October 3, 3016 - OIAA Agenda Supplemental Material

Item 2 - Budget

RESOLUTION NO. 2016__

RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY ADOPTING AN ANNUAL BUDGET FOR FISCAL YEAR 2016-17

WHEREAS, the Ontario International Airport Authority (the "Authority") was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino (the "Joint Powers Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (the "Joint Powers Act"), for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport (the "Airport"); and

WHEREAS, under that certain Settlement Agreement effective as of July 30, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California, its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles is obligated to transfer management and control of the Airport and certain "Surrounding Parcels" and other "Airport Assets" to the Authority on the "Transfer Date" (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority will be the sole owner, operator and sponsor of the Airport, the Surrounding Parcels and the related Airport Assets, and shall thereafter be entitled to charge, collect and receive fees, charges, rentals and other revenues from its operation and management of the Airport; and

WHEREAS, as of the date hereof, and at all times prior to the Transfer Date, the Airport is and will be managed, controlled, and operated by LAWA; and

WHEREAS, in connection with LAWA's management and control of the Airport, and pursuant to a resolution of BOAC adopted on June 2, 2016, BOAC has adopted an annual budget for Fiscal Year 2016-17, which annual budget is applicable to each airport managed and controlled by LAWA, including but not limited to the Airport;

WHEREAS, the Authority has determined that it is in the best interest of the Authority to adopt the annual budget for Fiscal Year 2016-17 that was previously adopted by BOAC, as set forth in the resolutions adopted by BOAC on June 2, 2016, as to those portions of the annual budget and only to the extent that such annual budget applies to the Airport, as the annual budget for the Airport from and after the Transfer Date and for the remainder of Fiscal Year 2016-17; and

NOW, THEREFORE, be it resolved as follows:

SECTION 1. The Authority hereby approves and adopts the annual budget for the Airport for Fiscal Year 2016-17 adopted by BOAC on June 2, 2016, as set forth in the BOAC resolutions and board materials attached hereto as Attachment A, solely as to those portions of the annual budget and only to the extent that such annual budget applies to the Airport. The Chief Financial Officer of the Authority is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to determine the portions of such budget that apply to the Airport and to implement such budget for the operation of the Airport in accordance with such determination. The Authority anticipates adopting a budget for the subsequent 2017-18 Fiscal Year by resolution no later than the month of May 2017.

SECTION 2. Each of the Chief Executive Officer of the Authority and his designee, the Chief Operating Officer of the Authority and his designee, and the Chief Financial Officer of the Authority and his designee, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to take any and all actions, to execute any and all documents, and to pay or cause to be paid all costs and expenses, as may be necessary or desirable to effectuate the purposes of these resolutions and the documents and transactions herein authorized and to comply with the terms of the documents herein authorized.

SECTION 3. All actions heretofore taken by any officer or agent of the Authority in connection with or related to the matters set forth in these resolutions are hereby approved, confirmed and ratified.

SECTION 4. This resolution shall take effect immediately.

Attachment A

Fiscal Year 2016-17 Budget Materials

_____
OIAA PRESIDENT

ATTEST:

_____
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____
STEPHEN G. LARSON
GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

Los Angeles World Airports

REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

19

Approved by: Ryan Yakubik – Chief Financial Officer

Reviewed by: Samson Mengistu – Chief Operating Officer

City Attorney

Deborah Flint – Chief Executive Officer

Meeting Date: 6/2/2016

CAO Review: ☐ Completed ☐ Pending ☒ N/A

Reviewed for	Date	Approval Status	By
Capital Budget	5/20/2016	☒Y ☐ N ☐ NA	NE
Operating Budget	5/20/2016	☒Y ☐ N ☐NA	RW
CEQA	5/18/2016	☒Y ☐ N	AE
Procurement	5/12/2016	☒Y ☐N ☐ Cond	MT
Guest Experience	5/22/2016	☒Y ☐N	BY

SUBJECT: **Adopt an Annual Budget for Fiscal Year 2016-17 for Los Angeles World Airports**

Adopt the Fiscal Year 2016-17 Annual Budget for Los Angeles World Airports, appropriate funding, authorize use of Passenger Facility Charge and Customer Facility Charge collections, transmit debt and capital reports to the City and approve expense reimbursements.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines.
3. APPROPRIATE funding for the Fiscal Year 2016-17 projected operating expenses for Los Angeles World Airports and its airports and special funds.
4. APPROVE reimbursement of expenses incurred by various departments of the City of Los Angeles for services that provide direct benefit to Los Angeles World Airports.
5. FURTHER APPROPRIATE funding for principal and interest payments and costs of issuance on Los Angeles World Airports debt issued or payable during Fiscal Year 2016-17.

6. FURTHER APPROPRIATE funds for preconstruction planning, definition and preliminary design supporting airport projects and capital projects for Skyview Center.

7. AUTHORIZE use of Passenger Facility Charge collections for reimbursement or payment of eligible debt service in Fiscal Year 2016-17.

8. FURTHER APPROPRIATE and AUTHORIZE use of Customer Facility Charge collections for the payment or reimbursement of eligible expenses in Fiscal Year 2016-17.

9. FURTHER AUTHORIZE staff to transmit the attached debt accountability report and forecast of capital project funding to the Mayor's Office, the Innovation, Grants, Technology, Commerce and Trade Committee and Controller for informational purposes only as required pursuant to Section 11.28.3 of the City of Los Angeles Administrative Code.

10. FURTHER AUTHORIZE the Chief Executive Officer or designee to make minor changes in the Annual Budget as required to correct clerical or arithmetic errors.

DISCUSSION:

1. Purpose

Adopt a budget for Los Angeles World Airports (LAWA) and its airports for Fiscal Year 2016-17 and appropriate funding required for operations and maintenance expenses, reserves, special funds and other initiatives as outlined in this report.

2. Prior Related Actions

- June 4, 2015 – Board Resolution No. 25720
  The Board of Airport Commissioners (BOAC) adopted LAWA's Annual Budget for FY2015-16. The FY2015-16 Budget for receipts included an estimated reserve balance carry-forward from prior years of $2.291 billion and projected Operating Revenues, Non-Operating Revenues and Grant Receipts of $1.252 billion, $209.1 million and $66.8 million respectively. The Budget also included authorization for Maintenance & Operations Expenses of $790.7 million, Non-Operating and Capital Expenditure projections of $1.677 billion and Total Reserves projections of $2.201 billion.

3. Current Action

LAWA's operations are supported solely by revenues generated by the Department. It strives to balance revenues generated from cost recovery formulas applied to aeronautical users and those generated from fluctuating non-aeronautical revenues driven by passenger traffic and commercial opportunities. At the same time, management must control operating expenses in order to achieve the levels of net revenues outlined in financial forecasts provided to investors sufficient to cover obligations for debt service and fund planned capital expenditures.

LAWA's Annual Budget is a projection of the annual revenues, expenses and reserves of the Department. Approval of the Annual Budget for LAWA and related appropriation of funds

authorize staff, among other things, to spend funds for operating expenses during Fiscal Year 2016-17 in the amount of $831.6 million. These expenditures support the daily operations of LAWA's airports and real estate holdings as well as provide capacity to fulfill federal mandates for the safety and security of airport operations. These expenses are matched against projected revenues of approximately $1.406 billion for the same period, resulting in projected net revenues of $574.4 million available to pay debt service and fund capital projects. While the budget also includes projections of capital expenditures and debt issuance, the Board of Airport Commissioners (BOAC) will allocate funding and authority for these initiatives through separate actions on a case-by-case basis.

Budget Planning

In formulating the Fiscal Year 2016-17 Annual Budget, management received input from LAWA staff and conducted budget reviews with the Department's Deputies and Directors, with final adjustments made under the guidance of the Chief Executive Officer. In addition to the BOAC's prior briefing on the preliminary FY2016-17 Budget, staff has provided preliminary information to the Mayor's Office, City Council and airline stakeholders for comment. Once adopted, the Budget becomes the primary financial document to guide LAWA in its business execution during the fiscal year and provides the basis for calculation of various cost recovery fees that will come to the BOAC for approval.

In addition to the ongoing day-to-day operations of the Department, LAWA management was focused on the following areas when developing the FY2016-17 Budget:

- Enhancing the safety and security profile within and around the airports
- Bolstering emergency management resources and partnerships to assure quick and deliberate responses to incidents
- Planning and preparing to support the implementation of LAX's Landside Access Modernization Program (LAMP)
- Expanding training and other initiatives to improve the guest experience
- Improving parking operations in the LAX CTA and economy lots
- Advancing environmental and sustainability programs aimed at minimizing LAX's impact on surrounding communities and the environment

LAWA Operating Revenues, Expenses and Special Funds

Operating Revenues:

LAWA is an enterprise fund that must generate sufficient revenues to fund its operating and capital expenses, debt service and required reserves. LAWA's operating revenues fall into two categories: aeronautical and non-aeronautical. Aeronautical revenues consist of air carrier landing fees, building and land rentals and other aviation-related fees and charges. Most aeronautical charges are based on cost recovery formulas and are highly correlated with the levels of operating expenses and debt service incurred. Non-aeronautical terminal operations include concession activities in the terminals providing for sale of food, beverages, gifts, news, duty free items and advertising and other miscellaneous sales and services. Non-aeronautical activities outside the terminals generate revenue from parking, rental car concessions, and fees and charges to other ground transportation operators.

Staff projects operating revenues for Fiscal Year 2016-17 of approximately $1.4 billion. This projection represents a 12.3% increase over projected FY2015-16 revenues. Over half of LAWA's revenues are driven by cost recovery formulas used in calculation of airfield and terminal rates and charges. These aeronautical revenues are expected to be higher than those projected for FY2015-16 due to increased operating expenses and debt service in the airfield and terminal cost centers as well as implementation of the Year 4 phased increase in cost recovery pursuant to the LAX Terminal Rate Agreement. Revenues from in-terminal concession agreements and parking/ground transportation operations, boosted by increased levels of passenger traffic, are also expected to contribute to greater overall revenues.

Operating Expenses:

LAWA's budgeted operating expenses support the ongoing operation and maintenance of LAWA's airports and real estate holdings. These expenses do not include costs of constructing new or purchasing completed assets nor do they include bond principal and interest payments made by the Department.

The largest portion of LAWA's operating expenses consists of payment of salaries, fringe benefits and other payroll expenses for LAWA employees. Including payments to the City of Los Angeles for fire service, supplemental police and other support services, personnel costs represent $524.3 million or 63.0% of LAWA's total operating budget. Payments for salaries and benefits for those employees directly employed by LAWA during Fiscal Year 2016-17 are budgeted at $458.6 million, an increase of 6.9% over the FY2015-16 Budget. Projected operating costs associated with personnel will be partially offset by capitalizing expenses associated with supporting the Los Angeles International Airport (LAX) Development Program. While the FY2016-17 Budget assumes a 1.2% increase in the Department's current headcount to approximately 3,528 active employees, personnel expenses associated with salaries plus overtime and with pension contributions are projected to increase by 5.8% and 9.7% respectively.

Contractual Services, after excluding payments for the above mentioned fire, police and other services provided by the City of Los Angeles, are budgeted at $169.5 million and represent the second largest category of expense. Approximately $68.0 million of this expense supports contract labor to operate parking garages and bus services supporting remote parking and ground transportation options offered at LAWA's airports. Other major budgeted expenditures for contracted services include maintenance for specialized terminal mechanical equipment (boarding bridges, baggage systems, elevators/escalators), maintenance of Central Utility Plant and Bradley West building systems, maintenance of new and existing IT systems, expansion of emergency management resources and planning, development of LAWA's guest experience initiatives and specialized architectural/engineering consultants supporting planning and definition of future capital projects. Total contractual services expense for FY2016-17, inclusive of services provided by the City, is budgeted at $235.1 million, representing a 6.6% increase over the FY2015-16 Budget.

LAWA's remaining budgeted operating expenses for FY2016-17 consist of: $54.8 million in materials and supplies (fuel, materials, parts and supplies for terminal and airfield maintenance, IT licenses and equipment, office supplies, etc.), $5.2 million in administrative services (employee training/travel and memberships - see attached Exhibit K), $53.1 million in utilities (gas, electric, water, telephone, etc.), $4.4 million in advertising and public relations (LA Inc., procurement, advertisements, communications related to construction

impacts, community outreach, etc.) and $20.4 million in other operating expenses (insurance premiums, office building and support facility leases, government fees and taxes, etc.).

Special Funds:

Art Fund: As a component of some capital projects undertaken by LAWA, funds for public art may be set aside and managed by LAWA as applicable under the City's public art ordinances. These fees are used to assure continued and sustainable funding of a public arts program at LAWA. Fees are identified at the start of relevant capital projects and are set aside for use, in conjunction with the City's Cultural Affairs Department, to support arts programs at LAWA's airports. As part of the Board's appropriation associated with LAWA's FY2016-17 Budget (outlined in Exhibit G), staff has budgeted $469,000 in support of LAWA's public art programs during the upcoming fiscal year.

Asset Forfeiture Account: In 2009, LAWA established a special fund to receive proceeds as part of a federal asset forfeiture program. As a condition of the program, these funds may only be used for law enforcement purposes in support of investigations, training, supplies, vehicles and programs. LAWA currently retains a balance of approximately $1.1 million in this account. As part of the Board's appropriation associated with LAWA's FY2016-17 Budget (outlined in Exhibit H), staff has budgeted approximately $148,000 for the purchase of training, equipment, equipment repairs and online resources that support Airport Police's public safety and security mission.

Skyview Center Office Building: In 2013, LAWA acquired the Skyview Center office buildings and adjacent parking lots. While LAWA occupies a portion of one of the buildings, the remainder of the facility is occupied by commercial tenants with leases of various terms. To meet its obligations as a commercial landlord, LAWA utilizes a property management company to operate, maintain and provide tenant services as required. As part of the Board's appropriation associated with LAWA's FY2016-17 Budget (outlined in Exhibit I), staff has budgeted $6.4 million in operating expenses for the continued operation of Skyview Center.

