Indenture and the Official Statement, as applicable.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Disclosure Agreement:

"Actual knowledge" as used herein, and for the purposes hereof, a party shall be deemed to have "actual knowledge" of the occurrence of any event only if and to the extent the individual or individuals employed by such party and directly responsible for the administration of this Disclosure Agreement on behalf of such party have actual knowledge of or receive written notice of the occurrence of such event.

"Annual Filing" means any annual report provided by the Authority, pursuant to and as described in Section 6 of this Disclosure Agreement.

"Annual Filing Date" means the date, set forth in Sections 4(a) and 4(f) herein, by which the Annual Filing is to be filed with the Repositories.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 6(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Authority for the prior Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting standards and Government Auditing Principles issued by the Comptroller General of the United States.

"Beneficial Owner" shall mean any individual beneficial owner of the Series 2009 Bonds. Beneficial ownership is to be determined consistent with the definition thereof contained in Rule 13d-3 of the Securities Exchange Act of 1934, as amended, or, in the event such provisions do not adequately address the situation at hand (in the opinion of nationally recognized bond counsel), beneficial ownership is to be determined based upon ownership for federal income tax purposes.

"Disclosure Representative" means the Chief Financial Officer of the Authority or his or her designee, or such other person as the Authority shall designate in writing to the

Dissemination Agent from time to time as the person responsible for providing Information to the Dissemination Agent.

"Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as initial Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Authority pursuant to Section 12 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/>".

"Filing" means, as applicable, any Annual Filing or Notice Event Filing or any other notice or report made public under this Disclosure Agreement.

"Fiscal Year" shall mean the fiscal year of the Authority, which currently is the twelve month period beginning October 1 and ending on September 30 of the following year or any such other twelve month period designated by the Authority to be its fiscal year.

"Information" means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event Filings, and the Voluntary Reports.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor to its functions for the purpose of the Rule; the address, phone number and fax number of the MSRB for the purposes of the Rule as of the date hereof are set forth on Exhibit A hereto.

"Notice Event Filing" shall have the meaning specified in Section 5(a) hereof.

"Notice Event" shall have the meaning specified in Section 5(a) hereof.

"State Depository" or **"SID"** means any information depository designated by the State of Florida for the purposes of the Rule or for similar municipal securities information depository purposes with which the Authority is legally required to file the Information, it being understood that no such SID is currently designated by the State of Florida.

"Voluntary Report" means the information provided to the Dissemination Agent by the Authority pursuant to Section 8 hereof.

Section 3. Scope of this Disclosure Agreement.

(a) The Authority has agreed to enter into this Disclosure Agreement, undertake the disclosure obligations hereunder and retain the Dissemination Agent to perform the disclosure dissemination tasks set forth herein on its behalf, all at the request of the Underwriter and as a condition precedent to the Underwriter's purchase of the Series 2009 Bonds in order to assist the Underwriter with compliance with the Rule. The disclosure obligations of the Authority under this Disclosure Agreement relate solely to the Series 2009 Bonds. Such disclosure obligations are not applicable to any other securities issued or to be issued by the Authority, whether issued for the benefit of the Authority or otherwise, nor to any other securities issued by or on behalf of the Authority.

(b) Neither this Disclosure Agreement, nor the performance by the Authority or the Dissemination Agent of their respective obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, the Underwriter and each Beneficial Owner of the Series 2009 Bonds are hereby made third-party beneficiaries hereof (collectively and each respectively, a "Third-Party Beneficiary") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(c) This Disclosure Agreement shall terminate upon the defeasance, redemption or payment in full of all Series 2009 Bonds, subject to the Dissemination Agent's removal, or right to resign under Sections 11 and 12 hereof.

Section 4. Annual Filings. (a) The Authority shall provide, annually, an electronic copy of the Annual Filing to the Dissemination Agent not later than 15 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Filing, the Dissemination Agent shall provide the Annual Filing to the MSRB, through EMMA, and the State Depository (if any) not later than 210 days after the end of each Fiscal Year, commencing with the Fiscal Year ending September 30, 2009. Such dates and each anniversary thereof is the Annual Filing Date. The Annual Filing may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 hereof.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Dissemination Agent has not received a copy of the Annual Filing, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Authority of its undertaking to provide the Annual Filing pursuant to Section 4(a) hereof. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Filing no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Dissemination Agent in writing that the Authority will not be able to file the Annual Filing within the time required under this Disclosure Agreement, state the date by which the Annual Filing for such year will be provided and instruct the Dissemination Agent that a Notice Event as described in Section 5(a)(12) hereof has occurred and to immediately send a notice to the MSRB, through EMMA, and the State Depository (if any).

