AMENDMENT TO AND TERMINATION OF SUPPORT FACILITIES LEASE AGREEMENT

THIS SUPPORT FACILITIES LEASE TERMINATION AGREEMENT (this "**Termination Agreement**") is made and entered into as of the date stated on the signature page by and between **THE CITY AND COUNTY OF DENVER** ("**City**") and **UNITED AIRLINES, INC.**, a Delaware corporation formerly known as Continental Airlines, Inc. ("**Airline**").

W I T N E S S E T H :

WHEREAS, City and Airline previously entered into that certain Support Facilities Lease Agreement (for Line Maintenance) dated January 8, 1993 (the "**Lease**") for the lease and use of certain premises and facilities at Denver International Airport (together, the "**Leased Premises**"); and

WHEREAS, the Airline has requested that the City terminate the Lease effective as of May 31, 2014, and the City, desiring use of the Licensed Premises for other tenants, has agreed to such early termination subject to the terms set forth below;

NOW THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the City and the Airline do hereby mutually undertake, promise and agree, each for itself and its successors, as follows:

1. City and Airline agree that in lieu of the original termination provisions stated in Sections 2.01, "**TERM OF THE LEASE**," and 2.02, "**SURRENDER OF POSSESSION**," of the Lease, the Lease shall terminate on May 31, 2014 (the "**Termination Date**"). Not later than the Termination Date, Airline agrees that it will quit and surrender the Leased Premises. City agrees to accept the Leased Premises upon surrender "AS IS, WHERE IS, WITH ALL FAULTS", except that Airline will (a) surrender the Premises in "broom clean" condition, (b) remove (but not replace) the filters in the "paint area" and "clean area" of the facility and drain the lined pond located northeast of the facility on or before the Termination Date., and (c) complete all the items listed in Denver Fire Department Order to Comply dated February 24, 2014, attached hereto as Exhibit A, on or about April 15, 2014.

2. In consideration of the foregoing and for Airline being relieved of further obligations under the Lease, Airline shall pay city a lump sum amount of Nine Million Six Hundred Ninety Thousand Six Hundred Seventy-Seven Dollars ($9,690,677.00), which amount shall be payable in full within sixty (60) days after this Termination Agreement is approved by the City Council.

3. Subject to Airline satisfying the condition set forth in paragraph 2 above, City and Airline hereby release, discharge, and waive any and all claims against each other arising out of or in any way connected with the Lease and Airline's possession of the Leased Premises, except that Airline's obligations under Section 4.01, "**INDEMNIFICATION COVENANT**," of the Lease shall survive the termination of the Lease as to any environmental remediation required as a result

of the Airline's use or occupancy of the Leased Premises. Also, the Airline's obligations to the Auditor of the City or any of the Auditor's duly authorized representatives as set forth in the Lease, shall survive the termination of the Lease.

4. Upon request of either party, the other party will execute and acknowledge any additional documents determined by the requesting party to be reasonably necessary in order to memorialize the complete surrender of the Leased Premises and the termination of the Lease as provided herein.

5. This Termination Agreement is expressly subject to and shall not be or become effective or binding on the City until approved by the City Council and fully executed by all signatories of the City and County of Denver.

[SIGNATURE PAGE FOLLOWS]

Contract Control Number: PLANE-AC2X025-01

Contractor Name: United Airlines, Inc.

By: Kate Gebo

Kate Gebo

Name: _____
(please print)

Vice President
Corporate Real Estate

Title: _____
(please print)

ATTEST: [if required]

By: Sucheta Misra

Name: SUCHETA MISRA
(please print)

Title: ASSISTANT SECRETARY
(please print)

Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By_____

_____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

By_____

By_____

By_____

Denver Fire Department
Fire Prevention Division

745 West Colfax Avenue
Denver, CO 80204
p: 720.913.3474
f: 720.913.3596
www.denvergov.org/fire

FIRE DEPARTMENT
DENVER PUBLIC SAFETY

ORDER TO COMPLY

February 24, 2014

Mr. Lester H. Adamczyk, Foreman
Plant & Equipment Maintenance
United Airlines Denver Int'l Airport
27310 East 98th Avenue
Denver, Colorado 80249