The following table details LAWA's projected operating revenues, expenses and debt service by airport:

Los Angeles World Airports
Projected Fiscal Year 2016-17 Operating Results Overview
(Dollars in thousands)

	LAX & Special Funds	ONT	VNY	PMD	LAWA
Total Operating Revenue*	$1,324,660	$59,746	$17,831	$3,736	$1,405,973
Total Operating Expenses**	($751,891)	($56,187)	($17,186)	($6,319)	($831,583)
Operating Income before Depreciation/Amortization	$572,769	$3,559	$645	($2,583)	$574,390
Projected Debt Service Requirements***	$221,493	$7,094	n/a	n/a	$228,587

*Excludes Interest Income, Passenger Facility Charge (PFC) and Customer Facility Charge (CFC) collections and BABs subsidy
**Adjusted for capitalized expenses and administrative charges
***Net of Capitalized Interest and Passenger Facility Charges applied to eligible debt service

Funds for Purchase of Vehicles and Equipment

LAWA owns and maintains a significant inventory of vehicles and equipment used to maintain and operate its airports. This inventory includes maintenance vehicles and equipment; LAWA security, operations and administrative fleet vehicles; airfield and landside passenger buses; safety and security equipment and IT equipment. As items within the inventory age, become obsolete or can no longer be maintained, they may need to be replaced.

As part of the Annual Budget authorization, the Board allocates funding for inventories, to replace existing vehicles and equipment and purchase new vehicles and equipment based on recommendations from management. Staff requests an appropriation of $30,592,000 within the FY2016-17 Budget to replace inventory, vehicles and equipment. The majority of this budget is concentrated in four areas: 1) new and scheduled replacement of aging police vehicles and security equipment ($8.4 million), 2) new and scheduled replacement of aging LAWA maintenance, operations and administration fleet vehicles and maintenance equipment ($9.0 million), 3) estimates to procure 10 replacement alternative fuel airfield buses ($10.0 million) and 4) new and replacement of IT equipment supporting LAWA's IT systems and networks ($2.5 million).

Payments to the City of Los Angeles

Over time, LAWA has reached either formal or informal agreements with other departments in the City of Los Angeles for reimbursement of services and expenses provided to support the Department. These costs, including City overhead and administrative costs, are reimbursed through direct billings from the departments or through an annual bill for City Services provided by the Office of the Chief Administrative Officer (CAO). This bill includes specialized services provided by the Los Angeles Fire Department, Los Angeles Police Department, Los Angeles City Attorney's Office, City Treasurer and the Personnel Department. LAWA also reimburses the City General Fund for services used by the

Department including but not limited to: proprietary analysis provided by the CAO, support provided by the Mayor's Office and City Council and a liaison with Council District 11.

Apart from other specific agreements with departments of the City, staff requests BOAC authorization to reimburse the following City departments for services provided to support LAWA. The amounts provided are estimates and subject to reconciliation to actual cost.

	FY2016-17 Estimated Payments
Central Services	$ 2.6 million
Controller	
Personnel	
Other (City Council, etc)	
Direct Services	$ 8.3 million
CAO Proprietary Analysis	
City Attorney	
Council District 11 Liaison	
Mayor's Office (Liaison, Office Int'l Trade)	
Office of the Treasurer	
Los Angeles Fire Department	$32.0 million
Los Angeles Police Department (deployment/overtime)	$22.5 million

Other Budgeted Sources and Uses of Funds

In addition to operating revenues and expenses and vehicle/equipment replacement, LAWA's Budget contains projections of other annual sources and uses of funds. Staff's balancing of these sources and uses assures continued funding of LAWA's capital programs and maintenance of needed reserves:

Sources:
Annual sources of funds for the Department include reserve balances carried forward from the prior fiscal year, operating revenues (described above), non-operating revenues (PFC collections, CFC collections, interest income, etc.), proceeds from debt issuance, and grant receipts.

Uses:
Annual uses of Department funds include operating expenses (described above), vehicle and equipment purchases (described above), capital expenditures (capital projects, acquisitions and other capital transactions), debt service and financing costs, other non-operating expenses, and the funding of reserves.

The annual projected sources and uses of LAWA funds are summarized as follows:

	FY2015-16 Budget**	FY2016-17 Budget**
Sources of Funds		
Estimated reserve carry-forward*	$2,291	$2,668
Operating revenues	1,252	1,406
Non-operating revenues	209	224
Debt proceeds	850	907
Grant receipts	67	121
Total Sources	**$4,669**	**$5,326**
Uses of Funds		
Operating expenses	$791	$831
Vehicle and equipment replacement	14	31
Capital expenditures	1,345	1,361
Debt payments and non-operating expenses	318	370
Projected reserves	2,201	2,733
Total Uses	**$4,669**	**$5,326**

*Current estimate of reserve balance carry-forward
**Dollars in millions

Capital Appropriations

Funds for Pre-construction Planning and Design: During FY2016-17, LAWA will engage staff and outside planning resources to define a number of projects that will come to the Board for consideration. This process will provide initial design information, preliminary schedules, cost estimates and environmental clearances used by LAWA management and the Board in the capital decision-development process. Staff requests the Board appropriate funds in an amount not to exceed $5.0 million to fund or reimburse pre-construction planning, environmental, project definition and design costs that are expected to be incurred under various on-call or other contracts previously approved by the BOAC. Remaining funding for these projects will be requested by staff as part of other future Board actions.

Skyview Center Capital Renewal: In order to maintain current and future above market rental rates at the Skyview Center office complex, the property requires periodic renewal and replacement of its facilities. During FY2016-17, staff, in consultation with our property manager, has programed the following capital renewal projects: 1) Security Upgrades Project (camera installations, locking mechanisms, visitor management systems, etc., 2) ADA Sidewalk Improvements, 3) ADA Restroom Improvements, and 4) Parking Lot Improvements (resurfacing and lighting). Staff requests that the Board appropriate $1,228,000 million in funding for the design and construction of these Skyview Improvements.

Funds for Payment of Debt Service

In the course of undertaking capital improvements at LAX, ONT and VNY, LAWA has issued several series of revenue bonds to finance these improvements. These bonds have scheduled principal and interest payments due twice a year. LAWA recovers the cost of these payments through rates, fees, charges and other revenues generated at its airports.

Projected debt service payments due on LAWA's existing $4.7 billion of bonds and commercial paper during Fiscal Year 2016-17 are approximately $363.0 million and $7.1 million for LAX and ONT respectively. Staff expects to issue up to $906.6 million par value in additional fixed rate debt or commercial paper at LAX during the upcoming fiscal year which, along with other currently scheduled payments, is projected to add up to $23.2 million in additional debt service costs during the period and up to $9.1 million in projected other financing costs. Requests for approval of documents related to future bond issuance will be presented for BOAC action at a future date. Staff requests the BOAC appropriate funds in amounts not to exceed $372.1 million and $7.1 in Fiscal Year 2016-17 from the LAX and ONT Revenue Funds respectively for payment of debt service and other financing costs.

Passenger Facility Charge Collections to Pay Debt Service

In addition to amounts approved for pay-go funding identified in completed PFC applications, LAX received Federal Aviation Administration (FAA) approval to collect and use PFCs to pay debt service on bonds issued to finance the Tom Bradley International Terminal (TBIT) Renovations Project, the construction of Bradley West and renovations to Terminal 6 at LAX. Staff expects to seek and receive further approvals in the future to pay expenses related to debt service on other eligible projects. Staff requests the BOAC allocate an amount not to exceed $118.0 million in Fiscal Year 2016-17 from the LAX PFC balance to reimburse or pay debt service associated with eligible projects. Use of these funds is consistent with PFC applications approved by the Board and is reflected in the projections presented to investors purchasing LAX's Airport Revenue Bonds.

Customer Facility Charge Collections to Pay Planning and Access expenses

LAX and ONT collect Customer Facility Charges (CFCs) may be used to pay or reimburse expenses related to the planning or capital costs of consolidated rental car facilities or transportation costs related to the delivery of rental car passengers to and from rental car facilities. LAWA currently operates a consolidated rental car facility at ONT and is undertaking studies to plan for a future consolidated rental car facility at LAX. Staff requests the BOAC authorize reimbursement of costs in an amount not to exceed $3.5 million in Fiscal Year 2016-17 from the ONT CFC balance for facility and transportation costs associated with the ONT rental car facility. Staff also requests the BOAC authorize reimbursement of costs in an amount not to exceed $10.0 million in Fiscal Year 2016-17 from the LAX CFC balance to reimburse allocated expenses for planning and other preconstruction or enabling activities associated with the development of a future consolidated rental car facility at LAX.

Action Requested

Staff requests the Board to approve this staff report and adopt the Annual Budget.

Fiscal Impact

LAX: Staff projects Los Angeles International Airport's net revenues will be sufficient to achieve a total debt service coverage ratio of approximately 2.8 times FY2016-17's debt service (after accounting for capitalized interest and use of Passenger Facility Charges to pay eligible debt service). Projected Airline cost per enplaned passenger is expected to be between $17.50 and $18.00 per enplaned passenger for the fiscal year. Assuming the issuance of additional debt, as outlined above, LAX's debt per enplaned passenger will rise to approximately $140, up from an estimated $119 per enplaned passenger for FY2015-16.

ONT: Staff expects Ontario International Airport, by the nature of its residual agreement, to produce net revenues sufficient to meet its 1.25 times debt service bond rate covenant. The forecast passenger airline cost per enplaned passenger is between $10.00 and $10.50 for FY2016-17. With projected outstanding debt of $48.2 million as of June 30, 2017, projected debt per enplaned passenger for ONT will be approximately $23 by the end of the fiscal year.

VNY: Projected Van Nuys Airport revenue is in excess of projected operating expenses, before depreciation and amortization of non-grant funded investments, for FY2016-17. Following the release of the FY2016-17 audited financial results, staff will revisit the airport's ability to recover its depreciation and amortization costs related to non-grant funded capital investments and will return to the Board with recommended adjustments to the fuel fee if warranted.

4. **Alternatives Considered**

- ***Take No Action***

This is not a viable option. Establishing a departmental budget is required by the City Charter.

- ***Other Variations in the Distribution of Available Budget***

Competing alternatives are always weighed against each other when staff is developing the budget. The level of the operating expenses budgeted for each airport and real estate operation was determined relative to each airport's need while considering projected revenues, impacts on stakeholders and forecasts provided to rating agencies and the investment community. The budget presented for adoption is management and staff's best efforts at balancing the many directives, legal requirements and mandates from both internal and external sources.

APPROPRIATIONS:

Approval of this item will adopt the Los Angeles World Airports' Budget for FY2016-17 and will appropriate funding for operating expenses in the amount of $831,583,000 and vehicle and equipment purchases of $30,592,000 necessary for Fiscal Year 2016-17. Funding will be allocated among the airports and real estate operations as follows:

Commitment Items	LAX*	ONT	VNY	PMD	TOTAL
510 - Salaries & Benefits	$424,365,000	$ 27,188,000	$ 6,971,000	$ 100,000	$458,622,000
520 - Contractual Services	$214,994,000	$ 11,688,000	$ 5,987,000	$2,462,000	$235,131,000
521 - Administrative Services	$ 4,810,000	$ 364,000	$ 28,000	$ -	$ 5,202,000
522 - Materials & Supplies	$ 50,184,000	$ 3,631,000	$ 783,000	$ 200,000	$ 54,798,000
523 – Utilities	$ 45,671,000	$ 5,031,000	$ 726,000	$1,647,000	$ 53,075,000
524 – Advertising & PR	$ 4,041,000	$ 218,000	$ 133,000	$ 5,000	$ 4,397,000
525 - Other Operating Expenses	$ 18,221,000	$ 740,000	$ 316,000	$1,081,000	$ 20,358,000
Total Operating Expenses	$762,286,000	$ 48,658,000	$ 14,944,000	$5,495,000	$831,583,000
104 – Assets					
Total Vehicles and Equipment	$ 29,912,000	$ 493,000	$ 187,000	$ -	$ 30,592,000
Total Appropriations	$792,198,000	$ 49,351,000	$ 15,131,000	$5,495,000	$862,175,000

*Includes Residential Soundproofing, Acquisition Program, Arts Program, Federal Forfeited Assets Funding Program and Skyview Center expenses.

Approval of this item will appropriate funds in an amount not to exceed $5,000,000 for preconstruction, planning, initial design and environmental clearance expenses incurred for capital projects during Fiscal Year 2016-17 to be allocated to such projects and their Work Breakdown Structure (WBS) numbers as needed.

Approval of this item will appropriate funds in an amount not to exceed $1,228,000 for expected expenses incurred for capital renewal projects at Skyview Center to be allocated to such projects and their WBS numbers as needed.

Approval of this item will appropriate funds to pay principal, interest and financing costs payable during Fiscal Year 2016-17 on LAWA-issued debt in amounts not to exceed $363,045,000 and $7,094,000 for LAX and ONT respectively. These amounts may include funds already held by the bond trustees for the payment of capitalized interest.

Approval of this item will authorize the use of Passenger Facility Charge collections to pay eligible debt service in an additional amount not-to-exceed $118,000,000 for Fiscal Years 2016-17.

Approval of this item will appropriate and authorize the use of Customer Facility Charge collections to pay eligible expenses in an amounts not to exceed $3,500,000 and $10,000,000 at ONT and LAX respectively for Fiscal Year 2016-17.

Approval of this item will authorize staff to allocate funds as needed from the LAX and ONT Revenue Funds sufficient to maintain the Los Angeles City Charter designated Maintenance and Operations Reserve Funds for LAX and ONT at $186,227,000 and $14,047,000 respectively.

