

**REGULAR MEETING**

**OCTOBER 18, 2022**



# 2022 CALENDAR

January-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

March-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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13	14	15	16	17	18	19
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27	28	29	30	31		

May-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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29	30	31				

July-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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31						

September-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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November-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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February-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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20	21	22	23	24	25	26
27	28					

April-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

June-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
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26	27	28	29	30		

August-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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21	22	23	24	25	26	27
28	29	30	31			

October-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

December-2022						
SUN	MON	TUES	WED	THUR	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Holidays
  Meetings
  Conferences

## Regular Meeting Agenda

Florida Keys Mosquito Control District  
Marathon City Hall  
9805 Overseas Hwy, Marathon, FL

**October 18, 2022 2:30 pm (approximate)**

### 1.) Call to Order

### 2.) Roll Call

### 3.) Community Input:

Community Input shall be heard prior to each specified agenda item.

The Board adheres to, and conducts each meeting in accordance with, Robert's Rules of Order. Presentations to the Board are limited to three (3) minutes for each individual speaker and five (5) minutes for the representative of a designated group. Transfer of time between individuals and/or groups is not permitted. Letters submitted to any Commissioner, the Executive Director, Executive Assistant, or any other District employee during a Board meeting will be placed into the record but will not additionally be read into the record at the meeting.

The Board welcomes public input but also must maintain order. Thus, community input is not a time for open dialogue between the Board and the speaker. Speakers should direct their comments to the Board and not to District staff or other audience members. Speakers should not expect Commissioners or staff to answer or respond to questions during community input. If appropriate, the Board may request the issue be added as a discussion item at a future District Board meeting. Furthermore, all speakers agree to abide by FKMCD's Code of Conduct Policy and Procedures Governing Meetings, Hearings, and Community Input, as adopted through Resolution 2021-02.

Any person who wishes to make public comment during this meeting may be heard by the Board, through the Board Chair, on any proposition before the Board by either (1) complete and provide the supplied community input card or inform the Clerk/Executive Assistant to the Board, specifying the agenda item; or (2) when remote means for input is allowed by the Board, calling 305-292-7190 or emailing the Clerk/Executive Assistant (currently [ddarias@keysmosquito.org](mailto:ddarias@keysmosquito.org)) no later than 11:00 am on October 18, 2022. If attending remotely, you must remain available by phone from the hours of 1:00pm to 4:00pm.

### 4.) Consent Agenda

All items listed as Consent Agenda items are considered routine and non-controversial by the FKMCD Board and will be approved by a single motion. There will be no separate discussion of these items. Prior to this meeting, Board Members have had the opportunity to review each of these items and may request that any item be moved to an Action Item for individual consideration.

a.) **Minutes** of the September 13, 2022 Tentative Budget Workshop **Pgs. 6-7**

b.) **Minutes** of the September 20, 2022 Final Budget Workshop **Pgs. 8-9**

c.) **Minutes** of the September 20, 2022 Regular Meeting **Pgs. 10-12**

5.) Approval of Agenda

6.) Treasurer's Report

7.) Attorney's Report

8.) Director's Report Pgs. 14-15

9.) Items for Board Discussion

10.) Items for Board Review and Action:

a.) Financial Reports (Holden)

I. Budget Analysis Pgs. 25-29

II. District Finances Pg. 30

III. Cash Disbursements through September 2022 Pgs. 31-34

b.) Vernis & Bowling Proposed Contract Addendum 2022-2023 (Leal) Pgs. 36-38

c.) Purchase of 2022 Airbus H125 Helicopter (Leal) Pgs. 40-75

d.) ITB 2022-04 Surplus Equipment (Holden) Pgs. 77-78

e.) Audit Committee Charter (Leal) Pgs. 80-84

f.) Budget Amendment #1 (Holden) Pg. 86

g.) Budget Amendment #2 (Holden) Pg. 88

11.) Good of the Order

12.) Meeting Adjourned

# *Item 4*

## Approval of Minutes

## Tentative Budget Hearing Minutes

### Florida Keys Mosquito Control District

Marathon Office  
503 107<sup>th</sup> Street  
Marathon, FL 33050

September 13, 2022, 5:05 pm

The Board of Commissioners of the Florida Keys Mosquito Control District held a Tentative Budget Hearing on September 13, 2022 at the FKMCD Marathon office.

**Present Were:** Phillip Goodman, Chairman; Dr. Stanley Zuba, Vice Chair; Jill Cranney, Commissioner; Andrea Leal, Executive Director; Dale Coburn, Board Attorney. Brandon Pinder, Commissioner was present via telephone; Tom McDonald, Secretary/Treasurer, was absent.

**Employees Present Were:** Mikki Coss, Director of Operations; Robert Lee, Director of Aircraft Maintenance; Bruce Holden, Director of Finance; Chad Huff, Public Education & Information Officer; Deanna Darias, Executive Assistant; Tony Nunez, Chief Technology Officer.

**Invited Guests Present:** None

**Approval of Agenda:** Chairman Goodman asked the Board if there were any corrections or additions to the agenda, hearing none, the agenda was unanimously approved. A motion was made by Commissioner Cranney, seconded by Commissioner Zuba and passed unanimously to approve Commissioner Pinder to participate in the Tentative Hearing via telephone.

**Purpose of Meeting:** Chairman Goodman announces that the purpose of the meeting is to hold the First Public Hearing on the Florida Keys Mosquito Control District's Proposed Millage and Tentative Budget for the 2022-2023 Fiscal Year.

**Community Input:** None

#### **Discussion:**

##### **A. Discuss and Adopt the Tentative Millage Rate for the 2022-2023 Fiscal Year**

Bruce Holden, Director of Finance, reviewed the budgeted changes since the August workshop and advised the Board the changes will net the District an additional \$37,757.00. While explaining the negative changes, Director Leal advised the Board that there might be a chance of the new helicopter costing additional funds of up to \$200,000.00 due to current quotes from the manufacturer. Chairman Goodman advised the Board that he would like to leave the \$25,000 in the budget for the operation audit. Mr. Holden discussed the September cash estimate, which is showing a difference of \$410,253.00; this is partly due to the month having three (3) payrolls and will also be affected by weather and chemical purchases. Mr. Holden proposed a millage rate of .4565, which is 12.91% over rollback, in order to receive revenues needed to conduct FKMCD operations. Director Leal advised the Board if they choose the .4565 millage rate, the amount going into the future fund reserves would be \$52,530 for the 2022-2023 Fiscal Year; any increase to the millage rate would put additional funds into the reserves for the potential fourth helicopter purchase and building maintenance. The Board had a short discussion on increasing the millage rate to increase the reserve fund and decided to leave it at the .4565 rate for this year. Mr. Holden explained the graph he handed out during the meeting, which detailed the FKMCD annual budgeting progress from 2001-2023.

A motion was made by Commissioner Cranney, seconded by Commissioner Zuba, and passed unanimously to approve the tentative millage rate of .4565. After a roll call vote, it was unanimously approved by the four (4) Board members present.

**B. Discuss and Adopt the Tentative Budget for the 2022-2023 Fiscal Year**

A motion was made by Commissioner Zuba, seconded by Commissioner Cranney, and passed unanimously to adopt the tentative budget as presented for the Fiscal Year 2022-2023 of \$17,883,774.15. After a roll call vote, it was unanimously approved by the four (4) Board members present.

**7.) Good of the Order:** Dale Coburn, Board Attorney introduced Janette Smith, a new member of their firm, Vernis & Bowling. Ms. Smith provided the Board with her career accomplishments and that she is looking forward to working with FKMCD. Chairman Goodman advised the Final Budget meeting will be Tuesday, September 20<sup>th</sup> at 5:05pm following the Regular Meeting at 3:30pm.

**Adjourn:** There being no further business to come before the Board the meeting was adjourned.

*Respectfully submitted,*

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*Andrea Leal  
Executive Director*

*Board of Commissioners  
Florida Keys Mosquito Control District*

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*Phillip L. Goodman, Chairman*

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*Thomas McDonald, Secretary-Treasurer*

For additional information, please refer to [www.keysmosquito.org](http://www.keysmosquito.org).

## Final Budget Hearing Minutes

Florida Keys Mosquito Control District  
Marathon Office  
503 107<sup>TH</sup> Street, Marathon, FL

September 20, 2022 5:05pm

The Board of Commissioners of the Florida Keys Mosquito Control District held a Final Budget Hearing on September 20, 2022 at the Florida Keys Mosquito Control District's Marathon office.

**Present Were:** Phillip Goodman, Chairman; Dr. Stanley Zuba, Vice-Chair; Tom McDonald, Secretary-Treasurer; Andrea Leal, Executive Director; and Dale Coburn, Board Attorney. Jill Cranney, Commissioner; was on the phone.

**Employees Present Were:** Mikki Coss, Director of Operations; Rob Lee, Director of Aircraft Maintenance; Bruce Holden, Director of Finance; Michael Behrend, Director of Human Resources; Deanna Darias, Executive Assistant; Chad Huff, PEIO; Tony Nunez, Chief Technology Officer.

**Guests Present:** None

1. **Roll Call:** All Commissioners were present, with Commissioner Cranney on the phone.
2. **Approval of Agenda:** Hearing no changes, the agenda was unanimously approved. *A motion was made by Commissioner McDonald, seconded by Commissioner Pinder to allow Commissioner Cranney full participation in the final budget hearing via phone.*
3. **Purpose of Meeting:** Chairman Goodman announced that this meeting had been called for the purpose of holding our Final Public Hearing of the Florida Keys Mosquito Control District's Proposed Millage and Final Budget for the 2022-2023 Fiscal Year.
4. **FY 2022/2023 Final Budget Discussion:** Bruce Holden, Director of Finance, summarized the revised tentative budget.
5. There were no comments from the public regarding the Proposed Millage Rate.
6. **FY 2022/2023 Proposed Millage Rate:**
  - a. *A motion was made by Commissioner Cranney, seconded by Commissioner Zuba and passed unanimously to approve the .4565 millage rate.*
  - b. Resolution 2022-02, adopting the final levying of the Ad Valorem Taxes for Monroe County for Fiscal Year 2022/2023, was summarized for the record by Bruce Holden, Director of Finance. *A motion was made by Commissioner Pinder, seconded by Commissioner McDonald and passed unanimously to adopt Resolution 2022-02.*
7. There were no comments from the public regarding the 2022-2023 Tentative Budget.



**8. FY 2022/2023 Tentative Budget:**

- a. *A motion was made by Commissioner McDonald, seconded by Commissioner Zuba and passed unanimously to adopt the Tentative Budget for Fiscal Year 2022/2023 as presented for \$24,216,743.00.*
- b. *Resolution 2022-03, adopting the Final Budget for Fiscal Year 2022/2023 was summarized for the record by Bruce Holden, Director of Finance. A motion was made by Commissioner McDonald, seconded by Commissioner Pinder and passed unanimously to adopt Resolution 2022-03.*
- c. *Resolution 2022-04, adopting the Committing of Certain General Fund Balances was summarized for the record by Bruce Holden, Director of Finance. A motion was made by Commissioner Zuba, seconded by Commissioner McDonald and passed unanimously to adopt Resolution 2022-04.*

**9. Meeting Adjourned:** There being no further business of the Board, the meeting was adjourned.

*Respectfully submitted,*

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*Andrea Leal  
Executive Director*

*Board of Commissioners  
Florida Keys Mosquito Control District*

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*Phillip L. Goodman, Chairman*

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*Thomas McDonald, Secretary-Treasurer*

*For additional information, please refer to [www.keysmosquito.org](http://www.keysmosquito.org)*

## Regular Meeting Minutes

### Florida Keys Mosquito Control District

Marathon Office  
503 107<sup>th</sup> Street  
Marathon, FL 33050

**September 20, 2022 3:30 pm**

The Board of Commissioners of the Florida Keys Mosquito Control District held a Regular Meeting on September 20, 2022 at the FKMCD Marathon office.

**Present Were:** Phillip Goodman, Chairman; Dr. Stanley Zuba, Vice-Chair; Tom McDonald, Secretary/Treasurer; Andrea Leal, Executive Director; Dale Coburn, Board Attorney. Brandon Pinder, Commissioner; arrived at 3:47pm. Jill Cranney, Commissioner was present via telephone starting at 3:58pm.

**Employees Present Were:** Mikki Coss, Director of Operations; Bruce Holden, Director of Finance; Josh Kogut, Director of Aerial Operations; Chad Huff, Public Education & Information Officer; Robert Lee, Director of Aircraft Maintenance; Michael Behrend, Director of Human Resources; Deanna Darias, Executive Assistant; Tony Nunez, Chief Technology Officer.

**Invited Guests Present:** None.

**Community Input:** None.

**Approval of Consent Agenda:** A motion was made by Commissioner Zuba, seconded by Commissioner McDonald and passed unanimously to approve the Consent Agenda.

**Approval of Agenda:** Chairman Goodman asked the Board if there were any corrections or additions to the agenda, hearing none, the agenda was unanimously approved. A motion was made by Chairman Goodman, seconded by Commissioner McDonald and passed unanimously to approve Commissioner Cranney to participate in the Regular Meeting via telephone.

**Treasurer's Report:** Tom McDonald, Secretary/Treasurer, advised he will be meeting with Bruce Holden, Director of Finance, after October 15<sup>th</sup> to establish a presentation of the financial statements in a format that will be easier for the Board to review monthly.

**Attorney's Report:** Dale Coburn, Board Attorney, reminded the Board that he sent a copy of the settlement agreement and release in regards to the Cyber Attack Insurance Claim. He asked the Board for approval to have Chairman Goodman sign the settlement agreement and release, and the Board unanimously agreed.

**Director's Report:** Andrea Leal, Executive Director, gave the Board an update on the Mosquito-Borne Diseases in the area, which included 18 locally acquired Dengue cases in Miami-Dade, with the travel-related cases substantially increasing on a daily basis. The District is watching these numbers closely and continuing to monitor the *Aedes aegypti* population. Miami-Dade is seeing a large amount of travel-related cases coming in from Cuba, and with all four (4) strains present; this is especially concerning and signifies a large outbreak in Cuba. *Aedes aegypti* numbers did not exceed our adulticide action thresholds throughout the Keys in August and are averaging five (5) or less in the Key West area. One hundred and ninety nine (199) service requests were received in August, which was significantly lower than the historical average for August, the majority of which were requesting a fog truck or inspection.

Director Leal announced that Josh Kogut, our Director of Aerial Operations, will be leaving the District and thanked him for his five (5) years of service and everything he did for the District. She also recognized Kurt

Joseph, our Aircraft Support Technician, who was with the District for twelve (12) years and retired earlier in September.

The next FKMCD-Oxitec Webinar is scheduled for September 27, 2022 at 5pm, which will cover Preventing Mosquito-Borne Disease. Commissioner McDonald stated he has been getting comments from the general public regarding the GMO Mosquito project and that they thought all of the mosquitoes were going to be killed and he feels the public may be confused about the project. Director Leal advised that we are continuing to educate them and multiple resources are available to the public to learn more. Chad Huff, our Public Education & Information Officer continues to attend local community outreach events each month. Chairman Goodman asked if this could be discussed in the weekly radio show; Director Leal agreed to discuss the Oxitec Project during the show each week.

Director Leal reviewed a new section of her report, which is for After Action Items/Future Board Items; this area is to ensure certain items are followed up in the future. Commissioner McDonald would also like her to add an expected response date to each item. The Board then discussed the upcoming state-required Operations Performance Audit and that they have found someone that can conduct an Internal Systems Review in a timely manner for a reasonable price. The District needs to review the purchasing policy and get a cost for the Internal Systems Review and the availability of the auditor and bring that information back to the Board at the October meeting.

**Items for Board Discussion:**

**10a.) Audit Committee Charter** – Director Leal advised the Board that the Audit Committee Charter will be brought back to the Board every September and reviewed to see if any updates/changes need to be made to the charter. The Board then thoroughly reviewed the current document and suggested the changes they would like made. The changes will be made and brought back to the next meeting to be voted on.

**10b.) Board Room Layout** - Director Leal informed the Board that most other private agencies in the Keys have gone back to their original Board Room layouts and asked if they would be okay with all five (5) commissioners sitting at the Dias together without the Plexiglas. The Board all agreed to go back to normal seating in the Board Room.

**Items for Board Review and Action:**

**11a.) Financial Reports** – Bruce Holden, Director of Finance, advised August was a good month financially due to the low amounts of rain in the area and only \$30,000.00 over last year's spend. He feels overall the District is doing a great job with spending and in the month of August we were below the 7 year average spend. Mr. Holden briefly reviewed the District Finances and Cash Disbursements. *A motion was made by Commissioner McDonald, seconded by Commissioner Pinder, and passed unanimously*, confirming the Board received the financial information from August of 2022 and the Board requests it be submitted for audit at the appropriate time.

**11b.) Investment Policy** – Andrea Leal, Executive Director, reviewed the changes made to the Investment Policy during the August Board Meeting and advised the Investment Advisory Committee will have to meet in the Sunshine and it was decided they will meet on a quarterly basis. The reporting will be included in the monthly financial reports. *A motion was made by Commissioner Pinder, seconded by Commissioner Zuba, and passed unanimously* to accept the Investment Policy as stated. After a roll call vote, it was unanimously approved.

**11c.) Aviation Insurance Proposals** – Michael Behrend, Director of Human Resources, reviewed the two (2) quotes he received for our aviation insurance from Star and Ace Insurance companies. After discussion it was decided to continue with our current carrier, Star. *A motion was made by Commissioner McDonald, seconded by Commissioner Pinder, and passed unanimously* to renew the aviation insurance agreement with Star. After a roll call vote, it was unanimously approved.

**11d.) Position & Pay Structure** – Michael Behrend, Director of Human Resources, advised the board that we currently have three (3) Part Time Trap Surveillance Technician positions open at the district and have had a very hard time filling these positions due to the part time status and no benefits. The District is requesting that we turn the part time positions into one (1) full time position. *A motion was made by Commissioner Zuba, seconded by Commissioner Cranney, and passed unanimously* to

approve the position and pay structure as presented. After a roll call vote, it was unanimously approved.

**11e.) Organizational Chart** – Michael Behrend, Director of Human Resources, presented the current Organizational Chart for the District, which includes the new addition of the Full Time Trap Surveillance Technician. *A motion was made by Commissioner Pinder, seconded by Commissioner McDonald, and passed unanimously* to approve the Organizational Chart as presented. After a roll call vote, it was unanimously approved.

**11f.) ITN 2022-03 Dental Benefits** - Bruce Holden, Director of Finance, advised the bid committee recommends selecting AFLAC as the provider for dental services, commencing on January 1, 2023. The annual cost associated with this option was the lowest of the eight bidders. Rates are locked in for two years, and AFLAC has favorable references, a competitive network, and optional value ads for employees. The cost of this plan will be approximately \$68,490.72 annually. *A motion was made by Commissioner Zuba, seconded by Commissioner Pinder, and passed unanimously* to accept the new dental benefits plan from Aflac as presented. After a roll call vote, it was unanimously approved.

**Good of the Order:**

- Chairman Goodman advised the Board we will have the Retiree Healthcare Meeting and Regular Meeting on October 18<sup>th</sup> at 1:00pm. They may also add a workshop if needed.

There being no further business to come before the Board the meeting was adjourned.

*Respectfully submitted,*

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*Andrea Leal  
Executive Director*

*Board of Commissioners  
Florida Keys Mosquito Control District*

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*Phillip L. Goodman, Chairman*

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*Thomas McDonald, Secretary-Treasurer*

*For additional information, please refer to [www.keysmosquito.org](http://www.keysmosquito.org).*

# *Item 9*

## Director's Report

# October 2022 Director's Report

Employee of the Quarter: Alana Loftus

## State of Florida Mosquito-Borne Disease Update (as of 10/08/2022)

1. Monroe County (2022)
  - a. Dengue: 0 local, 3 travel-related
2. All of Florida (2022)
  - a. Dengue: 27 local (Miami-Dade, 26; Collier, 1), 512 travel-related (Miami-Dade, 332)
  - b. Zika: 0 local, 0 travel-related
  - c. Chikungunya: 0 local, 0 travel-related
  - d. West Nile Virus: 2 human cases
  - e. Eastern Equine Encephalitis: 0 human cases
  - f. Malaria: 38 travel-related
3. Miami-Dade and Volusia Counties are under a mosquito-borne illness alert

## Operations Summary

1. Adult Mosquitoes
  - a. Salt Marsh mosquito numbers higher than historical average in the Lower and Middle Keys, but lower than historical average in the Upper Keys throughout September
  - b. Five (5) aerial adulticide missions were conducted in September, treating approximately 24,000 acres
  - c. Fifty-four (54) truck adulticide missions were conducted in September throughout the Keys, treating approximately 21,300 acres
  - d. *Aedes aegypti* numbers did not exceed our adulticide action thresholds throughout the Keys in August
    - i. Aerial and ground liquid larvicide missions completed throughout the Keys
    - ii. Upper Keys Hotspot Update: Narrowed our focus to 3 businesses and will continue working closely with them on clean-ups and options
2. Larval Mosquitoes
  - a. Thirty-one (31) aerial granular larvicide missions were completed in September, treating approximately 9,300 acres; this is above the historical average for September
  - b. Three (3) aerial liquid larvicide missions were conducted in September in Key West
  - c. Ground liquid larvicide missions were conducted, treating approximately 1,100 acres throughout the Keys
3. Service Requests received (393) were at the historical average for September, majority of which requesting a fog truck or inspection
4. Key West Sweep, 10/6/22 – 10/21/22
  - a. Information from 10/6/22 – 10/12/22:
    - i. Average of 26 inspectors/day
    - ii. Completed 2,767 inspections
    - iii. Completed 390 treatments

## Community Outreach/Education

1. Schools
  - a. Science Night at Sugarloaf School, 11/9/22
2. Community Events/Outreach
  - a. South Florida Aquatic Plant Management Society, 9/27/22
  - b. Public Health Agency of Canada, 11/1/22
  - c. Community Day at College of the Florida Keys, 11/5/22
3. Media
  - a. Weekly Radio, US 1

- b. Oxitec Project, media ongoing
  - i. BPK News Barometer, 9/26/22
- 4. Other
  - a. Search function available on FKMCD app
  - b. Inspector access for rental properties
  - c. Signs for buildings in Marathon and Big Coppitt, ongoing

## Human Resources

- 1. Current Openings
  - a. Field Inspector, Middle Keys: accepting applications
  - b. Surveillance Technician: finalizing job description
  - c. Director of Aerial Operations: currently on hold
- 2. New Hires
  - a. Alberto Ruiz, Lower Keys Field Inspector

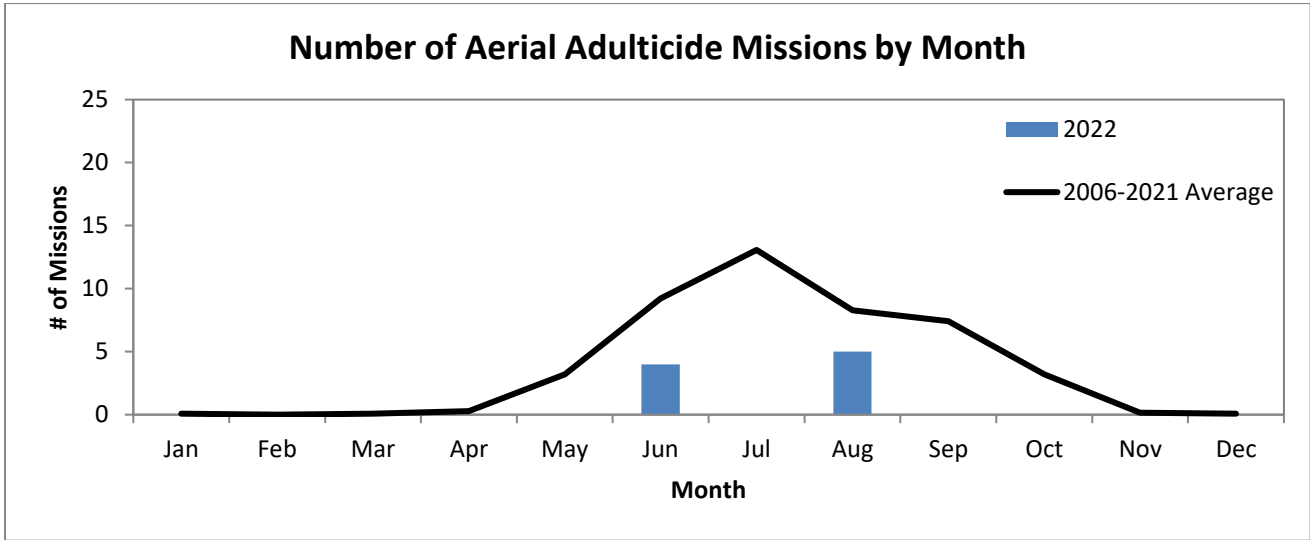
## Other Items

- 1. Travel/Training
  - a. M. Boehmler (Vero Beach, FL): Advanced Identification Training, 10/2/22 – 10/8/22
  - b. R. Lee (San Diego, CA): Safran Users Group Meeting, 10/3/22 – 10/8/22
- 2. Cigna Mid-Year Review: Completed 8/24/22
- 3. Monroe County Emergency Management Coordinating Calls: 9/24/22 – 9/29/22
- 4. FMCA Special District Accountability Working Group Meeting (A. Leal): 10/11/22
- 5. FKMCD-Oxitec Mosquito Project
  - a. September Webinar postponed due to Hurricane Ian
  - b. Next FKMCD-Oxitec Webinar: 10/25/22 @ 5:00pm, Preventing Mosquito-Borne Disease
- 6. Operational Audit Update
  - a. State-mandated
  - b. District initiated
- 7. After Action Items/Future Board Items
  - a. Benefit Utilization Discussion, January 2023
  - b. Audit Committee Charter and Annual Review, September 2023
  - c. Procedure for Audit Committee for Budget and Operations Review, September 2023
  - d. Internal Systems Review/Operational Audit Workshop

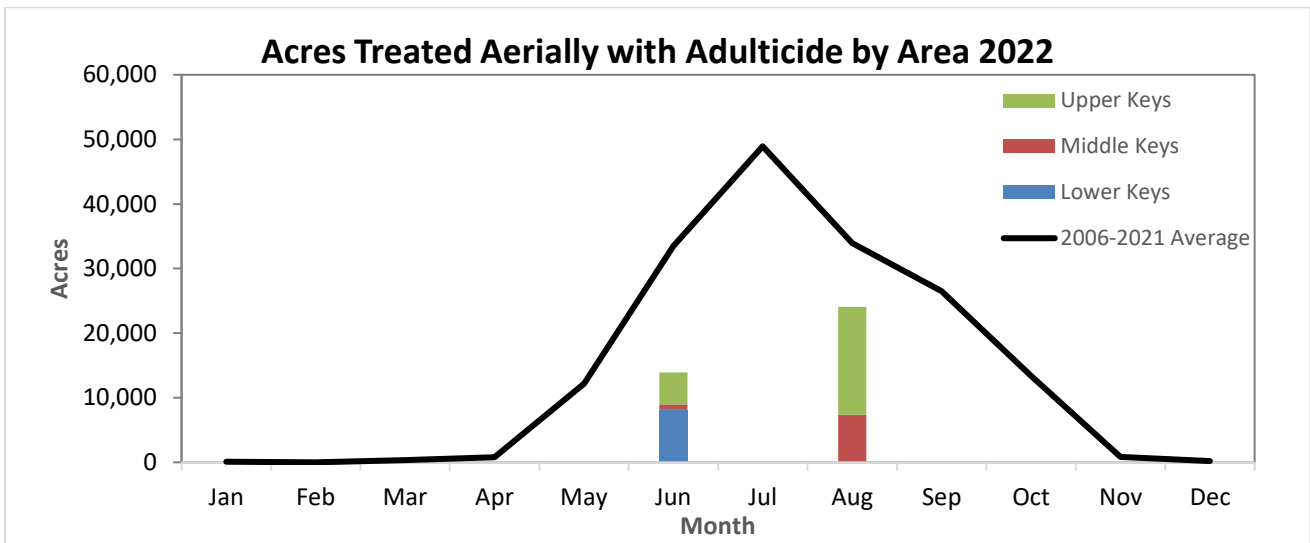
# Florida Keys Mosquito Control Operations Report

(Adjusted through September 30, 2022)

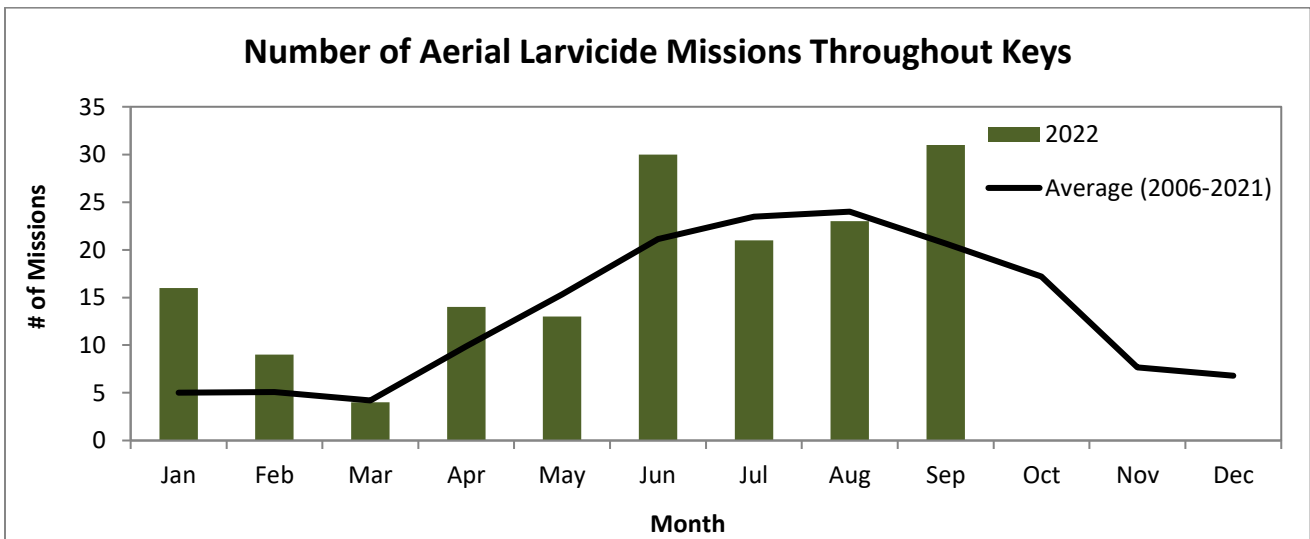
## Aerial Adulticiding Missions in September 2022: 5