Dear Mr. Adamczyk:

RE: CONTINENTAL/UNITED AIRLINES AIRCRAFT MAINTENANCE HANGAR FACILITY
26360 EAST 103RD AVENUE

Thank you for taking time away from the demands of your workday on two separate occasions (December 31, 2013, and January 29, 2014) to escort Fire Prevention personnel through the 26360 E. 103rd Avenue Aircraft Maintenance Hangar, which was originally constructed by Continental Airlines for maintenance of that firm's aircraft. The December visit was to conduct the 2013 annual fire safety inspection and the January 2014 visit was to explain to United Airlines/Continental Airlines officials the more serious findings of the December 31, 2013 inspection.

As we discussed during these visits, aircraft hangars, like any other maintenance or manufacturing facilities, are inherently hazardous places because of the presence of fuel, chemicals and power tools; there is the potential for fire and explosion. Also, some hangars service "other than fueled aircraft" as defined by NFPA 409. Aircraft may be undergoing service, repairs or alterations. A fire could jeopardize the hangar, its occupants and its contents.

The Denver Fire Department's Aircraft Rescue and Firefighting Unit's experience is that the radiant heat experienced at a crash fire is so intense that it will ignite combustibles within 20 feet of the fire, and this is outdoors, where more than 70% of the heat is carried away in the smoke column. In a hangar fire this heat plume cannot escape and is diffused throughout the interior of the hangar structure. High-performance and reliable fire protection systems are required to be installed and maintained to meet the challenges and hazards of aircraft maintenance hangars. These systems include: fire sprinkler foam deluge systems; fire sprinkler systems; low-level AFFF firefighting foam; combustible gas detection; fire pump(s); flame detection; fire sprinkler monitor nozzles; Class I, Division I electrical systems; draft curtains; fire alarm systems; amongst others.

These systems comprise a "global fire protection" system and must be maintained fully functional at all times. The Fire Prevention Division has a great deal of respect for United Airlines' facility maintenance programs and

Exhibit A

are alarmed at the non-complying condition of these safety systems within the facility. We are confident that no person deliberately ignores safety systems when working with the hazard potential that a Class I aircraft maintenance hangar poses; however, the following serious issues were noted during the December 31, 2013, Fire Safety Inspection.

1. Diesel fuel tank #6, which provides fuel for the hangar's fire pump drivers was at 40% capacity. Each fire pump is required to have fuel to operate under emergency conditions for a minimum of eight (8) hours.

2. At the time of the December 31, 2013, fire safety inspection, issues involving non-complying fire alarm panel conditions and fire alarm circuitry were noted. The fire alarm panel was not communicating with the Digital Alarm Communicator Transmitter (DACT) and signals were not being sent to the central station. Faulty interface and poor workmanship in the telephone line interface were noted.

   Scrolling through the fire alarm control panel's (FACP) history database, acknowledging the alarms & manipulating wire bundles resulted in 28 alarm signals in the queue being transmitted to the central station monitoring agency resulting in a nuisance response from fire crews at DIA.

   The FACP history database also recorded that the hangar's fire pumps ran for approximately 5 to 7 hours on December 28, 2013 without contacting Fire Dispatch or United Airlines Facility Maintenance personnel. If UAL Facility Maintenance personnel had not found the fire pumps running (upon the daily inspection), they could have run for even longer, causing damage to the fire pumps or the fire protection systems.

   The Fire Alarm Control Panel (FACP) must be repaired and brought into compliance with City and County of Denver ordinance and National Fire Protection Association (NFPA) 72, *National Fire Alarm Code*, and the non-complying wiring be replaced with code-complying circuitry in an organized, color-coded manner (per NFPA 70, *National Electric Code*). City Fire Alarm Permit #10073519 issued during October 2010 was for replacement of the FACP circuit boards within the panel but included no changes to an existing DACT communicator. During our visit, it was noted the DACT had been replaced with an onboard card communicator which apparently was never inspected or tested by Fire Prevention inspectors.