Approval of this item will authorize staff to transmit the attached debt accountability report and most recent capital funding plan (as outlined in the LAX 2016 Series A Revenue Bond Official Statement) to the Mayor's Office; the Innovation, Grants, Technology, Commerce and Trade Committee and Controller for informational purposes only as required pursuant to Section 11.28.3 of the City of Los Angeles Administrative Code.

STANDARD PROVISIONS:

1. This action, as a continuing administrative activity, is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines.

2. This item is subject to approval as to form by the City Attorney.

3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 245.

4. This action is not subject to the provisions of the Service Contractor Worker Retention and Living Wage Ordinances.

5. This action is not subject to the Small Business Enterprise Program.

6. This action is not subject to the provisions of the Affirmative Action Program.

7. This action does not require a Business Tax Registration Certificate number.

8. This action is not subject to the provisions of the Child Support Obligations Ordinance.

9. This action is not subject to the insurance requirements of the Los Angeles World Airports.

10. This action is not subject to the provisions of Charter Section 1022 (Use of Independent Contractor).

11. This action is not subject to the provisions of the Contractor Responsibility Program.

12. This action is not subject to the provisions of the Equal Benefits Ordinance.

13. This action is not subject to the provisions of the First Source Hiring Program.

14. This action is not subject to the provisions of Bidder Contributions CEC Form 55.

Attachments:
Exhibits A through J – Budget Schedules
Exhibit K – Memberships Over $150,000
Exhibit L – Debt Accountability Report
Exhibit M – Capital Funding Plan

Exhibit A

BUDGET FISCAL YEAR 2016-17

LOS ANGELES WORLD AIRPORTS

RECEIPTS

Actual FY2015	Adopted FY2016	Estimated FY2016		Budget FY2017
2,393,896,000	$ 2,291,426,000	$ 2,378,097,000	Available from Prior Period [1]	$ 2,668,241,000
1,122,693,000	1,251,588,000	1,284,490,000	Operating Revenue	1,405,973,000
31,415,000	33,729,000	33,579,000	Non-Operating Rev & Acctng Adj for Cash	33,579,000
588,610,000	850,000,000	713,394,000	Proceeds from Debt Issuance	906,620,000
33,185,000	34,195,000	34,844,000	CFC Receipts	36,889,000
141,467,000	141,185,000	149,955,000	PFC Receipts	154,454,000
30,984,000	66,797,000	46,148,000	Capital Grant Receipts—LAX	121,469,000
2,647,000	-	52,000	Capital Grant Receipts—ONT	-
1,151,000	-	-	Capital Grant Receipts—VNY	-
$ 4,344,018,000	$ 4,668,930,000	$ 4,640,559,000	*Total Receipts*	$ 5,328,225,000

EXPENDITURES

Actual FY2015	Adopted FY2016	Estimated FY2016		Budget FY2017
MAINTENANCE & OPERATIONS EXPENSE				
$ 405,924,000	$ 429,201,000	$ 419,965,000	Total Salaries & Benefits	$ 458,622,000
307,240,000	361,458,000	322,516,000	Total Materials, Supplies & Services	372,961,000
$ 713,164,000	$ 790,659,000	$ 742,481,000	*Total Maintenance & Operations Expense*	$ 831,583,000
NONOPERATING AND CAPITAL EXPENDITURES				
$ 5,345,000	$ 13,881,000	$ 10,000,000	Equipment & Vehicles	$ 30,592,000
253,544,000	65,000,000	135,000,000	PFC Funded Capital Expenditures	-
34,782,000	66,797,000	46,200,000	Grant Funded Capital Expenditures	121,469,000
434,851,000	1,213,687,000	730,443,000	Revenue Funded Capital Expenditures	1,239,809,000
39,444,000	2,404,000	-	Othr Non-Op Exp, Pay/Rec Accruals, mkt val ad	-
484,811,000	315,670,000	308,194,000	Bond Redemption & Interest, All Issues	370,138,000
$ 1,252,757,000	$ 1,677,439,000	$ 1,229,837,000	*Total Nonoperating & Capital Expenditures*	$ 1,762,008,000
RESERVES				
$ 190,061,000	$ 192,800,000	$ 192,800,000	Reserve for Maintenance and Operations	$ 200,274,000
116,364,000	100,000,000	100,000,000	Reserve for Self-Insurance Trust	100,000,000
216,936,000	263,500,000	251,780,000	Committed CFC Collections	287,669,000
557,633,000	314,800,000	448,634,000	Committed PFC Collections	485,103,000
674,403,000	713,200,000	963,578,000	Other Restricted Funds	930,390,000
622,700,000	616,532,000	711,448,000	Revenue Fund Reserve	729,198,000
$ 2,378,097,000	$ 2,200,832,000	$ 2,668,241,000	*Total Reserves*	$ 2,732,634,000
$ 4,344,018,000	$ 4,668,930,000	$ 4,640,559,000	*Total Appropriations*	$ 5,328,225,000

[1] *Available from Prior Period includes the Reserves.*

Note: Figures vary slightly from Departments Annual Financial Report due to rounding.

Exhibit B

SCHEDULE 1 - REVENUE
FISCAL YEAR 2016-17
LOS ANGELES WORLD AIRPORTS - ALL AIRPORTS

Actual Revenue FY2015	Adopted Budget FY2016	Estimated Revenue FY2016		Projected Revenue FY2017
AVIATION REVENUE				
$ 239,199,000	$ 257,326,000	$ 259,327,000	Permitted Flight Fees	$ 278,548,000
459,000	446,000	457,000	Non-Permitted Flight Fees	716,000
389,795,000	479,354,000	481,920,000	Building Rentals	546,611,000
103,849,000	102,320,000	112,951,000	Land Rentals	115,690,000
2,729,000	2,437,000	2,602,000	Fuel Fees	2,810,000
1,030,000	1,095,000	2,885,000	Plane Parking	2,342,000
3,365,000	8,184,000	5,916,000	Other Aviation Revenue	5,916,000
$ 740,426,000	$ 851,164,000	$ 866,058,000	Total Aviation Revenue	$ 952,633,000
CONCESSION REVENUE				
$ 99,401,000	$ 100,948,000	$ 107,508,000	Auto Parking	$ 113,354,000
85,657,000	91,394,000	92,891,000	Rent-A-Car	97,497,000
23,314,000	24,041,000	29,596,000	Bus, Limo and Taxi	36,394,000
26,249,000	21,295,000	24,076,000	Food and Beverage	26,168,000
12,077,000	12,258,000	11,773,000	Gift and News	11,959,000
63,983,000	72,577,000	81,213,000	Duty Free Sales	71,300,000
7,093,000	7,083,000	7,570,000	Foreign Exchange, Business Centers	7,926,000
1,379,000	831,000	2,183,000	Telecommunications	1,029,000
23,195,000	26,717,000	26,592,000	Advertising	26,580,000
26,674,000	34,685,000	42,917,000	Specialty Retail	49,278,000
6,594,000	5,730,000	6,848,000	Other Concession Revenue	5,751,000
$ 377,616,000	$ 397,459,000	$ 413,166,000	Total Concession Revenue	$ 449,235,000
AIRPORT SALES & SERVICES				
$ -	$ -	$ -	Airfield Bus	$ -
510,000	474,000	485,000	Accommodations	379,000
685,000	687,000	2,578,000	Other Sales & Services	2,583,000
$ 1,195,000	$ 1,161,000	$ 3,063,000	Total Sales & Services	$ 2,962,000
MISCELLANEOUS REVENUE				
$ 3,446,000	$ 1,814,000	$ 2,203,000	Miscellaneous Revenue	$ 1,143,000
TOTALS				
$ 1,122,883,000	$ 1,251,598,000	$ 1,284,490,000	Total Operating Revenue	$ 1,405,973,000
$ 31,415,000	$ 33,729,000	$ 33,579,000	Non Operating Income	$ 33,579,000
$ 1,154,098,000	$ 1,285,327,000	$ 1,318,069,000	Total Revenue	$ 1,427,809,000

Exhibit B

SCHEDULE 2 - MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
LOS ANGELES WORLD AIRPORTS - ALL AIRPORTS

Expenditures FY2015	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ 250,221,000	$ 270,946,000	$ 251,628,000	Salaries - Regular	$ 287,716,000
38,579,000	26,342,000	41,895,000	Salaries - Overtime	28,759,000
64,552,000	80,346,000	75,568,000	Retirement Contributions	88,163,000
38,912,000	42,611,000	42,510,000	Health Subsidy	45,704,000
13,660,000	8,956,000	8,368,000	Workers Compensation	10,280,000
$ 405,924,000	$ 429,201,000	$ 419,965,000	Total Salaries & Benefits	$ 458,622,000
MATERIALS, SUPPLIES & SERVICES				
$ 190,445,000	$ 220,868,000	$ 199,753,000	Contractual Services	$ 235,131,000
3,075,000	4,902,000	3,304,000	Administrative Services	5,202,000
49,810,000	55,131,000	53,460,000	Materials & Supplies	54,798,000
43,247,000	53,558,000	46,779,000	Utilities	53,075,000
4,973,000	5,409,000	4,897,000	Advertising & Public Relations	4,397,000
15,690,000	21,220,000	14,303,000	Other Operating Expenses	20,358,000
$ 307,240,000	$ 360,888,000	$ 322,516,000	Total Materials, Supplies & Services	$ 372,961,000
$ 713,164,000	$ 790,089,000	$ 742,481,000	Total Operating Expenses	$ 831,583,000
ASSETS				
$ 5,345,000	$ 13,728,000	$ 10,000,000	Total Assets	$ 30,592,000
TOTAL				
$ 718,509,000	$ 803,817,000	$ 752,481,000	Total Operating Expenses & Assets	$ 862,175,000

$ 1,122,683,000	$ 1,251,598,000	$ 1,284,490,000	Total Operating Revenue	$ 1,405,973,000
$ 713,164,000	$ 790,089,000	$ 742,481,000	Total Operating Expense	$ 831,583,000
$ 409,519,000	$ 461,509,000	$ 542,009,000	Income from Operations	$ 574,390,000

Exhibit C

SCHEDULE 1 - REVENUE
FISCAL YEAR 2016-17
LOS ANGELES INTERNATIONAL AIRPORT

Actual Revenue FY2015	Adopted Budget FY2016	Estimated Revenue FY2016		Projected Revenue FY2017
AVIATION REVENUE				
$ 227,403,000	$ 245,001,000	$ 247,000,000	Permitted Flight Fees	$ 268,965,000
115,000	172,000	113,000	Non-Permitted Flight Fees	125,000
365,296,000	449,928,000	457,250,000	Building Rentals	512,619,000
90,478,000	88,127,000	100,474,000	Land Rentals	97,342,000
449,000	160,000	484,000	Fuel Fees	484,000
964,000	1,010,000	2,600,000	Plane Parking	2,200,000
3,150,000	7,421,000	5,082,000	Other Aviation Revenue	5,082,000
$ 687,855,000	$ 791,819,000	$ 813,003,000	Total Aviation Revenue	$ 884,817,000
CONCESSION REVENUE				
$ 85,803,000	$ 86,448,000	$ 92,776,000	Auto Parking	$ 98,424,000
78,556,000	84,362,000	88,127,000	Rent-A-Car	90,537,000
22,978,000	23,711,000	29,259,000	Bus, Limo, Transp Network Mgmt and Taxi	38,049,000
25,588,000	20,510,000	23,347,000	Food and Beverage	25,399,000
11,096,000	11,494,000	10,793,000	Gift and News	11,333,000
63,983,000	72,577,000	61,213,000	Duty Free Sales	71,300,000
7,093,000	7,083,000	7,570,000	Foreign Exchange/Business Centers	7,925,000
1,354,000	809,000	2,172,000	Telecommunications	1,029,000
22,552,000	26,000,000	26,000,000	Advertising	26,000,000
28,674,000	34,585,000	42,917,000	Terminal Commercial Manangement	49,278,000
6,384,000	5,519,000	6,631,000	Other Concession Revenue	5,661,000
$ 354,081,000	$ 373,098,000	$ 386,805,000	Total Concession Revenue	$ 424,935,000
AIRPORT SALES & SERVICES				
$ -	$ -	$ -	Airfield Bus	$ -
108,000	114,000	114,000	Accommodations	114,000
657,000	631,000	2,529,000	Other Sales and Services	2,534,000
$ 765,000	$ 745,000	$ 2,643,000	Total Sales and Services	$ 2,648,000
MISCELLANEOUS REVENUE				
$ 3,097,000	$ 1,326,000	$ 1,702,000	Miscellaneous Revenue	$ 617,000
TOTALS				
$ 1,045,798,000	$ 1,166,988,000	$ 1,206,153,000	Total Operating Revenue	$ 1,313,017,000
$ 28,945,000	$ 31,125,000	$ 31,096,000	Non-Operating Income (whnl)	$ 31,096,000
$ 1,074,743,000	$ 1,198,113,000	$ 1,237,249,000	Total Revenue	$ 1,344,113,000