## Aerial Adulticiding Acreage in September 2022: 24,091

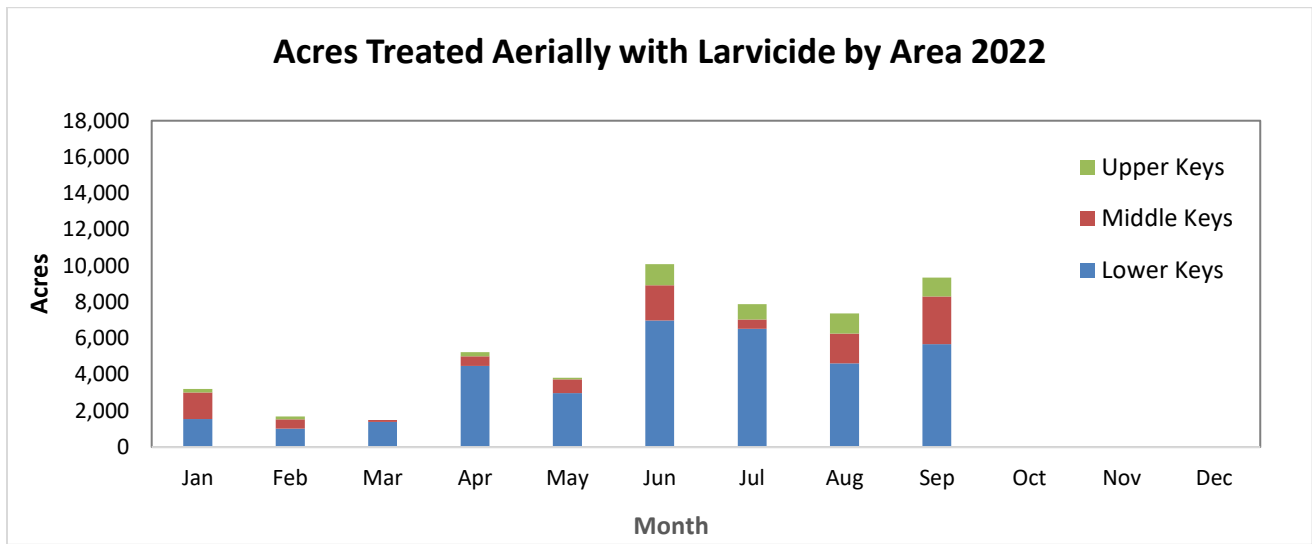
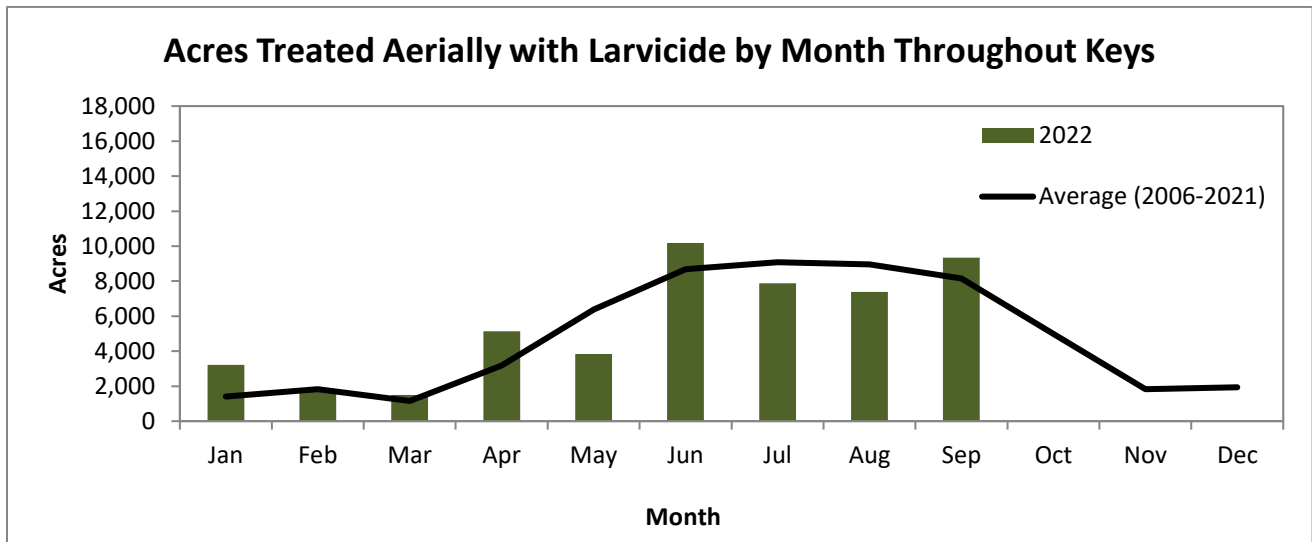


## Aerial Granular Larviciding Missions in September 2022: 31

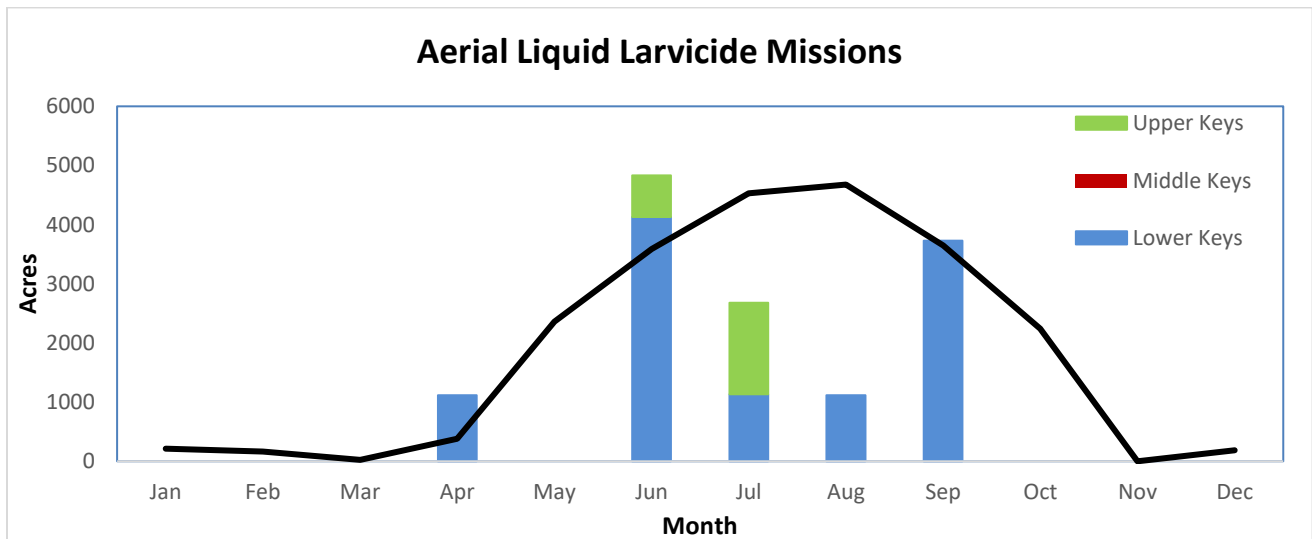




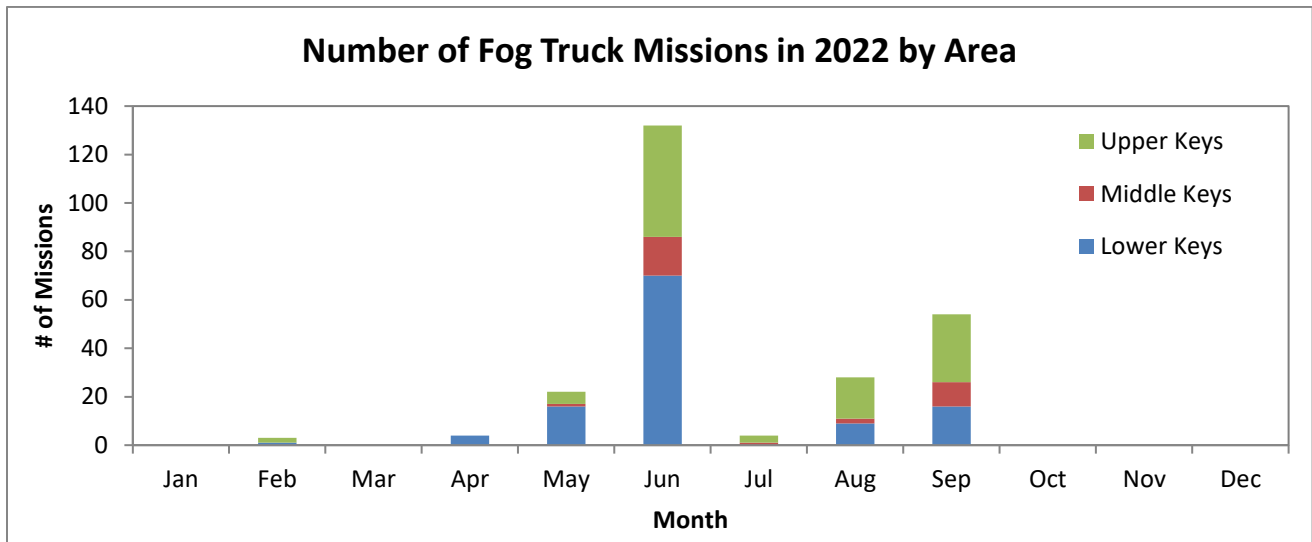
**Aerial Granular Larviciding Acreage in September 2022: 9,347**



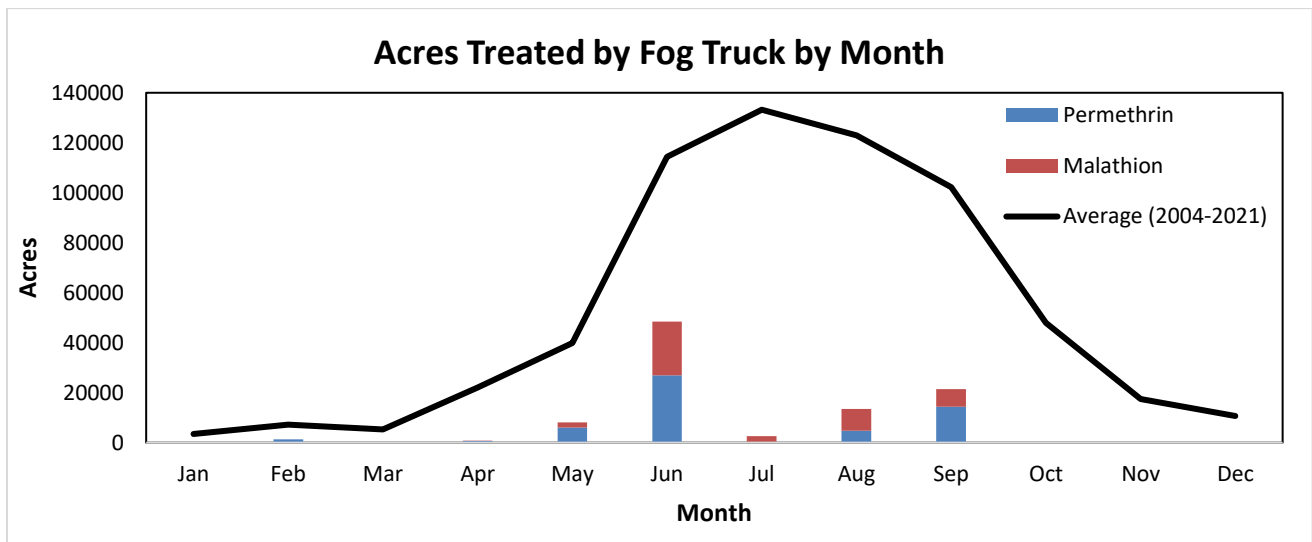
**Number of Aerial Liquid Larviciding Missions in September 2022: 3**



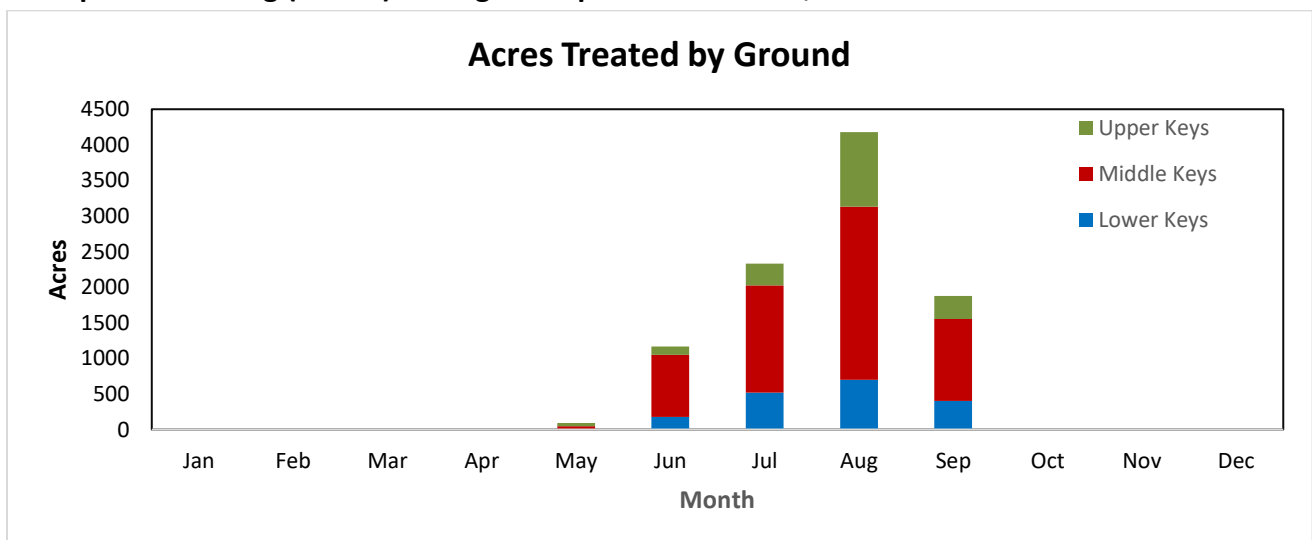
**Ground Adulticiding (Trucks) Missions in September 2022: 54**



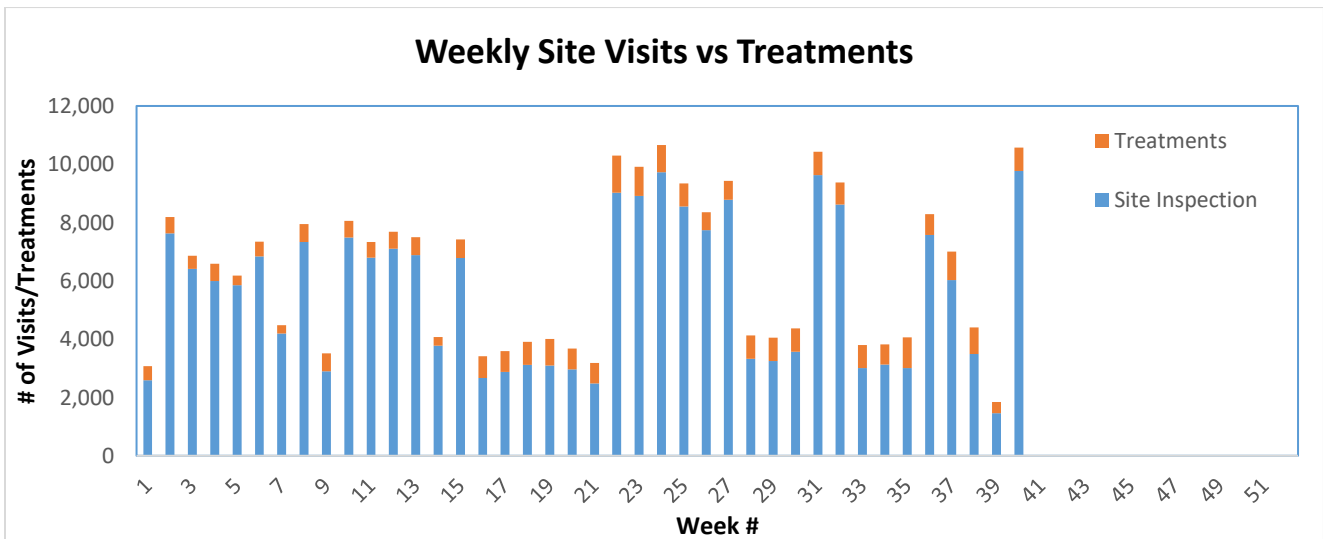
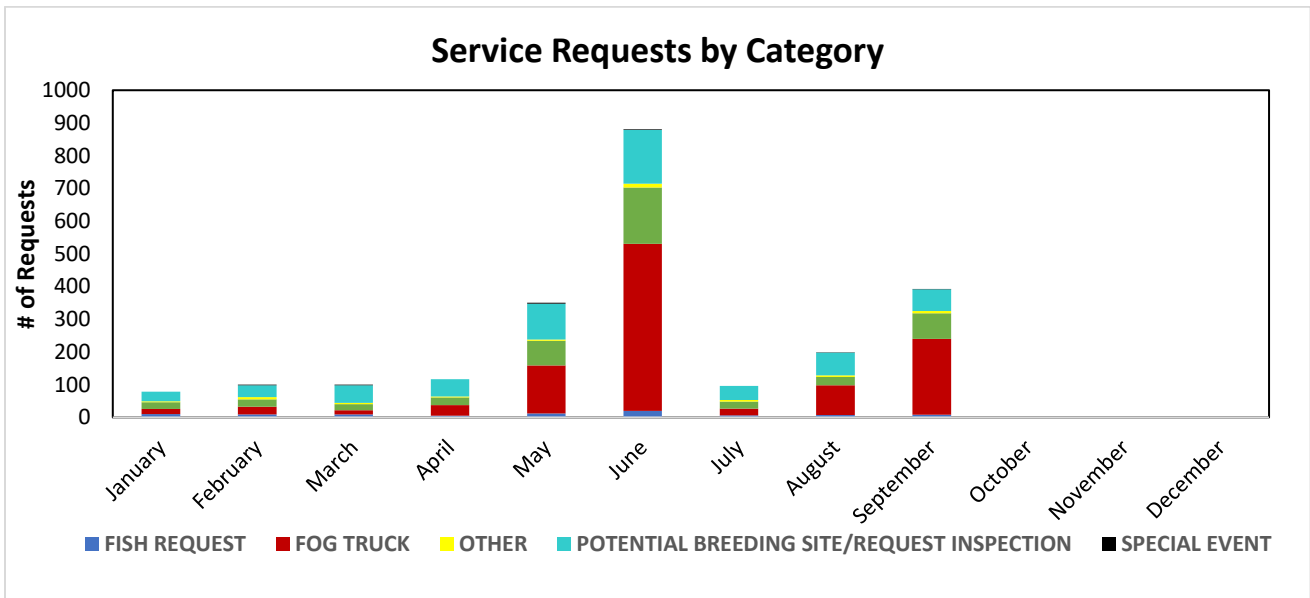
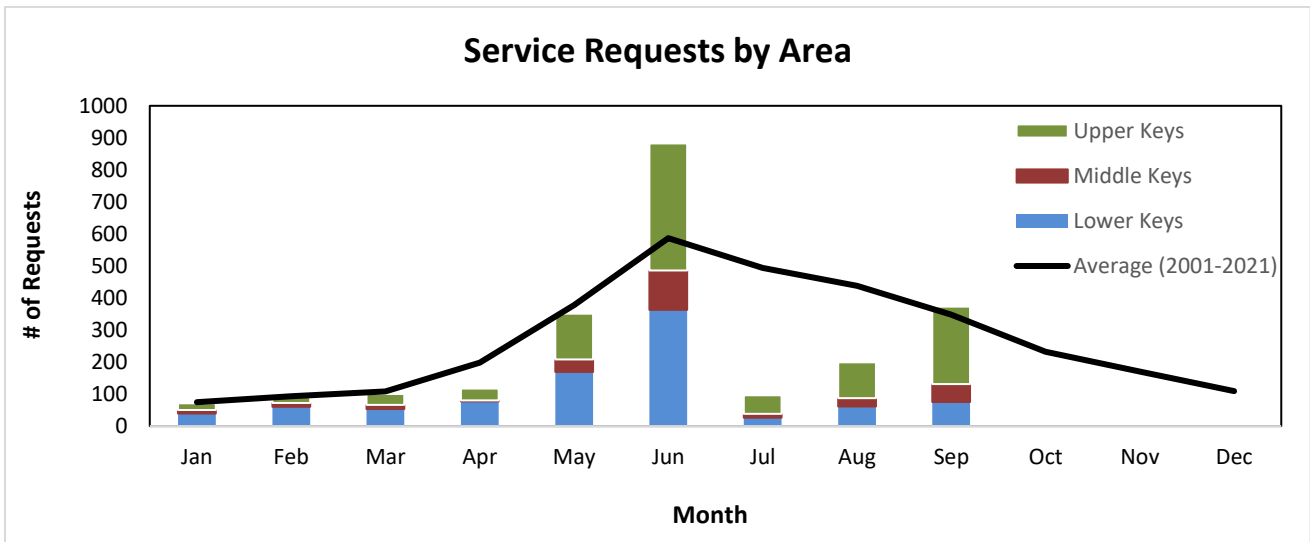
**Ground Adulticiding (Trucks) Acreage in September 2022: 21,365**



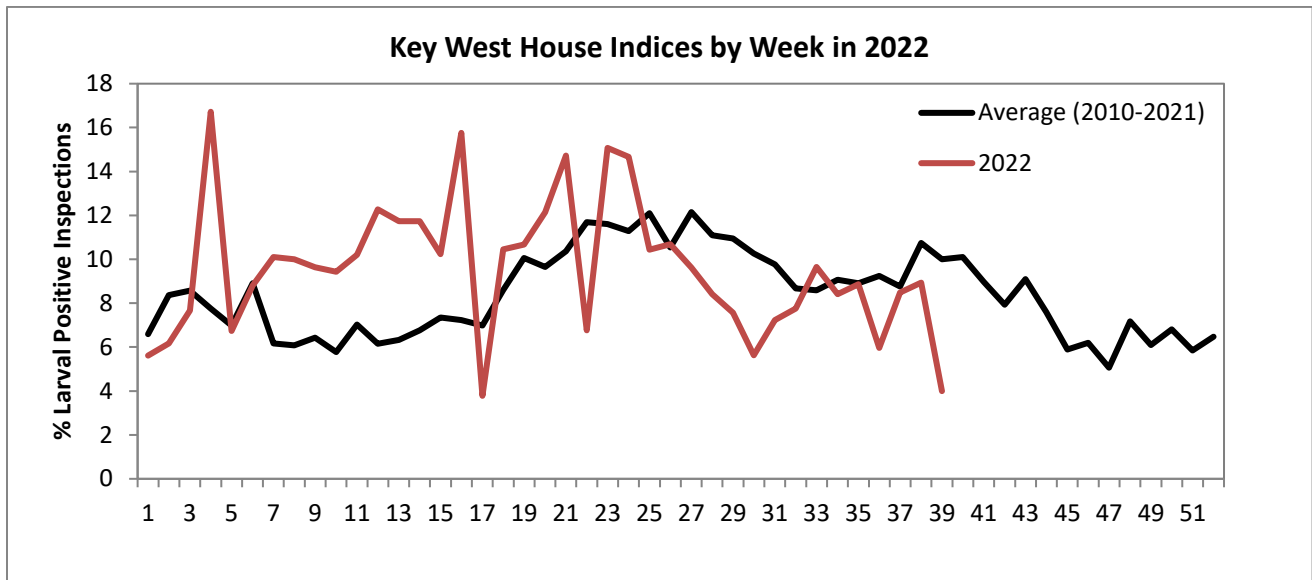
**Ground Liquid Larviciding (Trucks) Acreage in September 2022: 1,154.5**



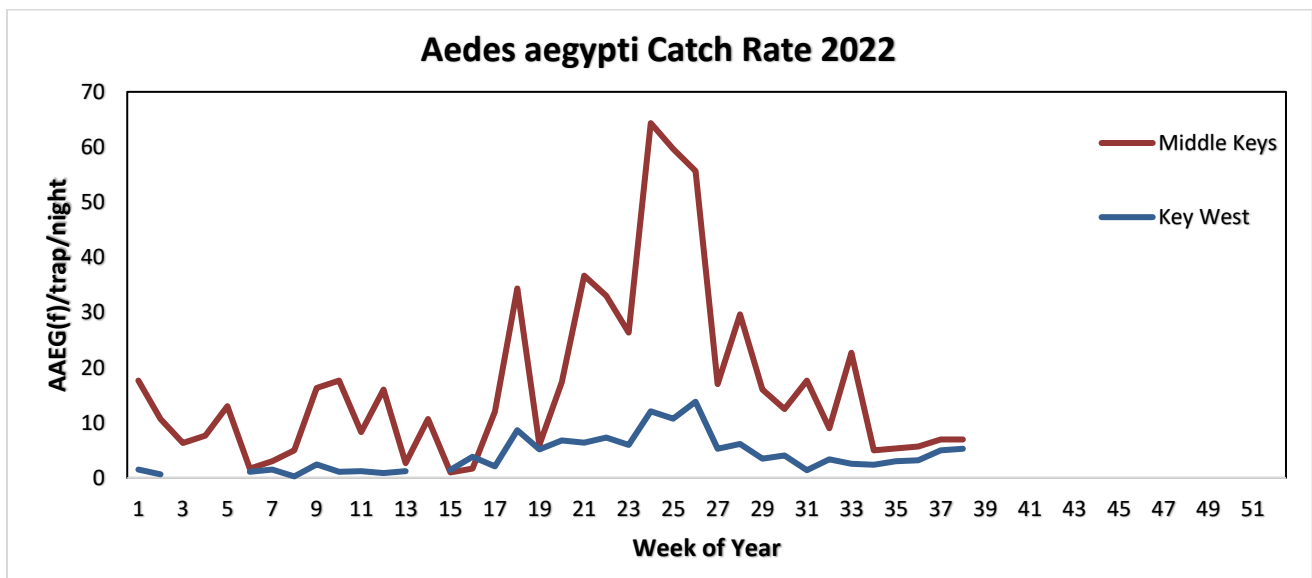
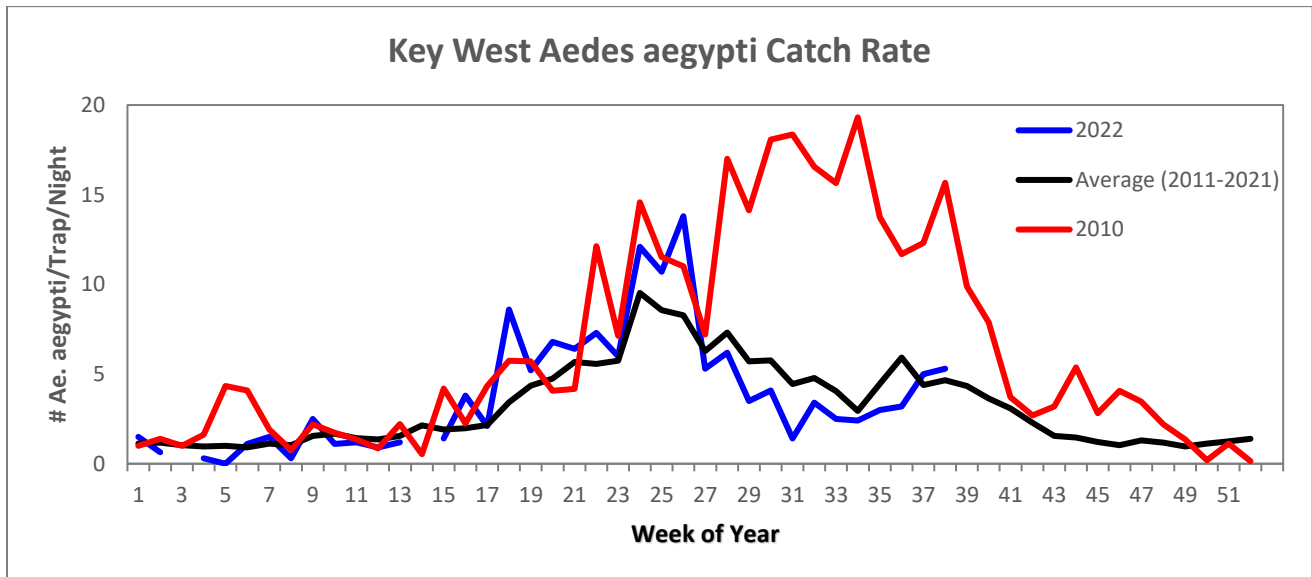
**Total Service Requests for September 2022: 393**



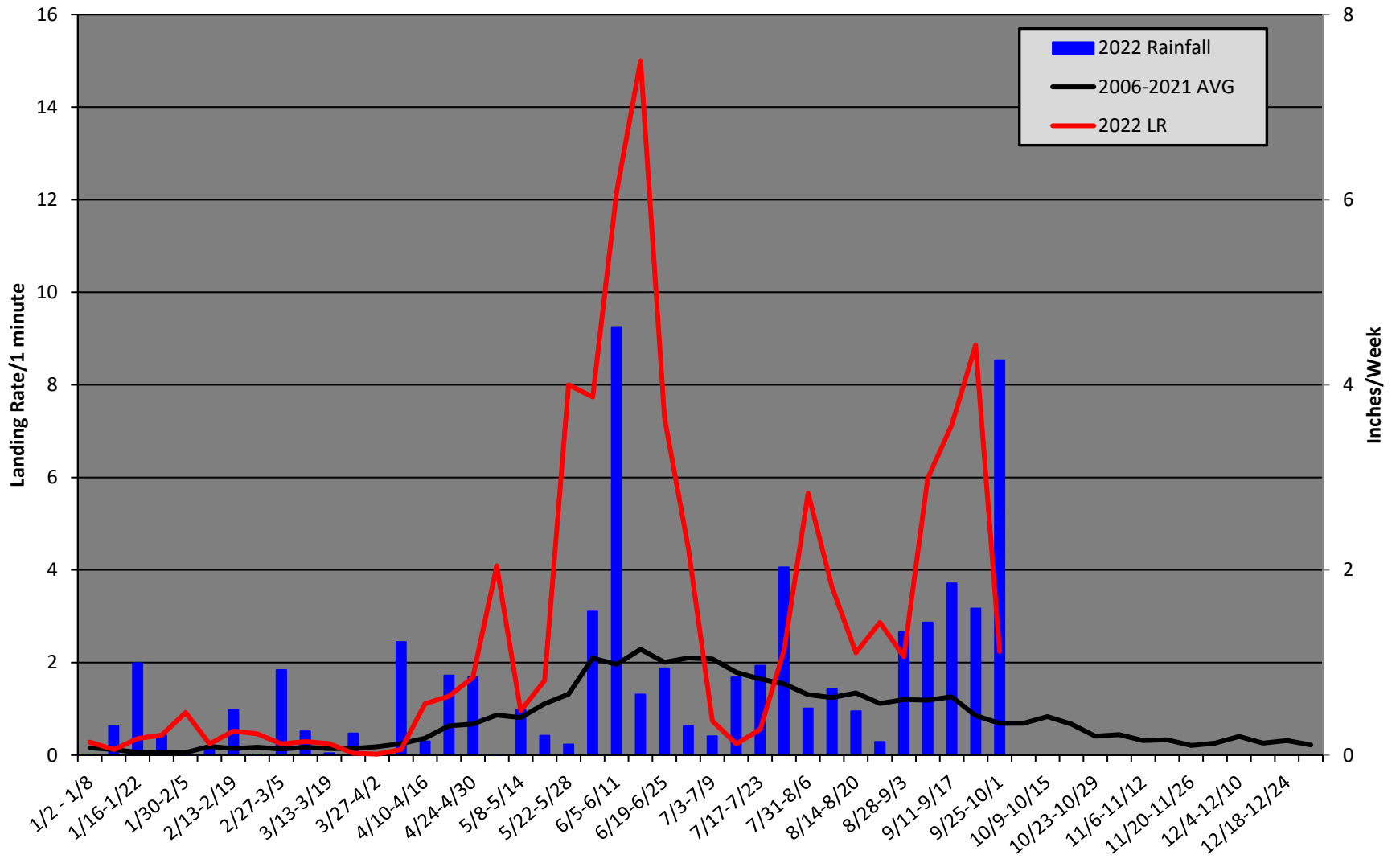
**Key West *Aedes aegypti* Larval Information:**