3. United Airlines Facility Maintenance officials must contact the central station monitoring agency under contract and determine why that service failed to contact Denver Fire Department Dispatch or United Airlines Facility Maintenance when a supervisory or trouble alarm prompted by the loss of system continuity (electrical supervision) was lost. At a minimum the central station monitoring agency must perform continuity tests once every 24 hours.

4. The stand-alone, dedicated DACT (located within the fire sprinkler riser room some 25' from the FACP) appears to have been replaced by a DACT circuit card that is integrated into one of the FACP peripheral support panels. The intent of the DACT circuit card is apparently to relay Fire Alarm Control Panel signals to the central station monitoring agency, but is obviously operating on an intermittent basis.

   This equipment was installed without benefit of City permit and required inspection and commission (acceptance) testing. United Airlines Facility Maintenance officials must initiate the permit process for this equipment. When the permit process is completed, the stand-alone DACT and all associated cabinets and circuitry must be removed. Physical inspection of the unsystematic wiring within the stand-alone DACT

cabinet inadvertently prompted an emergency response by Denver International Airport Aircraft Rescue and Firefighting crews. Therefore, the permit process must begin without delay.

5. Hazardous material storage cabinets located within the hangar's Uninterruptable Power Source (UPS) are not equipped with required self-closing equipment. Self-closures must be provided in accordance with Denver Fire Code requirements or the equipment removed from the premises.

6. Many remote status lamps that indicate location and status for concealed duct detectors throughout the hangar facility are not functioning. This may be the result of a loss of power to the smoke detector that the remote status lamps are integrated with, or the entire signal line circuit (SLC) powered by the Fire Alarm Control Panel has been disabled—possibly during 2010, when the FACP circuitry was replaced. A technician(s) licensed by the Denver Fire Department's Fire Prevention Division must restore this equipment to a code-complying condition. This scope of work shall be permitted with that outlined in item #4.

7. Rolling Steel Fire Door #5 located in the main corridor, which is a component of the fire wall separating the hangar's aircraft maintenance area from less hazardous operational support areas, has been physically damaged. The door does not appear to be repairable. If the door cannot be repaired and remain compliant with National Fire Protection Association Pamphlet #80, *National Standard for Fire Doors and Other Opening Protectives*, and NFPA #80 standards, it must be replaced with a 4-hour fire resistant rolling steel door listed for use with masonry construction. This scope would require a #1C permit from the Denver Building Department.

8. Fluorescent lighting fixtures have been installed within the hazardous material storage enclosure, replacing the required and originally installed light fixtures. National Fire Protection Association Pamphlet #70, *National Electrical Code (NEC)*, requires that all electrical equipment installed be intrinsically safe for the environment. The required electrical equipment, including light fixtures, must comply with either NEC Division I, Class I or Division I, Class II.

9. Smoke detectors have been installed on the deck above the hazardous material enclosure (room) and do not appear to be interconnected with the base building fire alarm system. What is the intent of these detectors? Why are they not interconnected with the base building fire alarm system? Independent fire alarm initiating devices cannot be approved in an aircraft maintenance hangar.

10. West exit door to the building's exterior from the facility storeroom cannot be opened with an opening force complying with national standards (i.e., a maximum force of 30 pounds to start the door in motion and no more than 15 pounds of force to keep the door in motion until it reaches its full open position and the required clear width is available). It appears that the foundation shifting has changed the surface elevation at this door, bringing the threshold into contact with the door. This door is a required means of egress and corrective action must be initiated immediately to restore the exit door to a code-complying condition.

11. The wheeled fire extinguishers have not received required annual inspection and maintenance. The wheeled fire extinguishers are the stationary stored pressure type, with either Purple K or dry chemical agent, and are required to be inspected, tested, maintained and recharged by qualified personnel licensed by Denver Fire Prevention. Regular inspection (at least monthly) of the wheeled fire extinguisher must be in accordance with National Fire Protection Association Pamphlet #10, *Standard on Portable Fire Extinguishers*,