(c) If the Dissemination Agent has not received an Annual Filing by 12:00 noon on the first business day following the Annual Filing Date for the Annual Filing, a Notice Event described in Section 5(a)(12) hereof shall have occurred and the Authority irrevocably directs the Dissemination Agent to immediately send a notice to the MSRB, through EMMA, and the State Depository (if any).

(d) If Audited Financial Statements of the Authority are prepared but not available prior to the Annual Filing Date, the Authority shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Dissemination Agent, accompanied by a Certificate for filing with the MSRB, through EMMA, and the State Depository (if any).

- (e) The Dissemination Agent shall:
- (i) (ii) upon receipt, promptly file each Annual Filing received under Section 4(a) hereof with the MSRB, through EMMA, and the State Depository (if any);
 - (ii) upon receipt, promptly file each Audited Financial Statement received under Section 4(d) hereof with the MSRB, through EMMA, and the State Depository (if any);
 - (iii) upon receipt, promptly file the text of each disclosure to be made with the MSRB, through EMMA, and the State Depository (if any) together with a completed copy of the MSRB Material Event Notice Cover Sheet in the form attached as Exhibit C, describing the event by checking the box indicated below when filing pursuant to the Section of this Disclosure Agreement indicated:
 - 1. "Principal and interest payment delinquencies," pursuant to Sections 5(c) and 5(a)(1) hereof;
 - 2. "Non-payment related defaults," pursuant to Sections 5(c) and 5(a)(2) hereof;
 - 3. "Unscheduled draws on debt service reserves reflecting financial difficulties," pursuant to Sections 5(c) and 5(a)(3) hereof;
 - 4. "Unscheduled draws on credit enhancements reflecting financial difficulties," pursuant to Sections 5(c) and 5(a)(5) hereof;
 - 5. "Substitution of credit or liquidity providers, or their failure to perform," pursuant to Sections 5(c) and 5(a)(4) hereof;
 - 6. "Modifications to rights of Owners," pursuant to Sections 5(c) and 5(a)(6) hereof;
 - 7. "Unscheduled Bond calls," pursuant to Sections 5(c) and 5(a)(7) hereof;
 - 8. "Defeasances," pursuant to Sections 5(c) and 5(a)(8) hereof;
 - 9. "Release, substitution, or sale of property securing repayment of the Series 2009 Bonds," pursuant to Sections 5(c) and 5(a)(9) hereof;
 - 10. "Ratings changes," pursuant to Sections 5(c) and 5(a)(10) hereof;
 - 11. "Failure to provide annual financial information as required," pursuant to Section 4(b)(ii) or Section 4(c) hereof;

12. "Other material event notice (specify)," pursuant to Section 8 hereof, together with the summary description provided by the Disclosure Representative.

(iv) provide the Authority 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 Dissemination Agent under this Disclosure Agreement.

(f) The Authority 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 Dissemination Agent and the MSRB, through EMMA, and the State Depository (if any) provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Each Annual Filing shall contain the information set forth in Section 6 hereof.

Section 5. Reporting of Notice Events.

(a) The occurrence of any of the following events, if material, with respect to the Series 2009 Bonds constitutes a Notice Event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Substitution of credit or liquidity providers or their failure to perform;
- (5) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (6) Modifications to rights of Owners;
- (7) Unscheduled Bond calls;
- (8) Defeasances;
- (9) Release, substitution or sale of property securing repayment of the Series 2009 Bonds;
- (10) Rating changes;
- (11) Failure of the Authority to provide an Annual Filing as required hereunder; or

- (12) Other material event notice (specify), pursuant to Section 8 hereof, together with the summary description provided by the Disclosure Representative.

The Authority shall promptly notify the Dissemination Agent in writing upon having actual knowledge of the occurrence of a Notice Event. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (c) of this Section 5. Such notice shall be accompanied with the text of the disclosure that the Authority desires to make (each a "Notice Event Filing"), the written authorization of the Authority for the Dissemination Agent to disseminate such information, and the date the Authority desires for the Dissemination Agent to disseminate the information.