Exhibit C

SCHEDULE 2 - MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
LOS ANGELES INTERNATIONAL AIRPORT

Expenditures FY2015	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ 229,135,000	$ 250,064,000	$ 232,081,000	Salaries - Regular	$ 268,370,000
35,509,000	23,759,000	38,315,000	Salaries - Overtime	24,144,000
59,702,000	74,083,000	69,658,000	Retirement Contributions	81,729,000
35,948,000	39,548,000	39,268,000	Health Subsidy	42,603,000
13,723,000	8,240,000	7,713,000	Workers Compensation	9,519,000
$ 374,017,000	$ 395,694,000	$ 387,034,000	Total Salaries & Benefits	$ 424,365,000
MATERIALS, SUPPLIES & SERVICES				
$ 174,745,000	$ 199,650,000	$ 182,609,000	Contractual Services	$ 208,902,000
2,890,000	4,431,000	2,932,000	Administrative Services	4,732,000
46,102,000	50,091,000	49,365,000	Materials & Supplies	49,955,000
38,355,000	46,560,000	42,191,000	Utilities	45,671,000
4,606,000	5,053,000	4,588,000	Advertising & Public Relations	4,041,000
13,709,000	19,088,000	12,669,000	Other Operating Expenses	17,637,000
$ 280,407,000	$ 325,073,000	$ 294,352,000	Total Materials, Supplies & Services	$ 330,938,000
$ (9,027,000)	$ (10,312,000)	$ (9,147,000)	Administrative Charge	$ (10,395,000)
$ 645,397,000	$ 710,455,000	$ 672,239,000	Total Operating Expenses	$ 744,908,000
ASSETS				
$ 5,277,000	$ 13,009,000	$ 10,000,000	Total Assets	$ 29,912,000
TOTAL				
$ 650,674,000	$ 723,464,000	$ 682,239,000	Total Operating Expenses & Assets	$ 774,820,000
$ 1,045,798,000	$ 1,166,988,000	$ 1,206,153,000	Total Operating Revenue	$ 1,313,017,000
$ 645,397,000	$ 710,455,000	$ 672,239,000	Total Operating Expense	$ 744,908,000
$ 400,401,000	$ 456,533,000	$ 533,914,000	Income from Operations	$ 568,109,000

Exhibit D

SCHEDULE 1 - REVENUE
FISCAL YEAR 2016-17
LA/ONTARIO INTERNATIONAL AIRPORT

Actual Revenue FY2015	Adopted Budget FY2016	Estimated Revenue FY2016		Projected Revenue FY2017
AVIATION REVENUE				
$ 11,796,000	$ 12,327,000	$ 12,327,000	Permitted Flight Fees	$ 11,583,000
343,000	274,000	344,000	Non-Permitted Flight Fees	591,000
17,346,000	21,935,000	16,869,000	Building Rentals	18,314,000
2,839,000	2,907,000	2,653,000	Land Rentals	3,388,000
43,000	62,000	52,000	Fuel Fees	60,000
66,000	85,000	85,000	Plane Parking	142,000
215,000	763,000	834,000	Other Aviation Revenue	834,000
$ 32,648,000	$ 38,353,000	$ 33,164,000	Total Aviation Revenue	$ 34,910,000
CONCESSION REVENUE				
$ 13,598,000	$ 14,500,000	$ 14,732,000	Auto Parking	$ 14,930,000
7,101,000	7,032,000	6,764,000	Rent-A-Car	6,960,000
336,000	330,000	337,000	Bus, Limo and Taxi	345,000
651,000	785,000	728,000	Food and Beverage	769,000
981,000	764,000	980,000	Gift and News	626,000
25,000	22,000	11,000	Telecommunications	-
643,000	717,000	592,000	Advertising	580,000
200,000	127,000	217,000	Other Concession Revenue	90,000
$ 23,535,000	$ 24,277,000	$ 24,361,000	Total Concession Revenue	$ 24,300,000
AIRPORT SALES & SERVICES				
368,000	326,000	326,000	Accommodations	220,000
28,000	56,000	49,000	Other Sales and Services	49,000
$ 396,000	$ 382,000	$ 375,000	Total Sales and Services	$ 269,000
MISCELLANEOUS REVENUE				
$ 300,000	$ 242,000	$ 242,000	Miscellaneous Revenue	$ 267,000
TOTALS				
$ 56,879,000	$ 63,254,000	$ 58,142,000	Total Operating Revenue	$ 59,746,000
$ 2,350,000	$ 2,489,000	$ 2,483,000	Non-Operating Income (w/int)	$ 2,483,000
$ 59,229,000	$ 65,743,000	$ 60,625,000	Total Revenue	$ 62,229,000

Exhibit D

SCHEDULE 2 - MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
LA/ONTARIO INTERNATIONAL AIRPORT

Expenditures FY2016	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ 16,662,000	$ 16,569,000	$ 15,336,000	Salaries - Regular	$ 16,698,000
2,840,000	2,345,000	3,318,000	Salaries - Overtime	2,380,000
3,965,000	4,987,000	4,632,000	Retirement Contributions	5,056,000
2,395,000	2,440,000	2,598,000	Health Subsidy	2,455,000
(181,000)	537,000	519,000	Workers Compensation	598,000
$ 25,701,000	$ 26,878,000	$ 26,403,000	Total Salaries & Benefits	$ 27,186,000
MATERIALS, SUPPLIES & SERVICES				
$ 11,217,000	$ 14,123,000	$ 11,306,000	Contractual Services	$ 11,688,000
308,000	349,000	276,000	Administrative Services	364,000
3,211,000	3,651,000	3,530,000	Materials & Supplies	3,631,000
4,254,000	4,625,000	4,080,000	Utilities	5,031,000
257,000	218,000	190,000	Advertising & Public Relations	218,000
737,000	825,000	382,000	Other Operating Expenses	740,000
$ 19,984,000	$ 23,791,000	$ 19,764,000	Total Materials, Supplies & Services	$ 21,672,000
$ 6,932,000	$ 7,600,000	$ 6,925,000	Administrative Charge	$ 7,329,000
$ 52,617,000	$ 58,269,000	$ 53,092,000	Total Operating Expenses	$ 56,187,000
ASSETS				
$ (113,000)	$ 418,000	$ -	Total Assets	$ 493,000
TOTAL				
$ 52,504,000	$ 58,687,000	$ 53,092,000	Total Operating Expenses & Assets	$ 56,680,000

$ 56,879,000	$ 63,254,000	$ 58,142,000	Total Operating Revenue	$ 59,746,000
$ 52,617,000	$ 58,269,000	$ 53,092,000	Total Operating Expense	$ 56,187,000
$ 4,262,000	$ 4,985,000	$ 5,050,000	Income from Operations	$ 3,559,000

Exhibit E

SCHEDULE 1 - REVENUE
FISCAL YEAR 2016-17
VAN NUYS AIRPORT

Actual Revenue FY2015	Adopted Budget FY2016	Estimated Revenue FY2016		Projected Revenue FY2017
AVIATION REVENUE				
$ -	$ -	$ -	Permitted Flight Fees	$ -
1,000	-	-	Non-Permitted Flight Fees	-
4,427,000	4,517,000	4,745,000	Building Rentals	4,504,000
10,099,000	10,856,000	9,394,000	Land Rentals	10,757,000
2,237,000	2,215,000	2,266,000	Fuel Fees	2,266,000
-	-	-	Other Aviation Revenue	-
$ 16,764,000	$ 17,588,000	$ 16,405,000	Total Aviation Revenue	$ 17,527,000
CONCESSION REVENUE				
$ -	$ -	$ -	Auto Parking	$ -
-	-	-	Bus, Limo and Taxi/Flyaway	-
-	-	-	Hotel and Motel Listing	-
-	-	-	Food and Beverage	-
-	-	-	Foreign Exchange	-
-	-	-	Telecommunications	-
-	84,000	-	Other Concession Revenue	-
$ -	$ 84,000	$ -	Total Concession Revenues	$ -
AIRPORT SALES & SERVICES				
34,000	34,000	45,000	Accommodations	45,000
-	-	-	Other Sales and Services	-
$ 34,000	$ 34,000	$ 45,000	Total Sales and Services	$ 45,000
MISCELLANEOUS REVENUE				
$ 49,000	$ 246,000	$ 259,000	Miscellaneous Revenue	$ 259,000
TOTALS				
$ 16,847,000	$ 17,952,000	$ 16,709,000	Total Operating Revenue	$ 17,831,000
$ 120,000	$ 115,000	$ -	Non-Operating Income (w/int)	$ -
$ 16,967,000	$ 18,067,000	$ 16,709,000	Total Revenue	$ 17,831,000

Exhibit E

SCHEDULE 2 - MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
VAN NUYS AIRPORT

Expenditures FY2015	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ 4,423,000	$ 4,213,000	$ 4,211,000	Salaries - Regular	$ 4,547,000
230,000	238,000	262,000	Salaries - Overtime	235,000
885,000	1,276,000	1,275,000	Retirement Contributions	1,376,000
569,000	623,000	646,000	Health Subsidy	646,000
98,000	179,000	134,000	Workers' Compensation	165,000
$ 6,205,000	$ 6,529,000	$ 6,528,000	Total Salaries & Benefits	$ 6,971,000
MATERIALS, SUPPLIES & SERVICES				
$ 3,405,000	$ 4,890,000	$ 4,838,000	Contractual Services	$ 5,987,000
(123,000)	22,000	37,000	Administrative Services	28,000
497,000	619,000	529,000	Materials & Supplies	783,000
336,000	726,000	355,000	Utilities	726,000
110,000	133,000	121,000	Advertising & Public Relations	133,000
304,000	309,000	259,000	Other Operating Expenses	316,000
$ 4,531,000	$ 6,899,000	$ 6,139,000	Total Materials, Supplies & Services	$ 7,973,000
$ 1,747,000	$ 1,984,000	$ 1,900,000	Administrative Charge	$ 2,242,000
$ 12,483,000	$ 15,212,000	$ 14,567,000	Total Operating Expenses	$ 17,186,000
ASSETS				
$ 181,000	$ 148,000	$ -	Total Assets	$ 187,000
TOTAL				
$ 12,664,000	$ 15,360,000	$ 14,567,000	Total Operating Expenses & Assets	$ 17,373,000

$ 16,847,000	$ 17,952,000	$ 16,709,000	Total Operating Revenue	$ 17,831,000
$ 12,483,000	$ 15,212,000	$ 14,567,000	Total Operating Expense	$ 17,186,000
$ 4,364,000	$ 2,740,000	$ 2,142,000	Income from Operations	$ 645,000

Exhibit F

SCHEDULE 1 - REVENUE
FISCAL YEAR 2016-17
PALMDALE

Actual Revenue FY2015	Adopted Budget FY2016	Estimated Revenue FY2016		Projected Revenue FY2017
AVIATION REVENUE				
$ -	$ -	$ -	Non-Permitted Flight Fees	$ -
2,726,000	2,974,000	3,056,000	Building Rentals	3,299,000
433,000	430,000	430,000	Land Rentals	437,000
-	-	-	TSA Revenue	-
$ 3,159,000	$ 3,404,000	$ 3,486,000	Total Aviation Revenue	$ 3,736,000
CONCESSION REVENUE				
$ -	$ -	$ -	Food & Beverage	$ -
-	-	-	Hotel and Motel Listing	-
-	-	-	Telecommunications	-
$ -	$ -	$ -	Total Concession Revenue	$ -
AIRPORT SALES & SERVICES				
$ -	$ -	$ -	Accommodations	$ -
-	-	-	Other Sales and Services	-
$ -	$ -	$ -	Total Sales and Services	$ -
MISCELLANEOUS REVENUE				
$ -	$ -	$ -	Miscellaneous Revenue	$ -
TOTALS				
$ 3,159,000	$ 3,404,000	$ 3,486,000	Total Operating Revenue	$ 3,736,000
$ -	$ -	$ -	Non-Operating Income	$ -
$ 3,159,000	$ 3,404,000	$ 3,486,000	Total Revenue	$ 3,736,000

Exhibit F

SCHEDULE 2 - MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
PALMDALE

Expenditures FY2015	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ -	$ 100,000	$ -	Salaries - Regular	$ 100,000
-	-	-	Salaries - Overtime	-
-	-	-	Retirement Contributions	-
-	-	-	Health Subsidy	-
-	-	-	Workers' Compensation	-
$ -	$ 100,000	$ -	Total Salaries & Benefits	$ 100,000
MATERIALS, SUPPLIES & SERVICES				
$ 1,078,000	$ 1,905,000	$ 1,000,000	Contractual Services	$ 2,462,000
-	-	-	Administrative Services	-
-	200,000	-	Materials & Supplies	200,000
300,000	1,647,000	153,000	Utilities	1,647,000
-	5,000	-	Advertising & Public Relations	5,000
940,000	998,000	993,000	Other Operating Expenses	1,081,000
$ 2,318,000	$ 4,755,000	$ 2,146,000	Total Materials, Supplies & Services	$ 5,395,000
$ 348,000	$ 728,000	$ 322,000	Administrative Charge	$ 824,000
$ 2,666,000	$ 5,583,000	$ 2,468,000	Total Operating Expenses	$ 6,319,000
ASSETS				
$ -	$ -	$ -	Total Assets	$ -
TOTAL				
$ 2,666,000	$ 5,583,000	$ 2,468,000	Total Operating Expenses & Assets	$ 6,319,000

$ 3,159,000	$ 3,404,000	$ 3,486,000	Total Operating Revenue	$ 3,736,000
$ 2,666,000	$ 5,583,000	$ 2,468,000	Total Operating Expense	$ 6,319,000
$ 493,000	$ (2,179,000)	$ 1,018,000	Income from Operations	$ (2,583,000)

Exhibit G

MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
ARTS PROJECT

Expenditures FY2015	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ -	$ -	$ -	Salaries - Regular	$ -
-	-	-	Salaries - Overtime	-
-	-	-	Retirement Contributions	-
-	-	-	Health Subsidy	-
			Workers' Compensation	-
$ -	$ -	$ -	Total Salaries & Benefits	$ -
MATERIALS, SUPPLIES & SERVICES				
$ -	$ 100,000	$ -	Contractual Services	$ 310,000
-	-	-	Administrative Services	13,000
-	139,000	6,000	Materials & Supplies	146,000
-	-	-	Utilities	-
-	-	-	Advertising & Public Relations	-
-	-	-	Other Operating Expenses	-
$ -	$ 239,000	$ 6,000	Total Materials, Supplies & Services	$ 469,000
$ -	$ 239,000	$ 6,000	Total Operating Expenses	$ 469,000
ASSETS				
$ -	$ -	$ -	Total Assets	$ -
TOTAL				
$ -	$ 239,000	$ 6,000	Total Operating Expenses & Assets	$ 469,000