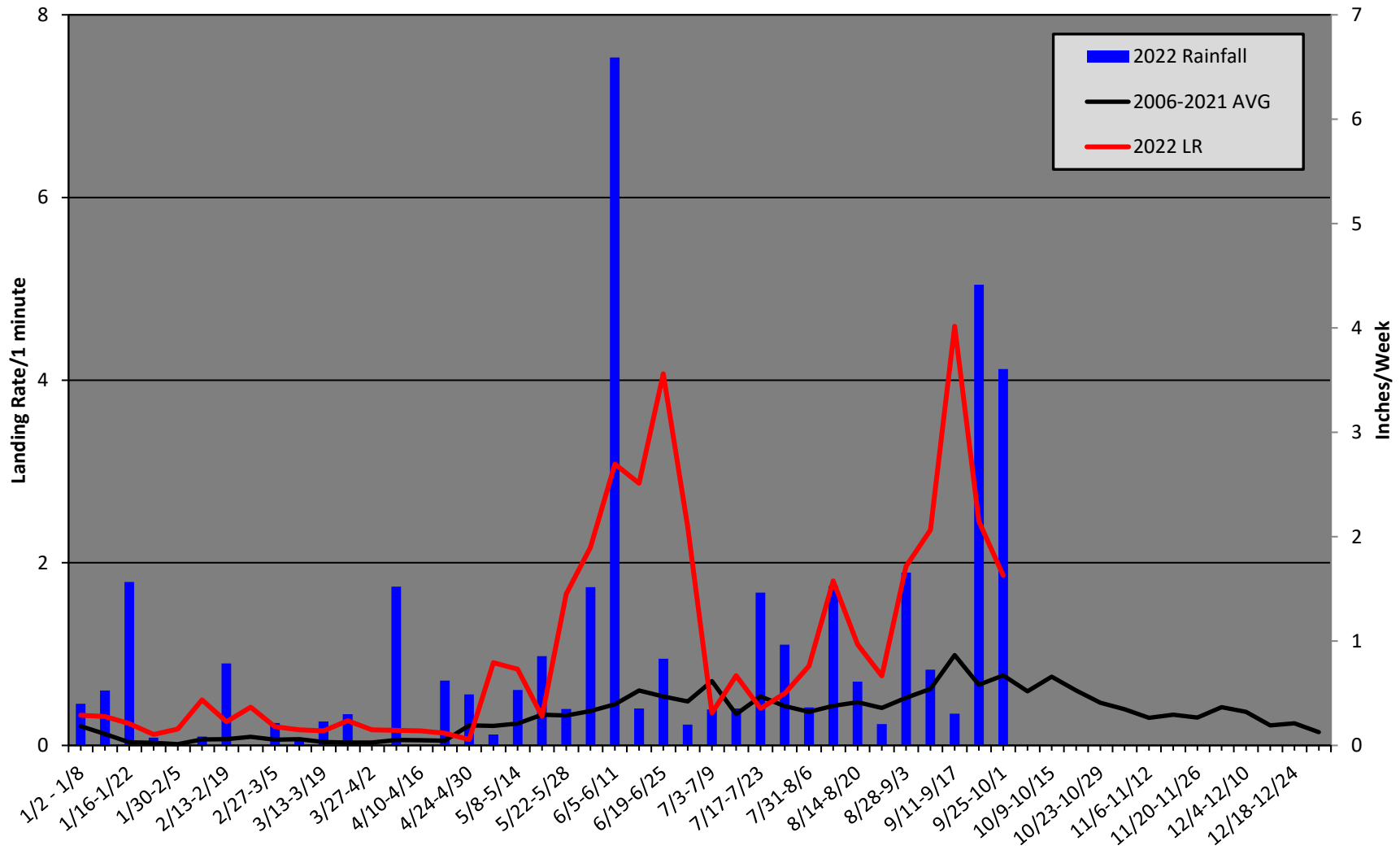
**Adult *Aedes aegypti* Catch Rate Information:**



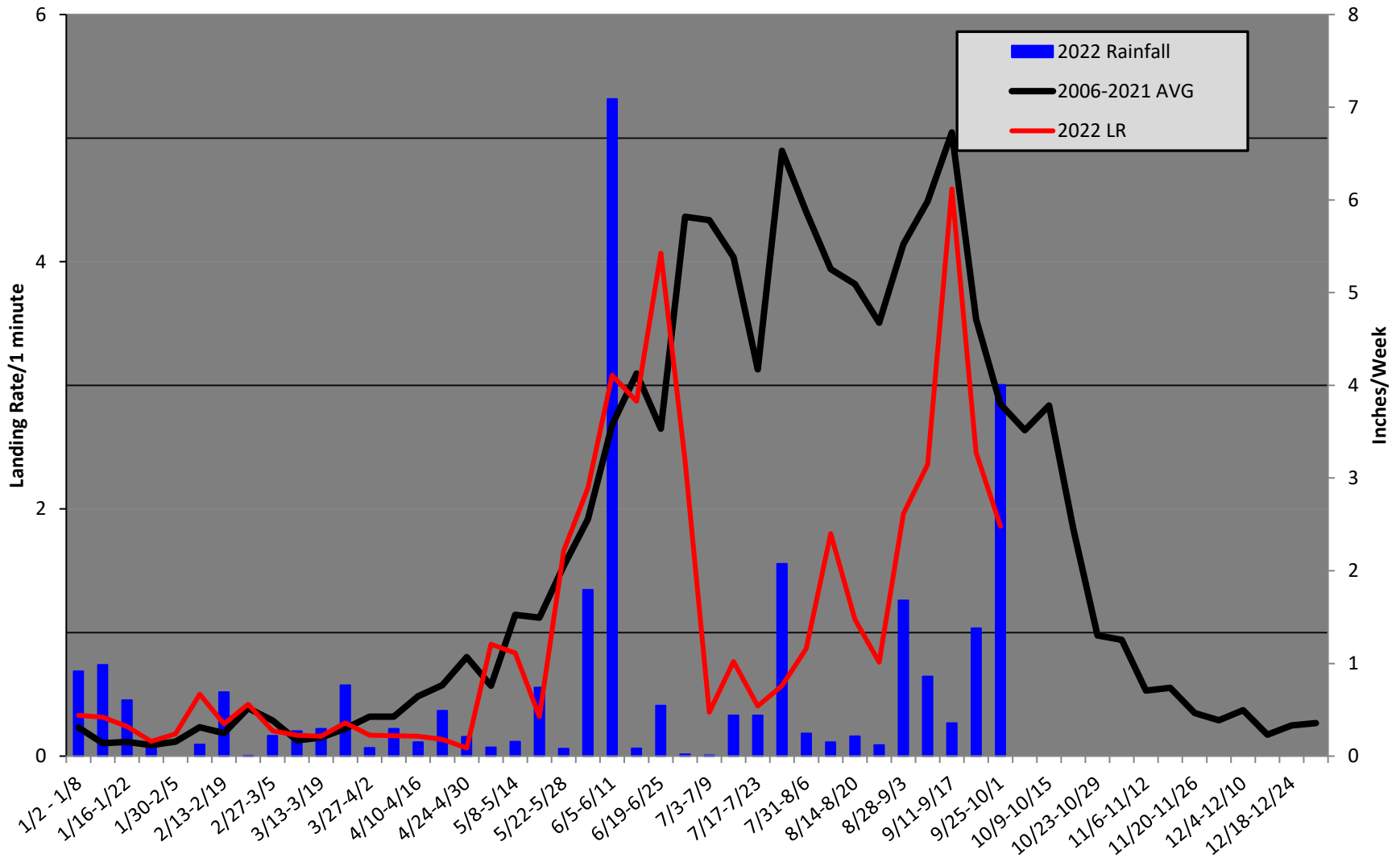
## Lower Keys: Saddlebunch to Bahia Honda Average Landing Rate Counts and Rainfall



## Middle Keys: Vaca Key to Lower Matecumbe Average Landing Rate Counts and Rainfall



## Upper Keys: Upper Matecumbe to Upper Key Largo Average Landing Rate Counts



# *Item 10a*

## Financial Reports

Budget Analysis

District Finances

Cash Disbursements



**FLORIDA KEYS MOSQUITO CONTROL DISTRICT  
MONTHLY BUDGET ANALYSIS  
FISCAL YEAR 2021-2022  
SEPTEMBER 2022**

**STATE FUND**

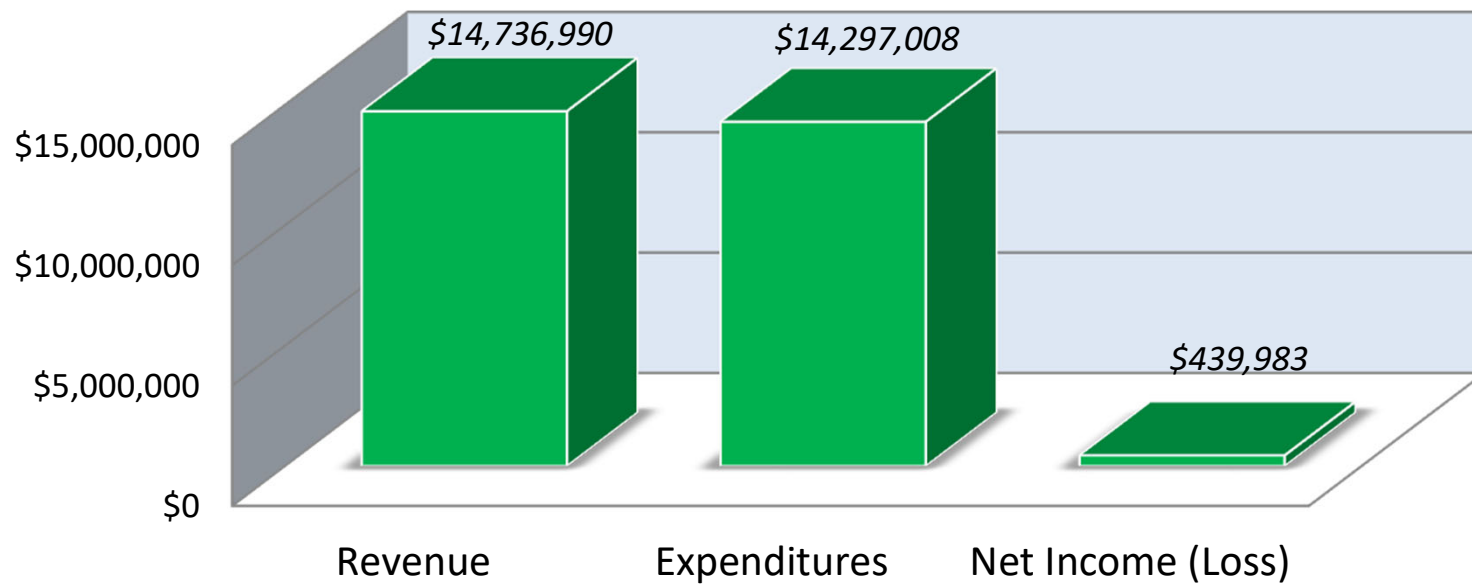
ACCT. NO	ITEM	Annual Budget	Current September Actual	Prior Year Month	Current YTD - Actual	Prior Year YTD Actual	Current Annual: Unexpended	Year on Year Variance
10	Personal Services 11 - 15						0.00	0.00
20	Personal Service Benefits 21 - 25						0.00	0.00
30	Operating Expense 31 - 34						0.00	0.00
40	Travel and Per Diem 40.1 - 40.3	15,000.00			1,915.95	0.00	13,084.05	1,915.95
41	Communication Services						0.00	0.00
42	Freight Services						0.00	0.00
43	Utility Services						0.00	0.00
44	Rentals and Leases						0.00	0.00
45	Insurance						0.00	0.00
46	Repair and Maintenance Service 46.1 - 46.6				0.00	0.00	0.00	0.00
47	Printing/Binding						0.00	0.00
48	Promotional Activities						0.00	0.00
49	Other Current Charges and Obligations						0.00	0.00
51	Office Supplies/Materials						0.00	0.00
52.1	Gas/Oil/Lube						0.00	0.00
52.2	Chemical/Solvents/Additives	1,133,275.23			275,572.50	141,119.20	857,702.73	134,453.30
52.3	Clothing and Wearing Apparel						0.00	0.00
52.4	Miscellaneous Supplies and Incidental						0.00	0.00
52.5	Tools and Small Implements						0.00	0.00
54	Books, Publications, Subscriptions, Memberships						0.00	0.00
55	Training	8,764.00			0.00	2,190.00	8,764.00	(2,190.00)
60	Capital Outlay 61 - 64	194,038.00					194,038.00	0.00
71	Debt Service-Principal							
72	Debt Service-Interest							
89	Contingency (current year)	50,000.00					50,000.00	
99	Payment of Prior Year Accounts							
0.001	Reserves - Future Capital Outlay							
0.002	Reserves - Self Insurance							
0.004	Reserves - Sick and Annual Leave							
	TOTAL:	1,401,077.23	0.00	0.00	277,488.45	143,309.20	1,123,588.78	134,179.25

**FLORIDA KEYS MOSQUITO CONTROL DISTRICT  
MONTHLY BUDGET ANALYSIS  
FISCAL YEAR 2021-2022  
SEPTEMBER 2022**

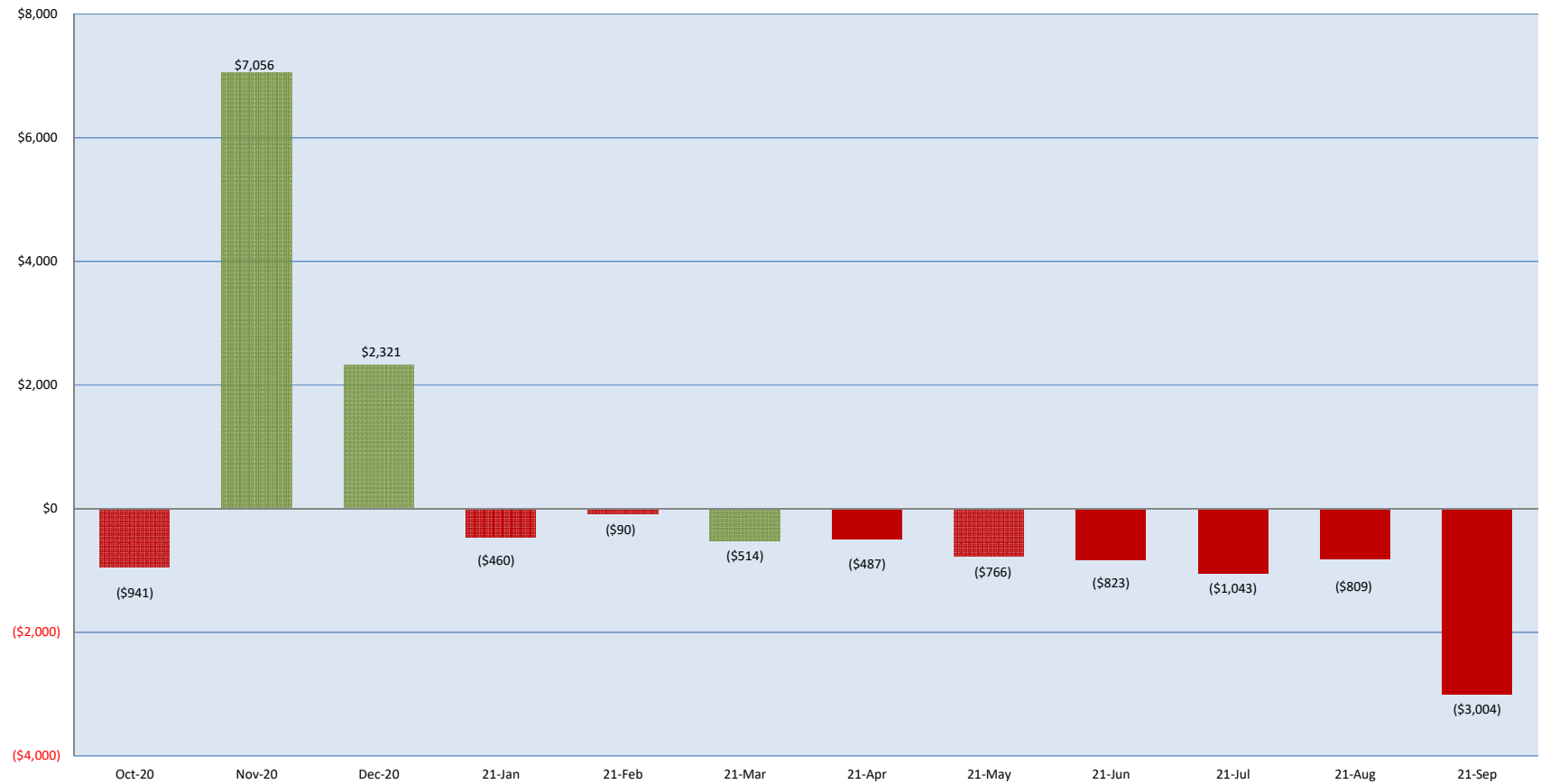
**LOCAL FUND**

ACCT. NO	ITEM	Annual Budget	Current September Actual	Prior Year Month	Current YTD - Actual	Prior Year YTD Actual	Current Annual: Unexpended	Year on Year Variance
10	Personal Services 11 - 15	5,107,273.00	558,099.25	364,021.06	4,993,613.42	4,570,250.54	113,659.58	423,362.88
20	Personal Service Benefits 21 - 25	3,638,882.00	314,019.01	245,528.82	3,214,236.50	3,123,593.46	424,645.50	90,643.04
30	Operating Expense 31 - 34	1,034,039.00	17,271.57	34,822.70	915,758.81	1,378,669.48	118,280.19	(462,910.67)
40	Travel and Per Diem 40.1 - 40.3	95,985.00	3,063.28	2,998.31	74,447.84	16,473.12	21,537.16	57,974.72
41	Communication Services	100,100.00	7,513.32	10,817.63	88,351.24	102,556.32	11,748.76	(14,205.08)
42	Freight Services	20,020.00	1,911.40	2,633.71	16,832.39	14,457.37	3,187.61	2,375.02
43	Utility Services	114,650.00	13,208.88	11,346.21	106,962.04	84,460.43	7,687.96	22,501.61
44	Rentals and Leases	941,243.00	753,834.73	754,167.31	884,124.47	849,816.41	57,118.53	34,308.06
45	Insurance	773,570.00	909,850.13	916,477.25	939,289.83	877,763.25	(165,719.83)	61,526.58
46	Repair and Maintenance Service 46.1 - 46.6	564,556.00	48,498.35	81,457.71	549,514.76	448,656.82	15,041.24	100,857.94
47	Printing/Binding	4,050.00	60.00		4,653.80	1,717.09	(603.80)	2,936.71
48	Promotional Activities	16,500.00	2,132.00	3,440.00	10,811.84	12,393.00	5,688.16	(1,581.16)
49	Other Current Charges and Obligations	511,115.00	630.10	2,652.50	507,882.07	359,908.09	3,232.93	147,973.98
51	Office Supplies/Materials	82,200.00	948.29	15,531.41	46,226.56	51,409.82	35,973.44	(5,183.26)
52.1	Gas/Oil/Lube	328,967.00	45,453.22	30,816.14	275,258.27	197,225.23	53,708.73	78,033.04
52.2	Chemical/Solvents/Additives	910,666.43	283,140.00	182,627.55	1,132,554.35	1,159,968.21	(221,887.92)	(27,413.86)
52.3	Clothing and Wearing Apparel	40,830.00	6,946.61	608.91	37,882.46	28,358.19	2,947.54	9,524.27
52.4	Miscellaneous Supplies and Incidental	170,330.00	12,561.42	12,299.32	124,618.07	83,387.72	45,711.93	41,230.35
52.5	Tools and Small Implements	10,000.00	5,458.01	1,561.04	16,141.41	7,243.80	(6,141.41)	8,897.61
54	Books, Publications, Subscriptions, Memberships	85,310.00	339.09	11,969.68	58,522.82	60,744.36	26,787.18	(2,221.54)
55	Training	92,959.00	910.07	21,997.63	61,919.10	26,809.42	31,039.90	35,109.68
60	Capital Outlay 61 - 64	367,500.00	61,651.00	0.00	237,405.62	110,904.33	130,094.38	126,501.29
71	Debt Service-Principal							
72	Debt Service-Interest							
89	Contingency (current year)	2,500,000.00					2,500,000.00	
99	Payment of Prior Year Accounts							
0.001	Reserves - Future Capital Outlay	2,454,026.00					2,454,026.00	
0.003	Reserves - Cash Bal to Carry Forward							
0.004	Reserves - Sick and Annual Leave	250,000.00					250,000.00	
	<b>TOTAL:</b>	<b>20,214,771.43</b>	<b>3,047,499.73</b>	<b>2,707,774.89</b>	<b>14,297,007.67</b>	<b>13,566,766.46</b>	<b>5,917,763.76</b>	<b>730,241.21</b>

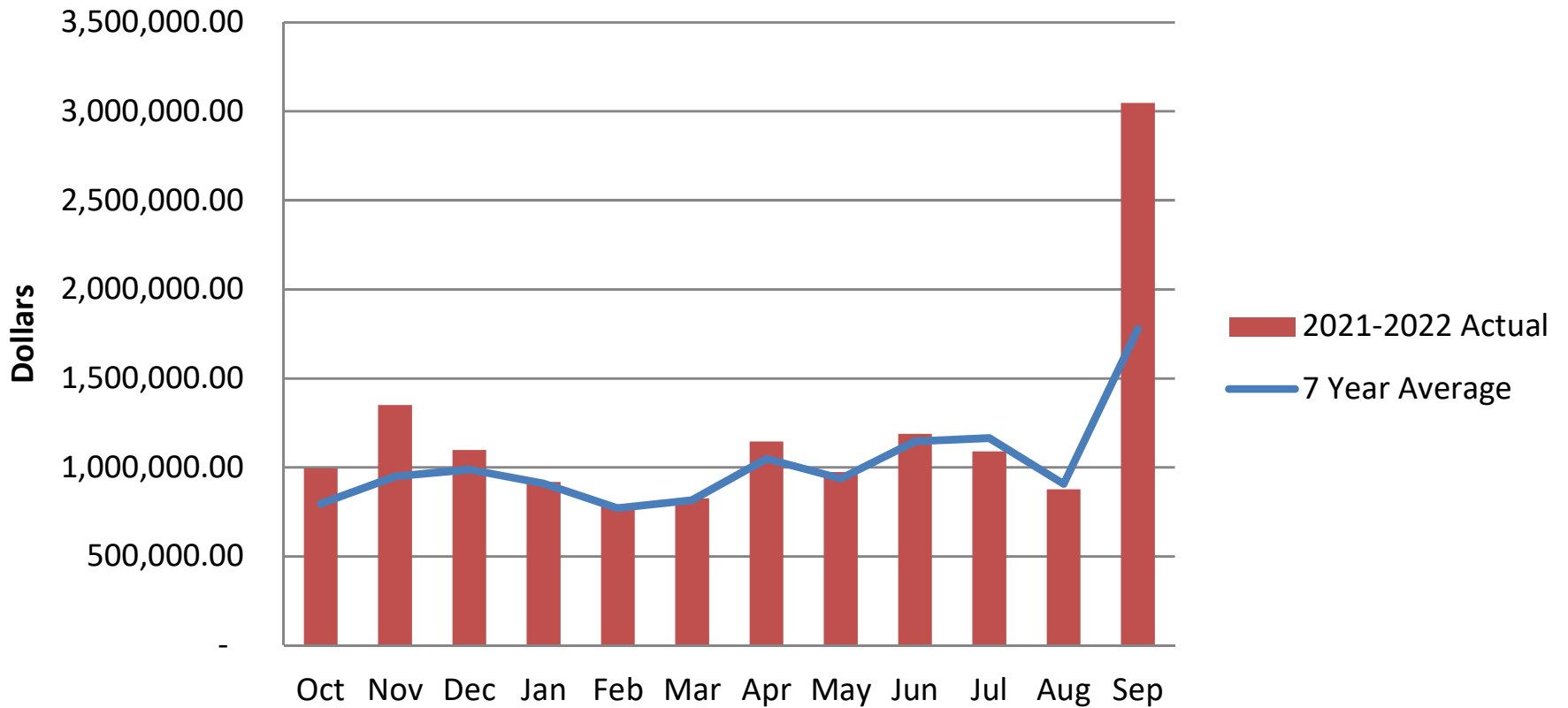
### FKMCD Local FY 2021-2022 YTD Cash Basis Net Income (Loss) through September 2022



**FKMCD Local Funds FY 2021-2022 Cash Basis Monthly Net Income (Loss) through  
Septmeber 2022  
(Thousands of Dollars)**



## Expenditure of Local Funds 2021-2022 Actual vs. Average of Last 7 Years



**LOCAL ACCOUNT FUNDS**

CHECKING - OPERATING

Checking Account balance on September 30, 2022:	\$ 5,883,465.44	
Plus October 2022 deposits to date:	<u>7,338.11</u>	
Total Operating Checking Account funds available:		\$ 5,890,803.55
Less funds transferred from Operating to Payroll:	0.00	
Less funds transferred from Operating to Health:		
Less October 2022 expenditures to date:	<u>(247,360.41)</u>	
Total Operating Checking Account funds expended/transferred to date:		<u>(247,360.41)</u>
Balance in Local Checking Account at present:		<u><u>\$ 5,643,443.14</u></u>

CHECKING - PAYROLL

Checking Account balance on September 30, 2022:	\$ <u>5.13</u>	
Plus funds transferred from Operating Checking to Payroll Checking:	<u>0.00</u>	
Total Payroll Checking Account funds available:		\$ 5.13
Total Net Payroll Checking expenditures to date:		<u>0.00</u>
Balance in Local Payroll Checking Account at present:		<u><u>\$ 5.13</u></u>

HEALTH INSURANCE CLAIMS FUND ACCOUNT

Checking Account balance on September 30, 2022:	\$ 16.57	
Plus funds transferred from Operating Checking to Health Checking:	<u>0.00</u>	
Total Health Checking Account funds available:		\$ 16.57
Total Net Health Checking expenditures to date:		<u>0.00</u>
Balance in Local Health Checking Account at present:		<u><u>\$ 16.57</u></u>
Plus FSA Account		<u><u>38,677.24</u></u>
Total Local Funds:		<u><u>\$ 5,682,142.08</u></u>

**STATE I ACCOUNT FUNDS**

CHECKING - OPERATING

September 30, 2022:	\$ <u>220,636.09</u>	
Plus October 2022 deposits to date:	<u>0.00</u>	
Total Checking Account funds available:	0.00	\$ 220,636.09
Less funds transferred to Operating Checking:		
Less October 2022 expenditures to date:	\$ <u>0.00</u>	
Total State I Checking Account funds expended/transferred to date:		<u>0.00</u>
Balance in State I Checking Account at present:		<u><u>\$ 220,636.09</u></u>

**CASH DISBURSEMENTS  
FLORIDA KEYS MOSQUITO CONTROL DISTRICT**

Honorable Board of Commissioners  
Florida Keys Mosquito Control District  
Key West, Florida 33040

Commissioners:

I herewith tender to you Cash Disbursements September 1, 2022 to September 30, 2022:

Check No.	Payment Date	Remit To	Payment Amt.
ACH	9/2/2022	Florida State Disbursement Unit (Garnishments)	411.78
ACH	9/2/2022	Florida State Disbursement Unit (Garnishments)	278.42
ACH	9/2/2022	Florida State Disbursement Unit (Garnishments)	209.19
ACH	9/2/2022	EFTPS	46,328.23
ACH	9/2/2022	Empower Retirement (Payroll Deductions)	7,180.83
ACH	9/2/2022	Florida Division of Retirement	62,895.31
ACH	9/2/2022	Centennial Bank (Payroll)	129,316.65
ACH	9/2/2022	Centennial Bank	1,463.52
ACH	9/2/2022	EFTPS	242.46
ACH	9/16/2022	Empower Retirement (Payroll Deductions)	5,680.83
ACH	9/16/2022	Florida State Disbursement Unit (Garnishments)	278.42
ACH	9/16/2022	Florida State Disbursement Unit (Garnishments)	209.19
ACH	9/16/2022	Florida State Disbursement Unit (Garnishments)	411.78
ACH	9/16/2022	EFTPS	47,905.35
ACH	9/19/2022	CIGNA Healthcare	67,029.16
ACH	9/20/2022	EFTPS	449.65
ACH	9/20/2022	Centennial Bank	2,427.84
ACH	9/16/2022	Centennial Bank	133,679.62
ACH	9/20/2022	Centennial Bank	698.00
ACH	9/20/2022	Centennial Bank	496.49
ACH	9/20/2022	Centennial Bank	2,115.02
ACH	9/20/2022	Centennial Bank	1,906.78
ACH	9/20/2022	Centennial Bank	2,829.98
ACH	9/30/2022	Centennial Bank	640.50
ACH	9/30/2022	Florida State Disbursement Unit (Garnishments)	209.19
ACH	9/30/2022	Florida State Disbursement Unit (Garnishments)	411.78
ACH	9/30/2022	Florida State Disbursement Unit (Garnishments)	278.42
ACH	9/30/2022	Empower Retirement (Payroll Deductions)	5,680.83
ACH	9/30/2022	EFTPS	46,063.26
ACH	9/30/2022	Centennial Bank	129,230.41
117750	9/2/2022	Adapco, Inc.	100,850.00
117751	9/2/2022	Aflac (Payroll Deductions)	44.20
117752	9/2/2022	Airgas USA, LLC	1,860.00
117753	9/2/2022	Allen, Norton & Blue, P.A.	82.50
117754	9/2/2022	Amazon Capital Services	2,157.51
117755	9/2/2022	AMSOIL INC	1,704.07
117756	9/2/2022	BASIC Benefits (ACA Filing Fee)	532.00

**LOCAL ACCOUNT CONTINUED**

117757	9/2/2022	Boeing Distribution, Inc.	327.58
117758	9/2/2022	Michael Burton, D.O. (Drug Screen)	50.00
117759	9/2/2022	Clarke Mosquito Control Products	998.95
117760	9/2/2022	John Cook (Per Diem/Travel Reimbursement 8/17-30/2022)	30.00
117761	9/2/2022	Colonial Life Insurance (Payroll Deductions)	63.24
117762	9/2/2022	Daniel Collins (Software Support)	2,400.00
117763	9/2/2022	Danilo Diaz Perez (Per Diem/Travel Reimbursement 8/5-23/2022)	75.00
117764	9/2/2022	DSLX.NET	3,275.00
117765	9/2/2022	ES OPCO USA LLC	2,137.50
117766	9/2/2022	Florida Keys Aqueduct Authority	297.42
117767	9/2/2022	Florida Keys Electric Coop Assn Inc	1,049.02
117768	9/2/2022	Forestry Suppliers, Inc.	262.31
117769	9/2/2022	Gary The Carpenter Construction Inc.	1,899.25
117770	9/2/2022	Keys Energy Services	1,472.72
117771	9/2/2022	KLI Shell Lumber & Hardware Headquarters	106.92
117772	9/2/2022	Local Awards & Engraving	59.00
117773	9/2/2022	Level 4 Telcom	481.10
117774	9/2/2022	Marie's Cleaning	920.00
117775	9/2/2022	Advanced Urgent Care	55.00
117776	9/2/2022	Publix Super Markets, Inc.	270.00
117777	9/2/2022	Steven Rutherford (Reimbursement for Supplies, CDL & Work Boots)	332.18
117778	9/2/2022	Robert Svoboda (Per Diem/Travel Reimbursement 8/26/2022)	15.00
117779	9/2/2022	UniFirst Corporation	1,617.78
117780	9/2/2022	United Way of the Florida Keys (Payroll Deductions)	23.00
117781	9/2/2022	Verizon Wireless	3,757.22
117782	9/2/2022	Vernis & Bowling of the Florida	1,650.00
117783	9/2/2022	Waste Management of Florida Keys	370.93
117784	9/7/2022	APG Media	134.10
117785	9/7/2022	Beckmann's Auto Parts	923.56
117786	9/7/2022	Forestry Suppliers, Inc.	123.63
117787	9/7/2022	Home Depot Credit Services	830.51
117788	9/7/2022	VOID	0.00
117789	9/7/2022	Keys Auto Supply	1,476.34
117790	9/7/2022	Key West Auto Parts	303.15
117791	9/7/2022	The N2 Company	190.00
117792	9/7/2022	Catherine Pruszynski (Reimbursement - Education Assistance)	518.58
117793	9/7/2022	Pure Health Solutions Inc.	239.70
117794	9/7/2022	Steven Rutherford (Per Diem/Travel Reimbursement 8/5-9/1/2022)	130.00
117795	9/7/2022	Staples Business Credit	282.34
117796	9/7/2022	Sunshine Gasoline Distributors, Inc.	9,847.57
117797	9/7/2022	Fisher Scientific	86.22
117798	9/7/2022	Southeastern Grocer LLC.	369.30
117799	9/12/2022	Boat Services Group	9,252.00
117800	9/12/2022	Jill Cranney-Black (Per Diem/Travel Reimbursement Bd Mtg 9/13/2022)	77.33
117801	9/12/2022	Phillip L. Goodman (Per Diem/Travel Reimbursement Bd Mtg 9/13/2022)	54.51
117802	9/12/2022	Thomas R. McDonald (Per Diem/Travel Reimbursement Bd Mtg 9/13/2022)	68.67
117803	9/12/2022	Brandon Pinder (Per Diem/Travel Reimbursement Bd Mtg 9/13/2022)	79.20