(b) The Dissemination Agent is under no obligation to notify the Authority or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within five business days of receipt of such notice, instruct the 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 Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 5, together with the text of the disclosure that the Authority desires to make, the written authorization of the Authority for the Dissemination Agent to disseminate such information, and the date the Authority desires for the Dissemination Agent to disseminate the information.

(c) If the Dissemination Agent has been instructed by the Authority as prescribed in subsection (a) or (b)(ii) of this Section 5 to report the occurrence of a Notice Event, the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, through EMMA, and the State Depository (if any).

Section 6. Content of Annual Filings.

(a) Each Annual Filing of the Authority shall contain Annual Financial Information with respect to the Authority, including, to the extent not set forth in the CAFR (as hereinafter defined):

(1) Annual, updated historical financial and operating data for the Authority of the type included in the sections of the Official Statement captioned "CUSTOMER FACILITY CHARGES AND RENTAL CAR OPERATIONS," consisting of information provided in the table titled "CFC Collections by Company," captioned "DEBT SERVICE SCHEDULE AND RATE COVENANT," consisting of information in the table titled, "Debt Service Coverage - Rate Covenant," (provided only information on an historic basis for the prior Fiscal Year need be provided) and captioned "THE GREATER ORLANDO AVIATION AUTHORITY AIRPORT SYSTEM," consisting of information provided in the table titled "Historical Enplaned Passengers"; and

(2) A description of any material litigation which would have been disclosed in the Official Statement if such litigation were pending at the time the Official Statement was prepared.

(b) If available at the time of such filing, the Audited Financial Statements of the Authority for the prior Fiscal Year. If the Authority's Audited Financial Statements are not available by the time the Annual Filing is required to be filed pursuant to Section 4(a) hereof, the Annual Filing shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the Audited Financial Statements shall be filed in the same manner as the Annual Filing when they become available. Audited Financial Statements (if any) will be provided pursuant to Section 3(d) hereof.

(c) The Authority's Comprehensive Annual Financial Report ("CAFR") for the immediately preceding Fiscal Year.

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 Authority is an "obligated person" (as defined by the Rule), which have been previously filed with the MSRB or the United States Securities and Exchange Commission (the "SEC"). If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Authority will clearly identify each such document so incorporated by reference.

Section 7. Responsibility for Content of Reports and Notices.

(a) The Authority shall be solely responsible for the content of each Filing (or any portion thereof) provided to the Dissemination Agent pursuant to this Disclosure Agreement. The Dissemination Agent shall not be responsible for reviewing or verifying the accuracy or completeness of any such Filings.

(b) Each Filing distributed by the Dissemination Agent pursuant to Section 4 or 5 hereof shall be in a form suitable for distributing publicly and shall contain the CUSIP numbers of the Series 2009 Bonds and shall be in substantially the form set forth in Exhibit B hereto. If an item of information contained in any Filing pursuant to this Disclosure Agreement would be misleading without additional information, the Authority shall include such additional information as a part of such Filing as may be necessary in order that the Filing will not be misleading in light of the circumstances in which made.

(c) Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Filing or Notice Event Filing, in addition to that which is required by this Disclosure Agreement. If the Authority chooses to include any information in any Annual Filing or Notice Event Filing in addition to the information specifically required by this Disclosure Agreement, then and in such cases, the Authority shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Filing or Notice Event Filing.

(d) Any report, notice or other filing to be made public pursuant to this Disclosure Agreement may consist of a single document or separate documents comprising a package and may incorporate by reference other clearly identified documents or specified portions thereof

previously filed with the MSRB or the SEC, provided that any final official statement incorporated by reference must be available from the MSRB.

(e) Notwithstanding any provision herein to the contrary, nothing in this Disclosure Agreement shall be construed to require the Authority or the Dissemination Agent to interpret or provide an opinion concerning information made public pursuant to this Disclosure Agreement.

(f) Notwithstanding any provision herein to the contrary, the Authority shall not make public, or direct the Dissemination Agent to make public, information which is not permitted to be publicly disclosed under any applicable data confidentiality or privacy law or other legal requirement.

Section 8. Voluntary Reports.