Exhibit H

MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
FEDERAL ASSETS FORFEITURE FUNDING PROGRAM

Expenditures FY2015	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ 1,000	$ -	$ -	Salaries - Regular	$ -
-	-	-	Salaries - Overtime	-
-	-	-	Retirement Contributions	-
-	-	-	Health Subsidy	-
-	-	-	Workers' Compensation	-
$ 1,000	$ -	$ -	Total Salaries & Benefits	$ -
MATERIALS, SUPPLIES & SERVICES				
$ -	$ -	$ -	Contractual Services	$ -
-	100,000	59,000	Administrative Services	65,000
-	231,000	50,000	Materials & Supplies	83,000
-	-	-	Utilities	-
-	-	-	Advertising & Public Relations	-
-	-	-	Other Operating Expenses	-
$ -	$ 331,000	$ 109,000	Total Materials, Supplies & Services	$ 148,000
$ 1,000	$ 331,000	$ 109,000	Total Operating Expenses	$ 148,000
ASSETS				
$ -	$ 153,000	$ -	Total Assets	$ -
TOTAL				
$ 1,000	$ 484,000	$ 109,000	Total Operating Expenses & Assets	$ 148,000

Exhibit I

SCHEDULE 1 - REVENUE
FISCAL YEAR 2016-17
SKYVIEW CENTER

Actual Revenue FY2015	Adopted Budget FY2016	Estimated Revenue FY2016		Projected Revenue FY2017
NON-AVIATION REVENUE				
$ -	$ -	$ -	Non-Permitted Flight Fees	$ -
-	-	-	Building Rentals	7,875,000
-	-	-	Land Rentals	3,768,000
-	-	-	TSA Revenue	-
$ -	$ -	$ -	Non-Aviation Revenue	$ 11,643,000
CONCESSION REVENUE				
$ -	$ -	$ -	Food & Beverage	$ -
-	-	-	Hotel and Motel Listing	-
-	-	-	Telecommunications	-
$ -	$ -	$ -	Total Concession Revenue	$ -
AIRPORT SALES & SERVICES				
$ -	$ -	$ -	Utilities	$ -
-	-	-	Accommodations	-
-	-	-	Other Sales and Services	-
$ -	$ -	$ -	Total Sales and Services	$ -
MISCELLANEOUS REVENUE				
$ -	$ -	$ -	Miscellaneous Revenue	$ -
TOTALS				
$ -	$ -	$ -	Total Operating Revenue	$ 11,643,000
$ -	$ -	$ -	Non-Operating Income	$ -
$ -	$ -	$ -	Total Revenue	$ 11,643,000

Exhibit I

SCHEDULE 2 - MAINTENANCE & OPERATIONS EXPENSE
FISCAL YEAR 2016-17
SKYVIEW CENTER

Expenditures FY2015	Adopted Budget FY2016	Estimated Expenditures FY2016		Budget Appropriations FY2017
SALARIES & BENEFITS				
$ -	$ -	$ -	Salaries - Regular	$ -
-	-	-	Salaries - Overtime	-
-	-	-	Retirement Contributions	-
-	-	-	Health Subsidy	-
-	-	-	Workers' Compensation	-
$ -	$ -	$ -	Total Salaries & Benefits	$ -
MATERIALS, SUPPLIES & SERVICES				
$ -	$ -	$ -	Contractual Services	$ 5,782,000
-	-	-	Administrative Services	-
-	-	-	Materials & Supplies	-
-	-	-	Utilities	-
-	-	-	Advertising & Public Relations	-
-	-	-	Other Operating Expenses	584,000
$ -	$ -	$ -	Total Materials, Supplies & Services	$ 6,366,000
$ -	$ -	$ -	Total Operating Expenses	$ 6,366,000
ASSETS				
$ -	$ -	$ -	Total Assets	$ -
TOTAL				
$ -	$ -	$ -	Total Operating Expenses & Assets	$ 6,366,000

Exhibit J

APPROPRIATION SUMMARY
BY COMMITMENT ITEM AND AIRPORT
LOS ANGELES WORLD AIRPORTS
FISCAL YEAR 2016-17

Commitment Items	LAX*	ONT	VNY	PMD	TOTAL
510 - Salaries & Benefits	$ 424,365,000	$ 27,188,000	$ 6,971,000	$ 100,000	$ 458,622,000
520 - Contractual Services	$ 214,994,000	$ 11,688,000	$ 5,987,000	$ 2,462,000	$ 235,131,000
521 - Administrative Services	$ 4,810,000	$ 384,000	$ 28,000	$ -	$ 5,202,000
522 - Materials & Supplies	$ 50,184,000	$ 3,831,000	$ 783,000	$ 200,000	$ 54,798,000
523 - Utilities	$ 45,871,000	$ 5,031,000	$ 726,000	$ 1,647,000	$ 53,075,000
524 - Advertising & Public Relations	$ 4,041,000	$ 216,000	$ 133,000	$ 5,000	$ 4,397,000
525 - Other Operating Expenses	$ 18,221,000	$ 740,000	$ 316,000	$ 1,081,000	$ 20,358,000
Total Operating Expenses	$762,286,000	$48,858,000	$14,944,000	$5,495,000	$831,583,000
104 & 109 - Assets Appropriations					
Equipment, Vehicles & Inventory	$ 29,912,000	$ 493,000	$ 187,000	$ -	$ 30,592,000
Total Appropriations	$802,593,000	$42,022,000	$12,889,000	$4,671,000	$862,175,000
Admin Fee Accounting Adjustment	$ (10,395,000)	$ 7,329,000	$ 2,242,000	$ 824,000	$ -
Total Outlays	$792,198,000	$49,351,000	$15,131,000	$5,495,000	$862,175,000

* LAX Includes Arts Project, Federal Assets Forfeiture Funding Program and Skyview Center Expenditures.

Exhibit K

Los Angeles World Airports
Projected Fiscal Year 2016-17 Memberships Over $150,000

ACI-North America - $190,000 (Estimated – Dues are based on annual enplanements.)

Airports Council International is the preeminent international airport organization. Membership in the North American branch provides substantial benefits to LAWA such as training, statistics and other industry information.

California Commerce Center Owner's Association - $225,000

Required annual fees paid by property owners in this development just east of ONT, where LAWA owns 23 parcels of unimproved land totaling about 186 acres.

Exhibit L

LOS ANGELES WORLD AIRPORTS
STATEMENT OF BONDED INDEBTEDNESS
(DEBT ACCOUNTABILITY)
BUDGET FISCAL YEAR 2016-17

Under the Los Angeles City Charter Section 609(a) the Los Angeles World Airports (LAWA), as a Proprietary Department, is granted the power to borrow money and to issue bonds, refunding bonds, notes and other evidences of indebtedness for any lawful purpose payable from the revenues of LAWA operations, or from any other money lawfully available in the form and manner approved by the LAWA Board of Commissioners and adopted by Council through procedural ordinance. The table below summarizes the outstanding debt, projected issuances and debt service requirements for fiscal year 2016-17.

Debt	Amount Authorized	Amount Issued As of 07/01/16	Remaining Authorization	Amount Outstanding As of 07/01/16	Projected Issuance/ Early Redemption FY2016-17	Projected FY2016-17 Debt Service	
						Interest	Principal
Revenue Bonds:							
ONT Issue of 2006, Series A	83,720,000	83,720,000	-	51,525,000	-	2,576,250	3,960,000
ONT Issue of 2006, Series B	6,435,000	6,435,000	-	3,980,000	-	222,383	305,000
LAX Issue 2008, Series A	602,075,000	602,075,000	-	506,300,000	-	27,239,283	13,195,000
LAX Issue 2008, Series B	7,875,000	7,875,000	-	-	-		
LAX Issue 2008, Series C	243,350,000	243,350,000	-	16,925,000	-	810,818	5,385,000
LAX Issue 2009, Series A	310,410,000	310,410,000	-	277,570,000		14,189,525	6,770,000
LAX Issue 2009, Series C (b)	307,350,000	307,350,000	-	299,045,000		19,176,597	8,590,000
LAX Issue 2009, Series D	31,815,000	31,815,000	-	-			
LAX Issue 2009, Series E	39,750,000	39,750,000	-	17,015,000		830,950	3,980,000
LAX Issue 2010, Series A	930,155,000	930,155,000	-	888,025,000		44,053,400	17,640,000
LAX Issue 2010, Series B (c)	134,680,000	134,680,000	-	134,680,000		6,734,000	-
LAX Issue 2010, Series C (b)	59,360,000	59,360,000	-	59,360,000		4,186,661	-
LAX Issue 2010, Series D	875,605,000	875,605,000	-	846,125,000		42,765,225	8,960,000
LAX Issue 2012, Series A	105,610,000	105,610,000	-	87,235,000		4,268,800	7,295,000
LAX Issue 2012, Series B	145,630,000	145,630,000	-	136,385,000		6,166,000	2,905,000
LAX Issue 2012, Series C	27,870,000	27,870,000	-	21,755,000		968,800	5,930,000

LAX Issue 2013, Series A (c)	170,685,000	170,685,000	-	170,885,000		8,534,250	
LAX Issue 2013, Series B (c)	71,175,000	71,175,000	-	69,455,000		3,468,944	1,806,000
LAX Issue 2015, Series A	267,525,000	267,525,000	-	265,780,000		13,136,550	3,750,000
LAX Issue 2015, Series B	47,925,000	47,925,000	-	47,925,000		2,286,175	850,000
LAX Issue 2015, Series C	181,605,000	181,605,000	-	180,995,000		8,952,500	830,000
LAX Issue 2015, Series D	298,475,000	298,475,000	-	298,475,000		14,823,750	5,690,000
LAX Issue 2015, Series E	27,850,000	27,850,000	-	27,850,000		1,307,900	840,000
LAX Issue 2016, Series A	289,210,000	289,210,000	-	289,210,000		13,510,457	1,605,000
Commercial Paper	500,000,000	50,266,000	449,734,000	50,266,000		1,183,733	5,000,000
New Issues (Commercial Paper/Other Debt)							
New Debt Issues	1,910,790,000	-	1,910,790,000	-	(a) 906,620,000	15,732,138	7,500,000
Total Bonded Indebtedness	$ 7,675,330,000	$ 5,314,806,000	$ 2,360,524,000	$ 4,744,586,000	$ 906,620,000	$ 257,143,047	$ 112,995,000

(a) Estimate based on currently projected capital expenditures and interest rate assumptions

(b) Gross of capitalized interest and BAB subsidy. Net debt service for the 2009 Series C and 2010 Series C is projected at $21,511,160.65 and $2,820,972.31 respectively.

(c) Gross of Capitalized Interest. Net debt service for the 2013 Series B, 2015 Series A, 2015 Series B, 2015D, and 2016A is projected at $5,053,538.34, $15,027,080, $2,860,403, $19,702,344 and $5,970,357.78 respectively.

ESTIMATED CAPITAL PROGRAM COSTS AND SOURCES OF FUNDS THROUGH FY 2022 (a)
Los Angeles International Airport
(dollars in thousands)

The forecasts presented in this exhibit were prepared using information from the sources identified and assumptions provided by, or reviewed with and agreed to by, Department management, as described in the accompanying text. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the forecast and actual results, and those differences may be material.

	Estimated Project Costs	Sources of Funds: Federal Grants: TSA	Federal Grants: AIP	Pay-as-you-go PFCs	Department Funds	Other Funds (b)	Prior Bonds	Series 2016A Subordinate Bond Proceeds	Future Bond Proceeds: Subordinate	Future Bond Proceeds: Senior	Total
SERIES 2016A SUBORDINATE BONDS PROJECTS											
Terminal 1 Improvement Project	$ 598,520	$ 53,676	$ -	$ -	$ 5,583	$ 32,890	$ 85,738	$ 29,195	$ -	$ 849,458	$ 598,520
Terminal 2 Improvement Project	204,914	-	-	-	86,900	-	91,620	26,964	-	-	204,914
Terminals 6/7/8 Improvement Project	548,837	21,000	-	-	60,019	26,589	47,724	188,968	-	209,697	548,837
Elevators and Escalators Replacements	263,574	-	-	77,262	188,875	-	45,200	17,963	-	18,574	263,574
West Maintenance Facility Pad and Infrastructure	100,654	-	-	-	11,837	-	31,673	57,354	-	-	100,654
SERIES 2016A Subordinate Bonds Projects Total	$ 1,654,499	$ 74,676	$ -	$ 77,262	$ 270,584	$ 59,479	$ 301,953	$ 315,096	$ -	$ 575,137	$ 1,654,499
OTHER PLANNED AND INCORPORATED PROJECTS											
Terminal											
Midfield Satellite Concourse - Phase 1	$ 1,574,691	$ -	$ 10,000	$ 5,960	$ 788,804	$ -	$ -	$ -	$ -	$ 819,767	$ 1,574,691
Terminal 1.5	400,000	25,000	-	-	40,000	-	-	-	-	335,000	400,000
Bradley West Interior Enhancements	371,237	-	40,000	-	89,273	-	242,085	-	-	-	371,237
Baggage System Enhancements	250,000	-	-	-	83,250	-	-	-	-	166,750	250,000
Acquisition of Terminal 4 Improvements	205,000	-	-	-	95,000	-	-	-	-	250,000	205,000
Terminal 4/TBIT Connector Building	174,318	-	44,657	-	84,283	-	65,378	-	-	-	174,318
Terminal 8 Connector	185,000	-	-	-	16,500	-	-	-	-	168,500	185,000
Terminal Commercial Management (T1, T2, T3, T6, TBIT)	178,151	-	-	-	1,000	-	127,975	-	-	48,176	178,151
Other Terminal Projects (c)	133,901	-	-	2,200	72,930	-	-	-	-	58,771	131,901
Terminal Total	$ 3,448,358	$ 25,000	$ 94,657	$ 8,160	$ 1,142,139	$ -	$ 435,438	$ -	$ -	$ 1,722,964	$ 3,448,358
Airfield and Apron											
Runway Safety Area Improvements	$ 284,034	$ -	$ 99,812	$ -	$ 59,812	$ -	$ 37,906	$ -	$ 116,194	$ -	$ 284,034
Taxiline T Program	133,544	-	84,800	-	25,526	-	78,178	-	-	-	133,544
Other Airfield and Apron Projects (d)	17,721	-	-	-	6,192	-	-	-	11,529	-	17,721
Airfield and Apron Total	$ 435,299	$ -	$ 184,612	$ -	$ 71,750	$ -	$ 111,144	$ -	$ 127,723	$ -	$ 435,299
Other Projects											
Noise Mitigation and Soundproofing	$ 244,089	$ -	$ -	$ 204,089	$ 40,000	$ -	$ -	$ -	$ -	$ -	$ 244,089
Infrastructure (e)	26,143	-	-	7,188	18,955	-	-	-	-	-	26,143
Landside (f)	34,900	-	-	-	34,900	-	-	-	-	-	34,900
Miscellaneous (g)	83,250	-	-	-	83,250	-	-	-	17,000	-	83,250
Other Projects Total	$ 378,384	$ -	$ -	$ 211,249	$ 130,135	$ -	$ -	$ -	$ 17,000	$ -	$ 378,384
Other Planned and Incorporated Projects Total	$ 4,262,041	$ 25,000	$ 279,269	$ 219,409	$ 1,343,024	$ -	$ 546,582	$ -	$ 144,723	$ 1,722,964	$ 4,262,041
Total Capital Program	$ 5,916,541	$ 99,676	$ 279,269	$ 296,671	$ 1,604,609	$ 59,479	$ 848,535	$ 315,096	$ 144,723	$ 2,298,101	$ 5,916,541