**LOCAL ACCOUNT CONTINUED**

117804	9/12/2022	Stanley Zuba (Per Diem/Travel Reimbursement Bd Mtg 9/13/2022)	64.23
117805	9/19/2022	Advance Auto Parts	96.89
117806	9/19/2022	Adapco, Inc.	175,190.00
117807	9/19/2022	AG-NAV, Inc	11,707.50
117808	9/19/2022	Amazon Capital Services	1,376.06
117809	9/19/2022	BASIC Benefits (Cobra Admin Fee)	62.48
117810	9/19/2022	Campbell Oil Co Inc.	9,506.65
117811	9/19/2022	Clarke Mosquito Control Products	613.16
117812	9/19/2022	CompassCom	4,765.20
117813	9/19/2022	John Cook (Per Diem/Travel Reimbursement 9/1-13/2022)	45.00
117814	9/19/2022	Danilo Diaz Perez (Per Diem/Travel Reimbursement 8/30-9/11/2022)	85.00
117815	9/19/2022	Enterprise FM Trust	8,573.65
117816	9/19/2022	Federal Express	747.41
117817	9/19/2022	Florida Keys Air Conditioning	2,636.69
117818	9/19/2022	Florida Keys Aqueduct Authority	36.95
117819	9/19/2022	Florida Keys Media, LLC	862.00
117820	9/19/2022	Frontier Precision, Inc	3,750.00
117821	9/19/2022	Genset Services, Inc	248.00
117822	9/19/2022	HemoStat Laboratories	34.75
117823	9/19/2022	John W. Hock Company	864.81
117824	9/19/2022	Keys Automotive Sales & Service	1,173.92
117825	9/19/2022	Keys Media Company, Inc	1,080.00
117826	9/19/2022	Keys Sanitary Service (RCR0208)	182.23
117827	9/19/2022	Lane Aviation, Inc.	5,028.83
117828	9/19/2022	Tom Loftus (Per Diem/Travel Reimbursement 8/17-9/13/2022)	75.00
117829	9/19/2022	Lower Keys Chamber of Commerce	130.00
117830	9/19/2022	Marathon Garbage Service, Inc.	753.23
117831	9/19/2022	PPLSI (Payroll Deductions)	372.66
117832	9/19/2022	Publix Super Markets, Inc.	724.60
117833	9/19/2022	Ramona's	140.00
117834	9/19/2022	Safran Helicopter Engines USA, Inc.	6,208.99
117835	9/19/2022	Specialty Hardware Supply, Inc.	126.24
117836	9/19/2022	United Way of the Florida Keys (Payroll Deductions)	23.00
117837	9/19/2022	Xerox Corporation	962.83
117838	9/20/2022	Jonathan Sullivan (Reimbursement for Work Boots)	150.00
117839	9/20/2022	Jill Cranney-Black (Per Diem/Travel Reimbursement Bd Mtg 9/20/2022)	77.33
117840	9/20/2022	Phillip L. Goodman (Per Diem/Travel Reimbursement Bd Mtg 9/20/2022)	54.51
117841	9/20/2022	Stanley Zuba (Per Diem/Travel Reimbursement Bd Mtg 9/20/2022)	64.23
117842	9/21/2022	Amazon Capital Services	483.27
117843	9/21/2022	Florida Keys Aqueduct Authority	745.98
117844	9/21/2022	Florida Keys Electric Coop Assn Inc	5,827.91
117845	9/21/2022	Standard Insurance Co. (Life Insurance Premiums)	4,026.42
117846	9/21/2022	Wex Bank	145.35
117847	9/21/2022	Wex Bank	354.00
117848	9/21/2022	Brandon Pinder (Reissued Lost Check 116414 from 9/2021)	76.67
117849	9/21/2022	Brandon Pinder (Reissued Lost Check 116619 from 11/2021)	76.67
117850	9/21/2022	APG Media (Reissued Lost Check 117556 from 7/2022)	447.00

**LOCAL ACCOUNT CONTINUED**

117851	9/30/2022	ABA-CON	1,946.38
117852	9/30/2022	Adapco, Inc.	41,760.00
117853	9/30/2022	Aflac (Payroll Deductions)	44.20
117854	9/30/2022	Aflac (Payroll Deductions)	2,157.24
117855	9/30/2022	Airbus Helicopters, Inc	5,294.97
117856	9/30/2022	Airgas USA, LLC	5,749.00
117857	9/30/2022	Airgas USA, LLC	2,141.25
117858	9/30/2022	Amazon Capital Services	2,054.97
117859	9/30/2022	AutoZone, Inc.	933.59
117860	9/30/2022	Banc of America Leasing	744,058.55
117861	9/30/2022	Michael Burton, D.O. (Drug Screen)	50.00
117862	9/30/2022	Campbell Oil Co Inc.	13,161.51
117863	9/30/2022	Carolina GSE Inc.	16,789.00
117864	9/30/2022	Colonial Life Insurance (Payroll Deductions)	94.86
117865	9/30/2022	Curry & Sons Printing	60.00
117866	9/30/2022	Danilo Diaz Perez (Per Diem/Travel Reimbursement 9/13-23/2022)	95.00
117867	9/30/2022	Federal Express	103.37
117868	9/30/2022	Florida Keys Air Conditioning	156.28
117869	9/30/2022	Florida Keys Electric Coop Assn Inc	960.25
117870	9/30/2022	Focus USA Technologies Inc. (Microscope Maintenance)	2,125.00
117871	9/30/2022	Island Tire	640.00
117872	9/30/2022	Keys Energy Services	1,472.72
117873	9/30/2022	Key West Insurance, Inc.	465,499.37
117874	9/30/2022	KLD Labs Measurement Technologies	1,339.00
117875	9/30/2022	Minitab LLC	630.00
117876	9/30/2022	Monroe County Solid Waste	39.52
117877	9/30/2022	Publix Super Markets, Inc.	784.63
117878	9/30/2022	Ramona's	2,561.00
117879	9/30/2022	Southeastern Grocer LLC.	302.28
117880	9/30/2022	Sunshine Gasoline Distributors, Inc.	8,689.89
117881	9/30/2022	World Insurance Associates LLC	444,350.76
117882	9/30/2022	United Way of the Florida Keys (Payroll Deductions)	18.00
117883	9/30/2022	Wex Bank	1,858.50
		Transfer - Healthcare	151,106.13
<b>Total Local Account Cash Disbursements</b>			<b>3,022,976.52</b>

Respectfully Submitted,



Bruce Holden, Finance Director/Comptroller  
Florida Keys Mosquito Control District

# *Item 10b*

## Vernis & Bowling Proposed Contract Addendum 2022-2023

# VERNIS & BOWLING

ATTORNEYS AT LAW • EST. 1970

81990 Overseas Hwy. 3<sup>rd</sup> Flr. Islamorada, Florida 33036 • Telephone: 305-664-4675 • Facsimile: 305-664-5414

September 29, 2022

**VIA ELECTRONIC MAIL**

Florida Keys Mosquito Control District  
c/o Chairman Phil Goodman  
[pgoodman@keysmosquito.org](mailto:pgoodman@keysmosquito.org)

**RE: Florida Keys Mosquito Control District (the “District”)  
Legal Services Contract**

Dear Chairman Goodman,

Our firm’s current agreement with the District expires on November 17, 2023. The agreement provides that the hourly rates and retainer in Section three (3) may be renegotiated after one (1) year and is subject to budget review. We have prepared a Contract Addendum, attached hereto. The changes requested are: a \$20.00 increase in our attorneys’ hourly rates, a \$10.00 increase in our paralegals’ hourly rate and a \$500.00 increase in our monthly retainer.

We continuously strive to provide top quality representation at reasonable costs. As you know retention of high-quality personnel is tough, and more so here in the Florida Keys. We hope this increase is acceptable. We are requesting identical increases for all of our governmental clients.

It is our pleasure and privilege to represent the District. Thank you for your continued support.

Sincerely,

**/s/ Dirk M. Smits**  
Dirk M. Smits, Esq.  
*For the Firm*

cc: Executive Director, Andrea Leal

DELAND, FL  
FORT MYERS, FL  
HOLLYWOOD, FL  
ISLAMORADA, FL

JACKSONVILLE, FL  
MELBOURNE, FL  
MIAMI, FL  
NORTH PALM BEACH, FL

PENSACOLA, FL  
ST. PETERSBURG, FL  
TAMPA, FL  
BIRMINGHAM, AL  
MOBILE, AL

ATLANTA, GA  
GULFPORT, MS  
FLOWOOD, MS  
CHARLOTTE, NC  
COLUMBIA, SC

# **FLORIDA KEYS MOSQUITO CONTROL DISTRICT**

## **CONTRACT ADDENDUM**

This Contract Addendum entered into this \_\_\_\_ day of \_\_\_\_\_ 2022, with an *effective date of November 17, 2022* between **DIRK M. SMITS, ESQUIRE**, Individually and **VERNIS & BOWLING OF THE FLORIDA KEYS, P.A.**, a law firm operating under the laws of the State of Florida, whose principal place of business is located at 81990 Overseas Hwy., 3<sup>rd</sup> Floor, Islamorada, FL 33036 (herein called “The Firm”) and the **FLORIDA KEYS MOSQUITO CONTROL DISTRICT** (herein called “FKMCD”).

1. The Firm and FKMCD entered into a Contract for Legal Services on November 10, 2020 (the “Original Contract”). The Firm and FKMCD renewed their Original Contract on November 17, 2021 (the “Renewed Contract”). Section One (1) of the Renewed Contract states, “Section three (3) may be renegotiated after ONE (1) year and is subject to budget review.
2. Section Paragraph three (3) of the Renewed Contract is hereby modified as follows:

### **3. LEGAL & RETAINER SERVICES**

The Firm’s hourly rate for non-retainer services shall be **\$195.00** per hour for attorneys with five (5) plus years of experience and **\$185.00** for attorneys with less than five (5) years of experience. Paralegals shall be paid at **\$125.00** per hour. These hourly charges are to be made without regard to any overtime charges that must be paid by The Firm to its employees. The Firm will provide billing statements to FKMCD on a monthly basis. No payment shall be due until FKMCD verifies that all services for which payment has been requested have been fully and satisfactorily performed.

FKMCD shall pay The Firm a **monthly retainer of \$2,150.00, plus travel**. Retainer Services include unlimited phone calls with Board Members, attendance at Special meetings, Regular meetings, workshops, OPEB meetings, Emergency meetings, Budget meetings, Audit meetings and any other meetings of the Board. The Retainer amount shall include multiple attorneys at meetings when necessary.

3. All other terms and conditions of the Renewed Contract shall remain in full force and effect.

**[THIS SPACE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the parties have executed this Contract Renewal on this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
SIGNATURE OF CHAIRPERSON OF THE BOARD (CONTRACTS OVER \$25,000)      DATE

\_\_\_\_\_  
SIGNATURE OF SUPERINTENDENT      DATE

\_\_\_\_\_  
SIGNATURE OF DIRK M. SMITS, INDIVIDUALLY      DATE

\_\_\_\_\_  
VERNIS & BOWLING OF THE FLORIDA KEYS      DATE

DIRK M. SMITS, MANAGING MEMBER  
PRINT NAME AND TITLE

*Item 10c*

Purchase of  
2022

Airbus H125  
Helicopter

PURCHASE AGREEMENT  
BETWEEN  
FLORIDA KEYS MOSQUITO CONTROL DISTRICT  
AND  
AIRBUS HELICOPTERS, INC.





**Contract Number: 2022 H125-091**  
**Florida Keys Mosquito Control District**  
**Date: 12 October 2022**

This Purchase Agreement is entered into by and between:

**FLORIDA KEYS MOSQUITO CONTROL DISTRICT** with its principal place of business at 503  
107<sup>th</sup> Street Gulf, Marathon, FL 33050

And

**AIRBUS HELICOPTERS, INC.**, a Delaware corporation, with its principal place of business at  
2701 N. Forum Drive, Grand Prairie, TX 75052

## PURCHASE AGREEMENT

1 GENERAL INFORMATION	
Helicopter Type	H125
Serial Number	9345
Manufacturing Year	2022
FAA Registration	N-Registered
Quantity	Qty 1

2 EQUIPPED AIRCRAFT PRICE							
Price of the helicopter with optional equipment <i>Detailed pricing defined in Exhibit 1</i>	<table> <tr> <td>Aircraft</td> <td>\$3,403,509</td> </tr> <tr> <td>Commerical gesture</td> <td><del>(\$68,000)</del></td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>\$3,335,509</b></td> </tr> </table>	Aircraft	\$3,403,509	Commerical gesture	<del>(\$68,000)</del>	<b>TOTAL</b>	<b>\$3,335,509</b>
Aircraft	\$3,403,509						
Commerical gesture	<del>(\$68,000)</del>						
<b>TOTAL</b>	<b>\$3,335,509</b>						

3 MILESTONE PAYMENTS			
<u>Deposits</u>	<u>USD</u>	<u>Percentage</u>	<u>Due</u>
Initial	\$667,102	20%	Upon signature of the Contract
Balance	<u>\$2,668,407</u>	80%	Upon delivery of the Aircraft
<b>TOTAL</b>	<b>\$3,335,509</b>		

4 PAYMENT TERMS	
<p><u>Type of Payment:</u> COD</p> <p><u>Remit Instructions:</u> Submit U.S. funds to Airbus Helicopters, Inc., via wire transfer.</p> <p>Airbus Helicopters, Inc.                      C/O Bank of America                      115 West 42nd Street                      New York, NY 10036</p> <p>ACH/EFT ABA # 111000012                      Wire ABA # 026009593                      AHI Account # 4427299827                      Fed ID # 75-2416720</p> <p><b>Please reference the following identifying details in the wire transfer of funds:                      Invoice Number, Aircraft Model, Serial Number, and Contract Number.</b></p>	

5 DELIVERY TERMS	
Delivery Date	14 December 2022
Delivery Location	Columbus, MS FCA INCOTERMS® 2020

<b>6</b>	<b>ADDITIONAL PROVISIONS</b>
<p>Revisions noted in this Section 6 take precedence over the related Exhibit 2 – Terms and Conditions. See Paragraph 16 of the Terms and Conditions for order of precedence.</p> <p><b>Commercial Gesture:</b> AHI provides a commercial gesture in the amount of \$68,000.</p>	

<b>7</b>	<b>LIST OF EXHIBITS</b>
<p>Exhibit 1 – Configuration Exhibit 2 – Terms and Conditions</p>	

<b>8</b>	<b>NOTICES</b>
<p>All notices, requests, and other communications hereunder shall be in writing and shall be deemed to be given and received (a) when personally delivered by hand to the recipient or (b) three (3) days after deposit in registered or certified first class U.S. mail (or comparable national postal system, if appropriate), postage prepaid, or (c) transmitted by facsimile or electronically via email to the recipient at the address set forth under such recipient's name on the first page of this Agreement.</p> <p><b>AHI</b> Christie White-Mays Manager, Contract Administrator Phone: 972-641-3455 Email: <a href="mailto:christie.white@airbus.com">christie.white@airbus.com</a> Address: 2701 N Forum Drive, Grand Prairie, Texas 75052</p> <p><b>Florida Keys Mosquito Control District</b> Andrea Leal Executive Director Phone: 305-292-7190 Email: <a href="mailto:aleal@keysmosquito.org">aleal@keysmosquito.org</a> Address: 503 107<sup>th</sup> Street Gulf, Marathon, FL 33050</p>	

This Purchase Agreement, the attached Terms and Conditions (as defined herein) and all applicable Exhibits constitute the entire agreement between the Seller and the Buyer ("Agreement"). This Agreement supersedes all previous communications and/or agreements either oral or written, between the Seller and the Buyer with respect to the Products and/or Services (as defined herein).

The delivery date and price as defined herein are subject to aircraft availability and will become firm upon receipt of deposit and executed Purchase Agreement no later than 31 October 2022.

The offer herein is subject to and contingent upon Buyer being cleared in Seller's Anti-Money-Laundering/Know Your Customer (AML/KYC) process. Seller will not sign this Purchase Agreement unless and until this AML/KYC clearance is obtained, and failure to obtain such clearance will render the offer herein null and void.



This order is subject to the Terms and Conditions as defined in Exhibit 2 attached hereto. Any modifications to the Terms and Conditions are defined in Section 6 – Additional Provisions. This Document contains confidential information which is to be treated at all times in accordance with Paragraph 10 – Confidentiality of Exhibit 2 – Terms and Conditions.

The Parties, intending to be legally bound as evidenced by the signatures below of each Party’s authorized representative, agree to all terms as defined in this Purchase Agreement effective as of the final signature date shown below (Effective Date).

For FLORIDA KEYS MOSQUITO CONTROL DISTRICT

For AIRBUS HELICOPTERS, INC.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## Exhibit 1 CONFIGURATION

Any changes to the configuration will be treated in accordance with Paragraph 16 – Modifications of Exhibit 2 – Terms and Conditions.



2022 H125, SN 9345

<b>STANDARD AIRCRAFT:</b>		<b>\$3,433,000</b>
LH SLIDING DOOR W/REDUCED HI-VIS DOOR CABIN HEATING/DEMISTING CIRCUIT HIGH SKID LANDING GEAR LONG BOARDING STEPS NVG VEMD LED FIN ANTI-COLLISION LIGHT VISION 1000 FLIGHT DATA MONITORING SYSTEM INTERIOR: FACTORY COVERED SEAT CUSHIONS	ROTOR BRAKE WIRE STRIKE PROTECTION SYSTEM - EC - FIXED PROVISIONS ENERGY-ATTENUATING SEATS - PILOT & COPILOT LED POSITION LIGHTS - RHLH CRASH RESISTANT FUEL SYSTEMS AFT BAGGAGE DOOR MOD	
<b>STANDARD AIRCRAFT AVIONICS:</b>		<b>INCLUDED</b>
COM/NAVIGPS / GTN650Xi / GARMIN NAV/COM / GNC255A / GARMIN AUDIO / GMA350H / GARMIN ELT / 406AP-H INTEGRA EXT'D RANGE / KANNAD ELECTRONIC FLIGHT DISPLAY SYSTEM / G500 TXi / GARMIN CHARTVIEW OPTION ENABLEMENT CARD SYNTHETIC VISION OPTION BACKUP STANDBY ATTITUDE DISPLAY / EFD-750 / L3 <i>NOTE: THE EFD WILL CHANGE TO GARMIN GI-275 IN 2022 (EXPECTED MID-YEAR)</i>		
<b>STANDARD FACTORY INSTALLED OPTIONS:</b>		<b>INCLUDED</b>
ENHANCED THERMAL PROTECTION ON REAR TRANSMISSION RIGHT HAND REAR SLIDING DOOR 200 AMP SKURKA STARTER GENERATOR KIT TO INCREASE INTERNAL GROSS WEIGHT TO 2,370 KG (5,225 LB) - (DUAL HYDRAULIC)		
<b>STANDARD AHI INSTALLED OPTIONS:</b>		<b>INCLUDED</b>
RG350 BATTERY, CONCORD LEAD ACID DUAL USB / TA202 / MID-CONTINENT COLLECTIVE ACTIVATED HOURMETER LUMINATOR TAXI AND PULSE LANDING LIGHT STEP - COWLING MAINTENANCE - LH/RH TAIL ROTOR GUARD, REMOVABLE PARTS TRANSPONDER / GTX345R / GARMIN		
<b>STANDARD AHI OPTIONS:</b>		<b>(\$29,491)</b>
HI-VIS MAIN ROTOR BLADES ONE OR TWO COLOR, SCHEME A OR B CREDIT FOR NO FLOORING CREDIT FOR NO PAINT		INCL (\$1,488) (\$28,003)
<b>COMMERCIAL GESTURE:</b>		<b>(\$68,000)</b>
<b>TOTAL AIRFRAME, FCA, COLUMBUS, MS</b>		<b>\$3,335,509</b>



**Contract Number: 2022 H125-091**  
**Florida Keys Mosquito Control District**  
**Date: 12 October 2022**

**Exhibit 2**  
**TERMS AND CONDITIONS**

## TERMS AND CONDITIONS

### Paragraph 1 - DEFINITIONS

- **Affiliate** means a company which Controls or is Controlled by respectively the Buyer or the Airbus Helicopters group of companies.
- **Buyer** means the person, entity, or company to whom Seller sells any Products and/or Services under the Contract.
- **Buyer Furnished Equipment and Customer Furnished Equipment (BFE/CFE)** means equipment owned by Buyer which has been furnished to Seller.
- **Certificate of Conformity** means the document issued by Seller's quality assurance organization after completion of procedures approved by the respective authorized national agency certifying the Product's conformity with Seller's applicable specifications.
- **Contract (or Purchase Agreement)** means the agreement between the Parties including these terms and conditions, along with all Exhibits, annexes, and appendices, applicable to the sale of Products and/or Services as defined therein.
- **Control** (including with correlative meanings the terms "controlling", "controlled" and "under common control with"), with respect to any natural or legal person, means the possession, directly or indirectly, whether through ownership of voting securities, by contract or otherwise of:
  - a majority of the voting rights exercisable at general meetings of the controlled undertaking on all, or substantially all, matters, or,
  - the power to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors on all, or substantially all, matters ; or
  - a power to exert a dominant influence over the affairs of the controlled undertaking
- **FAA** means Federal Aviation Administration.
- **FCA (Incoterms® 2020)** means Free Carrier International Commerce Terms
- **Helicopter** means the specific helicopter(s) as defined in this Contract.
- **Helicopter Manufacturer** means Airbus Helicopters SAS or Airbus Helicopters Deutschland GmbH as applicable.
- **IT Service Provider(s)** means any third party contracted by the receiving Party that provides IT services, project management services or other office management services and which may have administrative rights to sustain the IT systems.
- **Part** means a detail part with reference to a part number shown on a drawing parts list provided by the Helicopter Manufacturer.
- **Party/Parties** mean either separately or collectively Buyer and/or Seller.
- **Product(s)** means the goods to be provided by Seller under the Contract which comply with the applicable specifications and/or definition, including all types of Helicopters, optional equipment, Spare Parts, tools, other equipment, documentation, technology, data, software on a Product, and any other goods mentioned in the Specific Exhibit(s) when applicable.
- **Seller** means Airbus Helicopters, Inc.
- **Service(s)** means the services which may be performed under the Contract, consisting of:
  - performance of maintenance and repair,
  - provision of technical publications, technical assistance, and/or technical expert services,
  - tool rental,
  - performance of Training Services,
  - Software as a Service "SaaS", and
  - any other services mentioned in the Specific Exhibit(s), when applicable.
- **Spare Parts** means replacement parts to be purchased from or otherwise supplied by Seller.
- **Specific Exhibit(s) (or Exhibit)** means the exhibit of the Purchase Agreement outlining specific conditions.
- **Terms and Conditions** means these terms and conditions applying to the sale of new Helicopters and associated Products and Services.
- **Training Services** means training need analysis, training courses, and simulator sessions (if applicable), including training software, documentation and courseware.

All other defined terms used herein and not otherwise defined shall have the meanings assigned to those terms as set forth in the Maintenance Manual and Flight Manual (as such manuals are revised and amended from time to time) provided by Seller with each new Helicopter sold by Seller, copies of which have been supplied to Buyer.

### Paragraph 2 - PRICES AND TERMS OF PAYMENT

- (a) Prices shown on the Purchase Agreement are in U.S. dollars for Products shipped FCA (Incoterms® 2020) Seller's facility or FCA to a common carrier at Seller's facility and do not include any preparation, packaging or crating charges, federal, state or local taxes, excise tariffs or charges, custom duties or other levies, applicable to the manufacture or sale of the Products, which charges, taxes, tariffs or other levies will be added by Seller to the purchase price and will be paid by Buyer, nor any modifications carried out at Buyer's request before and after delivery, expenses incurred for the inspection of Products by third parties, or expenses relating to freight forwarding, carriage by sea, air or land, ferry-flight, storage or insurance costs incurred after Buyer's acceptance.
- (b) Unless otherwise specified in this Contract, Buyer shall pay the total unpaid purchase price, plus all applicable preparation, packing and crating charges, taxes, tariffs, customs duties or levies, and other applicable charges, at the time of delivery of the Products. In the event Buyer claims sales tax exemption for its purchase of the Products and Buyer's purchase is subsequently found to be non-exempt by the applicable taxing authority, then Buyer agrees to reimburse Seller for any unpaid taxes, interest and penalties assessed against the purchase by the taxing authority.
- (c) All payments shall be made to Seller without setoff, in accordance with the payment terms and remittance instructions stated in Item 4 of the Purchase Agreement. Buyer represents and warrants that all payments made to Seller will be remitted from a bank account owned by Buyer or through a formal escrow closing.
- (d) Buyer shall remit all payments set forth in Item 3 of the Purchase Agreement with the initial deposit due immediately upon execution of the Contract by both Parties and final payment due at delivery of the Products and Services after acceptance and prior to transfer of ownership. All deposits are non-refundable.
- (e) Payment shall under no circumstances be postponed or apportioned for any reason whatsoever. Without prejudice to the above, should Buyer fail to pay, or in the event of a delay in payment, Seller will be entitled to extend the schedule for an equivalent time period and/or suspend performance of the Contract and/or in all cases definitively retain the amount of any payments already made by Buyer. The retention of any such payments shall not preclude Seller from seeking compensation from Buyer for further damages and/or costs. In the event of a delay or failure by



Buyer to pay for more than sixty (60) calendar days, Seller shall be entitled to terminate the Contract for default of Buyer under the conditions defined in Paragraph 13 of this Contract.

### Paragraph 3 - DELIVERY AND ACCEPTANCE

- (a) The Products shall be delivered FCA (Incoterms® 2020) Seller's facility or FCA to a common carrier at Seller's facility for shipment at Buyer's expense to destination(s) designated by Buyer. Title to and risk of loss for Products shall pass to Buyer upon delivery thereof to Buyer at Seller's facility or upon delivery thereof to a common carrier at Seller's facility for shipment to Buyer unless otherwise specified in the Purchase Agreement.
- (b) The Products shall be accepted by Buyer by an authorized and qualified representative of Buyer after inspection and, in the case of Helicopters, flight test at Seller's facility or at such other location previously approved by Seller.
- (c) Prior to Buyer's acceptance activities for new Helicopters, the Seller shall perform production ground and flight tests on Helicopters. Flight tests will not exceed fifty (50) hours per Helicopter for the H215 and H225 model aircraft, thirty (30) hours per Helicopter for the H160 and H175 model aircraft and twenty (20) hours per Helicopter for all other model aircraft. Some equipment and components may be delivered with up to fifty (50) hours and/or the remaining time of some equipment and components may be reasonably affected by the manufacturing cycle. Additional hours may be flown in the event that development and installation of specific equipment is requested by the Buyer. The cost of such additional hours shall be borne by Buyer.
- (d) Buyer agrees to accept the Products in accordance with this Paragraph 3 within ten (10) business days after: (i) the delivery date set forth on the Purchase Agreement or (ii) the date that the Products are ready for delivery as specified in a written notice by Seller to Buyer, if said delivery has been delayed by Seller.
- (e) In the event Buyer fails to accept delivery of the Products as provided herein, or fails to make any payments that may be due to Seller prior to or at delivery of any Products, or breaches any other terms or provisions hereof, Seller may cancel this Contract and retain all payments, including all deposits, theretofore made by Buyer to Seller, whether pursuant to this Contract or otherwise, in satisfaction of any indebtedness of Buyer hereunder, and the retention by Seller of any such payments shall not preclude Seller from seeking additional or further damages from and against Buyer as Seller may elect.
- (f) Upon delivery of the Products to Buyer, Buyer shall immediately inspect the Products at its own cost. If the Products are found not to conform to the published specifications for such Products, Buyer shall give written notice to Seller of any claim to that effect within ten (10) business days after delivery of the Products, setting forth in reasonable detail the manner in which the Products do not conform. If Buyer retains the Products after delivery without giving Seller such notice as required, such failure shall constitute an irrevocable acceptance of the Products by Buyer except with respect to defects not reasonably discoverable by such inspection.
- (g) Immediately upon transfer of ownership to the Buyer, the Buyer shall be responsible, at its own cost, for appropriate insurance coverage. With respect to the Buyer's hull all risk and hull war risk insurance coverage, the Buyer shall cause the insurers of the Buyer's hull insurance policies to waive all rights of subrogation against the Seller, its assignees and its directors, officers, agents and employees. From the transfer of risks, the Buyer shall bear all risks related to the Helicopter and waive the right of any recourse of any nature whatsoever against the Seller, its assignees and its directors, officers, agents and employees in this respect.
- (h) After delivery of the Helicopter, should Buyer delay flyaway from Seller's facility, Seller shall provide hangar keeper's care and charge Buyer according to prevailing rates. Buyer is responsible for any additional costs incurred by Seller due to such delay.
- (i) Seller will comply with all mandatory service bulletins and airworthiness directives prior to delivery. The Helicopter is to be delivered with an FAA Certificate of Airworthiness in the Standard category, or in the case of an unassembled delivery, capable of obtaining an FAA Certificate of Airworthiness in the Standard category upon completion at Buyer's designated completion center.

### Paragraph 4 - DELAYS

- (a) Seller shall not be responsible for, or liable to Buyer, for any damages or expenses incurred by Buyer from any failure to perform or delay in performance by Seller due, in whole or in part, to "Excusable Delays." An "Excusable Delay" is any failure to perform or delay in performance that is due to causes beyond Seller's control including, but not limited to, acts of God, pandemic, epidemic, fire, explosion, acts of the public enemy, war, insurrection, sabotage, labor disputes (regardless of the reasonableness of demands of labor), shortage of labor, fuel, power or materials, failure or delays in transportation, equipment or machinery breakdown, failure or delay of Seller's sources of supplies, acts, orders or priorities (whether compliance therewith is mandatory or voluntary) of any government, state, or political subdivision or agency thereof or judicial action and any other case beyond the reasonable control of the Seller, including any of the above events which pre-existed at the time of the signature of the Contract and where unknown to Seller.
- (b) Buyer's failure to provide, not less than ninety (90) calendar days prior to the scheduled delivery date, complete materials, equipment, instructions, and authorizations to Seller for installation of BFE/CFE during the assembly process, which failure causes the Product to be nonconforming at the delivery date, shall not be cause for delay in acceptance pursuant to Subparagraphs 3(c) and 3(e) above or delay in payment. In the event BFE/CFE is nonconforming or inoperable, Buyer is responsible for any additional costs incurred by Seller and for any resulting delay in delivery. Detailed instructions concerning the external paint scheme of the airframe, and the colors of the interior upholstery and, if necessary, the selected type of upholstery, shall be provided to Seller at the latest sixty (60) calendar days after signature of the Contract by the last Party to sign, based on samples provided by Seller. Any delay in delivery date due to Buyer's failure to provide Seller such detailed instructions within this 60-day period may result in delays to the delivery of the Helicopter. Any additional costs incurred by Seller as a result of the occurrence of one or more of the events described in this Subparagraph 4(b) shall be invoiced by Seller and paid by Buyer at time of delivery over and above the price of the Contract.
- (c) Furthermore, any change request(s) by Buyer may extend the delivery date or require an adjustment to the purchase price stated in the Purchase Agreement. In order not to impact delivery schedules, the Parties agree to freeze the configuration at least ninety (90) calendar days prior to scheduled delivery date unless mutually agreed otherwise by the Parties. Certain configuration changes require configuration freeze more than ninety (90) calendar days prior to scheduled delivery. Upon Buyer request for changes, Seller is authorized to send Buyer an electronic sequential confirmation notice of change order by Buyer setting out the configuration change or Contract revision, the adjusted purchase price, if any, and the revised delivery date. Buyer may reject, in writing or electronically, any confirmation notice that is unacceptable within five (5) business days of receipt of a confirmation notice from Seller. If timely rejected by Buyer, the Contract, as amended, will remain in effect and the change order will lapse and not become a part of this Contract. Buyer's failure to respond timely to any confirmation notice will be deemed acceptance of the change order by Buyer, which will become part of the Contract, as amended. The Parties agree that any such configuration change request from Buyer within ninety (90) calendar days of the delivery date will be contracted through a separate retrofit agreement for the additional scope of work including the related price and delivery schedule, if applicable.