(a) The Authority may instruct the Dissemination Agent to file information with the MSRB, through EMMA, and the State Depository (if any), from time to time pursuant to a certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from disseminating any other information through the Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event Filing, in addition to that required by this Disclosure Agreement. If the Authority chooses to include any information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event Filing in addition to that which is specifically required by this Disclosure Agreement, the Authority shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Voluntary Report or Notice Event Filing.

(c) Notwithstanding the foregoing provisions of this Section 8, the Authority is under no obligation to provide any Voluntary Report.

Section 9. Defaults; Remedies.

(a) A party shall be in default of its obligations hereunder if it fails and refuses to carry out or perform its obligations hereunder for a period of five business days following notice of default given in writing to such party by any other party hereto or by any Third Party Beneficiary hereof, unless such default is cured within such five business day notice period. An extension of such five business day cure period may be granted for good cause (in the reasonable judgment of the party granting the extension) by written notice from the party who gave the default notice.

(b) If a default occurs and continues beyond the cure period specified above, any nondefaulting party or any Third-Party Beneficiary may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default, excepting, however, that the party seeking such specific performance may recover from the defaulting party any reasonable attorneys' fees and expenses incurred in the course of

enforcing this Disclosure Agreement as a consequence of such default. Each of the parties hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance shall be available in proceedings to enforce this Disclosure Agreement.

(c) Notwithstanding any provision of this Disclosure Agreement or the Indenture to the contrary, no default under this Disclosure Agreement shall constitute a default or event of default under the Indenture.

Section 10. Amendment or Modification.

(a) This Disclosure Agreement shall not be amended or modified except as provided in this Section and, except as provided in subsection (b) hereof, may not be amended or modified except in writing executed by the Dissemination Agent and the Authority. No modification, amendment, alteration or termination of all or any part of this Disclosure Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Indenture.

(b) The addresses, telephone numbers, et cetera, of the MSRB or any State Depository subsequently designated by the State of Florida shall be automatically amended from time to time as necessary.

(c) This Disclosure Agreement shall be amended or modified from time to time as may be necessary or desirable to conform the terms hereof to the Rule or any official release of the SEC with respect to the Rule, to the extent applicable to the subject matter hereof, provided, however, that (i) this Disclosure Agreement as so amended would have complied with the Rule at the time of initial issuance and sale of the Series 2009 Bonds, after taking into account any amendments or interpretative releases of the SEC with respect to the Rule and any change in circumstances occurring since such time of initial issuance and sale and (ii) the amendment does not materially impair the interests of the Beneficial Owners of the Series 2009 Bonds, as determined by either (1) an opinion of nationally recognized bond counsel firm or (2) approving vote of the owners of the Series 2009 Bonds in accordance with the procedures and requirements substantially similar to those applicable to amendments to the Indenture (including, without limitation, the percentage of Bondholders whose approval is required).

(d) The Authority shall prepare or cause to be prepared a notice of any such amendment or modification and shall direct the Dissemination Agent to make such notice public in accordance with Section 5(a)(13) hereof.

Section 11. Reimbursement of Dissemination Agent's Expenses. The Dissemination Agent shall be reimbursed by the Authority for all out-of-pocket expenses incurred by it in performance of its duties under this Disclosure Agreement, payable promptly upon written request. The Dissemination Agent shall have the right to resign and terminate its agency relationship and all of its obligations under this Disclosure Agreement upon non-payment of its expenses by written notice to the Authority.

Section 12. Agency Relationship.

(a) The Dissemination Agent agrees to perform such duties, but only such duties, as are specifically set forth in this Disclosure Agreement, and no implied duties or obligations of any kind shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Dissemination Agent may conclusively rely, as to the truth, accuracy and completeness of the statements set forth therein, upon all notices, reports, certificates or other materials furnished to the Dissemination Agent pursuant to this Disclosure Agreement, and in the case of notices and reports required to be furnished to the Dissemination Agent pursuant to this Disclosure Agreement, the Dissemination Agent shall have no duty whatsoever to examine the same to determine whether they conform to the requirements of this Disclosure Agreement.

(b) The Dissemination Agent shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Dissemination Agent unless it shall be proved that the Dissemination Agent engaged in negligent or willful misconduct in ascertaining the pertinent facts related thereto.

(c) The Dissemination Agent shall perform its rights and duties under this Disclosure Agreement using the same standard of care as a prudent person would exercise under the circumstances, and the Dissemination Agent shall not be liable for any action taken or failure to act in good faith under this Disclosure Agreement unless it shall be proven that the Dissemination Agent was negligent or engaged in willful misconduct.