(a) Only includes projects expected to be completed by FY 2022 to incorporate one full year of financial impact.
(b) Reflects airline tenant funds.
(c) Includes Terminal 6 electrical upgrades, Terminal 1-Terminal 8 minimum point of entry and IT room expansion, Terminal 5 gate and boarding renovations, fire life safety projects in Terminal 2 and Terminal 4-Terminal 8, along with other miscellaneous terminal improvements.
(d) Includes remote overnight aircraft parking electrification, stormwater connections, a replacement of the fire drill training facility, and construction of access parts.
(e) Includes a project to expand Access Control and Alarm Monitoring Systems, construction of departure level bollards, water main replacement around the Imperial Cargo complex, and Secured Area Access Post and vehicle checkpoint improvements.
(f) Includes projects for landside accessibility, wayfinding, and signage in the Central Terminal area, demolition of certain buildings, and parking structure improvements.
(g) Includes a project for the Airport police canine facility, IT improvements, improvements to the Skyview building, and capital renewal allowances for all areas of the Airport.

Source: City of Los Angeles, Department of Airports.

Item 3 - Landing Fees

RESOLUTION NO. 2016__

RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY ADOPTING A SCHEDULE OF LANDING FEES AND TERMINAL RENTS FOR FISCAL YEAR 2016-17

WHEREAS, the Ontario International Airport Authority (the "Authority") was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino (the "Joint Powers Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (the "Joint Powers Act"), for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport (the "Airport"); and

WHEREAS, under that certain Settlement Agreement effective as of July 30, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California, its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles is obligated to transfer management and control of the Airport and certain "Surrounding Parcels" and other "Airport Assets" to the Authority on the "Transfer Date" (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority will be the sole owner, operator and sponsor of the Airport, the Surrounding Parcels and the related Airport Assets, and shall thereafter be entitled to charge, collect and receive fees, charges, rentals and other revenues from its operation and management of the Airport; and

WHEREAS, as of the date hereof, and at all times prior to the Transfer Date, the Airport is and will be managed, controlled, and operated by LAWA; and

WHEREAS, in connection with LAWA's management and control of the Airport, and pursuant to a resolution of BOAC adopted on June 16, 2016, BOAC has adopted a schedule of landing fees and terminal rents applicable to the Airport for Fiscal Year 2016-17;

WHEREAS, the Authority has determined that it is in the best interest of the Authority to adopt the schedule of landing fees and terminal rents for the Airport that was previously adopted by BOAC, as set forth in the resolutions adopted by BOAC on June 16, 2016, as the schedule of landing fees and terminal rents to be applicable at the Airport from and after the Transfer Date and for the remainder of Fiscal Year 2016-17; and

NOW, THEREFORE, be it resolved as follows:

SECTION1. The Authority hereby approves and adopts the schedule of landing fees and terminal rents for the Airport adopted by BOAC on June 16, 2016 as set forth in the related BOAC resolutions and board materials attached hereto as Attachment A. Such rates, charges, and fees shall apply to all aircraft using the facilities at the Airport and shall be in effect from the Transfer Date through the end of Fiscal Year 2016-17, and until such time as the Authority establishes new landing fees and terminal rents.

SECTION 2. Each of the Chief Executive Officer of the Authority and his designee, the Chief Operating Officer of the Authority and his designee, and the Chief Financial Officer of the Authority and his designee, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to take any and all actions, to execute any and all documents, and to pay or cause to be paid all costs and expenses, as may be necessary or desirable to effectuate the purposes of these resolutions and the documents and transactions herein authorized and to comply with the terms of the documents herein authorized.

SECTION 3. All actions heretofore taken by any officer or agent of the Authority in connection with or related to the matters set forth in these resolutions are hereby approved, confirmed and ratified.

SECTION 4. This resolution shall take effect immediately.

Attachment A

BOAC Materials Regarding Landing Fees and Terminal Rents

_____
OIAA PRESIDENT

ATTEST:

_____
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____
STEPHEN G. LARSON
GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

Los Angeles World Airports

REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

Item 19

Approved by: Nerida Esguerra, Manager, Finance & Budget Division

Reviewed by: Ryan Yakubik, Chief Financial Officer

Timothy J. S.
City Attorney

Deborah Flint – Chief Executive Officer

Meeting Date:

6/16/2016

CAO Review:

☐ Completed
☐ Pending
☒ N/A

Reviewed for	Date	Approval Status	By
Capital Budget	5/27/2016	☒Y ☐ N ☐ NA	NE
Operating Budget	5/31/2016	☒Y☐ N ☐NA	RW
CEQA	5/31/2016	☒Y ☐ N	AE
Procurement	5/27/2016	☒Y ☐N ☐ Cond	MT
Guest Experience	6/2/2016	☒Y ☐N	BY

SUBJECT: Landing Fees and Terminal Rents for FY2017 at LA/Ontario International Airport

Approve the FY2017 Landing Fees, Terminal Rents and Other Charges for LA/Ontario International Airport which will generate approximately $26,944,000 in revenue over the fiscal year period, and Rescind Resolution No. 25738

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1 (31) of the Los Angeles City CEQA Guidelines.
3. APPROVE the schedule of FY2017 rates and charges at LA/Ontario International Airport effective July 1, 2016 as detailed in the staff report.
4. RESCIND Resolution No 25738.
5. ADOPT the attached resolution.

DISCUSSION:

1. **Purpose**

   Establish landing fees, terminal rental rates, and other rates and charges for use of facilities at LA/Ontario International Airport (ONT), effective FY2016-17 covering the period July 1, 2016 through June 30, 2017.

2. **Prior Related Actions**

   - June 18, 2015 – Board Resolution No. 25738
     The Board of Airport Commissioners (Board) approved the landing fee rate of $2.68 per 1,000 lbs of maximum gross landed weight and terminal rental rate of $124.17 per square foot for Signatory Airlines, as well as other rates and charges, effective July 1, 2015 at ONT.

3. **Current Action**

   Los Angeles World Airports (LAWA) owns and operates ONT and sets the landing fees, terminal rental rates and other fees at the airport for each fiscal year based on the rates and charges methodology established in the ONT Use and Terminal Lease Agreement between the airlines and LAWA. The rates and charges calculations are based on LAWA's budget for operating ONT.

   Staff requests the Board set and approve the ONT FY2016-17 landing fee at $2.29 per 1,000 lbs. of maximum gross landed weight (MGLW) and terminal rental rate of $108.49 per square foot per year for Signatory Airlines as well as other terminal use fees, ramp fees, public aircraft parking charges, and various other fees identified in this report, effective July 1, 2016.

   These rates shall be in effect until ONT is transferred to the Ontario International Airport Authority (OIAA) pursuant to the Settlement Agreement between LAWA and OIAA.

   ONT Use & Terminal Lease Agreement

   Fiscal Year airline rates and charges are calculated in accordance with the rates and charges methodology established in the ONT Use & Terminal Lease Agreement between the airlines and LAWA. A discussion of the methodology is presented below.

   On May 25, 2016, LAWA management consulted with the leadership of the ONT Airline Airport Affairs Committee as well as with individual airline representatives on the development process of the proposed landing fees, terminal rents and other charges for FY2016-17 at ONT. Airline representatives were provided documents supporting the rates and charges calculations.

   ONT Rates & Charges Methodology

   In accordance with the ONT Use & Terminal Lease Agreement, two cost centers are used to calculate rates and charges at ONT, the Airfield Cost Center and the Terminal Cost Center. These cost centers cover distinct operating areas of the airport so that costs and revenues

are appropriately accounted for and grouped to calculate landing fees and terminal rental rates.

The dollar amount allocated to each cost center is determined by totaling the following cost elements for each fiscal year:

1. Maintenance and operation expenses;

2. Monies to meet current fiscal year debt service and any amount needed to fulfill the debt service coverage covenants;

3. Required monetary reserves maintained at a specified level of balances as defined under the Los Angeles City Charter and the bond indenture, with total reserves divided equally between the two cost centers;

4. Debt service coverage, equal to 25% of the amount in item (2), less the amount funded for debt service coverage in prior Fiscal Years;

5. A deposit to the Airport Discretionary Account based upon a pre-defined formula and allocated equally to each cost center;

6. A deposit to the Maintenance and Operations Reserve Account (allocated equally at 50% to each cost center);

7. Amortization expenses for completed capital items;

8. The estimated amount of any assessment, judgment, or charge relating directly to ONT or its operation; and

9. Other miscellaneous expenses.

The landing fee is determined by deducting from the expenses incurred in the Airfield Cost Center those ONT revenues associated with the airfield, excluding Signatory Airline landing fees, allocable to the Airfield Cost Center and any PFC receipts that might be used by LAWA to pay revenue bond debt service allocable to the Airfield Cost Center. That difference is then divided by the total estimated landed weight of the Signatory Airlines to arrive at the landing fee rate per 1,000 lbs of MGLW.

Terminal rental rate per square foot per year is determined by deducting from the gross Terminal Cost Center expenses those ONT revenues associated with the terminals, excluding Signatory Airline Terminal Rental, allocable to the Terminal Cost Center and any PFC receipts that might be used by LAWA to pay revenue bond debt service allocable to the Terminal Cost Center. That difference is then divided by the total space (exclusive use, preferential use, and joint use space) leased to the Signatory Airlines to arrive at the terminal rental rate per square foot per year.

Pursuant to the terms of the ONT Use & Terminal Lease Agreement, Non-Signatory Airlines are charged 125% of the landing fee rate and 110% of the terminal rental rate.

Non-Preferential Gate Use and Jet Bridge Utility Use fees are assessed on airlines using LAWA-controlled gates. Ticket Counter/Queuing Use fees are assessed on airlines and

aviation-related companies for short-term use of unassigned space. These fees are predicated upon the rental based on the prevailing terminal rental rate on an average-sized holdroom and other terminal areas at 40% usage. Jet Bridge Utility Use Fee is calculated at 2/3 of the Non-Preferential Gate Use Fee.

Use by Government Aircraft

Pursuant to Federal Grant Assurance #27 (Use by Government Aircraft), LAWA allows federal government agencies to land/takeoff and park their aircraft free of charge.

Mid-Year Adjustment of Rates and Charges

Also in accordance with the ONT Use and Terminal Lease Agreement, the terminal rental rate and the landing fee rate may be adjusted mid-year or at other intervals should there be a variance of plus or minus ten percent (10%) in the amounts expected to be actually recovered and the amounts used in calculating the landing fee rate and the terminal rental rate.

FY2017 Rates & Charges (Landing Fees, Terminal Rental Rates and Terminal Use Fees)

The calculations of the ONT rates and charges based on the FY2017 budget for operating revenues and expenses result in a landing fee of $2.29 per 1,000 lbs of MGLW for signatory airlines, a decrease of $0.39 from FY2016 landing fee rate of $2.68. This was due to higher revenues for land rentals and Non-Signatory flight fees and higher landing weight projected for FY2017. The rate of $2.29 compares to the projected landing fee of $4.50 at LAX for FY2017.

The FY2017 terminal rental rate of $108.49 per square foot represents a decrease of $15.68 from the FY2016 terminal rental rate of $124.17 due to higher gate use fee, building and auto parking revenues and lower operating expenses. This compares to the current CY2016 rates of $170.44 and $151.02 for the LAX Terminal Tariff and Rate Agreement rates, respectively.