- (d) Seller's adherence to the delivery date is conditioned upon Buyer fulfilling all of its contractual obligations.
- (e) For the avoidance of doubt, the delay or absence of payment by Buyer cannot be considered by itself as an Excusable Delay.
- (f) In case of Excusable Delay, the contractual delivery date shall be extended by such period of time reasonably required to remove and/or overcome the event of Excusable Delay and its effects.

**Paragraph 5 - LIMITED WARRANTY**

- (a) Seller warrants each new Helicopter and Parts and tools manufactured by Helicopter Manufacturer purchased under this Contract to be free from defects in material and workmanship under normal use and service. Seller's obligation under this warranty is limited to replacing or repairing Parts or tools that have been returned to Seller's facility and, at the time of any repair or replacement, shall have been recognized by Seller, in its sole discretion, as subject to this warranty. To be eligible for repair or replacement under this warranty, the alleged failure must have occurred, as determined by Seller, within the following time limits:
  - (1) With respect to Helicopter(s) and optional equipment manufactured by Helicopter Manufacturer: 2000 flying hours or -36- months after delivery to Buyer, whichever occurs first.  
Seller agrees to credit Buyer at the rate specified below for reasonable labor hours solely related to direct removal and re-installation of Parts covered by approved warranty claims, but only during the first 12 months of warranty coverage. The credit will be subject to prior investigation and acceptance by Seller and will be credited to Buyer's trade account for future spares orders only. All credits must be used within 12 months of issue. All compensation for labor rates will be credited at \$190/hour.
  - (2) With respect to new Spare Parts manufactured by Helicopter Manufacturer, the earlier of: (i) 1000 flying hours; (ii) 12 months after installation; or (iii) 24 months after delivery to Buyer; and
  - (3) With respect to tools manufactured by Helicopter Manufacturer, 24 months after the tool is delivered to Buyer.
- (b) The Parts provided under this warranty, as warranty replacement Parts, may be new, repaired or otherwise serviceable components/Parts and shall be covered by the balance of the warranty period still remaining against the new Helicopter and/or replaced Part as applicable.
- (c) As soon as possible, but no later than fifteen (15) calendar days after the discovery of an alleged defect, Buyer shall furnish to Seller, by using a warranty claim form provided by Seller, the full details of its claim and the basis thereof. As soon as it receives said form, Seller will forward to Buyer a warranty claim acknowledgment and a Return Material Authorization (RMA) number. Return Material Authorization means the form provided by Seller for purposes of this warranty paragraph and/or Repair & Overhaul Service. Within thirty (30) calendar days following the receipt of such documents, Buyer shall return the allegedly defective Parts to the Seller. If the Buyer fails to timely return the allegedly defective Parts, Seller reserves the right to invoice the replacement Parts which have been ordered or produced for Buyer at the price stated in Seller's relevant price list then in force, or in the relevant quotation. Risk of loss or damage during transportation of Parts returned to Seller shall be borne entirely by Buyer. Risk of loss or damage during transportation of replacement Parts to Buyer shall be borne entirely by Buyer. Other than shipping costs from Seller to Buyer, any insurance, customs expenses and other charges, as well as the expenses incurred by Buyer for the removal, re-installation and related costs and expenses with respect to such Part or Parts, shall be borne by Buyer, except as specifically provided otherwise herein. With written approval from Seller's Warranty Administrator, selected Parts may be retained at Buyer's site to be scrapped locally. Claims will not be processed until a completed claim by Buyer has been approved in writing by a Technical Representative of Seller and forwarded to and received by Seller's Warranty office, Grand Prairie, Texas.  
**Note: Parts/Components ordered as replacement Parts must be identified by Buyer and acknowledged by Seller as "warranty replacements" at the time of order.**
- (d) This warranty shall apply only to the extent the Helicopter and the Parts installed therein are operated and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), Helicopter Manufacturer's and/or Seller's service bulletins, service letters, alerts, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. This warranty shall apply to Spare Parts only to the extent they are properly stored and installed, operated, and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), Helicopter Manufacturer's and/or Seller's service bulletins, service letters, alerts, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. Seller's warranty shall not be enlarged, diminished, or affected by, and no obligation or liability shall arise out of, Seller rendering technical advice, assistance or service in connection with the Products.
- (e) In Seller's sole discretion, if Buyer modifies repairs or alters any Helicopter or Part sold hereunder in any manner without the prior written approval of Seller, such modification, repair or alteration shall cause this warranty to terminate and be of no further force and effect.
- (f) This warranty may not be extended, altered or varied except by prior written agreement signed by Buyer and Seller. This warranty is granted to Buyer personally and shall not be assigned by Buyer without Seller's prior written consent.
- (g) **SELLER AND HELICOPTER MANUFACTURER DISCLAIM AND EXCLUDE FROM THIS CONTRACT ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, STATUTORY WARRANTIES, OTHER EXPRESS WARRANTIES, AND ANY IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE EXPRESS WARRANTY SET FORTH ABOVE IS GIVEN IN LIEU OF: (i) ALL OTHER WARRANTIES AND (ii) ANY OBLIGATION OR LIABILITY OF, RIGHT OR CLAIM AGAINST, OR REMEDY FROM SELLER OR HELICOPTER MANUFACTURER, IN CONTRACT OR IN TORT, INCLUDING PRODUCTS LIABILITY BASED ON SELLER'S OR HELICOPTER MANUFACTURER'S STRICT LIABILITY OR NEGLIGENCE. THE RIGHTS AND REMEDIES PROVIDED IN THIS CONTRACT ARE EXCLUSIVE IN CONNECTION WITH THE SALE OF HELICOPTER MANUFACTURER'S AND SELLER'S PRODUCT(S). THE STATED EXPRESS WARRANTY PROVIDED HEREIN CONSTITUTES SELLER'S SOLE LIABILITY IN CASE OF BREACH OF THE WARRANTY OBLIGATIONS, AND IS EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTY OR REMEDY AVAILABLE UNDER THE CONTRACT OR AT LAW. HELICOPTER MANUFACTURER AND SELLER MAKE NO WARRANTY WITH RESPECT TO TURBINE ENGINES OR AVIONICS EQUIPMENT. FOR WARRANTY ON THESE EXCLUDED PARTS, BUYER MUST LOOK TO THE ORIGINAL MANUFACTURER. AT BUYER'S WRITTEN REQUEST, SELLER WILL ASSIGN TO BUYER ANY WARRANTY RIGHTS IT MAY HAVE RECEIVED WITH RESPECT TO SUCH ITEMS OR PARTS TO THE EXTENT SUCH RIGHTS ARE ASSIGNABLE. NORMAL WEAR AND TEAR OF PARTS SUCH AS SEALS, TIRES, INNER TUBES, BULBS, LEAD-ACID BATTERIES, PACKINGS, AND SIMILAR CONSUMABLE PARTS, AS WELL AS THOSE PARTS WHOSE LIST PRICE IS \$50.00 OR LESS, ARE EXCLUDED FROM COVERAGE UNDER THIS WARRANTY.**

**Paragraph 6 - TECHNICAL PUBLICATIONS**

- (a) Seller shall supply at no additional cost to Buyer:
  - (1) One interactive electronic support O.R.I.O.N (Optimized Reader for Internet and Other Networks) with the documentation necessary for the identification and maintenance of Parts for operation and routine servicing, for each Helicopter delivered. Buyer has access through e-TechPub on AirbusWorld to:
    - o O.R.I.O.N Full Online for reading only
    - o O.R.I.O.N Light Online for download
  - (2) One Hard Copy of
    - o The Flight Manual for each Helicopter purchased by Buyer hereunder. Each Flight Manual will be customized to the specific configuration at delivery of the corresponding Helicopter. For H160 model aircraft, an electronic Flight Manual will be delivered to the Buyer.
  - (3) Access to Technical Information Publication on Internet (T.I.P.I.) for:
    - o The Service Bulletins and their subsequent updates;
    - o The Master Servicing Manual;
    - o An access to eDynamic Trouble Shooting (eDTS) for Helionix® equipped Helicopters.
  - (4) At no additional cost for three (3) years from acceptance of Product(s):
    - o One (1) electronic support (EVIDOC CMM) with the documentation necessary for the maintenance of the Parts installed on the Helicopter, and for which the suppliers have granted copyrights to Helicopter Manufacturer, for each Helicopter purchased. Buyer will have access to the technical publication through e-TechPub on AirbusWorld.
  - (5) The technical publication is initially provided at the latest available revision level.
  - (6) Seller shall supply at no additional cost and as long as the Helicopter is in operation, the updated versions of O.R.I.O.N and of the Flight Manual. The Master Servicing Manual and the Service Bulletins will be updated on T.I.P.I or such other system as Helicopter Manufacturer may implement for updating these publications.
  - (7) The Seller provides the Buyer, at no additional costs per delivered Helionix® equipped Helicopter, with a data pack to ease the initialization of Buyer's maintenance information system. The data pack will be delivered in standard electronic format. The Seller will choose the electronic format(s) at its sole option and may change from time to time.

**Paragraph 7 - TRAINING**

Unless otherwise stated in the Contract, Training Services shall be performed in accordance with the elements stated in the table below for the applicable aircraft model.

Model	Pilot Training	Airframe/Engine Technician Training	Avionics Technician Training	Flight Training Performed in: Buyer/Seller Asset	Location	Simulator Only Training Y/N
H125	2 slots	1 slot	N/A	Seller	Grand Prairie, Texas	No
H130	2 slots	1 slot	N/A	Buyer	Grand Prairie, Texas	No
H135	2 slots	2 slots	1 slot	Buyer	Grand Prairie, Texas	No
H145	2 slots	2 slots	1 slot	Seller	Grand Prairie, Texas	Yes
H155	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H160	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H175	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H215	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H225	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes

Seller may modify the content of Training Services to incorporate new regulatory requirements without the consent of Buyer so long as the modifications do not affect the price and/or schedule. If new regulatory requirements affect the price, duration, or delivery date of the Training Services, Seller and Buyer shall agree in writing to any required adjustments to the Contract. If the Parties fail to reach an agreement within thirty (30) calendar days of Seller giving written notice to Buyer of proposed adjustments, Seller shall be entitled to terminate the Contract in accordance with the provisions of Paragraph 13.

**(a) Pilot Training**

- (1) In accordance with the elements stated in the table above for each applicable aircraft model, Seller shall provide transition training for Buyer's pilots who are proficient in helicopter flying for each new Helicopter purchased hereunder provided (i) such training is commenced within one (1) year of the delivery date hereunder, and (ii) both pilots attend the same ground school. Separate ground schools are subject to additional charges. Flight training for each pilot shall be performed in accordance with the elements stated in the table above after transfer of title to the Helicopter(s) to Buyer, unless the Parties specifically agree otherwise. Transition training shall be in accordance with Seller's program of instruction. Seller reserves the right to set minimum competency requirements for any pilot to be trained hereunder and to refuse to train any pilot not meeting those requirements.
- (2) Buyer may elect to have additional qualified pilots trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional pilot to be trained.
- (3) Buyer acknowledges that the transition procedures include, in addition to standard flight operations, the actual performance of emergency flight procedures simulating non-standard flight conditions. Buyer hereby accepts the risk of injury, loss, and damage associated with instruction in emergency flight procedures.
- (4) Buyer hereby assumes all risk of loss, injury and damage to Buyer's Helicopter(s), employees, representatives or agents during any training including without limitation, consequential or incidental damages, loss of use or injury, regardless of cause or fault, and Buyer waives all right of recovery and subrogation against Seller and its employees and agents for any such damage, injury or loss so sustained; provided, however, that this waiver and assumption of risk shall only apply to losses other than Product failures for which Seller may be

responsible under the warranty provisions of this Purchase Agreement, in which case Seller's liability to Buyer, if any, shall be limited in accordance with the terms of that warranty. Buyer hereby warrants that Buyer's hull insurer has acknowledged this waiver of subrogation.

**(b) Maintenance Training**

- (1) For each new Helicopter purchased hereunder, Seller will provide ground courses covering field maintenance on the airframe and engine. In accordance with the elements defined in the table above for each applicable aircraft model, Buyer may elect to send qualified technicians to any scheduled Field Maintenance training courses and any scheduled Avionics training course (as applicable) during the six (6) months prior to delivery of the Helicopter or up to one (1) year after its delivery. Seller reserves the right to set minimum competency requirements for any technician to be trained hereunder and to refuse to train any technician not meeting those requirements.
- (2) Buyer may elect to have additional qualified technicians trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional technician to be trained.

**(c) General**

- (1) Buyer shall be responsible for loss or injury to Buyer's property, employees, representatives or agents at all times while at Seller's facility when transition or maintenance training is a reason for such time spent at Seller's facility. Furthermore, Buyer shall hold Seller and its employees and agents harmless for any such loss or injury regardless of cause or fault.
- (2) All expenses and liabilities of Buyer or Buyer's personnel for travel to and from the Seller's training facility, and stay during training, shall be borne by Buyer. Seller reserves the right to refuse to provide training to any pilot or technician at its sole discretion.
- (3) The training and technical assistance provided for herein applies only to the original purchase of a new Helicopter and is not transferable without the prior written consent of the Seller.
- (4) Reasonable insurance coverage of risks arising from the Training Services will be included in Seller's insurance policy. Seller may provide the certificate for such coverage to Buyer at its request.

**(d) Distance Training**

Some training courses may also be conducted in a remote mode; the distance training being provided on an "as available basis". The Seller will use web videoconferencing applications to perform Training in a remote mode. Course duration may be impacted due to the remote mode.

Confidentiality is warranted as defined in the applicable conditions of the web videoconferencing applications. The Buyer undertakes to comply with the terms and conditions of the services provided by the Seller through web videoconferencing application and shall hold the Seller harmless from and against any consequence of a breach thereof. The Seller will choose the web videoconferencing applications at its sole option and may change from time to time.

Appropriate equipment, connectivity and telecommunication services are required to allow the Buyer to perform the remote Training. The choice of the Buyer's equipment, connectivity and telecommunications service providers remains the sole responsibility of the Buyer. The costs of these connectivity and telecommunication services shall be borne exclusively by the Buyer. The Seller shall in no event be responsible for a degraded performance due to an inappropriate Buyer's choice. The Buyer recognizes also that the good performance of the connection during the remote Training depends on the bandwidth. The Seller shall not be liable of any defective bandwidth.

An IT requirement list is sent to the customer before the course. The Buyer shall ensure the availability of appropriate IT equipment and environment (hardware, software, internet, minimal bandwidth and e-mails access - in general a webcam is mandatory) and the appropriate comfort for its trainees (such as but not limited to thermal and acoustic environment allowing to work concentrated without disruption and proper lighting).

Training manuals are provided to trainees before the course as download file or paper version or on an electronic device, as available.

Each Party remains solely and exclusively responsible for the information exchanged and shall take any appropriate action in order to:

- o comply with the applicable laws and regulations;
- o ensure that none of the information exchanged contravene public policy.

**Paragraph 8 - PRICE ADJUSTMENT AND PRODUCT SPECIFICATION CHANGE**

- (a) Pursuant to new manufacturing or engineering requirements, obsolescence or new regulations or to any currently unknown and unforeseeable impacts of the COVID-19 pandemic, Seller shall be entitled to carry out modifications without the consent of Buyer, provided such modifications do not affect the specifications or performance of the Products and/or Services, related costs or delivery time. Should the requirements affect specifications or performance of the Product and/or Services, related costs and/or delivery time, Seller and Buyer shall mutually agree in writing to an equitable adjustment in the price and/or schedule. Notwithstanding anything to the contrary, if the Parties fail to reach an agreement within thirty (30) calendar days of Seller notifying Buyer in writing of the proposed adjustment, Seller shall be entitled to terminate the Contract in accordance with the provisions of Paragraph 13.
- (b) Any Buyer requested changes, including configuration changes, which result in an impact to cost and/or delivery schedule require written agreement of Seller and Buyer to an equitable adjustment in price and/or delivery schedule prior to implementation of Buyer's requested changes.
- (c) Buyer agrees that the aircraft will remain registered on the FAA's civil registry and under U.S. ownership for a minimum period of nine (9) months after delivery. In the event the aircraft is de-registered from the FAA's civil registry prior to the end of this nine (9) month period, Buyer agrees to pay Seller, within thirty (30) calendar days from the date of de-registration of the aircraft, two percent (2%) of the total purchase price, before any applicable discount was applied, for twin engine aircraft and four percent (4%) of the total purchase price, before any such discounts, for single engine aircraft.

**Paragraph 9 - DELIVERY AND ACCEPTANCE OF TRADE-IN AIRCRAFT**

- (a) In the event Seller agrees to accept a trade-in aircraft, Buyer must tender trade-in aircraft for acceptance by Seller in an airworthy condition and must satisfy all of the following conditions:
  - (1) trade-in aircraft's engine(s) must pass power assurance checks conducted by Seller in its acceptance inspection of the aircraft;
  - (2) Buyer must deliver to Seller complete and accurate airframe and engine records showing compliance with all airworthiness directives and mandatory service bulletins applicable to trade-in aircraft;
  - (3) Buyer must deliver to Seller a complete set of updated maintenance manuals for trade-in aircraft unless originally delivered by CD ROM;
  - (4) trade-in aircraft must have no damage history or corrosion, unless acknowledged and accepted by Seller;
  - (5) Buyer must convey title to the trade-in aircraft free and clear of any liens, claims, security interests, charges or encumbrances of any kind;
  - (6) Buyer must deliver to Seller all standard ground handling equipment and protective covers for the trade-in aircraft;

- (7) all equipment and systems installed on the trade-in aircraft at the time of the detailed inspection by Seller, which is provided for in Subparagraph 9(b) below, must be installed and fully operational and, if no detailed inspection is conducted, then all equipment and systems installed on the trade-in aircraft at the acceptance inspection by Seller, which is provided for in Subparagraph 9(b) below, must be installed and fully operational;
  - (8) no life-limited component installed on the aircraft at the time of the detailed inspection by Seller (provided for in Subparagraph 9(b) below) can be replaced thereafter unless required for the aircraft to remain airworthy, in which case the replacement component must have a time remaining value equal to, or greater than, the unit being replaced; and
  - (9) annual and/or other periodic inspection(s) as specified by Seller must be completed within the period(s) specified by Seller.
- Seller will accept title to trade-in aircraft upon Buyer's compliance with all of the conditions enumerated above.
- (b) Seller shall be entitled to conduct a detailed inspection of the trade-in aircraft at Buyer's facility at a mutually agreeable time following execution of the Contract by both Parties. Seller shall be entitled to conduct an acceptance inspection of trade-in aircraft at Buyer's facility within a specified period of time acceptable to Seller following the date on which Buyer tenders the trade-in for acceptance by Seller by giving notice of tender in accordance with the notice provisions herein. The delivery date for Buyer to tender the trade-in to Seller for acceptance is specified on the Purchase Agreement.
  - (c) Any trade-in amount set forth in this Contract will be contingent upon and subject to AHL's acceptance of the applicable trade-in aircraft. If Buyer fails to comply with any of the conditions in Subparagraph 9(a), all costs necessary to correct the deficiencies, if correctable, will be borne by Buyer and all such deficiencies must be corrected to Seller's satisfaction before it shall be obligated to accept title to the trade-in aircraft. If Buyer fails to comply with any condition in Subparagraph 9(a) as of the delivery date specified herein for the trade-in aircraft, Seller, in its sole discretion, may specify, then or at any time thereafter, a period of time by which Buyer must cure the deficiencies to Seller's satisfaction; however, Seller is not obligated to allow Buyer any period of time to cure any such deficiencies. If Buyer fails to comply with Subparagraph 9(a), Seller may elect not to accept the trade-in aircraft, in which case the net purchase price owing by Buyer shall be adjusted accordingly. Any amount owing to Seller as a result of any such adjustment shall be due from and payable by Buyer on the payment terms specified on the Purchase Agreement unless otherwise specified herein. Seller, at its option, shall be entitled to adjust any trade-in credit at time of delivery until such time as it can conduct a detailed inspection of the trade-in aircraft. Seller will provide a final trade-in credit value within thirty (30) calendar days of the delivery date provided the trade-in aircraft requires no maintenance actions under Subparagraph 9(a), normal wear and tear excepted.
  - (d) Buyer represents and warrants that when it conveys title to the trade-in aircraft to Seller:
    - (1) Buyer will have good and marketable title to said aircraft;
    - (2) Buyer will be the sole owner of said aircraft; and
    - (3) Buyer will be duly authorized and entitled to sell, transfer, convey, and assign all of its right, title and interest in and to said aircraft and will not violate any agreement or provision thereof by doing so.
  - (e) In the event Seller shall acquire title to trade-in aircraft subject to any liens, claims, security interests, charges or encumbrances, Buyer shall promptly cause any such liens, claims, security interests, charges or encumbrances to be terminated, released, or otherwise discharged and shall hold Seller harmless against any liability arising from, relating to, or based upon any such lien, claim, security interest, charge, or encumbrance.

## Paragraph 10 - CONFIDENTIALITY

During the performance of the Contract, the confidential information of the Parties shall be protected as follows: the term "Confidential Information" shall mean this Contract and any information or data in whatever form (either in writing or orally, subject to the conditions set forth hereinafter, and including but not limited to any written or printed documents, samples, models or any means of disclosing such Confidential Information that the disclosing Party may elect to use during the life of the Contract), disclosed by either Party to the other and which is designated as confidential by the disclosing Party by an appropriate stamp, legend or any other notice in writing, or when disclosed orally, has been identified as confidential at the time of disclosure and has been promptly (thirty (30) calendar days at the latest) confirmed and designated in writing as Confidential Information of the disclosing Party, or if not so designated would be understood by a reasonable recipient to be confidential.

The receiving Party hereby covenants that, from the effective date of the Contract, the Confidential Information received from the disclosing Party shall:

- (a) be protected and kept in strict confidence by the receiving Party, which must use the same degree of precaution and safeguards as it uses to protect its own Confidential Information of like importance, but in no case any less than reasonable care;
- (b) be only disclosed to and used by those persons within the receiving Party's organization (including temporary workers) and its Affiliates, external counsels, lawyers, accountants, auditors, banks, insurers and IT Service Providers, who have a need to know and solely for the purpose specified in the Contract (and provided such entities are bound by confidentiality obligations either at least as constraining or resulting from a professional duty by operation of law);
- (c) not be used, in whole or in part, for any purpose other than the purpose of the Contract without the prior written consent of the disclosing Party;
- (d) neither be disclosed nor caused to be disclosed, whether directly or indirectly to any third Party or persons other than those mentioned in Subparagraph 10(b) above; and
- (e) neither be copied nor otherwise reproduced nor duplicated, in whole or in part, where such copying, reproduction or duplication has not been specifically authorized in writing by the disclosing Party.

The obligations of confidentiality/use restriction will not apply to any Confidential Information that the receiving Party proves:

- (a) was in the public domain prior to the date of this Agreement or subsequently came into the public domain through no fault of the receiving Party; or
- (b) was lawfully received by the receiving Party from a third party free of any obligation of confidence to such third party; or
- (c) was already in the possession of the receiving Party prior to receipt thereof, directly or indirectly, from the disclosing Party; or
- (d) is required to be disclosed in a judicial or administrative proceeding after all reasonable legal remedies for maintaining the information in confidence have been exhausted including giving the disclosing Party such advance notice of the possibility of disclosure as practical so the disclosing Party may attempt to stop such disclosure or obtain a protective order concerning such disclosure; or
- (e) is subsequently and independently developed by employees, consultants or agent of the receiving Party without reference to the Confidential Information disclosed under this Agreement.

Any Confidential Information and copies thereof disclosed by either Party to the other shall, subject to any third party rights, remain the property of the disclosing Party and shall be immediately returned by the receiving Party upon request. Notwithstanding the confidentiality obligations stated in the Contract, the receiving Party may disclose the Confidential Information to any governmental agency or judge legally authorized to have mandatory access to such information, provided however that in these circumstances, the receiving Party shall, prior to disclosure, notify the disclosing Party to give the disclosing Party the opportunity to take appropriate action(s), as far as available, against such disclosure. No right, license, interest or title to the Confidential Information is granted the receiving Party. The Parties agree that in the event of a threatened or actual breach of the terms of this Paragraph 10, the disclosing Party would or will be irreparably harmed, will not have an adequate remedy at law, and will be entitled to seek injunctive

relief and/or specific performance as a matter of right from a court of competent jurisdiction, without necessity of posting or providing any bond or other security otherwise required by applicable law. The injunctive relief which the disclosing Party shall be entitled to seek shall include, but is not limited to, an injunction restraining the receiving party from any further breach of this Contract and requiring it to take any affirmative action reasonably necessary to prevent any such further breach. The foregoing remedies will be cumulative of all other remedies which may be available to the disclosing Party hereunder, at law or in equity.

## Paragraph 11 - INTELLECTUAL PROPERTY

Seller retains all rights in respect of developments, inventions, know-how, production procedures and any intellectual property rights relating to the Products that they manufacture and/or Services related thereto.

Nothing in the Contract shall be construed as a legal transfer of or license to (other than specified hereafter), any patent, utility or design model, copyright, trademark, know-how or other intellectual property right.

Copying and/or reproducing and/or communication and/or transmission to a third party of any of Seller's Products, Services, technical information, publications or training manuals, either wholly or partially, without Seller's express written consent is strictly forbidden (except for copying by Buyer of technical documentation provided by Seller exclusively for the purposes of operation and maintenance of the Helicopter(s) purchased by Buyer under the Contract).

Seller grants the Buyer a non-exclusive, non-transferable license to use

- (a) SaaS for the purposes of operating and/or maintaining Helicopter(s), and/or
- (b) the executable form of the software on the related Product, for the purposes of operating the Helicopter.

This license does not entitle Buyer to receive free of charge updates of such software. Buyer shall not decompile, disassemble, modify, reverse assemble, reverse engineer or reduce to human readable form, the software except to the extent the foregoing restriction is determined to be invalid or unenforceable under applicable law.

## Paragraph 12 - DATA EXCHANGE

- (a) **General.** In order to improve the Products, their reliability and availability and Buyer services, Seller has set up a data exchange process based on maintenance and operational data coming from Buyer's Helicopters in Service. The data (hereinafter the "Data") will primarily consist of:

- (1) Helicopter data generated by on-board recording systems,
- (2) information system data, such as maintenance, operation, logistics and airworthiness data, and
- (3) data loaded into, transmitted, stored, or generated by the SaaS as a result of the use of the SaaS.

For these purposes, Buyer, including its designated entity for operations and/or maintenance, hereby authorizes Seller on a free and non-exclusive basis:

- (1) to collect such Data.
- (2) to use the Data to create processed data (data which is reconciled, enriched, qualified and analyzed by the Seller, hereinafter the "Processed Data").
- (3) to anonymize such Processed Data (Processed data which is anonymized, not enabling to identify the Buyer) (hereinafter the "Anonymous Data"),
- (4) to disclose Data, Anonymous Data and Processed Data internally only to those of its employees (for the avoidance of doubt, this shall include temporary workers )
- (5) to disclose Data and Processed Data to partners, suppliers and/or subcontractors of the Seller (i) having a need to have access to such data for the purpose (\*) stated below and (ii) being bound by confidentiality obligations,
- (6) to disclose Anonymous Data to partners, suppliers and/or subcontractors of the Seller for the purpose (\*) stated below.
- (7) to use and disclose to customers Anonymous Data (including after being complemented with additional sources of Anonymous Data) for the purpose (\*\*) stated below, and
- (8) to store Data, Processed Data and Anonymous Data.

(\*) Disclosure shall be for the purpose of further software and service development, helicopter improvement and expert analysis.

(\*\*) Trend monitoring, benchmarking services, report issuance, analyses and customer workshops for helicopter maturity.

Data, Anonymous Data and Processed Data may also be used for the purposes of supporting the Buyer subject to a specific agreement. Buyer remains solely and exclusively responsible for Buyer's data exchanged. Buyer shall take any appropriate action in order to comply with the applicable laws and regulations, to ensure to the greatest extent possible that nothing in its data contravenes public policy and such data is free from any virus, Trojan or the like.

- (b) **Data Confidentiality and Intellectual Property.** The Parties agree that any and all Data disclosed by Buyer or its designated entity to Seller shall be deemed confidential. Nevertheless, the Seller shall be entitled to disclose Data and Processed Data to the persons and entities and at the conditions described above. Anonymous Data (including after being complemented with additional sources of Anonymous Data) can however be used and disclosed by the Seller without being subject to any confidentiality limitations/obligations. Seller owns all foreground intellectual property and know-how, if any, generated by the outcome of the analysis of the Data, Processed Data and/or Anonymous Data.
- (c) **Data Related Liability.** Notwithstanding anything to the contrary in the Contract, the intent of data collection is not to analyze such data in order to detect/prevent potential incidents/accidents. Therefore, the Seller shall not be liable towards the Buyer as a result of the mere possession by the Seller of the Data or as the result of any exchange or analysis of information collected through the process.
- (d) **SaaS.** The Seller provides the Buyer at no additional cost with a package of one (1) year subscriptions to the following Services, as available depending on the helicopter's type, to be selected by the Buyer:
  - o Fleet Keeper® per delivered Helicopter;
  - o Flight Perfo apps per delivered Helicopter;
  - o Connectivity Services basic per delivered Helicopter equipped with wACS hardware;
  - o Flight analyser basic per delivered Helicopter;
  - o Fleet monitoring per delivered Helicopter.

The subscription will be then automatically renewed for subsequent periods of one (1) year at the respective rates annually published by the Seller except if one of the Parties terminates the subscription no later than thirty (30) calendar days prior to the end of the current annual period by registered letter.

The Buyer hereby acknowledges and agrees that the Buyer and the Users shall abide by the General Conditions of Use (GCU) of Fleet Keeper®. The Buyer shall also ensure that all Users comply with the relevant GCU, available to the Buyer by the Seller upon request and downloadable in their latest version from the application.

Should the Buyer wish to delegate to a third party the access to the SaaS, the Buyer shall ask in writing an authorization that the Seller may accept or refuse at its sole discretion.

SaaS will be provided in English and is designed to perform the services as described in the service specification, available to the Buyer by the Seller upon request.

Data loaded via the SaaS are hosted on a cloud. The conditions of the data access and protection are described in the GCU of the SaaS. The Customer declares to be fully aware of and authorizes expressly the Seller to store its Data on the cloud and also on secured data platform. Buyer's Data integrity is warranted as defined in the applicable conditions of the Seller's cloud service provider(s) available on the Seller's website when accessing to the SaaS. The Buyer undertakes to comply with the terms and conditions of the services provided by the Seller through its cloud provider(s). The Seller will choose the cloud provider(s) at its sole option and may change from time to time.

The Buyer remains solely and exclusively responsible for the Buyer's Data exchanged. The Buyer shall take any appropriate action in order to comply with the applicable laws and regulations, to ensure that none of the Buyer's Data exchanged contravene public policy and that they are free from any virus, Trojan or the like.