(d) The Dissemination Agent may perform any of its duties hereunder by or through attorneys or agents selected by it with reasonable care, and shall be entitled to the advice of counsel concerning all matters arising hereunder, and may in all cases pay such reasonable compensation as it may deem proper to all such attorneys and agents, and the Dissemination Agent shall not be responsible for the acts or negligence of such attorneys, agents or counsel if selected with reasonable care.

(e) None of the provisions of this Disclosure Agreement or any notice or other document delivered in connection herewith shall require the Dissemination Agent to advance, expend or risk its own funds or otherwise incur financial liability in the performance of any of the Dissemination Agent's duties or rights under this Disclosure Agreement.

(f) The Dissemination Agent shall not be required to monitor the compliance of the Authority with the provisions of this Disclosure Agreement or to exercise any remedy, institute a suit or take any action of any kind without indemnification satisfactory to the Dissemination Agent.

(g) The Dissemination Agent may include in any dissemination correspondence enclosing or furnishing any Notice Event Filings made public by it under this Disclosure Agreement the following disclaimer with respect to the source of the information contained in, and the identity of the party responsible for compiling or preparing, such reports or notices: "The information set forth in the attached notice has been provided by the Greater Orlando Aviation Authority (the "Authority") to Digital Assurance Certification, L.L.C. in its capacity as disclosure dissemination agent (the "Dissemination Agent") for the Authority, together with

written dissemination directions to the Dissemination Agent. The Dissemination Agent has not prepared or verified, and is not responsible in any way for, the content of this notice or the accuracy, timeliness or completeness thereof. Under no circumstances shall the Dissemination Agent and the Authority have any obligation or liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstances involved in processing, collecting, compiling or interpreting the data included in this notice or (b) for any direct, indirect, special, consequential, incidental or punitive damages whatsoever arising from any investment decision or otherwise. This notice has not been reviewed or approved by any state or federal regulatory body."

(h) The Dissemination Agent may resign at any time by giving at least ninety (90) days prior written notice thereof to the Authority. The Dissemination Agent may be removed for good cause at any time by written notice to the Dissemination Agent from the Authority, provided that such removal shall not become effective until a successor dissemination agent has been appointed by the Authority under this Disclosure Agreement.

(i) In the event the Dissemination Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Dissemination Agent for any reason, the Authority shall promptly appoint a successor. Notwithstanding any provision to the contrary in this Disclosure Agreement or elsewhere, the Authority may appoint themselves to serve as Dissemination Agent hereunder.

(j) Any company or other legal entity into which the Dissemination Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Dissemination Agent may be a party or any company to whom the Dissemination Agent may sell or transfer all or substantially all of its agency business shall be the successor dissemination agent hereunder without the execution or filing of any paper or the performance of any further act and shall be authorized to perform all rights and duties imposed upon the Dissemination Agent by this Disclosure Agreement, anything herein to the contrary notwithstanding.

Section 13. Miscellaneous.

(a) Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Disclosure Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver and perform under this Disclosure Agreement under applicable law and any resolutions, ordinances or other actions of such party now in effect, (iii) that the execution and delivery of this Disclosure Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Disclosure Agreement, or its due authorization, execution and delivery of this Disclosure Agreement, or otherwise contesting or questioning the issuance of the Series 2009 Bonds.

(b) This Disclosure Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida and applicable federal law.

(c) If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) This Disclosure Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

Section 14. CUSIP Numbers. Whenever providing information to the Dissemination Agent, including but not limited to Annual Filing, documents incorporated by reference to the Annual Filing, Audited Financial Statements, Notice Event Filings, and Voluntary Reports filed pursuant to Section 8(a) hereof, the Authority shall indicate the full name of the Series 2009 Bonds and the 9-digit CUSIP numbers for the Series 2009 Bonds as to which the provided information relates.

Section 15. Submission of Information to the MSRB. Subject to future changes in submission rules and regulations, Information disclosed hereunder shall be provided to the MSRB, through EMMA, in portable document format ("PDF") files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. As of January 1, 2010, such PDF files shall be word-searchable (allowing the user to search for specific terms used within the document through a search or find function available in a software package).