The proposed FY2017 ONT rates and charges are as follows:

	FY 2017	FY 2016
Landing Fee		
Aircraft over 25,000 pounds		
Signatory-Passenger/Cargo (per 1,000 lbs)	$2.29	$2.68
Non Signatory-Passenger/Cargo (per 1,000 lbs)	$2.86	$3.35
Aircraft 25,000 pounds or less		
Signatory Airlines		
Aircraft 12,500 pounds or less (per landing)	$30.00	$35.00
Aircraft over 12,500 up to 25,000 pounds (per landing)	$57.00	$67.00
Non-Signatory Airlines		
Aircraft 12,500 pounds or less (per landing)	$37.00	$44.00
Aircraft over 12,500 up to 25,000 pounds (per landing)	$72.00	$84.00
Terminal Rates and Use Fees		
Terminal Rental Rates		

Signatory Airlines (per square foot)	$108.49	$124.17
Non-Signatory Airlines and Non-Airline Tenant (per square foot)	$119.34	$136.59
Terminal Use Fees		
Non-preferential Gate Use Fee (per operation)	$ 275.00	$ 315.00
Jet Bridge Utility Use Fee (per operation)	$ 185.00	$ 210.00
Ticket Counter/Queuing Use Fee (per operation - signatory)	$ 15.00	$ 20.00
Ticket Counter/Queuing Use Fee (per operation - non-signatory)	$ 16.50	$ 22.00
Signatory New Entrant Joint Use Fee (per arriving passenger)	$4.50	$5.50
Non-Signatory Joint Use Fee (per arriving passenger)	$5.00	$6.00
Ramp, Apron and Remote Area Charges		
Each 15-minute period or fraction thereof after airline has been given notice that airport operations require that the aircraft leave the area	$100.00	$100.00
Each 10-minute period or fraction when aircraft is double-parked or in a position other than a regular gate position and the airline has been given notice to leave the area	$100.00	$100.00
Each 15-minute period or fraction thereof in excess of 30 minutes for the cleanup of fuel spills	$100.00	$100.00
Aircraft Parking Charges		
For the first three (3) hours of the first 24 hours of parking regardless of the number of continuous days parked	no charge	no charge
Daily charge per 1,000 lbs of maximum gross landed weight	$0.40	$0.40
Minimum charge per day	$10.00	$10.00

Action Requested

Staff requests that the Board approve the schedule of FY2016-17 rates and charges at LA/Ontario International Airport, effective July 1, 2016, rescind Resolution No. 25738, and adopt the attached Resolution.

Fiscal Impact

Under the residual methodology, landing fees and terminal rental rates are set to recover the difference between the full costs of maintaining and operating the airport and the revenues received at the airport. Approval of the landing fee and terminal rent will result in estimated revenues for LAWA during FY2016-17 of $11.7 million and $15.3 million, respectively, from Signatory Airlines at LA/Ontario International Airport.

4. Alternatives Considered

- *Rates must be set per the Operating Use and Terminal Lease Agreement*

ONT uses a double-cost center residual methodology as stipulated in the ONT Use and Terminal Lease Agreement between LAWA and the Signatory Airlines. This agreement expires on September 30, 2024.

APPROPRIATIONS:

No appropriations are requested for this item.

STANDARD PROVISIONS:

1. Establishment or modification of any rate, fee or charge is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1 (31) of the Los Angeles City CEQA Guidelines.

2. This item is subject to approval as to form by the City Attorney.

3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 245.

4. This action is not subject to the provisions of the Service Contractor Worker Retention and Living Wage Ordinances.

5. This action is not subject to the Small Business Enterprise Program.

6. This action is not subject to the provisions of the Affirmative Action Program.

7. This action does not require a Business Tax Registration Certificate number.

8. This action is not subject to the provisions of the Child Support Obligations Ordinance.

9. This action is not subject to the insurance requirements of the Los Angeles World Airports.

10. This action is not subject to the provisions of Charter Section 1022 (Use of Independent Contractor).

11. This action is not subject to the provisions of the Contractor Responsibility Program.

12. This action is not subject to the provisions of the Equal Benefits Ordinance.

13. This action is not subject to the provisions of the First Source Hiring Program.

14. This action is not subject to the provisions of Bidder Contributions CEC Form 55.

Attachments: (A) Calculation of Landing Fees and Terminal Rental Rates, (B) Landing Fees and Terminal Rental Rates Resolution

Attachment A

LOS ANGELES WORLD AIRPORTS								
LA/Ontario International Airport								
Calculation of Landing Fee and Terminal Rental Rates								
Budget FY 2017								
			FY 2017 Budget			FY 2016 Budget		
	Description	Ref	Airfield	Terminal	Total	Airfield	Terminal	Total
(1)	M&O Expenses	Table 2	$ 16,829,863	$ 36,623,633	$ 53,353,495	$ 16,523,481	$ 38,222,369	$ 54,745,851
(2)	Debt Service Expense	Table 9	-	6,213,672	6,213,672	-	6,195,218	6,195,218
(3)	Reserve Fund Deposit		-	-	-	-	-	-
(4)	Debt Service Coverage	Table 9	-	5,250	5,250	-	6,563	6,563
(5)	Airport Discretionary Account Deposit	Table 7	55,410	55,410	110,819	(43,543)	(43,543)	(87,086)
(6)	M&O Reserve Account Deposit	Table 7	(139,586)	(139,586)	(279,172)	63,390	63,390	126,781
(7)	Capital/Amortization Costs	Table 8	235,149	733,783	968,932	462,136	862,304	1,324,441
(8)	Assessment, judgment, or charge relating directly to ONT		-	-	-	-	-	-
(9)	Other Expenses		-	-	-	-	-	-
	Cost Center Requirements		$ 16,980,836	$ 43,392,161	$ 60,372,997	$ 17,005,465	$ 45,306,302	$ 62,311,767
	Cost Center Revenues	Table 3	(5,319,271)	(26,109,205)	(33,428,476)	(4,675,008)	(27,814,438)	(32,489,446)
	Net Cost Center Requirements		$ 11,661,564	$ 15,282,956	$ 26,944,521	$ 12,330,457	$ 17,491,864	$ 29,822,321
	Airlines Area Square Footage	Table 5		140,873				140,873
	RATE PER SQUARE FOOT PER YEAR			$108.49				$124.17
	Landing Units	Table 1.1	5,083,493					4,809,274
	LANDING FEE RATE PER 1,000 LBS. (recommended to BOAC)		$3.29					$2.68
	Non-Signatory		$2.86	$119.34				

ATTACHMENT "B"

RESOLUTION NO. - APPROVAL OF RESOLUTION COVERING LANDING FEES, TERMINAL RENTALS, TERMINAL USE FEES, RAMP FEES, PUBLIC AIRCRAFT PARKING CHARGES, AND VARIOUS OTHER FEES FOR FISCAL YEAR 2016-17, RESCISSION OF RESOLUTION No. 25738

RECOMMENDATION: Approval of Resolution covering terminal rental rates, terminal use fees, landing fees, ramp, apron and remote area charges, and aircraft parking charges at LA/Ontario International Airport for Fiscal Year 2016-17, and rescission of Resolution No. 25738.

WHEREAS, the Board of Airport Commissioners, in accordance with Section 632(a) of the City Charter of Los Angeles, is authorized to fix and collect rates and charges for the use of lands, property and facilities controlled by the City of Los Angeles in accommodation of air commerce.

WHEREAS, these rates shall be in effect until ONT is transferred to the Ontario International Airport Authority (OIAA) pursuant to the Settlement Agreement between LAWA and OIAA.

WHEREAS, it is recommended that Resolution Nos. 25738 be rescinded and that effective July 1, 2016 the rates, charges and fees set forth herein shall apply to all aircraft using the facilities at LA/Ontario International Airport, which is owned or operated by the City of Los Angeles, except as otherwise expressly provided herein:

Section 1. Definitions

(a) "Aircraft" - Any heavier-than-air fixed or rotary wing vehicle used or designed for flight.

(b) "Aircraft Parking Fee" – Fee imposed for the use of Public Aircraft Parking Areas for the parking of Aircraft.

(c) "Airline" - Any person, entity or persons, including corporations, that undertakes, whether directly or indirectly or by lease or any other arrangement, to engage in air commerce, that is certified by the Federal Aviation Administration ("FAA"), and holds a current FAA certificate to transport air passengers or property for hire.

(d) "Airport" – LA/Ontario International Airport.

(e) "Board"- The Board of Airport Commissioners of the City of Los Angeles.

(f) "City"- The City of Los Angeles.

(g) "Department"- The Department of Airports of the City of Los Angeles, also known as Los Angeles World Airports.

(h) "Chief Executive Officer" - The Chief Executive Officer of LAWA, or his or her designated representative.

(i) "Ferry Landings"- Landings of Aircraft without revenue passengers and/or cargo on board for the purpose of positioning Aircraft to enplane passengers and/or

cargo for originating a flight.

(j) "Jet Bridge Utility Use Fee" – Fee imposed on an Airline for use of ONT utilities while parked at a non-preferential (unassigned) gate for custodial service.

(k) "LAWA" – Los Angeles World Airports, also known as the Department of Airports of the City of Los Angeles.

(l) "Maximum Gross Landing Weight" - The FAA Certificated Maximum Gross Landing Weight or actual gross landing weight of an Aircraft if no such specification exists. In computing fees prescribed in this Resolution, except for aircraft weighing less than 25,000 pounds, 500 pounds or any larger part of 1,000 pounds shall be counted as if a whole 1,000 pounds, and any smaller part shall be disregarded.

(m) "Non-Airline Tenant" – An entity other than an Airline that has executed a lease or permit with the Department.

(n) "Non-Preferential Gate Use Fee" – Fee imposed for the use by an Airline of a non-preferential gate.

(o) "Non-Signatory Airline" - An Airline providing scheduled or unscheduled service to the Airport that has not signed an ONT Operating Use and Terminal Lease Agreement.

(p) "Non-Signatory Joint Use Fee" - Fee imposed on Non-Signatory Airlines for each deplaning passenger to cover a proportionate share of the cost of the space used jointly by Signatory Airlines and Non-Signatory Airlines.

(q) "ONT"- LA/Ontario International Airport.

(r) "Public Aircraft Parking Areas" – Those areas which are designated by the Chief Executive Officer for the parking of Aircraft; subject, however, to changes therein at the discretion of the Chief Executive Officer or Board upon reasonable notice.

(s) "Revenue Landing" - Each landings of an Aircraft at ONT, except

- (i) landing of an Aircraft owned and operated by agencies of the U.S. Government;
- (ii) landing of an Aircraft that departs from ONT and returns, without having landed at another airport, for meteorological, mechanical, safety or any other emergency purpose;
- (iii) landing of an Aircraft during training flights;
- (iv) landing of an Aircraft during maintenance test flights; or
- (v) Ferry Landings

(t) "Signatory Airline" - Any Airline who has executed an ONT Operating Use and Terminal Lease Agreement under authority granted by the Board.

(u) "Signatory New Entrant Joint Use Fee" – Fee imposed on a Signatory Airline that is starting service at ONT until it completes a full quarter of activity. Once such Signatory Airline completes a full quarter of activity, such Signatory Airline will be billed joint use fees pursuant to its ONT Operating Use and Terminal Lease Agreement with LAWA.

(v) "Ticket Counter/Queue Use Fee" – Fee imposed for the use of single station ticket counter/passenger queuing area.

Section 2. Terminal Rental Rates, Non-Preferential Gate Use Fee, Jet Bridge Utility Use Fee, Ticket Counter/Queuing Use Fee, Signatory New Entrant Joint Use Fee, Non-Signatory Joint Use Fee

(a) Terminal Rental Rates -
- Signatory Airlines - $108.49 per square foot per year for exclusive use, preferential use, and joint use space.
- Non-Signatory Airlines and Non-Airline Tenants - $119.34 per square foot per year for exclusive use, preferential use, and joint use space.

(b) Non-Preferential Gate Use Fee - $275.00 per operation (arrival and/or departure) for the use by an Airline of a non-preferential (unassigned) gate.

(c) Jet Bridge Utility Use Fee - $185.00 per operation for the use by an Airline of ONT utilities while parked at a non-preferential (unassigned) gate.

(d) Ticket Counter/ Queuing Use Fee –
- Signatory Airlines - $15.00 per operation (arrival and/or departure)
- Non-Signatory Airlines and Non-Airline Tenants - $16.50 per operation (arrival and/or departure).

(e) Signatory New Entrant Joint Use Fee - $4.50 per arriving passenger.

(f) Non-Signatory Joint Use Fee - $5.00 per arriving passenger.

(g) The terminal rental rates are based on budgeted expenses and revenues and are subject to adjustment at year end based on actual revenues, maintenance and operation expenses, debt service, and other factors.

Section 3. Landing Fee Rate

Signatory Airlines and Non-Signatory Airlines shall pay a landing fee for each Revenue Landing of an Aircraft operated by such Airline. The landing fee shall be an amount equal to the product of (i) the number of thousands of pounds of Maximum Gross Landing Weight of an Airline's Revenue Landing multiplied by (ii) the landing fee rate.

(a) Landing Fee Rate for Signatory Airlines

(i) $30.00 for each landing of Aircraft having a Maximum Gross Landing Weight of 12,500 pounds or less

(ii) $57.00 for each landing of Aircraft having a Maximum Gross Landing Weight of more than 12,500 pounds up to and including 25,000 pounds

(iii) $2.29 per 1,000 pounds Maximum Gross Landing Weight for each landing of Aircraft having a Maximum Gross Landing Weight of more than 25,000 pounds

(b) Landing Fee Rate for Non-Signatory Airlines

(i) $37.00 for each landing of Aircraft having a Maximum Gross Landing Weight of 12,500 pounds or less

(iii) $72.00 for each landing of Aircraft having a Maximum Gross Landing Weight of more than 12,500 pounds up to and including 25,000 pounds

(iii) $2.86 per 1,000 pounds Maximum Gross Landing Weight for each landing of Aircraft having a Maximum Gross Landing Weight of more than 25,000 pounds

(c) The landing fee rates are based on budgeted expenses and revenues and are subject to adjustment at year end based on actual revenues, maintenance and operation expenses, debt service, and other factors.

Section 4. Ramp, Apron, and Remote Area Charges

(a) $100.00 for each fifteen (15) minute period or fraction thereof after the Airline has been given notice by the Chief Executive Officer that airport operations require that the Aircraft leave the ramp, apron and/or remote gate areas. The period to be used for calculating this charge shall begin fifteen (15) minutes after such notice has been given.

(b) $100.00 for each ten (10) minute period or fraction thereof when Aircraft is double-parked or in a position other than a regular gate position and the Airline has been given notice by the Chief Executive Officer that airport operations require that the aircraft leave the ramp, apron and/or remote gate areas. The period to be used for calculating this charge shall begin five (5) minutes after such notice has been given.