The data to be exchanged in the frame of Fleet Keeper® use shall be understood as all data loaded to, transmitted by and/or stored by the Buyer and/or the User as well as data generated by the Fleet Keeper® as a result of the use of the Fleet Keeper® by the Buyer and/or the User.

### Paragraph 13 - TERMINATION

#### (a) Extraordinary Termination

Either Party may immediately terminate the Contract by notice in writing to the other Party if:

- (1) If either Party becomes insolvent or commits an act of bankruptcy or becomes bankrupt, or takes the benefit of any law that may be in force for bankrupt or insolvent debtors, or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings, or if a receiver or receiver manager is appointed for all or any portion of a Party's property or if any steps are taken or any action or proceedings are instituted by a Party or any third party, including but not limited to, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of such Party or its assets, then the other Party may terminate the Contract by written notice to the insolvent Party at any time and without prejudice to any other rights or remedies, or
- (2) The other Party becomes bankrupt or insolvent.

#### (b) Termination for Default

In the event that either Party commits a material breach of its obligations under this Contract and fails to cure that breach within ninety (90) calendar days after receiving written notice of the breach, the other party may terminate this Contract immediately upon written notice to the party in breach.

In the case of termination for default, the following shall apply:

- (1) In case of default by Buyer:
  - o Buyer shall reimburse Seller for all costs (including but not limited to raw materials, labor, overhead, storage and financial fees) incurred by Seller or which Seller could not avoid incurring (including termination indemnities, if any, under the contracts between Seller and its subcontractors or suppliers or under the second level contracts or subcontracts),
  - o Buyer shall pay to Seller a termination indemnity equal to ten percent (10%) of the price as well as an indemnity equal to the damages sustained by Seller,
  - o Buyer will indemnify Seller against any loss, damage or expense which it may sustain or incur as a consequence of the occurrence of any Buyer event of default under the Contract, and
  - o Seller shall be entitled to retain any prior payments and/or deposits previously made by Buyer.
- (2) In case of default by Seller:
  - o Seller shall return to Buyer any BFE/CFE remaining on its premises, and
  - o Seller shall refund Buyer, the amount of any payments received prior to such default.

### Paragraph 14 - LIABILITY

Notwithstanding any provision to the contrary in the Contract, the total and cumulative liability of Seller under the Contract, due to any and all causes whatsoever, whether based on breach of contract or in tort or otherwise, shall in no event exceed in aggregate an amount equivalent to ten percent (10%) of the total net Contract price.

The above limitation shall not apply in the event of gross negligence, willful misconduct, death or bodily injury.

Each Party shall be responsible for death or bodily injury arising to its own personnel, whatever the cause. The Parties therefore waive the right to any claim against the other in this respect, except if such death or bodily injury is caused by the gross negligence or willful misconduct of the other Party.

In no event shall the Parties be liable for any indirect, consequential, incidental, special or punitive damages of any kind, including, but not limited to, damages for any loss of use or profit, loss of assets, loss resulting from business disruption, loss of goodwill or loss of contractual opportunity by the other Party.

To the extent permitted at law, Seller's obligations and liabilities and Buyer's rights and remedies as set forth in the Contract are exclusive and are in replacement of any and all other remedies under law or otherwise.

### Paragraph 15 - GENERAL

- (a) In the event of any dispute, claim, question or disagreement arising from or relating to this Contract or the breach thereof, the Parties agree to use their best efforts to settle the dispute, claim, question or disagreement by meeting to pursue resolution through negotiation before resorting to litigation. This Contract and the rights of the Parties hereto shall in every respect be governed by and construed in accordance with the substantive laws of the State of Texas without regard to its conflict of law principles or reference to the laws of any other state or jurisdiction.

Buyer hereby irrevocably consents and agrees that any legal proceeding arising out of or in connection with this Contract or the rights of the Parties hereto may be commenced and prosecuted to conclusion in Dallas, Dallas County, Texas.

- (b) Buyer shall neither assign any rights nor delegate any duty under this Contract without the prior written consent of Seller.
- (c) The signatory for Buyer hereby represents that he/she is Buyer's authorized representative and that Buyer is fully authorized and empowered to enter into this Contract and has full authority to perform the Terms and Conditions hereof. This Contract may be executed in multiple counterparts which together shall constitute the original hereof. The signature of either Party exchanged by facsimile transmission or electronically via email shall be binding to the same extent, and have the same force and effect, as the exchange of an original written signature.
- (d) The language of each provision of this Contract shall be construed as it relates to the entire agreement and accorded its fair meaning without regard to the person who drafted all or any part of this Contract.
- (e) If any part of this Contract shall be held by any court of competent jurisdiction to be illegal or unenforceable, the rest of this Contract shall not be affected and shall remain in full force and effect.
- (f) Nothing in this Contract shall constitute or create a joint venture, partnership, agency, or any similar relationship between Buyer and Seller. Neither Party will have the authority to enter into contracts on behalf of or bind the other in any respect. Buyer agrees to take such other action and to execute and deliver such agreements or other documents as may be reasonably necessary or desirable to carry out the purposes of the provisions of this Contract.
- (g) The provisions of the limited warranty, confidentiality, intellectual property, data exchange, and liability paragraphs of the Contract shall survive and continue to have effect after the termination or expiry for any reason whatsoever of the Contract.
- (h) No term or provision hereof will be considered waived by either Party, and no breach excused by either Party, unless such waiver or consent is in writing and signed by both Parties. No consent by either Party to, or waiver of, a breach by either Party, whether express or implied, will constitute a consent to, waiver of, or excuse of any other, different or subsequent breach by either Party.

## Paragraph 16 - MODIFICATIONS

This Contract supersedes all other agreements, written or oral, with respect to the understanding and agreement of the Parties. This Contract constitutes the final written expression of all the terms of this Contract and is the complete and exclusive statement of those terms. No modification or amendment, except for approved change order, made to the printed Terms and Conditions of this Contract shall be effective until both Parties shall have signified their acceptance thereto by separately initialing each modification or amendment. Any subsequent modification, amendment, or waiver to this Contract must be in writing and signified by both Buyer and Seller. In the event of any contradictions and/or discrepancies between the parts of the Contract, precedence shall be given in the following decreasing order:

- (1) Purchase Agreement
- (2) Terms and Conditions
- (3) Any other Exhibits, or annexes, in their order of appearance

## Paragraph 17 - REGULATORY RULES and EXPORT CONTROL

I. The Parties hereby undertake to comply at all times with all applicable laws and regulations in particular and not limited to national and international anti-corruption, anti-money laundering and Export Regulations, as defined below (together "Regulatory Rules").

- (a) The Products, goods, Parts, tooling, and data covered by this Contract may be subject to governmental rules and regulations including but not limited to the provisions of US Customs and Border Protection laws (Title 19 of the US Code) and regulations (Title 19 of the Code of Federal Regulations), the Export Administration Act of 1979 (50 USC 2401 et seq.), the Export Administration Regulations (EAR) promulgated thereunder (15 CFR 768-799), the US Arms Export Control Act (22 USC 2778 et seq.), the International Traffic in Arms Regulations (ITAR) (22 CFR 120-128 and 130), and non-U.S. export laws and regulations.  
Buyer acknowledges that (1) these US statutes and regulations impose restrictions on the import from and export to countries outside the US of certain categories of goods, and data, (2) licenses from the US Department of State and/or the US Department of Commerce may be required before such goods, and data can be exported and in some cases, imported, (3) these licenses may impose additional restrictions on use and further disclosure of such goods and data, and (4) the export or disclosure of such goods and data to foreign persons is subject to these statutes, regulations, license requirements and restrictions regardless of whether the export occurs in the US or abroad. Notwithstanding the foregoing, the obligation to comply with such regulation shall survive any novation, assignment, or transfer of obligation between the Parties.
- (b) The Buyer undertakes to provide truthful, accurate and complete information to the Seller such as may be required by the Seller from time to time to comply with its obligations pursuant to the Regulatory Rules, including but not limited to information on the Buyer's corporate structure and shareholding, and the source(s) of financing of the Contract. The Contract will only come into force once the Seller has received from the Buyer all required information and performed all necessary verifications pursuant to the Regulatory Rules and to the "Know your Customer" policy of the Seller. During Contract execution and performance, a) failure by the Buyer to comply with the Regulatory Rules and/or b) Buyer becomes a Sanctioned Person and/or c) performance of either Party's obligations under the Contract would constitute a breach of Regulatory Rules and/or d) failure by the Buyer to timely provide all necessary information and/or cooperate with the Seller, shall entitle the Seller to terminate the Contract in accordance with the provisions of Paragraph 13 without any prior notice and liability whatsoever.
- (c) Irrespective of the applicable Incoterm, if Products are exported directly to a country outside the United States, Seller will provide appropriate export customs documentation to Buyer or its designated freight forwarder. Buyer guarantees correct closure of the related customs procedure(s) in due time on leaving the United States or the country of dispatch. In case of non-compliance, Buyer shall be liable for any additional costs and charges imposed on Seller by the applicable tax authority.
- (d) For the purposes of this Contract, the following terms have the following meanings:
  - (i) "Authorization(s)" means the approval to export, re-export, transfer or retransfer but not limited to, a governmental licence as may refer to an exemption, an exception, or an agreement issued by the relevant authority under Export Regulations.
  - (ii) "Export Regulations" means U.S., E.U. and any other applicable national export control, sanctions and embargoes laws and regulations issued by a Sanctions Authority or export control authority.
  - (iii) "Item" means hardware, software, technical data/technology(ies) and/or services.
  - (iv) "Sanctions Authority" means the United States of America (including, without limitation, the Department of State, the Department of Commerce and the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury), the United Nations Security Council, the European Union, the United Kingdom or the government of any country with jurisdiction over the Parties.
  - (v) "Sanctioned Person" means:
    - a. any natural or legal person in any list of sanctioned persons of any Sanctions Authority (including the list of Specially Designated Nationals (SDN) and Sectorial or Sanctions Identifications (SSI) list, as issued and administered by OFAC); or



- b. any natural or legal person directly or indirectly owned or Controlled by any one or several person(s) designated under (a) above.

### II. Export Control

- a) Each Party commits to act in compliance with all applicable Export Regulations. The Buyer shall ensure that its supply chain and clients comply with Export Regulations when dealing with the Seller's Items.
- b) The Parties acknowledge that performance by the Seller of its obligations under the Contract shall remain subject to obtaining, and to the terms of, any required Authorization. The Seller shall not be held liable if an Authorization is not granted or is granted with limited conditions and/or with delay or if an Authorization that has been granted is amended, suspended, revoked or not renewed. Such event shall be considered as an Excusable Delay as defined in Paragraph 4. In addition, the Buyer is responsible to obtain the applicable Authorization for the re-export/re-transfer of any Seller's Product. Each Party agrees to provide to the other any declarations or certifications required by Export Regulations and all information necessary to obtain and to comply with any required license (including providing without delay duly completed and signed end-user statement/certificate). When the Products under the Contract are subject to Authorizations, the Buyer undertakes to abide by the content of the Authorizations, including specific end-use/end-user and provisions/conditions. Prior to any change in the end-use/end-user or transfer of Product to any third party, the Buyer shall notify the Seller thereof and follow the instructions given by the Seller.
- c) Should the Buyer be involved in ITAR Part 130 or 129, it is the Buyer liability to comply with the applicable Export Regulations. The Buyer is required to request for the Seller any applicable declaration as required by the Export Regulations. In the event the Buyer provides to the Seller any USML Items (e.g. return for repair) then the Buyer shall complete the corresponding form F provided by the Seller.
- d) When the Buyer provides any Product to the Seller under the Contract, the Buyer shall ensure the required Authorization is obtained prior to the delivery. In addition, the Buyer shall provide in writing to the Seller each Product with all applicable export control classification(s) and the Authorization number when applicable.
- e) The Buyer acknowledges that the Seller's prior approval is required for the Buyer to access any controlled Item and that such access can be granted, refused or revoked at any time by the Seller. To access any controlled Item provided by the Seller, the Buyer shall complete and sign the template of compliance declaration for Third Party Export Controlled Items access control provided by the Seller.
- f) Each Party represents to the other as at the date hereof that neither it nor any of its natural or legal person that has Control over it is a Sanctioned Person. If at any time following the signature of the Contract, a Party or any of its natural or legal person that has Control over it becomes a Sanctioned Person or performance of a Party's obligations under the Contract would constitute a breach of Export Regulations (a "Sanctions Event"), the affected Party shall promptly notify the other Party and the Parties shall, to the extent permitted by applicable Export Regulations, consult with each other with a view to mitigating the effects of such Sanctions Event. Such consultation is without prejudice to the right of either Party to suspend its obligations under the Contract, including to the right of the Seller to deny the access to any digital tool or system when applicable, at any time following the occurrence of a Sanctions Event.



Contract Number: 2022 H125-091-1  
Florida Keys Mosquito Control District  
Date: 12 October 2022

PURCHASE AGREEMENT  
BETWEEN  
FLORIDA KEYS MOSQUITO CONTROL DISTRICT  
AND  
AIRBUS HELICOPTERS, INC.



Contract Number: 2022 H125-091-1  
Florida Keys Mosquito Control District  
Date: 12 October 2022

This Purchase Agreement is entered into by and between:

**FLORIDA KEYS MOSQUITO CONTROL DISTRICT** with its principal place of business at 503  
107<sup>th</sup> Street Gulf, Marathon, FL 33050

And

**AIRBUS HELICOPTERS, INC.**, a Delaware corporation, with its principal place of business at  
2701 N. Forum Drive, Grand Prairie, TX 75052

## PURCHASE AGREEMENT

<b>1 GENERAL INFORMATION</b>	
Helicopter Type	H125
Serial Number	9345
Manufacturing Year	2022
FAA Registration	N-Registered
Quantity	Qty 1

<b>2 EQUIPPED AIRCRAFT PRICE</b>	
Price of optional equipment <i>Detailed pricing defined in Exhibit 1</i>	Optional Equipment <u>\$29,491</u> <b>TOTAL \$29,491</b>

<b>3 MILESTONE PAYMENTS</b>			
<u>Deposits</u>	<u>USD</u>	<u>Percentage</u>	<u>Due</u>
Balance	<u>\$29,491</u>	100%	Upon delivery of the Aircraft
<b>TOTAL</b>	<b>\$29,491</b>		

<b>4 PAYMENT TERMS</b>	
<p><b>Type of Payment:</b> COD</p> <p><b>Remit Instructions:</b> Submit U.S. funds to Airbus Helicopters, Inc., via wire transfer.</p> <p>Airbus Helicopters, Inc.                  C/O Bank of America                  115 West 42nd Street                  New York, NY 10036</p> <p>ACH/EFT ABA # 111000012                  Wire ABA # 026009593                  AHI Account # 4427299827                  Fed ID # 75-2416720</p> <p><b>Please reference the following identifying details in the wire transfer of funds:</b>                  Invoice Number, Aircraft Model, Serial Number, and Contract Number.</p>	

<b>5 DELIVERY TERMS</b>	
Delivery Date	Estimated February 28, 2023.
Delivery Location	Columbus, MS FCA INCOTERMS® 2020

<b>6</b>	<b>RESERVED</b>
Revisions noted in this Section 6 take precedence over the related Exhibit 2 – Terms and Conditions. See Paragraph 16 of the Terms and Conditions for order of precedence.	
<b>7</b>	<b>LIST OF EXHIBITS</b>
Exhibit 1 – Configuration Exhibit 2 – Terms and Conditions	
<b>8</b>	<b>NOTICES</b>
All notices, requests, and other communications hereunder shall be in writing and shall be deemed to be given and received (a) when personally delivered by hand to the recipient or (b) three (3) days after deposit in registered or certified first class U.S. mail (or comparable national postal system, if appropriate), postage prepaid, or (c) transmitted by facsimile or electronically via email to the recipient at the address set forth under such recipient's name on the first page of this Agreement.	
<b>AHI</b> Christie White-Mays Manager, Contract Administrator Phone: 972-641-3455 Email: <a href="mailto:christie.white@airbus.com">christie.white@airbus.com</a> Address: 2701 N Forum Drive, Grand Prairie, Texas 75052	
<b>Florida Keys Mosquito Control District</b> Andrea Leal Executive Director Phone: 305-292-7190 Email: <a href="mailto:aleal@keysmosquito.org">aleal@keysmosquito.org</a> Address: 503 107 <sup>th</sup> Street Gulf, Marathon, FL 33050	

This Purchase Agreement, the attached Terms and Conditions (as defined herein) and all applicable Exhibits constitute the entire agreement between the Seller and the Buyer ("Agreement"). This Agreement supersedes all previous communications and/or agreements either oral or written, between the Seller and the Buyer with respect to the Products and/or Services (as defined herein).

The delivery date and price as defined herein are subject to aircraft availability and will become firm upon receipt of deposit and executed Purchase Agreement no later than 31 October 2022.

The offer herein is subject to and contingent upon Buyer being cleared in Seller's Anti-Money-Laundering/Know Your Customer (AML/KYC) process. Seller will not sign this Purchase Agreement unless and until this AML/KYC clearance is obtained, and failure to obtain such clearance will render the offer herein null and void.



This order is subject to the Terms and Conditions as defined in Exhibit 2 attached hereto. Any modifications to the Terms and Conditions are defined in Section 6 – Additional Provisions. This Document contains confidential information which is to be treated at all times in accordance with Paragraph 10 – Confidentiality of Exhibit 2 – Terms and Conditions.

The Parties, intending to be legally bound as evidenced by the signatures below of each Party’s authorized representative, agree to all terms as defined in this Purchase Agreement effective as of the final signature date shown below (Effective Date).

For FLORIDA KEYS MOSQUITO CONTROL DISTRICT

For AIRBUS HELICOPTERS, INC.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## Exhibit 1 CONFIGURATION

Any changes to the configuration will be treated in accordance with Paragraph 16 – Modifications of Exhibit 2 – Terms and Conditions.



2022 H125, SN 9345

STANDARD AHI OPTIONS:	\$29,491
INTERIOR FLOORING	\$1,488
EXTERIOR PAINT: 3 COLORS	\$28,003
TOTAL AIRFRAME, FCA, COLUMBUS, MS	\$29,491





**Contract Number: 2022 H125-091-1**  
**Florida Keys Mosquito Control District**  
**Date: 12 October 2022**

**Exhibit 2**  
**TERMS AND CONDITIONS**

## TERMS AND CONDITIONS

### Paragraph 1 - DEFINITIONS

- o **Affiliate** means a company which Controls or is Controlled by respectively the Buyer or the Airbus Helicopters group of companies.
- o **Buyer** means the person, entity, or company to whom Seller sells any Products and/or Services under the Contract.
- o **Buyer Furnished Equipment and Customer Furnished Equipment (BFE/CFE)** means equipment owned by Buyer which has been furnished to Seller.
- o **Certificate of Conformity** means the document issued by Seller's quality assurance organization after completion of procedures approved by the respective authorized national agency certifying the Product's conformity with Seller's applicable specifications.
- o **Contract (or Purchase Agreement)** means the agreement between the Parties including these terms and conditions, along with all Exhibits, annexes, and appendices, applicable to the sale of Products and/or Services as defined therein.
- o **Control** (including with correlative meanings the terms "controlling", "controlled" and "under common control with"), with respect to any natural or legal person, means the possession, directly or indirectly, whether through ownership of voting securities, by contract or otherwise of:
  - a majority of the voting rights exercisable at general meetings of the controlled undertaking on all, or substantially all, matters, or,
  - the power to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors on all, or substantially all, matters ; or
  - a power to exert a dominant influence over the affairs of the controlled undertaking
- o **FAA** means Federal Aviation Administration.
- o **FCA (Incoterms® 2020)** means Free Carrier International Commerce Terms
- o **Helicopter** means the specific helicopter(s) as defined in this Contract.
- o **Helicopter Manufacturer** means Airbus Helicopters SAS or Airbus Helicopters Deutschland GmbH as applicable.
- o **IT Service Provider(s)** means any third party contracted by the receiving Party that provides IT services, project management services or other office management services and which may have administrative rights to sustain the IT systems.
- o **Part** means a detail part with reference to a part number shown on a drawing parts list provided by the Helicopter Manufacturer.
- o **Party/Parties** mean either separately or collectively Buyer and/or Seller.
- o **Product(s)** means the goods to be provided by Seller under the Contract which comply with the applicable specifications and/or definition, including all types of Helicopters, optional equipment, Spare Parts, tools, other equipment, documentation, technology, data, software on a Product, and any other goods mentioned in the Specific Exhibit(s) when applicable.
- o **Seller** means Airbus Helicopters, Inc.
- o **Service(s)** means the services which may be performed under the Contract, consisting of:
  - performance of maintenance and repair,
  - provision of technical publications, technical assistance, and/or technical expert services,
  - tool rental,
  - performance of Training Services,
  - Software as a Service "SaaS", and
  - any other services mentioned in the Specific Exhibit(s), when applicable.
- o **Spare Parts** means replacement parts to be purchased from or otherwise supplied by Seller.
- o **Specific Exhibit(s) (or Exhibit)** means the exhibit of the Purchase Agreement outlining specific conditions.
- o **Terms and Conditions** means these terms and conditions applying to the sale of new Helicopters and associated Products and Services.
- o **Training Services** means training need analysis, training courses, and simulator sessions (if applicable), including training software, documentation and courseware.

All other defined terms used herein and not otherwise defined shall have the meanings assigned to those terms as set forth in the Maintenance Manual and Flight Manual (as such manuals are revised and amended from time to time) provided by Seller with each new Helicopter sold by Seller, copies of which have been supplied to Buyer.

### Paragraph 2 - PRICES AND TERMS OF PAYMENT

- (a) Prices shown on the Purchase Agreement are in U.S. dollars for Products shipped FCA (Incoterms® 2020) Seller's facility or FCA to a common carrier at Seller's facility and do not include any preparation, packaging or crating charges, federal, state or local taxes, excise tariffs or charges, custom duties or other levies, applicable to the manufacture or sale of the Products, which charges, taxes, tariffs or other levies will be added by Seller to the purchase price and will be paid by Buyer, nor any modifications carried out at Buyer's request before and after delivery, expenses incurred for the inspection of Products by third parties, or expenses relating to freight forwarding, carriage by sea, air or land, ferry-flight, storage or insurance costs incurred after Buyer's acceptance.
- (b) Unless otherwise specified in this Contract, Buyer shall pay the total unpaid purchase price, plus all applicable preparation, packing and crating charges, taxes, tariffs, customs duties or levies, and other applicable charges, at the time of delivery of the Products. In the event Buyer claims sales tax exemption for its purchase of the Products and Buyer's purchase is subsequently found to be non-exempt by the applicable taxing authority, then Buyer agrees to reimburse Seller for any unpaid taxes, interest and penalties assessed against the purchase by the taxing authority.
- (c) All payments shall be made to Seller without setoff, in accordance with the payment terms and remittance instructions stated in Item 4 of the Purchase Agreement. Buyer represents and warrants that all payments made to Seller will be remitted from a bank account owned by Buyer or through a formal escrow closing.
- (d) Buyer shall remit all payments set forth in Item 3 of the Purchase Agreement with the initial deposit due immediately upon execution of the Contract by both Parties and final payment due at delivery of the Products and Services after acceptance and prior to transfer of ownership. All deposits are non-refundable.
- (e) Payment shall under no circumstances be postponed or apportioned for any reason whatsoever. Without prejudice to the above, should Buyer fail to pay, or in the event of a delay in payment, Seller will be entitled to extend the schedule for an equivalent time period and/or suspend performance of the Contract and/or in all cases definitively retain the amount of any payments already made by Buyer. The retention of any such payments shall not preclude Seller from seeking compensation from Buyer for further damages and/or costs. In the event of a delay or failure by

Buyer to pay for more than sixty (60) calendar days, Seller shall be entitled to terminate the Contract for default of Buyer under the conditions defined in Paragraph 13 of this Contract.

### Paragraph 3 - DELIVERY AND ACCEPTANCE

- (a) The Products shall be delivered FCA (Incoterms® 2020) Seller's facility or FCA to a common carrier at Seller's facility for shipment at Buyer's expense to destination(s) designated by Buyer. Title to and risk of loss for Products shall pass to Buyer upon delivery thereof to Buyer at Seller's facility or upon delivery thereof to a common carrier at Seller's facility for shipment to Buyer unless otherwise specified in the Purchase Agreement.
- (b) The Products shall be accepted by Buyer by an authorized and qualified representative of Buyer after inspection and, in the case of Helicopters, flight test at Seller's facility or at such other location previously approved by Seller.
- (c) Prior to Buyer's acceptance activities for new Helicopters, the Seller shall perform production ground and flight tests on Helicopters. Flight tests will not exceed fifty (50) hours per Helicopter for the H215 and H225 model aircraft, thirty (30) hours per Helicopter for the H160 and H175 model aircraft and twenty (20) hours per Helicopter for all other model aircraft. Some equipment and components may be delivered with up to fifty (50) hours and/or the remaining time of some equipment and components may be reasonably affected by the manufacturing cycle. Additional hours may be flown in the event that development and installation of specific equipment is requested by the Buyer. The cost of such additional hours shall be borne by Buyer.
- (d) Buyer agrees to accept the Products in accordance with this Paragraph 3 within ten (10) business days after: (i) the delivery date set forth on the Purchase Agreement or (ii) the date that the Products are ready for delivery as specified in a written notice by Seller to Buyer, if said delivery has been delayed by Seller.
- (e) In the event Buyer fails to accept delivery of the Products as provided herein, or fails to make any payments that may be due to Seller prior to or at delivery of any Products, or breaches any other terms or provisions hereof, Seller may cancel this Contract and retain all payments, including all deposits, theretofore made by Buyer to Seller, whether pursuant to this Contract or otherwise, in satisfaction of any indebtedness of Buyer hereunder, and the retention by Seller of any such payments shall not preclude Seller from seeking additional or further damages from and against Buyer as Seller may elect.
- (f) Upon delivery of the Products to Buyer, Buyer shall immediately inspect the Products at its own cost. If the Products are found not to conform to the published specifications for such Products, Buyer shall give written notice to Seller of any claim to that effect within ten (10) business days after delivery of the Products, setting forth in reasonable detail the manner in which the Products do not conform. If Buyer retains the Products after delivery without giving Seller such notice as required, such failure shall constitute an irrevocable acceptance of the Products by Buyer except with respect to defects not reasonably discoverable by such inspection.
- (g) Immediately upon transfer of ownership to the Buyer, the Buyer shall be responsible, at its own cost, for appropriate insurance coverage. With respect to the Buyer's hull all risk and hull war risk insurance coverage, the Buyer shall cause the insurers of the Buyer's hull insurance policies to waive all rights of subrogation against the Seller, its assignees and its directors, officers, agents and employees. From the transfer of risks, the Buyer shall bear all risks related to the Helicopter and waive the right of any recourse of any nature whatsoever against the Seller, its assignees and its directors, officers, agents and employees in this respect.
- (h) After delivery of the Helicopter, should Buyer delay flyaway from Seller's facility, Seller shall provide hangar keeper's care and charge Buyer according to prevailing rates. Buyer is responsible for any additional costs incurred by Seller due to such delay.
- (i) Seller will comply with all mandatory service bulletins and airworthiness directives prior to delivery. The Helicopter is to be delivered with an FAA Certificate of Airworthiness in the Standard category, or in the case of an unassembled delivery, capable of obtaining an FAA Certificate of Airworthiness in the Standard category upon completion at Buyer's designated completion center.

### Paragraph 4 - DELAYS

- (a) Seller shall not be responsible for, or liable to Buyer, for any damages or expenses incurred by Buyer from any failure to perform or delay in performance by Seller due, in whole or in part, to "Excusable Delays." An "Excusable Delay" is any failure to perform or delay in performance that is due to causes beyond Seller's control including, but not limited to, acts of God, pandemic, epidemic, fire, explosion, acts of the public enemy, war, insurrection, sabotage, labor disputes (regardless of the reasonableness of demands of labor), shortage of labor, fuel, power or materials, failure or delays in transportation, equipment or machinery breakdown, failure or delay of Seller's sources of supplies, acts, orders or priorities (whether compliance therewith is mandatory or voluntary) of any government, state, or political subdivision or agency thereof or judicial action and any other case beyond the reasonable control of the Seller, including any of the above events which pre-existed at the time of the signature of the Contract and where unknown to Seller.
- (b) Buyer's failure to provide, not less than ninety (90) calendar days prior to the scheduled delivery date, complete materials, equipment, instructions, and authorizations to Seller for installation of BFE/CFE during the assembly process, which failure causes the Product to be nonconforming at the delivery date, shall not be cause for delay in acceptance pursuant to Subparagraphs 3(c) and 3(e) above or delay in payment. In the event BFE/CFE is nonconforming or inoperable, Buyer is responsible for any additional costs incurred by Seller and for any resulting delay in delivery. Detailed instructions concerning the external paint scheme of the airframe, and the colors of the interior upholstery and, if necessary, the selected type of upholstery, shall be provided to Seller at the latest sixty (60) calendar days after signature of the Contract by the last Party to sign, based on samples provided by Seller. Any delay in delivery date due to Buyer's failure to provide Seller such detailed instructions within this 60-day period may result in delays to the delivery of the Helicopter. Any additional costs incurred by Seller as a result of the occurrence of one or more of the events described in this Subparagraph 4(b) shall be invoiced by Seller and paid by Buyer at time of delivery over and above the price of the Contract.
- (c) Furthermore, any change request(s) by Buyer may extend the delivery date or require an adjustment to the purchase price stated in the Purchase Agreement. In order not to impact delivery schedules, the Parties agree to freeze the configuration at least ninety (90) calendar days prior to scheduled delivery date unless mutually agreed otherwise by the Parties. Certain configuration changes require configuration freeze more than ninety (90) calendar days prior to scheduled delivery. Upon Buyer request for changes, Seller is authorized to send Buyer an electronic sequential confirmation notice of change order by Buyer setting out the configuration change or Contract revision, the adjusted purchase price, if any, and the revised delivery date. Buyer may reject, in writing or electronically, any confirmation notice that is unacceptable within five (5) business days of receipt of a confirmation notice from Seller. If timely rejected by Buyer, the Contract, as amended, will remain in effect and the change order will lapse and not become a part of this Contract. Buyer's failure to respond timely to any confirmation notice will be deemed acceptance of the change order by Buyer, which will become part of the Contract, as amended. The Parties agree that any such configuration change request from Buyer within ninety (90) calendar days of the delivery date will be contracted through a separate retrofit agreement for the additional scope of work including the related price and delivery schedule, if applicable.

- (d) Seller's adherence to the delivery date is conditioned upon Buyer fulfilling all of its contractual obligations.
- (e) For the avoidance of doubt, the delay or absence of payment by Buyer cannot be considered by itself as an Excusable Delay.
- (f) In case of Excusable Delay, the contractual delivery date shall be extended by such period of time reasonably required to remove and/or overcome the event of Excusable Delay and its effects.