and the manufacturer's recommendations. The annual inspection and maintenance must also be in accordance with NFPA #10 and the manufacturer's recommendations. The annual inspection and maintenance requires weighing the extinguisher to determine if weight is within allowable tolerances, removing the discharge hose for air test, etc. Every six years, the extinguisher is required to undergo a complete maintenance that includes discharging chemical and pressure into a closed dry chemical recovery system, removal and testing of the operating valve assembly, etc. Denver Fire Code section 906.2.1 requires that a Denver Fire Department "verification of service" external collar tag (available through Denver Fire Prevention) be installed on the extinguisher in accordance with NFPA 10 whenever the operating valve has been removed (i.e., 6- and 12-year maintenance). Every 12 years, the wheeled fire extinguisher must be hydrostatically tested. The hangar's wheeled fire extinguishers and those on the concourse(s) must be inspected, tested and maintained in accordance with Denver Fire Code and referenced standards.

12. Water leaking through the hangar facility roof has damaged the suspended ceiling assembly in several areas of operations support locations. The suspended ceiling panels serve to collect and bank the heat of a fire to properly activate fire sprinklers, ensuring they activate early enough to control a fire. Several of the ceiling panels are damaged and therefore may actually delay sprinkler activation, therefore must be replaced, and the roof leaks must be repaired to eliminate damage to the suspended ceiling assembly.

13. The fire alarm horn/strobe assembly mounted on the exterior of the fire pump enclosure is not functioning and appears to have been damaged by the elements and must be replaced.

14. The east fire protection water supply tank has an overfill problem that is apparent by the flooding in the immediate vicinity of the fire protection water supply tanks. This situation may be caused by a malfunction of the tank's altitude valve. This condition must be eliminated.

15. Please submit the most recent inspection/test/maintenance report for the facility's emergency generator set. The emergency generator set provides emergency electrical power to the fire protection systems, the fire alarm system and other life safety systems and must be maintained in accordance with requirements of Denver's Fire Code, National Fire Protection Association pamphlet #110, *Standard for Emergency and Standby Power Systems,* and the manufacturer's recommendations.

16. The recently installed fire alarm power supply panel in the hangar is not rated for wet locations, therefore should be properly protected in accordance with the NEC and manufacture installation guides. This scope of work shall be covered in the obtained permit identified in item #4.

17. Provide discussion for why the priming lines on each of the deluge valves (in the riser room) have been closed. Per the 11/13/13 inspection report from Frontier Fire, this approach was recommended by the Reliable Sprinkler Company. Does this violate the valves operating sequence and does it impact the systems overall response & function.

18. The 2013 3rd party inspection reports note several deficient items and such shall be mitigated/resolved as soon as possible (report includes 12.9.13 fire alarm system by Fire Detection Systems and the 11.19.13 sprinkler/foam system by Frontier Fire Protection).

19. All fire roll down doors require inspection & testing by an authorized/recognized provider. NFPA 80 requires annual inspection & testing with verification reports provided to the AHJ.

Denver Fire Prevention has respect for United Airlines Facility Maintenance personnel based on years of experience and the usual quality of maintenance. The condition of the 26360 E. 103rd Avenue aircraft maintenance hangar property is not in line with what we have come to expect. On or before March 10, 2014, United Airlines must submit a written plan that includes firm dates for bringing each of the above Fire Code violations into compliance with City and County of Denver ordinance. Failure to comply will result in further legal action.

Only those code violations and hazardous conditions discovered at the time of inspection are addressed herein. It is the responsibility of the building owner and management to correct any and all hazards found during both normal business operations and other times, even if those hazards were not discovered in this inspection. Pursuant to *2011 Denver Fire Code*, as amended, Section 108.1.1, you may appeal this order by filing a written application in the office of the Manager of Safety at 1331 Cherokee Street, Room 302, Denver, Colorado 80204, within thirty (30) days of receipt of this order. Filing does not delay enforcement of this order. The application fee for appealing a Fire Department order to comply is two hundred fifty dollars ($250.00). The $250 appeal fee is not refundable once the appeal is scheduled.

If additional information could prove helpful please contact me at 720-865-2966.

Sincerely,

Tony Caro, P.E.
Fire Protection Engineer

C: Division Chief Joseph Gonzales, Fire Prevention
Technician Todd Odenthall, Fire Prevention DIA