

## **COLLATERAL ASSIGNMENT OF LEASE**

THIS COLLATERAL ASSIGNMENT OF LEASE (this "Assignment") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2013, by and between LeaseCorp Aviation, LLC, a Kansas limited liability company, and INTRUST Bank, N.A., a national banking association ("Assignee").

### **WITNESSETH**

WHEREAS, The Wichita Airport Authority, Wichita, Kansas ("Lessor"), and LeaseCorp Financial, Inc., a Kansas corporation, entered into that certain Use and Lease Agreement dated June 12, 2012, which was assigned by Lease Corp Financial, Inc. to LeaseCorp Aviation, LLC ("Lessee"), as may be amended, incorporated herein by reference (together, the "Lease"), covering certain aircraft hangar operation facilities located at Wichita Mid-Continent Airport, Wichita, Kansas, further described on Exhibit "A" attached hereto and incorporated by reference, and any and all improvements now or hereafter located thereon (such land and improvements being herein referred to collectively as the "Subject Property"); and

WHEREAS, Assignee, as Lender, has agreed to make a loan to Lessee, as Borrower (the "Loan"), evidenced by a promissory note (the "Note") and other related loan documents of even date herewith (collectively, the "Loan Documents"); and

WHEREAS, to secure the Loan, Lessee has agreed to assign to Assignee, and Assignee has agreed to take from Lessee, an assignment of the Lease for collateral purposes, on the terms and conditions set forth herein,

NOW, THEREFORE, the parties hereto agree as follows:

1. Assignment. Lessee, in consideration of the Loan and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby absolutely and unconditionally GRANT, CONVEY, ASSIGN, TRANSFER, and SET OVER unto Assignee all rights, interests and estates of Lessee in, to and under the Lease, together with all renewals and extensions of the Lease and other agreements and all other leases or agreements that may hereafter be entered into which cover all or any portion of the Subject Property. This is a present transfer to such lender of all of Lessee's rights to collect and receive rents and charges from approved users, operators, sublessees and permittees.

2. Representations and Warranties of Lessee. Lessee hereby represents and warrants to Assignee that:

(a) Lessee has the right to assign the Lease and the Rents hereby assigned and no other person or entity has any right, title or interest therein, subject to the provisions of Section 16 below, Federal Aviation Administration regulations, and airport grant assurances;

(b) Lessee has performed and will duly and punctually perform all of the terms, covenants, conditions and warranties of the Lease;

(c) Lessee has not at any time prior to the date hereof exercised any right to subordinate any Lease to any deed of trust or mortgage or any other encumbrance of any kind;

(d) Lessee has not executed any prior assignments of the Lease or the Rents;

(e) Lessee has performed no act or executed any other instrument which might prevent Assignee from enjoying and exercising any of its rights and privileges evidenced hereby;

(f) The Lease is valid and subsisting and in full force and effect and unmodified;

(g) There are no rent receipts owed to Lessee under the Lease with Lessor; and

(h) There are no defaults now existing under the Lease and no event has occurred which with the passage of time or the giving of notice, or both, would constitute such a default.

3. Limitation of Assignee's Liability. Assignee shall not be obligated to perform or discharge any obligation, duty or liability under the Lease by reason of this Assignment or the exercise of rights or remedies hereunder. Lessee shall and does hereby agree to indemnify, defend and hold Assignee harmless from and against any and all liability, loss or damage incurred under the Lease by reason of this Assignment or the exercise of rights or remedies hereunder, and from any and all claims and demands whatsoever that may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Lease. Should Assignee incur any such liability under the Lease by reason of this Assignment or the exercise of rights or remedies hereunder, or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorney fees, shall be secured hereby and Lessee shall reimburse Assignee therefor immediately upon demand, failing which Assignee may, at its option, declare all indebtedness secured hereby and by the Loan Documents to be immediately due and payable. This Assignment shall not operate to place responsibility upon Assignee for the control, care, management or repair of the Subject Property, nor for the carrying out of any of the terms and conditions of the Lease; nor shall it operate to make Assignee responsible or liable for any waste committed on the Subject Property or for any dangerous or defective condition of the Subject Property, or for any negligence in the management, upkeep, repair, or control of the Subject Property resulting in loss or injury or death to any tenant, licensee, employee, or stranger.

4. Assignee's Remedies. This Assignment is primary in nature to the obligation evidenced and secured by the Loan, the Loan Documents and any other document given to secure and collateralize the indebtedness secured by the Loan Documents. Lessee agrees that Assignee may enforce this Assignment without first resorting to or exhausting any other security

or collateral; provided, however, that nothing herein contained shall prevent Assignee from suing on the Loan, foreclosing the Loan Documents or exercising any other right under any document securing the payment of the Loan.

5. No Waiver. Nothing contained herein and no act done or omitted by Assignee pursuant to the powers and rights granted hereunder shall be deemed to be a waiver by Assignee of its rights and remedies under the Loan Documents or a waiver or curing of any default hereunder or under the Loan Documents, and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Assignee under the terms of the Loan Documents. The right of Assignee to collect the interest and indebtedness evidenced by the Loan Documents and to enforce any other security therefor held by it may be exercised by Assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

6. Term of Assignment. If the Loan and all other indebtedness secured hereby and by the Loan Documents are paid as the same become due and payable and if all of the covenants, warranties, undertakings and agreements made in the Loan Documents and in this Assignment are kept and performed, this Assignment shall become null and void and of no further force and effect but the affidavit, certificate, letter or statement of any officer, agent or attorney of Assignee showing any portion of the Loan or such other indebtedness to remain unpaid or any of such covenants, warranties, undertakings and agreements not to be kept or performed shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Assignment and any person may, and is hereby authorized to, rely thereon.