**Paragraph 5 - LIMITED WARRANTY**

- (a) Seller warrants each new Helicopter and Parts and tools manufactured by Helicopter Manufacturer purchased under this Contract to be free from defects in material and workmanship under normal use and service. Seller's obligation under this warranty is limited to replacing or repairing Parts or tools that have been returned to Seller's facility and, at the time of any repair or replacement, shall have been recognized by Seller, in its sole discretion, as subject to this warranty. To be eligible for repair or replacement under this warranty, the alleged failure must have occurred, as determined by Seller, within the following time limits:
  - (1) With respect to Helicopter(s) and optional equipment manufactured by Helicopter Manufacturer: 2000 flying hours or -36- months after delivery to Buyer, whichever occurs first.  
Seller agrees to credit Buyer at the rate specified below for reasonable labor hours solely related to direct removal and re-installation of Parts covered by approved warranty claims, but only during the first 12 months of warranty coverage. The credit will be subject to prior investigation and acceptance by Seller and will be credited to Buyer's trade account for future spares orders only. All credits must be used within 12 months of issue. All compensation for labor rates will be credited at \$190/hour.
  - (2) With respect to new Spare Parts manufactured by Helicopter Manufacturer, the earlier of: (i) 1000 flying hours; (ii) 12 months after installation; or (iii) 24 months after delivery to Buyer; and
  - (3) With respect to tools manufactured by Helicopter Manufacturer, 24 months after the tool is delivered to Buyer.
- (b) The Parts provided under this warranty, as warranty replacement Parts, may be new, repaired or otherwise serviceable components/Parts and shall be covered by the balance of the warranty period still remaining against the new Helicopter and/or replaced Part as applicable.
- (c) As soon as possible, but no later than fifteen (15) calendar days after the discovery of an alleged defect, Buyer shall furnish to Seller, by using a warranty claim form provided by Seller, the full details of its claim and the basis thereof. As soon as it receives said form, Seller will forward to Buyer a warranty claim acknowledgment and a Return Material Authorization (RMA) number. Return Material Authorization means the form provided by Seller for purposes of this warranty paragraph and/or Repair & Overhaul Service. Within thirty (30) calendar days following the receipt of such documents, Buyer shall return the allegedly defective Parts to the Seller. If the Buyer fails to timely return the allegedly defective Parts, Seller reserves the right to invoice the replacement Parts which have been ordered or produced for Buyer at the price stated in Seller's relevant price list then in force, or in the relevant quotation. Risk of loss or damage during transportation of Parts returned to Seller shall be borne entirely by Buyer. Risk of loss or damage during transportation of replacement Parts to Buyer shall be borne entirely by Buyer. Other than shipping costs from Seller to Buyer, any insurance, customs expenses and other charges, as well as the expenses incurred by Buyer for the removal, re-installation and related costs and expenses with respect to such Part or Parts, shall be borne by Buyer, except as specifically provided otherwise herein. With written approval from Seller's Warranty Administrator, selected Parts may be retained at Buyer's site to be scrapped locally. Claims will not be processed until a completed claim by Buyer has been approved in writing by a Technical Representative of Seller and forwarded to and received by Seller's Warranty office, Grand Prairie, Texas.  
**Note: Parts/Components ordered as replacement Parts must be identified by Buyer and acknowledged by Seller as "warranty replacements" at the time of order.**
- (d) This warranty shall apply only to the extent the Helicopter and the Parts installed therein are operated and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), Helicopter Manufacturer's and/or Seller's service bulletins, service letters, alerts, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. This warranty shall apply to Spare Parts only to the extent they are properly stored and installed, operated, and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), Helicopter Manufacturer's and/or Seller's service bulletins, service letters, alerts, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. Seller's warranty shall not be enlarged, diminished, or affected by, and no obligation or liability shall arise out of, Seller rendering technical advice, assistance or service in connection with the Products.
- (e) In Seller's sole discretion, if Buyer modifies repairs or alters any Helicopter or Part sold hereunder in any manner without the prior written approval of Seller, such modification, repair or alteration shall cause this warranty to terminate and be of no further force and effect.
- (f) This warranty may not be extended, altered or varied except by prior written agreement signed by Buyer and Seller. This warranty is granted to Buyer personally and shall not be assigned by Buyer without Seller's prior written consent.
- (g) **SELLER AND HELICOPTER MANUFACTURER DISCLAIM AND EXCLUDE FROM THIS CONTRACT ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, STATUTORY WARRANTIES, OTHER EXPRESS WARRANTIES, AND ANY IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE EXPRESS WARRANTY SET FORTH ABOVE IS GIVEN IN LIEU OF: (i) ALL OTHER WARRANTIES AND (ii) ANY OBLIGATION OR LIABILITY OF, RIGHT OR CLAIM AGAINST, OR REMEDY FROM SELLER OR HELICOPTER MANUFACTURER, IN CONTRACT OR IN TORT, INCLUDING PRODUCTS LIABILITY BASED ON SELLER'S OR HELICOPTER MANUFACTURER'S STRICT LIABILITY OR NEGLIGENCE. THE RIGHTS AND REMEDIES PROVIDED IN THIS CONTRACT ARE EXCLUSIVE IN CONNECTION WITH THE SALE OF HELICOPTER MANUFACTURER'S AND SELLER'S PRODUCT(S). THE STATED EXPRESS WARRANTY PROVIDED HEREIN CONSTITUTES SELLER'S SOLE LIABILITY IN CASE OF BREACH OF THE WARRANTY OBLIGATIONS, AND IS EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTY OR REMEDY AVAILABLE UNDER THE CONTRACT OR AT LAW. HELICOPTER MANUFACTURER AND SELLER MAKE NO WARRANTY WITH RESPECT TO TURBINE ENGINES OR AVIONICS EQUIPMENT. FOR WARRANTY ON THESE EXCLUDED PARTS, BUYER MUST LOOK TO THE ORIGINAL MANUFACTURER. AT BUYER'S WRITTEN REQUEST, SELLER WILL ASSIGN TO BUYER ANY WARRANTY RIGHTS IT MAY HAVE RECEIVED WITH RESPECT TO SUCH ITEMS OR PARTS TO THE EXTENT SUCH RIGHTS ARE ASSIGNABLE. NORMAL WEAR AND TEAR OF PARTS SUCH AS SEALS, TIRES, INNER TUBES, BULBS, LEAD-ACID BATTERIES, PACKINGS, AND SIMILAR CONSUMABLE PARTS, AS WELL AS THOSE PARTS WHOSE LIST PRICE IS \$50.00 OR LESS, ARE EXCLUDED FROM COVERAGE UNDER THIS WARRANTY.**

**Paragraph 6 - TECHNICAL PUBLICATIONS**

- (a) Seller shall supply at no additional cost to Buyer:
  - (1) One interactive electronic support O.R.I.O.N (Optimized Reader for Internet and Other Networks) with the documentation necessary for the identification and maintenance of Parts for operation and routine servicing, for each Helicopter delivered. Buyer has access through e-TechPub on AirbusWorld to:
    - o O.R.I.O.N Full Online for reading only
    - o O.R.I.O.N Light Online for download
  - (2) One Hard Copy of
    - o The Flight Manual for each Helicopter purchased by Buyer hereunder. Each Flight Manual will be customized to the specific configuration at delivery of the corresponding Helicopter. For H160 model aircraft, an electronic Flight Manual will be delivered to the Buyer.
  - (3) Access to Technical Information Publication on Internet (T.I.P.I.) for:
    - o The Service Bulletins and their subsequent updates;
    - o The Master Servicing Manual;
    - o An access to eDynamic Trouble Shooting (eDTS) for Helionix® equipped Helicopters.
  - (4) At no additional cost for three (3) years from acceptance of Product(s):
    - o One (1) electronic support (EVIDOC CMM) with the documentation necessary for the maintenance of the Parts installed on the Helicopter, and for which the suppliers have granted copyrights to Helicopter Manufacturer, for each Helicopter purchased. Buyer will have access to the technical publication through e-TechPub on AirbusWorld.
  - (5) The technical publication is initially provided at the latest available revision level.
  - (6) Seller shall supply at no additional cost and as long as the Helicopter is in operation, the updated versions of O.R.I.O.N and of the Flight Manual. The Master Servicing Manual and the Service Bulletins will be updated on T.I.P.I or such other system as Helicopter Manufacturer may implement for updating these publications.
  - (7) The Seller provides the Buyer, at no additional costs per delivered Helionix® equipped Helicopter, with a data pack to ease the initialization of Buyer's maintenance information system. The data pack will be delivered in standard electronic format. The Seller will choose the electronic format(s) at its sole option and may change from time to time.

**Paragraph 7 - TRAINING**

Unless otherwise stated in the Contract, Training Services shall be performed in accordance with the elements stated in the table below for the applicable aircraft model.

Model	Pilot Training	Airframe/Engine Technician Training	Avionics Technician Training	Flight Training Performed in: Buyer/Seller Asset	Location	Simulator Only Training Y/N
H125	2 slots	1 slot	N/A	Seller	Grand Prairie, Texas	No
H130	2 slots	1 slot	N/A	Buyer	Grand Prairie, Texas	No
H135	2 slots	2 slots	1 slot	Buyer	Grand Prairie, Texas	No
H145	2 slots	2 slots	1 slot	Seller	Grand Prairie, Texas	Yes
H155	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H160	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H175	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H215	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H225	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes

Seller may modify the content of Training Services to incorporate new regulatory requirements without the consent of Buyer so long as the modifications do not affect the price and/or schedule. If new regulatory requirements affect the price, duration, or delivery date of the Training Services, Seller and Buyer shall agree in writing to any required adjustments to the Contract. If the Parties fail to reach an agreement within thirty (30) calendar days of Seller giving written notice to Buyer of proposed adjustments, Seller shall be entitled to terminate the Contract in accordance with the provisions of Paragraph 13.

(a) **Pilot Training**

- (1) In accordance with the elements stated in the table above for each applicable aircraft model, Seller shall provide transition training for Buyer's pilots who are proficient in helicopter flying for each new Helicopter purchased hereunder provided (i) such training is commenced within one (1) year of the delivery date hereunder, and (ii) both pilots attend the same ground school. Separate ground schools are subject to additional charges. Flight training for each pilot shall be performed in accordance with the elements stated in the table above after transfer of title to the Helicopter(s) to Buyer, unless the Parties specifically agree otherwise. Transition training shall be in accordance with Seller's program of instruction. Seller reserves the right to set minimum competency requirements for any pilot to be trained hereunder and to refuse to train any pilot not meeting those requirements.
- (2) Buyer may elect to have additional qualified pilots trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional pilot to be trained.
- (3) Buyer acknowledges that the transition procedures include, in addition to standard flight operations, the actual performance of emergency flight procedures simulating non-standard flight conditions. Buyer hereby accepts the risk of injury, loss, and damage associated with instruction in emergency flight procedures.
- (4) Buyer hereby assumes all risk of loss, injury and damage to Buyer's Helicopter(s), employees, representatives or agents during any training including without limitation, consequential or incidental damages, loss of use or injury, regardless of cause or fault, and Buyer waives all right of recovery and subrogation against Seller and its employees and agents for any such damage, injury or loss so sustained; provided, however, that this waiver and assumption of risk shall only apply to losses other than Product failures for which Seller may be

responsible under the warranty provisions of this Purchase Agreement, in which case Seller's liability to Buyer, if any, shall be limited in accordance with the terms of that warranty. Buyer hereby warrants that Buyer's hull insurer has acknowledged this waiver of subrogation.

**(b) Maintenance Training**

- (1) For each new Helicopter purchased hereunder, Seller will provide ground courses covering field maintenance on the airframe and engine. In accordance with the elements defined in the table above for each applicable aircraft model, Buyer may elect to send qualified technicians to any scheduled Field Maintenance training courses and any scheduled Avionics training course (as applicable) during the six (6) months prior to delivery of the Helicopter or up to one (1) year after its delivery. Seller reserves the right to set minimum competency requirements for any technician to be trained hereunder and to refuse to train any technician not meeting those requirements.
- (2) Buyer may elect to have additional qualified technicians trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional technician to be trained.

**(c) General**

- (1) Buyer shall be responsible for loss or injury to Buyer's property, employees, representatives or agents at all times while at Seller's facility when transition or maintenance training is a reason for such time spent at Seller's facility. Furthermore, Buyer shall hold Seller and its employees and agents harmless for any such loss or injury regardless of cause or fault.
- (2) All expenses and liabilities of Buyer or Buyer's personnel for travel to and from the Seller's training facility, and stay during training, shall be borne by Buyer. Seller reserves the right to refuse to provide training to any pilot or technician at its sole discretion.
- (3) The training and technical assistance provided for herein applies only to the original purchase of a new Helicopter and is not transferable without the prior written consent of the Seller.
- (4) Reasonable insurance coverage of risks arising from the Training Services will be included in Seller's insurance policy. Seller may provide the certificate for such coverage to Buyer at its request.

**(d) Distance Training**

Some training courses may also be conducted in a remote mode; the distance training being provided on an "as available basis". The Seller will use web videoconferencing applications to perform Training in a remote mode. Course duration may be impacted due to the remote mode.

Confidentiality is warranted as defined in the applicable conditions of the web videoconferencing applications. The Buyer undertakes to comply with the terms and conditions of the services provided by the Seller through web videoconferencing application and shall hold the Seller harmless from and against any consequence of a breach thereof. The Seller will choose the web videoconferencing applications at its sole option and may change from time to time.

Appropriate equipment, connectivity and telecommunication services are required to allow the Buyer to perform the remote Training. The choice of the Buyer's equipment, connectivity and telecommunications service providers remains the sole responsibility of the Buyer. The costs of these connectivity and telecommunication services shall be borne exclusively by the Buyer. The Seller shall in no event be responsible for a degraded performance due to an inappropriate Buyer's choice. The Buyer recognizes also that the good performance of the connection during the remote Training depends on the bandwidth. The Seller shall not be liable of any defective bandwidth.

An IT requirement list is sent to the customer before the course. The Buyer shall ensure the availability of appropriate IT equipment and environment (hardware, software, internet, minimal bandwidth and e-mails access - in general a webcam is mandatory) and the appropriate comfort for its trainees (such as but not limited to thermal and acoustic environment allowing to work concentrated without disruption and proper lighting).

Training manuals are provided to trainees before the course as download file or paper version or on an electronic device, as available.

Each Party remains solely and exclusively responsible for the information exchanged and shall take any appropriate action in order to:

- o comply with the applicable laws and regulations;
- o ensure that none of the information exchanged contravene public policy.

**Paragraph 8 - PRICE ADJUSTMENT AND PRODUCT SPECIFICATION CHANGE**

- (a) Pursuant to new manufacturing or engineering requirements, obsolescence or new regulations or to any currently unknown and unforeseeable impacts of the COVID-19 pandemic, Seller shall be entitled to carry out modifications without the consent of Buyer, provided such modifications do not affect the specifications or performance of the Products and/or Services, related costs or delivery time. Should the requirements affect specifications or performance of the Product and/or Services, related costs and/or delivery time, Seller and Buyer shall mutually agree in writing to an equitable adjustment in the price and/or schedule. Notwithstanding anything to the contrary, if the Parties fail to reach an agreement within thirty (30) calendar days of Seller notifying Buyer in writing of the proposed adjustment, Seller shall be entitled to terminate the Contract in accordance with the provisions of Paragraph 13.
- (b) Any Buyer requested changes, including configuration changes, which result in an impact to cost and/or delivery schedule require written agreement of Seller and Buyer to an equitable adjustment in price and/or delivery schedule prior to implementation of Buyer's requested changes.
- (c) Buyer agrees that the aircraft will remain registered on the FAA's civil registry and under U.S. ownership for a minimum period of nine (9) months after delivery. In the event the aircraft is de-registered from the FAA's civil registry prior to the end of this nine (9) month period, Buyer agrees to pay Seller, within thirty (30) calendar days from the date of de-registration of the aircraft, two percent (2%) of the total purchase price, before any applicable discount was applied, for twin engine aircraft and four percent (4%) of the total purchase price, before any such discounts, for single engine aircraft.

**Paragraph 9 - DELIVERY AND ACCEPTANCE OF TRADE-IN AIRCRAFT**

- (a) In the event Seller agrees to accept a trade-in aircraft, Buyer must tender trade-in aircraft for acceptance by Seller in an airworthy condition and must satisfy all of the following conditions:
  - (1) trade-in aircraft's engine(s) must pass power assurance checks conducted by Seller in its acceptance inspection of the aircraft;
  - (2) Buyer must deliver to Seller complete and accurate airframe and engine records showing compliance with all airworthiness directives and mandatory service bulletins applicable to trade-in aircraft;
  - (3) Buyer must deliver to Seller a complete set of updated maintenance manuals for trade-in aircraft unless originally delivered by CD ROM;
  - (4) trade-in aircraft must have no damage history or corrosion, unless acknowledged and accepted by Seller;
  - (5) Buyer must convey title to the trade-in aircraft free and clear of any liens, claims, security interests, charges or encumbrances of any kind;
  - (6) Buyer must deliver to Seller all standard ground handling equipment and protective covers for the trade-in aircraft;

- (7) all equipment and systems installed on the trade-in aircraft at the time of the detailed inspection by Seller, which is provided for in Subparagraph 9(b) below, must be installed and fully operational and, if no detailed inspection is conducted, then all equipment and systems installed on the trade-in aircraft at the acceptance inspection by Seller, which is provided for in Subparagraph 9(b) below, must be installed and fully operational;
  - (8) no life-limited component installed on the aircraft at the time of the detailed inspection by Seller (provided for in Subparagraph 9(b) below) can be replaced thereafter unless required for the aircraft to remain airworthy, in which case the replacement component must have a time remaining value equal to, or greater than, the unit being replaced; and
  - (9) annual and/or other periodic inspection(s) as specified by Seller must be completed within the period(s) specified by Seller.
- Seller will accept title to trade-in aircraft upon Buyer's compliance with all of the conditions enumerated above.
- (b) Seller shall be entitled to conduct a detailed inspection of the trade-in aircraft at Buyer's facility at a mutually agreeable time following execution of the Contract by both Parties. Seller shall be entitled to conduct an acceptance inspection of trade-in aircraft at Buyer's facility within a specified period of time acceptable to Seller following the date on which Buyer tenders the trade-in for acceptance by Seller by giving notice of tender in accordance with the notice provisions herein. The delivery date for Buyer to tender the trade-in to Seller for acceptance is specified on the Purchase Agreement.
  - (c) Any trade-in amount set forth in this Contract will be contingent upon and subject to AHI's acceptance of the applicable trade-in aircraft. If Buyer fails to comply with any of the conditions in Subparagraph 9(a), all costs necessary to correct the deficiencies, if correctable, will be borne by Buyer and all such deficiencies must be corrected to Seller's satisfaction before it shall be obligated to accept title to the trade-in aircraft. If Buyer fails to comply with any condition in Subparagraph 9(a) as of the delivery date specified herein for the trade-in aircraft, Seller, in its sole discretion, may specify, then or at any time thereafter, a period of time by which Buyer must cure the deficiencies to Seller's satisfaction; however, Seller is not obligated to allow Buyer any period of time to cure any such deficiencies. If Buyer fails to comply with Subparagraph 9(a), Seller may elect not to accept the trade-in aircraft, in which case the net purchase price owing by Buyer shall be adjusted accordingly. Any amount owing to Seller as a result of any such adjustment shall be due from and payable by Buyer on the payment terms specified on the Purchase Agreement unless otherwise specified herein. Seller, at its option, shall be entitled to adjust any trade-in credit at time of delivery until such time as it can conduct a detailed inspection of the trade-in aircraft. Seller will provide a final trade-in credit value within thirty (30) calendar days of the delivery date provided the trade-in aircraft requires no maintenance actions under Subparagraph 9(a), normal wear and tear excepted.
  - (d) Buyer represents and warrants that when it conveys title to the trade-in aircraft to Seller:
    - (1) Buyer will have good and marketable title to said aircraft;
    - (2) Buyer will be the sole owner of said aircraft; and
    - (3) Buyer will be duly authorized and entitled to sell, transfer, convey, and assign all of its right, title and interest in and to said aircraft and will not violate any agreement or provision thereof by doing so.
  - (e) In the event Seller shall acquire title to trade-in aircraft subject to any liens, claims, security interests, charges or encumbrances, Buyer shall promptly cause any such liens, claims, security interests, charges or encumbrances to be terminated, released, or otherwise discharged and shall hold Seller harmless against any liability arising from, relating to, or based upon any such lien, claim, security interest, charge, or encumbrance.

## Paragraph 10 - CONFIDENTIALITY

During the performance of the Contract, the confidential information of the Parties shall be protected as follows: the term "Confidential Information" shall mean this Contract and any information or data in whatever form (either in writing or orally, subject to the conditions set forth hereinafter, and including but not limited to any written or printed documents, samples, models or any means of disclosing such Confidential Information that the disclosing Party may elect to use during the life of the Contract), disclosed by either Party to the other and which is designated as confidential by the disclosing Party by an appropriate stamp, legend or any other notice in writing, or when disclosed orally, has been identified as confidential at the time of disclosure and has been promptly (thirty (30) calendar days at the latest) confirmed and designated in writing as Confidential Information of the disclosing Party, or if not so designated would be understood by a reasonable recipient to be confidential.

The receiving Party hereby covenants that, from the effective date of the Contract, the Confidential Information received from the disclosing Party shall:

- (a) be protected and kept in strict confidence by the receiving Party, which must use the same degree of precaution and safeguards as it uses to protect its own Confidential Information of like importance, but in no case any less than reasonable care;
- (b) be only disclosed to and used by those persons within the receiving Party's organization (including temporary workers) and its Affiliates, external counsels, lawyers, accountants, auditors, banks, insurers and IT Service Providers, who have a need to know and solely for the purpose specified in the Contract (and provided such entities are bound by confidentiality obligations either at least as constraining or resulting from a professional duty by operation of law);
- (c) not be used, in whole or in part, for any purpose other than the purpose of the Contract without the prior written consent of the disclosing Party;
- (d) neither be disclosed nor caused to be disclosed, whether directly or indirectly to any third Party or persons other than those mentioned in Subparagraph 10(b) above; and
- (e) neither be copied nor otherwise reproduced nor duplicated, in whole or in part, where such copying, reproduction or duplication has not been specifically authorized in writing by the disclosing Party.

The obligations of confidentiality/use restriction will not apply to any Confidential Information that the receiving Party proves:

- (a) was in the public domain prior to the date of this Agreement or subsequently came into the public domain through no fault of the receiving Party; or
- (b) was lawfully received by the receiving Party from a third party free of any obligation of confidence to such third party; or
- (c) was already in the possession of the receiving Party prior to receipt thereof, directly or indirectly, from the disclosing Party; or
- (d) is required to be disclosed in a judicial or administrative proceeding after all reasonable legal remedies for maintaining the information in confidence have been exhausted including giving the disclosing Party such advance notice of the possibility of disclosure as practical so the disclosing Party may attempt to stop such disclosure or obtain a protective order concerning such disclosure; or
- (e) is subsequently and independently developed by employees, consultants or agent of the receiving Party without reference to the Confidential Information disclosed under this Agreement.

Any Confidential Information and copies thereof disclosed by either Party to the other shall, subject to any third party rights, remain the property of the disclosing Party and shall be immediately returned by the receiving Party upon request. Notwithstanding the confidentiality obligations stated in the Contract, the receiving Party may disclose the Confidential Information to any governmental agency or judge legally authorized to have mandatory access to such information, provided however that in these circumstances, the receiving Party shall, prior to disclosure, notify the disclosing Party to give the disclosing Party the opportunity to take appropriate action(s), as far as available, against such disclosure. No right, license, interest or title to the Confidential Information is granted the receiving Party. The Parties agree that in the event of a threatened or actual breach of the terms of this Paragraph 10, the disclosing Party would or will be irreparably harmed, will not have an adequate remedy at law, and will be entitled to seek injunctive

relief and/or specific performance as a matter of right from a court of competent jurisdiction, without necessity of posting or providing any bond or other security otherwise required by applicable law. The injunctive relief which the disclosing Party shall be entitled to seek shall include, but is not limited to, an injunction restraining the receiving party from any further breach of this Contract and requiring it to take any affirmative action reasonably necessary to prevent any such further breach. The foregoing remedies will be cumulative of all other remedies which may be available to the disclosing Party hereunder, at law or in equity.

**Paragraph 11 - INTELLECTUAL PROPERTY**

Seller retains all rights in respect of developments, inventions, know-how, production procedures and any intellectual property rights relating to the Products that they manufacture and/or Services related thereto.

Nothing in the Contract shall be construed as a legal transfer of or license to (other than specified hereafter), any patent, utility or design model, copyright, trademark, know-how or other intellectual property right.

Copying and/or reproducing and/or communication and/or transmission to a third party of any of Seller's Products, Services, technical information, publications or training manuals, either wholly or partially, without Seller's express written consent is strictly forbidden (except for copying by Buyer of technical documentation provided by Seller exclusively for the purposes of operation and maintenance of the Helicopter(s) purchased by Buyer under the Contract).

Seller grants the Buyer a non-exclusive, non-transferable license to use

- (a) SaaS for the purposes of operating and/or maintaining Helicopter(s), and/or
- (b) the executable form of the software on the related Product, for the purposes of operating the Helicopter.

This license does not entitle Buyer to receive free of charge updates of such software. Buyer shall not decompile, disassemble, modify, reverse assemble, reverse engineer or reduce to human readable form, the software except to the extent the foregoing restriction is determined to be invalid or unenforceable under applicable law.

**Paragraph 12 - DATA EXCHANGE**

- (a) **General.** In order to improve the Products, their reliability and availability and Buyer services, Seller has set up a data exchange process based on maintenance and operational data coming from Buyer's Helicopters in Service. The data (hereinafter the "Data") will primarily consist of:
  - (1) Helicopter data generated by on-board recording systems,
  - (2) information system data, such as maintenance, operation, logistics and airworthiness data, and
  - (3) data loaded into, transmitted, stored, or generated by the SaaS as a result of the use of the SaaS.

For these purposes, Buyer, including its designated entity for operations and/or maintenance, hereby authorizes Seller on a free and non-exclusive basis:

- (1) to collect such Data.
- (2) to use the Data to create processed data (data which is reconciled, enriched, qualified and analyzed by the Seller, hereinafter the "Processed Data").
- (3) to anonymize such Processed Data (Processed data which is anonymized, not enabling to identify the Buyer) (hereinafter the "Anonymous Data"),
- (4) to disclose Data, Anonymous Data and Processed Data internally only to those of its employees (for the avoidance of doubt, this shall include temporary workers )
- (5) to disclose Data and Processed Data to partners, suppliers and/or subcontractors of the Seller (i) having a need to have access to such data for the purpose (\*) stated below and (ii) being bound by confidentiality obligations,
- (6) to disclose Anonymous Data to partners, suppliers and/or subcontractors of the Seller for the purpose (\*) stated below.
- (7) to use and disclose to customers Anonymous Data (including after being complemented with additional sources of Anonymous Data) for the purpose (\*\*) stated below, and
- (8) to store Data, Processed Data and Anonymous Data.

(\*) Disclosure shall be for the purpose of further software and service development, helicopter improvement and expert analysis.

(\*\*) Trend monitoring, benchmarking services, report issuance, analyses and customer workshops for helicopter maturity.

Data, Anonymous Data and Processed Data may also be used for the purposes of supporting the Buyer subject to a specific agreement. Buyer remains solely and exclusively responsible for Buyer's data exchanged. Buyer shall take any appropriate action in order to comply with the applicable laws and regulations, to ensure to the greatest extent possible that nothing in its data contravenes public policy and such data is free from any virus, Trojan or the like.

- (b) **Data Confidentiality and Intellectual Property.** The Parties agree that any and all Data disclosed by Buyer or its designated entity to Seller shall be deemed confidential. Nevertheless, the Seller shall be entitled to disclose Data and Processed Data to the persons and entities and at the conditions described above. Anonymous Data (including after being complemented with additional sources of Anonymous Data) can however be used and disclosed by the Seller without being subject to any confidentiality limitations/obligations. Seller owns all foreground intellectual property and know-how, if any, generated by the outcome of the analysis of the Data, Processed Data and/or Anonymous Data.
- (c) **Data Related Liability.** Notwithstanding anything to the contrary in the Contract, the intent of data collection is not to analyze such data in order to detect/prevent potential incidents/accidents, Therefore, the Seller shall not be liable towards the Buyer as a result of the mere possession by the Seller of the Data or as the result of any exchange or analysis of information collected through the process.
- (d) **SaaS.** The Seller provides the Buyer at no additional cost with a package of one (1) year subscriptions to the following Services, as available depending on the helicopter's type, to be selected by the Buyer:
  - o Fleet Keeper® per delivered Helicopter;
  - o Flight Perfo apps per delivered Helicopter;
  - o Connectivity Services basic per delivered Helicopter equipped with wACS hardware;
  - o Flight analyser basic per delivered Helicopter;
  - o Fleet monitoring per delivered Helicopter.



The subscription will be then automatically renewed for subsequent periods of one (1) year at the respective rates annually published by the Seller except if one of the Parties terminates the subscription no later than thirty (30) calendar days prior to the end of the current annual period by registered letter.

The Buyer hereby acknowledges and agrees that the Buyer and the Users shall abide by the General Conditions of Use (GCU) of Fleet Keeper®. The Buyer shall also ensure that all Users comply with the relevant GCU, available to the Buyer by the Seller upon request and downloadable in their latest version from the application.

Should the Buyer wish to delegate to a third party the access to the SaaS, the Buyer shall ask in writing an authorization that the Seller may accept or refuse at its sole discretion.

SaaS will be provided in English and is designed to perform the services as described in the service specification, available to the Buyer by the Seller upon request.

Data loaded via the SaaS are hosted on a cloud. The conditions of the data access and protection are described in the GCU of the SaaS. The Customer declares to be fully aware of and authorizes expressly the Seller to store its Data on the cloud and also on secured data platform. Buyer's Data integrity is warranted as defined in the applicable conditions of the Seller's cloud service provider(s) available on the Seller's website when accessing to the SaaS. The Buyer undertakes to comply with the terms and conditions of the services provided by the Seller through its cloud provider(s). The Seller will choose the cloud provider(s) at its sole option and may change from time to time.

The Buyer remains solely and exclusively responsible for the Buyer's Data exchanged. The Buyer shall take any appropriate action in order to comply with the applicable laws and regulations, to ensure that none of the Buyer's Data exchanged contravene public policy and that they are free from any virus, Trojan or the like.

The data to be exchanged in the frame of Fleet Keeper® use shall be understood as all data loaded to, transmitted by and/or stored by the Buyer and/or the User as well as data generated by the Fleet Keeper® as a result of the use of the Fleet Keeper® by the Buyer and/or the User.

### Paragraph 13 - TERMINATION

#### (a) Extraordinary Termination

Either Party may immediately terminate the Contract by notice in writing to the other Party if:

- (1) If either Party becomes insolvent or commits an act of bankruptcy or becomes bankrupt, or takes the benefit of any law that may be in force for bankrupt or insolvent debtors, or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings, or if a receiver or receiver manager is appointed for all or any portion of a Party's property or if any steps are taken or any action or proceedings are instituted by a Party or any third party, including but not limited to, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of such Party or its assets, then the other Party may terminate the Contract by written notice to the insolvent Party at any time and without prejudice to any other rights or remedies, or
- (2) The other Party becomes bankrupt or insolvent.

#### (b) Termination for Default

In the event that either Party commits a material breach of its obligations under this Contract and fails to cure that breach within ninety (90) calendar days after receiving written notice of the breach, the other party may terminate this Contract immediately upon written notice to the party in breach.

In the case of termination for default, the following shall apply:

- (1) In case of default by Buyer:
  - o Buyer shall reimburse Seller for all costs (including but not limited to raw materials, labor, overhead, storage and financial fees) incurred by Seller or which Seller could not avoid incurring (including termination indemnities, if any, under the contracts between Seller and its subcontractors or suppliers or under the second level contracts or subcontracts),
  - o Buyer shall pay to Seller a termination indemnity equal to ten percent (10%) of the price as well as an indemnity equal to the damages sustained by Seller,
  - o Buyer will indemnify Seller against any loss, damage or expense which it may sustain or incur as a consequence of the occurrence of any Buyer event of default under the Contract, and
  - o Seller shall be entitled to retain any prior payments and/or deposits previously made by Buyer.
- (2) In case of default by Seller:
  - o Seller shall return to Buyer any BFE/CFE remaining on its premises, and
  - o Seller shall refund Buyer, the amount of any payments received prior to such default.

### Paragraph 14 - LIABILITY

Notwithstanding any provision to the contrary in the Contract, the total and cumulative liability of Seller under the Contract, due to any and all causes whatsoever, whether based on breach of contract or in tort or otherwise, shall in no event exceed in aggregate an amount equivalent to ten percent (10%) of the total net Contract price.

The above limitation shall not apply in the event of gross negligence, willful misconduct, death or bodily injury.