Subject to future changes in submission rules and regulations, at the time that such information is submitted to the MSRB, through EMMA, the Dissemination Agent shall also provide to the MSRB information necessary to accurately identify:

- (a) the category of information being provided;
- (b) the period covered by the CAFR, any annual financial information, financial statements or other financial information or operating data;
- (c) the issues or specific securities to which such submission is related or otherwise material (including CUSIP number, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any obligated person other than the Authority;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT**

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement to be effective as of the day and year so specified hereinabove.

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Jeffry B. Fuqua, Chairman

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT**

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement to be effective as of the day and year so specified hereinabove.

**DIGITAL ASSURANCE
CERTIFICATION, L.L.C.,**
as Dissemination Agent

By: _____
Name: _____
Title: _____

EXHIBIT A

Municipal Securities Rulemaking Board

Municipal Securities Rulemaking Board
1640 King Street
Suite 300
Alexandria, Virginia 22314-2719
Phone: (202) 223-9503
Fax: (202) 872-0347/(703) 683-1930

EXHIBIT B

**NOTICE TO MSRB
[AND STATE DEPOSITORY] OF THE OCCURRENCE OF
[INSERT THE NOTICE EVENT]**

Relating to

**Greater Orlando Aviation Authority
\$62,800,000**

**Special Purpose Facilities Taxable Revenue Bonds
(Rental Car Facility Project), Series 2009
of the City of Orlando, Florida**

**Originally Issued on October 7, 2009
[**CUSIP NUMBERS**]**

Notice is hereby given by the Greater Orlando Aviation Authority (the "Authority"), as obligated person with respect to the above-referenced Bonds issued by the Authority, under the Securities and Exchange Commission's Rule 15c2-12, that **[**INSERT THE NOTICE EVENT**]** has occurred. **[**DESCRIBE NOTICE EVENT AND MATERIAL CIRCUMSTANCES RELATED THERETO**]**.

This Notice is based on the best information available to the Authority at the time of dissemination hereof and is not guaranteed by the Authority as to the accuracy or completeness of such information. The Authority will disseminate additional information concerning **[**NOTICE EVENT**]**, if material, as and when such information becomes available to the Authority. **[**Any questions regarding this notice should be directed in writing only to the Authority. However, the Authority will not provide additional information or answer questions concerning [**NOTICE EVENT**] except in future written notices, if any, disseminated by the Authority in the same manner and to the same recipients as this Notice**]**.

DISCLAIMER: All information contained in this Notice has been obtained by the Authority from sources believed to be reliable as of the date hereof. Due to the possibility of human or mechanical error as well as other factors, however, such information is not guaranteed as to the accuracy, timeliness or completeness. Under no circumstances shall the Authority have any liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from or relating to this Notice, including, without limitation, any error (negligent or otherwise) or other circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or

delivering any information contained in this Notice or (b) any direct, indirect, special, consequential or incidental damages whatsoever related thereto.

Dated: _____

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____

Name: _____

Title: _____

EXHIBIT C

MATERIAL EVENT NOTICE COVER SHEET

This cover sheet and material event notice should be sent to the Municipal Securities Rulemaking Board, through the Electronic Municipal Market Access System, and the State Information Depository, if applicable, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Authority's and/or Other Obligated Person's Name: _____

Authority's Six-Digit CUSIP Number: _____ or Nine-Digit CUSIP Number(s) of the certificates to which this material event notice relates: _____

Number of pages of attached material event notice: _____

Description of Material Events Notice (Check One):

1. ☐ Principal and interest payment delinquencies
2. ☐ Non-payment related defaults
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. ☐ Modifications to rights of Bondholders
7. ☐ Unscheduled Bond calls
8. ☐ Defeasances
9. ☐ Release, substitution, or sale of property securing repayment of the Series 2009 Bonds
10. ☐ Rating changes
11. ☐ Failure to provide annual financial information as required
12. ☐ Other material event notice (specify)

I hereby represent that I am authorized by the Authority or its agent to distribute this information publicly:

Signature: _____

Name: _____ Title: _____

Employer: Digital Assurance Certification, L.L.C.

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: _____

Please print the material event notice attached to this cover sheet in 10-point type or larger, The cover sheet and notice may be submitted electronically to the MSRB through its Electronic Municipal Market Access System, which can be accessed by visiting the website "<http://emma.msrb.org/>". Contact the MSRB at (703) 797-6000 with questions regarding this form or the dissemination of this notice.

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