7. Additional Rights of Assignee.

(a) Assignee may take or release other security for the payment of the Loan and other indebtedness secured by the Loan Documents, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the satisfaction of the Loan and such other indebtedness without prejudice to any of its rights under this Assignment.

(b) Assignee may at any time and from time to time in writing: (i) waive compliance by Lessee with any covenant herein made by Lessee to the extent and in the manner specified in such writing; (ii) consent to Lessee doing any act that hereunder Lessee is prohibited from doing, or consent to Lessee failing to do any act which hereunder Lessee is required to do, to the extent and in the manner specified in such writing; or (iii) release any portion of the Subject Property and/or the Lease, or any interest therein, from this Assignment. No such act shall in any way impair the rights of Assignee hereunder except to the extent specifically agreed to by Assignee in such writing.

(c) The rights and remedies of Assignee hereunder shall not be impaired by any indulgence, including, but not limited to, (i) any renewal, extension, or modification that Assignee may grant with respect to any indebtedness secured hereby; (ii) any surrender, compromise, release, renewal, extension, exchange, or substitution that Assignee may grant in respect of any item of the Subject Property and/or the Lease or any part thereof or any interest therein; or (iii) any release or indulgence granted to any endorser, guarantor or surety of any indebtedness secured hereby.

8. Severability. A determination that any provision of this Assignment is unenforceable or invalid shall not affect the enforceability or validity of any other provision and any determination that the application of any provision of this Assignment to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

9. No Merger. Notwithstanding (a) the fact that any Lease or the leasehold estate created thereby may be held, directly or indirectly, by or for the account of any person or entity that shall have an interest in the fee estate of the Subject Property; (b) the operation of law; or (c) any other event, the lessee's leasehold estate under such Lease shall not merge into the fee estate and the lessee shall remain obligated under such Lease as assigned by this Assignment.

10. Binding. The terms, provisions, representations, and warranties herein contained shall inure to the benefit of, and bind, the parties hereto and their respective heirs, representatives, successors and assigns, all Lessor approved subtenants and assigns of this Lease, and subsequent holders of the Loan Documents. All references in this Assignment to Lessee or Assignee shall be deemed to include all such heirs, representatives, successors and assigns of such respective party.

11. Additional Documentation. Lessee agrees to and shall promptly execute or cause to be executed and deliver to Assignee a specific assignment of each and every lease hereafter executed and covering all or a portion of the Subject Property, such specific assignment to be in the form of this Assignment.

12. Construction. Within this Assignment, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. The provisions of this Assignment are intended to supplement the provisions contained in the Loan Documents. In the event of any conflict between the terms of this Assignment and the terms of the Loan Documents, the terms of this Assignment shall prevail insofar as the Lease is concerned, but the terms of the Loan Documents shall prevail in all other respects.

13. Counterparts. This Assignment may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute one instrument.

14. No Third Party Beneficiaries. It is expressly agreed by the parties hereto that this Assignment shall not be construed or deemed made for the benefit of any third party or parties.

15. Entire Agreement. This Assignment and the Loan Documents contain the entire agreement concerning the assignment of the Lease between the parties hereto. No variations, modifications or changes herein or hereof shall be binding upon any party hereto, unless set forth in a document duly executed by both parties.

16. Use of Subject Property. The parties agree that the Subject Property will be used only for aeronautical purposes, and that further assignment or subletting shall be subject to the prior written consent of Lessor, which shall not be unreasonably denied.

THIS ASSIGNMENT, THE LOAN DOCUMENTS AND OTHER WRITTEN DOCUMENTS EXECUTED CONTEMPORANEOUSLY HERewith REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first written above.

**LeaseCorp Aviation, LLC**

By its sole Member, LeaseCorp Financial, LLC

By: \_\_\_\_\_  
Raymond L. Koenig, President

**INTRUST Bank, N.A.**

By: \_\_\_\_\_  
Jack J. Roberts, Senior Commercial  
Relationship Manager

**LESSOR'S CONSENT**

The undersigned, being the Lessor under the Lease described above, does hereby consent to the terms and conditions of the foregoing Assignment. Further, Lessor covenants to Assignee that Lessor shall give notice to Assignee when and as given to Lessee for any event of default by Lessee under the Lease, and Assignee, at its option, shall have the right to correct any condition or to cure any default. Nothing in this instrument shall relieve Lessee of its obligations under the Lease. This Consent is given as of the date first written above.

**LESSOR:**  
**The Wichita Airport Authority**

**Attest:**

By: \_\_\_\_\_  
Carl Brewer, President

\_\_\_\_\_  
Karen Sublette, City Clerk

\_\_\_\_\_  
Victor D. White, Director of Airports

**Approved as to form:**

\_\_\_\_\_  
Gary E. Rebenstorf, Director of Law

**STATE OF KANSAS** )  
**COUNTY OF SEDGWICK** )

The foregoing Assignment was duly acknowledged before me by Raymond L. Koenig, President of LeaseCorp Financial, Inc., a Kansas corporation, the sole member of LeaseCorp Aviation, LLC, a Kansas limited liability company, on the \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**STATE OF KANSAS** )  
**COUNTY OF SEDGWICK** )

The foregoing Assignment was duly acknowledged before me by Jack J. Roberts, Senior Commercial Relationship Manager of INTRUST Bank, N.A., a national banking association, on the \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**STATE OF KANSAS** )  
**COUNTY OF SEDGWICK** )

The foregoing Assignment was duly acknowledged before me by Carl Brewer, as President of The Wichita Airport Authority, Wichita, Kansas, a Kansas municipal corporation, on the \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**EXHIBIT A**  
**(Legal Description)**