Each Party shall be responsible for death or bodily injury arising to its own personnel, whatever the cause. The Parties therefore waive the right to any claim against the other in this respect, except if such death or bodily injury is caused by the gross negligence or willful misconduct of the other Party.

In no event shall the Parties be liable for any indirect, consequential, incidental, special or punitive damages of any kind, including, but not limited to, damages for any loss of use or profit, loss of assets, loss resulting from business disruption, loss of goodwill or loss of contractual opportunity by the other Party.

To the extent permitted at law, Seller's obligations and liabilities and Buyer's rights and remedies as set forth in the Contract are exclusive and are in replacement of any and all other remedies under law or otherwise.

### Paragraph 15 - GENERAL

- (a) In the event of any dispute, claim, question or disagreement arising from or relating to this Contract or the breach thereof, the Parties agree to use their best efforts to settle the dispute, claim, question or disagreement by meeting to pursue resolution through negotiation before resorting to litigation. This Contract and the rights of the Parties hereto shall in every respect be governed by and construed in accordance with the substantive laws of the State of Texas without regard to its conflict of law principles or reference to the laws of any other state or jurisdiction.

Buyer hereby irrevocably consents and agrees that any legal proceeding arising out of or in connection with this Contract or the rights of the Parties hereto may be commenced and prosecuted to conclusion in Dallas, Dallas County, Texas.

- (b) Buyer shall neither assign any rights nor delegate any duty under this Contract without the prior written consent of Seller.
- (c) The signatory for Buyer hereby represents that he/she is Buyer's authorized representative and that Buyer is fully authorized and empowered to enter into this Contract and has full authority to perform the Terms and Conditions hereof. This Contract may be executed in multiple counterparts which together shall constitute the original hereof. The signature of either Party exchanged by facsimile transmission or electronically via email shall be binding to the same extent, and have the same force and effect, as the exchange of an original written signature.
- (d) The language of each provision of this Contract shall be construed as it relates to the entire agreement and accorded its fair meaning without regard to the person who drafted all or any part of this Contract.
- (e) If any part of this Contract shall be held by any court of competent jurisdiction to be illegal or unenforceable, the rest of this Contract shall not be affected and shall remain in full force and effect.
- (f) Nothing in this Contract shall constitute or create a joint venture, partnership, agency, or any similar relationship between Buyer and Seller. Neither Party will have the authority to enter into contracts on behalf of or bind the other in any respect. Buyer agrees to take such other action and to execute and deliver such agreements or other documents as may be reasonably necessary or desirable to carry out the purposes of the provisions of this Contract.
- (g) The provisions of the limited warranty, confidentiality, intellectual property, data exchange, and liability paragraphs of the Contract shall survive and continue to have effect after the termination or expiry for any reason whatsoever of the Contract.
- (h) No term or provision hereof will be considered waived by either Party, and no breach excused by either Party, unless such waiver or consent is in writing and signed by both Parties. No consent by either Party to, or waiver of, a breach by either Party, whether express or implied, will constitute a consent to, waiver of, or excuse of any other, different or subsequent breach by either Party.

## Paragraph 16 - MODIFICATIONS

This Contract supersedes all other agreements, written or oral, with respect to the understanding and agreement of the Parties. This Contract constitutes the final written expression of all the terms of this Contract and is the complete and exclusive statement of those terms. No modification or amendment, except for approved change order, made to the printed Terms and Conditions of this Contract shall be effective until both Parties shall have signified their acceptance thereto by separately initialing each modification or amendment. Any subsequent modification, amendment, or waiver to this Contract must be in writing and signified by both Buyer and Seller. In the event of any contradictions and/or discrepancies between the parts of the Contract, precedence shall be given in the following decreasing order:

- (1) Purchase Agreement
- (2) Terms and Conditions
- (3) Any other Exhibits, or annexes, in their order of appearance

## Paragraph 17 - REGULATORY RULES and EXPORT CONTROL

I. The Parties hereby undertake to comply at all times with all applicable laws and regulations in particular and not limited to national and international anti-corruption, anti-money laundering and Export Regulations, as defined below (together "Regulatory Rules").

- (a) The Products, goods, Parts, tooling, and data covered by this Contract may be subject to governmental rules and regulations including but not limited to the provisions of US Customs and Border Protection laws (Title 19 of the US Code) and regulations (Title 19 of the Code of Federal Regulations), the Export Administration Act of 1979 (50 USC 2401 et seq.), the Export Administration Regulations (EAR) promulgated thereunder (15 CFR 768-799), the US Arms Export Control Act (22 USC 2778 et seq.), the International Traffic in Arms Regulations (ITAR) (22 CFR 120-128 and 130), and non-U.S. export laws and regulations.  
Buyer acknowledges that (1) these US statutes and regulations impose restrictions on the import from and export to countries outside the US of certain categories of goods, and data, (2) licenses from the US Department of State and/or the US Department of Commerce may be required before such goods, and data can be exported and in some cases, imported, (3) these licenses may impose additional restrictions on use and further disclosure of such goods and data, and (4) the export or disclosure of such goods and data to foreign persons is subject to these statutes, regulations, license requirements and restrictions regardless of whether the export occurs in the US or abroad. Notwithstanding the foregoing, the obligation to comply with such regulation shall survive any novation, assignment, or transfer of obligation between the Parties.
- (b) The Buyer undertakes to provide truthful, accurate and complete information to the Seller such as may be required by the Seller from time to time to comply with its obligations pursuant to the Regulatory Rules, including but not limited to information on the Buyer's corporate structure and shareholding, and the source(s) of financing of the Contract. The Contract will only come into force once the Seller has received from the Buyer all required information and performed all necessary verifications pursuant to the Regulatory Rules and to the "Know your Customer" policy of the Seller. During Contract execution and performance, a) failure by the Buyer to comply with the Regulatory Rules and/or b) Buyer becomes a Sanctioned Person and/or c) performance of either Party's obligations under the Contract would constitute a breach of Regulatory Rules and/or d) failure by the Buyer to timely provide all necessary information and/or cooperate with the Seller, shall entitle the Seller to terminate the Contract in accordance with the provisions of Paragraph 13 without any prior notice and liability whatsoever.
- (c) Irrespective of the applicable Incoterm, if Products are exported directly to a country outside the United States, Seller will provide appropriate export customs documentation to Buyer or its designated freight forwarder. Buyer guarantees correct closure of the related customs procedure(s) in due time on leaving the United States or the country of dispatch. In case of non-compliance, Buyer shall be liable for any additional costs and charges imposed on Seller by the applicable tax authority.
- (d) For the purposes of this Contract, the following terms have the following meanings:
  - (i) "Authorization(s)" means the approval to export, re-export, transfer or retransfer but not limited to, a governmental licence as may refer to an exemption, an exception, or an agreement issued by the relevant authority under Export Regulations.
  - (ii) "Export Regulations" means U.S., E.U. and any other applicable national export control, sanctions and embargoes laws and regulations issued by a Sanctions Authority or export control authority.
  - (iii) "Item" means hardware, software, technical data/technology(ies) and/or services.
  - (iv) "Sanctions Authority" means the United States of America (including, without limitation, the Department of State, the Department of Commerce and the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury), the United Nations Security Council, the European Union, the United Kingdom or the government of any country with jurisdiction over the Parties.
  - (v) "Sanctioned Person" means:
    - a. any natural or legal person in any list of sanctioned persons of any Sanctions Authority (including the list of Specially Designated Nationals (SDN) and Sectorial or Sanctions Identifications (SSI) list, as issued and administered by OFAC); or

- b. any natural or legal person directly or indirectly owned or Controlled by any one or several person(s) designated under (a) above.

### II. Export Control

- a) Each Party commits to act in compliance with all applicable Export Regulations. The Buyer shall ensure that its supply chain and clients comply with Export Regulations when dealing with the Seller's Items.
- b) The Parties acknowledge that performance by the Seller of its obligations under the Contract shall remain subject to obtaining, and to the terms of, any required Authorization. The Seller shall not be held liable if an Authorization is not granted or is granted with limited conditions and/or with delay or if an Authorization that has been granted is amended, suspended, revoked or not renewed. Such event shall be considered as an Excusable Delay as defined in Paragraph 4. In addition, the Buyer is responsible to obtain the applicable Authorization for the re-export/re-transfer of any Seller's Product. Each Party agrees to provide to the other any declarations or certifications required by Export Regulations and all information necessary to obtain and to comply with any required license (including providing without delay duly completed and signed end-user statement/certificate). When the Products under the Contract are subject to Authorizations, the Buyer undertakes to abide by the content of the Authorizations, including specific end-use/end-user and provisions/conditions. Prior to any change in the end-use/end-user or transfer of Product to any third party, the Buyer shall notify the Seller thereof and follow the instructions given by the Seller.
- c) Should the Buyer be involved in ITAR Part 130 or 129, it is the Buyer liability to comply with the applicable Export Regulations. The Buyer is required to request for the Seller any applicable declaration as required by the Export Regulations. In the event the Buyer provides to the Seller any USML Items (e.g. return for repair) then the Buyer shall complete the corresponding form F provided by the Seller.
- d) When the Buyer provides any Product to the Seller under the Contract, the Buyer shall ensure the required Authorization is obtained prior to the delivery. In addition, the Buyer shall provide in writing to the Seller each Product with all applicable export control classification(s) and the Authorization number when applicable.
- e) The Buyer acknowledges that the Seller's prior approval is required for the Buyer to access any controlled Item and that such access can be granted, refused or revoked at any time by the Seller. To access any controlled Item provided by the Seller, the Buyer shall complete and sign the template of compliance declaration for Third Party Export Controlled Items access control provided by the Seller.
- f) Each Party represents to the other as at the date hereof that neither it nor any of its natural or legal person that has Control over it is a Sanctioned Person. If at any time following the signature of the Contract, a Party or any of its natural or legal person that has Control over it becomes a Sanctioned Person or performance of a Party's obligations under the Contract would constitute a breach of Export Regulations (a "Sanctions Event"), the affected Party shall promptly notify the other Party and the Parties shall, to the extent permitted by applicable Export Regulations, consult with each other with a view to mitigating the effects of such Sanctions Event. Such consultation is without prejudice to the right of either Party to suspend its obligations under the Contract, including to the right of the Seller to deny the access to any digital tool or system when applicable, at any time following the occurrence of a Sanctions Event.

# *Item 10d*

ITB 2022-04  
Surplus  
Equipment



# FLORIDA KEYS

## MOSQUITO CONTROL DISTRICT

### Board of Commissioners

Phil Goodman, Chairman  
Stanley Zuba, Vice Chairman  
Thomas McDonald, Secretary/Treasurer  
Jill Cranney  
Brandon Pinder

Executive Director  
Andrea Leal

18 Aquamarine Drive  
Key West, FL 33040

Telephone: (305) 292-7190  
FAX: (305) 292-7199

[www.keysmosquito.org](http://www.keysmosquito.org)

October 13, 2022

To: Board of Commissioners  
Florida Keys Mosquito Control District

From: Bruce Holden, Finance Director *B. Holden*

Through: Andrea L. Leal, Executive Director

Subject: Bid Opening Committee Recommendations for ITB 2022-04

On October 12, 2022, the FKMCD Bid Opening Committee met to open bids for surplus equipment. The committee consisted of Executive Director Andrea Leal, Director of Maintenance Robert Lee, Chief Pilot Paul Pignataro, Purchasing Agent Rochele Miller, and me. Deanna Darias was present to handle recording of the bid opening. No other employees or members of the public were present.

### **ITB 2022-04: Surplus Equipment**

No bids were received. The committee unanimously recommends that the surplus equipment be disposed of at the Director's discretion.

**FLORIDA KEYS MOSQUITO CONTROL DISTRICT**

**BID OPENING – ITB 2022-04**

**WEDNESDAY, OCTOBER 12, 2022, 10:01 AM**

**PRESENT WERE:**

Andrea Leal, Executive Director *AL*  
Bruce Holden, Finance Director *Holden*  
Rochele Miller, Purchasing Agent *Miller*  
Robert Lee, Director of Maintenance  
Paul Pignataro, Chief Pilot *Pignataro*  
Deanna Darias, Executive Assistant, recording *DD*

**ITB 2022-04 SURPLUS EQUIPMENT**

<b>PROPERTY #</b>	<b>ITEM/DESCRIPTION</b>	<b>Condition</b>	<b>Estimated Value*</b>
2309	Britten-Norman Islander 2T Twin Engine Turbine Airplane	AIRWORTHY	\$ 600,000.00
2238	Helicopter Landing Dolly Dimensions: 15.5 Inches High, 12ft, 1inch (145in) Width, 10ft,6in (126in) Wide	GOOD	\$ 3,500.00
2551	EPS Expression 1640XL Graphic Arts Scanner	POOR	\$ 400.00
3094	DJI S1000 + DJI A3 DJI Lightbridge 2 with Accessories & Storage Box (GPS not working & not in compliance, software no longer supported)	POOR	\$ 1,500.00

*\*Estimated Value was determined by FKMCD employees, not hired professionals. This amount does not necessarily represent a minimum bid amount. All bids submitted in the proper manner will be considered.*

**NO BIDS RECEIVED**

**Committee Recommendation to the Board:**

No bids were received. The committee unanimously recommends seeking approval from the Board to move forward with disposal at the Director's discretion.

# *Item 10e*

## Audit Committee Charter

BOARD OF COMMISSIONERS OF THE  
FLORIDA KEYS MOSQUITO  
CONTROL DISTRICT  
AUDIT COMMITTEE CHARTER

Effective Date: July 24, 2006  
Revision Dates: February 21, 2017  
December 15, 2017  
[October 18, 2022](#)



### Purpose

The Audit Committee is a committee of the Board of Commissioners assigned with the responsibility of assisting the Board in fulfilling its oversight responsibilities for the financial reporting process, the systems of internal control which management and the Board have **established, the audit process, and the Florida Keys Mosquito Control District's process of** monitoring compliance with the laws and regulations. It is therefore the responsibility of the Audit Committee to provide an open avenue of communication between the Board of Commissioners, management, and the independent external auditors. It is also the responsibility of the Audit Committee to provide a forum separate from management in which auditors and other interested parties can express concerns.

### Organization

- The Board representatives for the Audit Committee shall elect ~~officers—the chairperson~~ at the January ~~board-Audit Committee~~ meeting and any other non-voting advisory members.
- The Audit Committee shall consist of the entire Board of Commissioners. The Executive Director and Finance Director are non-voting members of the committee. The committee can appoint non-voting advisory members at any time.
- The Board shall endeavor to ensure that at least one member of the Committee is deemed to be a recognized financial expert in the government sector, meaning that he or she possesses:
  1. an understanding of generally accepted accounting principles and financial statements;
  2. experience in preparing or auditing financial statements of comparing entities;
  3. experience in applying such principles in connection with the accounting for estimates, accruals, and reserves;
  4. experience with internal accounting controls; and an understanding of audit committee functions.
- If none of the Board of Commissioners possess the skills of a recognized financial expert in the government sector, as described directly above, then the Board shall consider appointing an individual with the prescribed requirements to serve on the Committee in an advisory capacity.
- ~~The Committee shall determine who will serve as Committee Chair at the regular January board meeting.~~
- The Audit Committee shall meet regularly at such time and place, as the Committee shall determine.
- The Chair shall, in consultation with other Committee members, set the agenda for, and preside at, meetings of the Committee.
- The Audit Committee meetings shall be in accordance with Florida Statute, Chapter 286.011, i.e., Sunshine Laws.

## Authority

In meeting its responsibilities, the Audit Committee shall:

- Recommend to the Board the initiation of investigations into any matters within its scope of responsibilities with unrestricted access to members of management, and relevant information.
- May obtain the services of general counsel, and the external auditors to assist in the conduct of any investigation.
- Report Committee actions to the Board of Commissioners with recommendations, as the Committee may deem appropriate.
- The Committee shall review with the independent auditor any management letter **provided by the independent auditor and management's response to that letter.**
- The Committee shall review with the independent auditor audit problems or difficulties encountered by the independent auditor in the course of its annual audit **work, and management's response.**
- Each September, ~~t~~he Committee shall conduct an annual evaluation of its performance and shall report the results of such review to the Board. In connection with the annual review, the Committee shall also recommend to the Board any modifications to this Charter that the Committee deems necessary or appropriate.

## Responsibilities

The Audit Committee will carry out the following responsibilities:

### Financial Reporting

- Review with management and the independent external auditors all significant accounting and reporting issues, including unusual transactions and highly judgmental areas.
- Review with management and the independent external auditors all recent professional and regulatory pronouncements and how they impact the financial statements.
- Review with management and the independent external auditors at the completion of the annual audit:
  - **The District's annual financial statements and related disclosures, and** consider whether they are complete, consistent with information known to the Committee, and reflect appropriate generally accepted accounting principles.
  - **The independent external auditor's audit of the financial statements and** their report.
  - **Any significant changes required in the independent auditor's audit plan.**
  - Any difficulties or disputes with management encountered during the audit.
  - Other matters related to conduct, which should be communicated to the Committee under generally accepted auditing standards.

## Internal Controls and Risk Assessment

- Review and evaluate the **effectiveness of the District's process for assessing** significant risks or exposures and the steps management has taken to monitor and control such risks.
- Consider and review with management the independent external audit function:
  - The effectiveness of, or weakness in, the **District's internal controls**, including the status and adequacy of information systems security and control.
  - Any related significant findings and recommendations of the **independent external auditors together with management's** responses including the timetable for implementation of recommendations to correct weaknesses in the internal controls.

## External Audit

- Review the scope and approach of the annual audit with independent external auditors as detailed in the engagement letter.
- Consider and review with the independent external auditor:
  - **Significant findings and management's responses including timetable** for implementation to correct weaknesses.
  - Any difficulties encountered in the course of the audit such as restrictions on audit scope or access to information.
  - Any changes required in the planned scope of the audit plan.

## Budget and Operations Review

- Monitor the budget process and recommend any improvements thereto.
- Review operations for the best practices after consideration of input from employees, management, and other concerned persons.

## Compliance with Laws and Regulations

- Ascertain whether the District has an effective process for determining risks and exposure from asserted and unasserted litigation and claims from noncompliance with laws and regulations.
- Review with general counsel and external auditor any legal or regulatory matters **that may have a material impact on the District's operations and the financial** statements.
- Review the findings of any examinations by regulatory agencies, and auditor observations.

## Reporting

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- Regularly report to the Board of Commissioners about Committee activities, issues and related recommendations.
- Provide an open avenue of communication between the Board of Commissioners, management and the independent external auditors.

#### Other

- Perform other activities related to this charter as requested by the Board of Commissioners.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the Committee Charter on an annual basis.

*Item 10f*

Budget  
Amendment #1



Florida Department of Agriculture and Consumer Services  
Division of Agricultural Environmental Services

Submit to:  
Mosquito Control  
3125 Conner Blvd, Suite E  
Tallahassee, FL 32399-1650

**ARTHROPOD CONTROL BUDGET AMENDMENT**

**NICOLE "NIKKI" FRIED**  
COMMISSIONER

Section 388.361, F.S. and 5E-13.027, F.A.C.  
Telephone (850) 617-7911; Fax (850) 617-7939

A STATEMENT EXPLAINING AND JUSTIFYING THE PROPOSED CHANGES SHOULD ACCOMPANY EACH APPLICATION FOR BUDGET AMENDMENT. USE PAGE TWO FOR THIS PURPOSE.

Amendment No. 1 Fiscal Year: 2022-2023 Date: 10/18/2022

Amending: Local Funds      State Funds X (Check appropriate fund account to be amended. Use a separate form for each fund). The

Board of Commissioners for Florida Keys Mosquito C District hereby submits to the Department of Agriculture and Consumer Services, for its consideration and approval, the following amendment for the current fiscal year as follows:

**ESTIMATED RECEIPTS**

NOTE: The budget cannot be amended to show an increase in receipts over the amount budgeted unless authorized.

Total Available Cash and Receipts	Reserves	Present Budget	Increase Request	Decrease Request	Revised Budget
\$ 1,513,068.00	\$ -	\$ 1,513,068.00	\$ 368.09	\$ -	\$ 1,513,436.09

NAME SOURCE OF INCREASE: (Explain Decrease) \_\_\_\_\_

**BUDGETED RECEIPTS**

ACCT NO	Description	Present Budget	Increase Request	Decrease Request	Revised Budget
311	Ad Valorem (Current/Delinquent)	\$ -	\$ -	\$ -	\$ -
334.1	State Grant	\$ -	\$ -	\$ -	\$ -
362	Equipment Rentals	\$ 300.00	\$ -	\$ -	\$ 300.00
337	Grants and Donations	\$ -	\$ -	\$ -	\$ -
361	Interest Earnings	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00
364	Equipment and/or Other Sales	\$ 1,010,000.00	\$ -	\$ -	\$ 1,010,000.00
369	Misc./Refunds (prior yr expenditures)	\$ 280,000.00	\$ -	\$ -	\$ 280,000.00
380	Other Sources	\$ -	\$ -	\$ -	\$ -
389	Loans	\$ -	\$ -	\$ -	\$ -
<b>TOTAL RECEIPTS</b>		\$ 1,292,800.00	\$ -	\$ -	\$ 1,292,800.00
Beginning Fund Balance		\$ 220,268.00	\$ 368.09	\$ -	\$ 220,636.09
<b>Total Budgetary Receipts &amp; Balances</b>		\$ 1,513,068.00	\$ 368.09	\$ -	\$ 1,513,436.09

**BUDGETED EXPENDITURES**

NOTE: Total increase must equal total decrease, unless the total "Present Budget" is revised.

ACCT NO	Uniform Accounting System Transaction	Present Budget	Increase Request	Decrease Request	Revised Budget
10	Personal Services	\$ -	\$ -	\$ -	\$ -
20	Personal Services Benefits	\$ -	\$ -	\$ -	\$ -
30	Operating Expense	\$ -	\$ -	\$ -	\$ -
40	Travel & Per Diem	\$ 13,635.00	\$ -	\$ -	\$ 13,635.00
41	Communication Services	\$ -	\$ -	\$ -	\$ -
42	Freight Services	\$ -	\$ -	\$ -	\$ -
43	Utility Service	\$ -	\$ -	\$ -	\$ -
44	Rentals & Leases	\$ -	\$ -	\$ -	\$ -
45	Insurance	\$ -	\$ -	\$ -	\$ -
46	Repairs & Maintenance	\$ -	\$ -	\$ -	\$ -
47	Printing and Binding	\$ -	\$ -	\$ -	\$ -
48	Promotional Activities	\$ -	\$ -	\$ -	\$ -
49	Other Charges	\$ -	\$ -	\$ -	\$ -
51	Office Supplies	\$ -	\$ -	\$ -	\$ -
52.1	Gasoline/Oil/Lube	\$ -	\$ -	\$ -	\$ -
52.2	Chemicals	\$ 1,100,115.00	\$ 368.09	\$ -	\$ 1,100,483.09
52.3	Protective Clothing	\$ -	\$ -	\$ -	\$ -
52.4	Misc. Supplies	\$ -	\$ -	\$ -	\$ -
52.5	Tools & Implements	\$ -	\$ -	\$ -	\$ -
54	Publications & Dues	\$ -	\$ -	\$ -	\$ -
55	Training	\$ 3,300.00	\$ -	\$ -	\$ 3,300.00
60	Capital Outlay	\$ 194,038.00	\$ -	\$ -	\$ 194,038.00
71	Principal	\$ -	\$ -	\$ -	\$ -
72	Interest	\$ -	\$ -	\$ -	\$ -
81	Aids to Government Agencies	\$ -	\$ -	\$ -	\$ -
83	Other Grants and Aids	\$ -	\$ -	\$ -	\$ -
89	Contingency (Current Year)	\$ 201,980.00	\$ -	\$ -	\$ 201,980.00
99	Payment of Prior Year Accounts	\$ -	\$ -	\$ -	\$ -
<b>TOTAL BUDGET AND CHARGES</b>		\$ 1,513,068.00	\$ 368.09	\$ -	\$ 1,513,436.09
0.001	Reserves - Future Capital Outlay	\$ -	\$ -	\$ -	\$ -
0.002	Reserves - Self-Insurance	\$ -	\$ -	\$ -	\$ -
0.003	Reserves - Cash Balance to be Carried Forward	\$ -	\$ -	\$ -	\$ -
0.004	Reserves - Sick and Annual Leave	\$ -	\$ -	\$ -	\$ -
<b>TOTAL RESERVES</b>		\$ -	\$ -	\$ -	\$ -
<b>TOTAL BUDGETARY EXPENDITURES and BALANCES</b>		\$ 1,513,068.00	\$ 368.09	\$ -	\$ 1,513,436.09
<b>ENDING FUND BALANCE</b>		\$ -	\$ -	\$ -	\$ -

APPROVED: \_\_\_\_\_  
Chairman of the Board, or Clerk of Circuit Court

DATE \_\_\_\_\_

APPROVED: \_\_\_\_\_  
FDACS Mosquito Control Program Designee

DATE \_\_\_\_\_

*Item 10g*

Budget  
Amendment #2



Florida Department of Agriculture and Consumer Services  
Division of Agricultural Environmental Services

Submit to:  
Mosquito Control  
3125 Conner Blvd, Suite E  
Tallahassee, FL 32399-1650

**ARTHROPOD CONTROL BUDGET AMENDMENT**

NICOLE "NIKKI" FRIED  
COMMISSIONER

Section 388.361, F.S. and 5E-13.027, F.A.C.  
Telephone (850) 617-7911; Fax (850) 617-7939

A STATEMENT EXPLAINING AND JUSTIFYING THE PROPOSED CHANGES SHOULD ACCOMPANY EACH APPLICATION FOR BUDGET AMENDMENT. USE PAGE TWO FOR THIS PURPOSE.

Amendment No. 2 Fiscal Year: 2022-2023 Date: 10/18/2022

Amending: Local Funds X State Funds    (Check appropriate fund account to be amended. Use a separate form for each fund). The

Board of Commissioners for Florida Keys Mosquito Control District hereby submits to the Department of Agriculture and Consumer Services, for its consideration and approval, the following amendment for the current fiscal year as follows:

**ESTIMATED RECEIPTS**

NOTE: The budget cannot be amended to show an increase in receipts over the amount budgeted unless authorized.

Total Available Cash and Receipts	Reserves	Present Budget	Increase Request	Decrease Request	Revised Budget
\$ 22,703,676.00	\$ 302,530.00	\$ 22,703,676.00	\$ -	\$ 229,235.56	\$ 22,474,440.44

NAME SOURCE OF INCREASE: (Explain Decrease) \_\_\_\_\_

**BUDGETED RECEIPTS**

ACCT NO	Description	Present Budget	Increase Request	Decrease Request	Revised Budget
311	Ad Valorem (Current/Delinquent)	\$ 16,125,712.00	\$ -	\$ -	\$ 16,125,712.00
334.1	State Grant	\$ -	\$ -	\$ -	\$ -
362	Equipment Rentals	\$ -	\$ -	\$ -	\$ -
337	Grants and Donations	\$ 360,263.00	\$ -	\$ -	\$ 360,263.00
361	Interest Earnings	\$ 65,000.00	\$ -	\$ -	\$ 65,000.00
364	Equipment and/or Other Sales	\$ -	\$ -	\$ -	\$ -
369	Misc./Refunds (prior yr expenditures)	\$ -	\$ -	\$ -	\$ -
380	Other Sources	\$ 40,000.00	\$ -	\$ -	\$ 40,000.00
389	Loans	\$ -	\$ -	\$ -	\$ -
<b>TOTAL RECEIPTS</b>		\$ 16,590,975.00	\$ -	\$ -	\$ 16,590,975.00
Beginning Fund Balance		\$ 6,112,701.00	\$ -	\$ 229,235.56	\$ 5,883,465.44
<b>Total Budgetary Receipts &amp; Balances</b>		\$ 22,703,676.00	\$ -	\$ 229,235.56	\$ 22,474,440.44

**BUDGETED EXPENDITURES**

NOTE: Total increase must equal total decrease, unless the total "Present Budget" is revised.

ACCT NO	Uniform Accounting System Transaction	Present Budget	Increase Request	Decrease Request	Revised Budget
10	Personal Services	\$ 5,489,352.00	\$ -	\$ -	\$ 5,489,352.00
20	Personal Services Benefits	\$ 3,825,678.00	\$ -	\$ -	\$ 3,825,678.00
30	Operating Expense	\$ 1,148,993.00	\$ -	\$ -	\$ 1,148,993.00
40	Travel & Per Diem	\$ 123,985.00	\$ -	\$ -	\$ 123,985.00
41	Communication Services	\$ 100,100.00	\$ -	\$ -	\$ 100,100.00
42	Freight Services	\$ 16,500.00	\$ -	\$ -	\$ 16,500.00
43	Utility Service	\$ 162,250.00	\$ -	\$ -	\$ 162,250.00
44	Rentals & Leases	\$ 960,640.00	\$ -	\$ -	\$ 960,640.00
45	Insurance	\$ 797,570.00	\$ -	\$ -	\$ 797,570.00
46	Repairs & Maintenance	\$ 858,490.00	\$ -	\$ -	\$ 858,490.00
47	Printing and Binding	\$ 6,350.00	\$ -	\$ -	\$ 6,350.00
48	Promotional Activities	\$ 21,000.00	\$ -	\$ -	\$ 21,000.00
49	Other Charges	\$ 13,115.00	\$ -	\$ -	\$ 13,115.00
51	Office Supplies	\$ 49,411.00	\$ -	\$ -	\$ 49,411.00
52.1	Gasoline/Oil/Lube	\$ 325,762.00	\$ -	\$ -	\$ 325,762.00
52.2	Chemicals	\$ 1,210,264.00	\$ -	\$ 229,235.56	\$ 981,028.44
52.3	Protective Clothing	\$ 41,540.00	\$ -	\$ -	\$ 41,540.00
52.4	Misc. Supplies	\$ 188,969.00	\$ -	\$ -	\$ 188,969.00
52.5	Tools & Implements	\$ 13,662.00	\$ -	\$ -	\$ 13,662.00
54	Publications & Dues	\$ 73,541.00	\$ -	\$ -	\$ 73,541.00
55	Training	\$ 111,600.00	\$ -	\$ -	\$ 111,600.00
60	Capital Outlay	\$ 4,314,354.00	\$ -	\$ -	\$ 4,314,354.00
71	Principal	\$ -	\$ -	\$ -	\$ -
72	Interest	\$ -	\$ -	\$ -	\$ -
81	Aids to Government Agencies	\$ -	\$ -	\$ -	\$ -
83	Other Grants and Aids	\$ -	\$ -	\$ -	\$ -
89	Contingency (Current Year)	\$ 2,548,020.00	\$ -	\$ -	\$ 2,548,020.00
99	Payment of Prior Year Accounts	\$ -	\$ -	\$ -	\$ -
<b>TOTAL BUDGET AND CHARGES</b>		\$ 22,401,146.00	\$ -	\$ 229,235.56	\$ 22,171,910.44
0.001	Reserves - Future Capital Outlay	\$ -	\$ -	\$ -	\$ -
0.002	Reserves - Self-Insurance	\$ -	\$ -	\$ -	\$ -
0.003	Reserves - Cash Balance to be Carried Forward	\$ 52,530.00	\$ -	\$ -	\$ 52,530.00
0.004	Reserves - Sick and Annual Leave	\$ 250,000.00	\$ -	\$ -	\$ 250,000.00
<b>TOTAL RESERVES</b>		\$ 302,530.00	\$ -	\$ -	\$ 302,530.00
<b>TOTAL BUDGETARY EXPENDITURES and BALANCES</b>		\$ 22,703,676.00	\$ -	\$ 229,235.56	\$ 22,474,440.44
<b>ENDING FUND BALANCE</b>		\$ -	\$ -	\$ -	\$ -

APPROVED: \_\_\_\_\_  
Chairman of the Board, or Clerk of Circuit Court

DATE \_\_\_\_\_

APPROVED: \_\_\_\_\_  
FDACS Mosquito Control Program Designee

DATE \_\_\_\_\_