(c) $100.00 for each fifteen (15) minute period or fraction thereof in excess of thirty (30) minutes for the cleanup of fuel spills.

Section 5. Aircraft Parking Fee

(a) Airlines shall be subject to the Aircraft Parking Fee for the parking of Aircraft in Public Aircraft Parking Areas. The Aircraft Parking Fee shall be $0.40 per 1,000 pounds of Maximum Gross Landing Weight per day, with a minimum charge of $10.00 per day except that there shall be no charge for the first three (3) hours of the first twenty-four (24) hours of parking regardless of the number of continuous days parked.

(b) Airlines shall submit a monthly report listing the dates and times their Aircraft were parked at ONT. Payment of Aircraft Parking Fees shall accompany each report.

Section 6. Double Residual Methodology

In accordance with the ONT Use & Terminal Lease Agreement, two cost centers are used to calculate rates and charges at ONT, the Airfield Cost Center and the Terminal Cost Center. These cost centers cover distinct operating areas of the airport so that costs and revenues are appropriately accounted for and grouped to calculate landing fees and terminal rental rates.

The dollar amount allocated to each cost center is determined by totaling the following elements for each fiscal year:

1. The maintenance and operation expenses;

2. Monies to meet current fiscal year debt service and any amount needed to fulfill the debt service coverage covenant;

3. Required monetary reserves maintained at a specified level of balances as defined under the City Charter and the bond indenture with total reserves divided equally between the two cost centers;

4. Debt service coverage, equal to twenty-five percent (25%) of the amount in item (2), less the amount funded for debt service coverage in prior Fiscal Years;

5. The required deposit to Airport Discretionary Account based upon a pre-defined formula and allocated equally to each cost center;

6. The required deposit to the Maintenance and Operations Reserve Account (50% to be allocated to each cost center);

7. Amortization expenses allocable to each cost center for completed capital items;

8. The estimated amount of any assessment, judgment, or charge relating directly to ONT or its operation; and

9. Other miscellaneous expenses.

The terminal rental rate by square foot is determined by deducting from the gross Terminal Cost Center expenses, those ONT revenues associated with the terminals, excluding Signatory Airline Terminal Rental, allocable to Terminal Cost Center and any passenger facility charge ("PFC") receipts that might be used by City to pay revenue bond debt service allocable to the Terminal Cost Center. That difference is then divided by the total space (exclusive use, preferential use, and joint use space) leased to the Signatory Airlines to arrive at the terminal rental rate per square foot per year.

The landing fee is determined by deducting from the expenses incurred in the Airfield Cost Center, those ONT revenues associated with the airfield, excluding Signatory

Airline landing fees, allocable to the Airfield Cost Center and any PFC receipts that might be used by City to pay revenue bond debt service allocable to the Airfield Cost Center. That difference is then divided by the total estimated landed weight of the Signatory Airlines to arrive at the landing fee rate per thousand pounds.

Section 7. Use by Government Aircraft

Pursuant to Federal Grant Assurance #27 (Use by Government Aircraft), LAWA allows federal government agencies to land/takeoff and park their aircraft free of charge.

Section 8. Mid-Year Adjustment of Rates and Charges

In accordance with the ONT Use and Terminal Lease Agreement, the terminal rental rate and the landing fee rate may be adjusted mid-year or at other intervals should there be a variance of plus or minus 10% in the amounts expected to be actually recovered and the amounts used in calculating the landing fee rate and the terminal rental rate.

WHEREAS, this action is exempt from the California Environmental Quality Act pursuant to Article III, Class 1 (31) of the Los Angeles City CEQA Guidelines.

WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter 245.

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners determined that this action is exempt from California Environmental Quality Act requirements, adopted the staff report, approved the schedule of Fiscal Year 2016-17 rates and charges at LA/Ontario International Airport effective July 1, 2016; and rescission of Resolution No. 25738.

Item 4 - Rental Car Fees

RESOLUTION NO. 2016__

RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY IMPOSING OBLIGATION TO COLLECT AND REMIT CUSTOMER FACILITY CHARGES

WHEREAS, the Ontario International Airport Authority (the "Authority") was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino (the "Joint Powers Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (the "Joint Powers Act"), for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport (the "Airport"); and

WHEREAS, under that certain Settlement Agreement effective as of July 30, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California, its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles is obligated to transfer management and control of the Airport and certain "Surrounding Parcels" and other "Airport Assets" to the Authority on the "Transfer Date" (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority will be the sole owner, operator and sponsor of the Airport, the Surrounding Parcels and the related Airport Assets, and shall thereafter be entitled to charge, collect and receive fees, charges, rentals and other revenues from its operation and management of the Airport (the "Airport Revenues"); and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to impose on on-airport and off-airport car rental companies with which the Airport enters into concession or lease agreements an obligation to collect from their customers and remit to the Authority a customer facility charge ("CFC"), in accordance with California Civil Code Section 1936(m)(1); and

WHEREAS, as of the date hereof, and at all times prior to the Transfer Date, the Airport is and will be managed, controlled, and operated by LAWA; and

WHEREAS, in connection with the transfer of the management and control of the Airport from LAWA to the Authority, LAWA will assign to the Authority the existing concession and lease agreements in place as of the Transfer Date between LAWA and various on-airport and off-airport car rental companies (the "Existing Agreements"), which Existing Agreements impose on the applicable car rental companies the obligation to collect from their customers and remit to LAWA a CFC in accordance with California Civil Code Section 1936(m)(1) and the terms of the Existing Agreements; and

WHEREAS, as of the date hereof and until the Transfer Date, LAWA does and will continue to receive CFCs pursuant to the Existing Agreements in the amount of $10 per customer from each on-airport car rental company and $6 per customer from each off-airport car rental company, and from and following the Transfer Date, the Authority, as assignee of LAWA, will receive the same payments of CFCs from the rental car companies pursuant to the terms of the Existing Agreements;

NOW, THEREFORE, be it resolved as follows:

SECTION 1. Each concession or lease agreement that the Authority enters into with an on-airport or off-airport car rental company shall require the applicable car rental company to collect from its customers and remit to the Authority a CFC pursuant to the provisions of California Civil Code Section 1936(m)(1) (as the same may be amended). The amount of the CFC to be collected by each on-airport car rental company shall be $10 per customer, and the amount of the CFC to be collected by each off-airport car rental company shall be $6 per customer (such amount reflecting the proportionate cost of the common-use transportation system financed with the proceeds of the CFCs, but not the proportionate cost of the consolidated rental car facility financed with the proceeds of the CFCs). The Authority may, by resolution, adjust the amount of the CFC applicable to on-airport and off-airport car rental companies, provided that the adjusted amount is consistent with applicable law, including California Civil Code Section 1936 (as the same may be amended). The other terms and requirements for the collection and remittance of CFCs, and requirements related to the keeping of records related thereto, shall be set forth in the applicable concession or lease agreement, provided that all such provisions shall be consistent with and as required by California Civil Code Section 1936 (as the same may be amended). Notwithstanding the foregoing, the Authority acknowledges that, during the terms of each Existing Agreement, CFCs shall be collected and remitted to the Authority pursuant to the terms of such Existing Agreements.

SECTION 2. Each of the Chief Executive Officer of the Authority or his designee, the Chief Financial Officer of the Authority or his designee, and the Chief Operating Officer of the Authority and his designee (each an “Authorized Authority Representative”) is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to take any and all actions, to execute any and all documents, and to pay or cause to be paid all costs and expenses, as may be necessary or desirable to effectuate the purposes of these resolutions and the documents and transactions herein authorized.

SECTION 3. All actions heretofore taken by any officer or agent of the Authority in connection with or related to the matters set forth in these resolutions are hereby approved, confirmed and ratified.

SECTION 4. This resolution shall take effect immediately.

_____
OIAA PRESIDENT

ATTEST:

_____
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____
STEPHEN G. LARSON
GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

Item 5 - Debt Policy

RESOLUTION NO. 2016_____

RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY ADOPTING A DEBT POLICY

WHEREAS, the Ontario International Airport Authority (the "Authority") was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino (the "Joint Powers Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (the "Joint Powers Act"), for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport (the "Airport"); and

WHEREAS, under that certain Settlement Agreement effective as of July 30, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California, its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles is obligated to transfer management and control of the Airport and certain "Surrounding Parcels" and other "Airport Assets" to the Authority on the "Transfer Date" (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority will be the sole owner, operator and sponsor of the Airport, the Surrounding Parcels and the related Airport Assets, and shall thereafter be entitled to charge, collect and receive fees, charges, rentals and other revenues from its operation and management of the Airport; and

WHEREAS, the Authority desires to adopt a policy setting forth the requirements and conditions governing the Authority's ability to incur and administer debt; and

NOW, THEREFORE, be it resolved as follows:

SECTION. NO.1 The Authority hereby approves and adopts the debt policy attached hereto as Attachment A.

SECTION NO. 2 All actions heretofore taken by any officer or agent of the Authority in connection with or related to the matters set forth in these resolutions are hereby approved, confirmed and ratified.

SECTION NO. 3 This resolution shall take effect immediately.

Attachment A

Debt Policy

_____
OIAA PRESIDENT

ATTEST:

_____
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____
STEPHEN G. LARSON
GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

ONTARIO
INTERNATIONAL AIRPORT
AUTHORITY

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENT OF DEBT POLICY
EFFECTIVE NOVEMBER 1, 2016

I. PURPOSE

The Ontario International Airport Authority (hereinafter "the Authority") invests in long-term infrastructure necessary for the operations of the Ontario International Airport ("ONT" or "the Airport") and other assets of the Authority. The use of long-term debt is considered an appropriate funding source for capital assets. Debt is only one source of funding for projects and the Authority actively seeks other funding sources including grants, partnerships, passenger and customer fees, and cash from operations. The Authority seeks to manage capital costs by balancing interest rates and risk. The Authority at all times will comply with applicable laws and regulations including state law, tax code (IRS) and securities regulations.

Primary responsibility for debt management resides with the Chief Financial Officer. Debt issuance is made in consultation with the Chief Executive Officer in support of their business and operational plans. In accordance with State law, Commission approval is required for any Authority debt issuance. The Authority will use an independent registered Municipal Advisor to assist with the sale of new debt and the management of existing debt.

II. TYPES OF DEBT

Generally, the primary types of debt to be incurred by the Authority are as summarized below, but does not preclude the Authority for entering into other types of obligations that in accordance with State law and further enhance the Authority's capital and financial objectives.

A. Airport Revenue Bonds

Airport Revenue Bonds are used to provide funding for capital projects and are secured by the net operating revenues of the Airport. Generally, bonds are issued and projects are financed in accordance with the terms of the Authority's Operating Use and Terminal Lease Agreements and/or Parking, Concession and Rental Car Agreements or other agreements the Authority may enter from time to time which impact the net operating revenues of the Airport.

B. Special Revenue/Facility Bonds

Special Revenue/Facility Bonds are secured by a distinct revenue stream, e.g. Passenger Facility Charges (PFCs) or lease payments from a specific facility funded with this type of debt issued in accordance with State Law and in accordance with terms and limitations that may be established for other obligations of the Authority including Airport Revenue Bonds. No other revenues or resources of the Authority are pledged to these bonds. Use of this financing is on a case-by-case basis. Criteria used to determine the appropriateness may include:

- The pledged revenues are sufficient to fund debt service;

- Revenues are available to be separately pledged and are not included in revenues pledged to other obligations;
- Project(s) to be funded are significant to justify the effort of a special financing;
- Credit-worthiness of the lessee using the special facility;
- There is a compelling business reason, e.g. segregation of risk to use this form of financing.

III. DEBT STRUCTURE AND OTHER PROVISIONS

The Authority manages its overall debt structure to appropriately balance risk and cost of capital and to provide for long-term financial resilience, market access and capacity for future capital needs. To this end, the Authority issues primarily debt that is fixed rate and primarily level debt service.

A. Fixed Rate Debt

Unless asset life warrants a shorter term, bonds are generally issued with a maximum maturity of 25-30 years. Average life must be in compliance with IRS restrictions. The Authority prefers to have an optional call on maturities longer than ten years in order to accommodate opportunities for economic refundings or to facilitate the restructuring of debt. Generally, the Authority prefers to limit the use of make-whole calls to maturities of less than ten years.

B. Variable Rate Debt, Derivatives & Swaps

Generally, the Authority does not intend to issue variable rate debt either on an actual basis or synthetic basis (using interest rate swaps or other derivative products), except that the Authority may issue obligations with shorter-term maturities that include such features, including commercial paper and grant, revenue and bond anticipation notes, (i) to provide interim financing for capital projects in anticipation of the issuance of longer-term Bonds and/or the receipt of Grant moneys or Passenger Facility Charges, or (ii) to purchase, refund or otherwise restructure or refinance outstanding Bonds in the event that, for example, longer term markets are inaccessible. Short-term Bonds shall consist of Bonds of an issue with a final maturity of less than 5 years.

C. Public Debt vs. Private Placements

The Authority generally uses public offerings to issue debt. However, the Authority may use Direct or Private Placement Debt - which are non-public offerings. These may be secured by the same credit as any other form of Authority obligations so long as all provisions of State law and outstanding bond covenants are met. Considerations for Direct Debt are market access, cost and terms.

D. Capitalized Interest

The Authority may issue bonds to pay for interest during construction pursuant to IRS limitations, rating agency requirements, and/or to the extent deemed prudent to match revenues to debt service payments.

E. Debt Service Reserve Funds

The Authority may issue bonds that are secured by amounts on deposit in or credited to a debt service reserve fund or account in order to minimize the net cost of borrowing and/or to provide additional reserves for debt service or other purposes. Debt service reserve funds may secure one or more issues of bonds, and may be funded by proceeds of bonds, other available moneys of the Authority, and/or by surety policies, letters or lines of credit, or other similar instruments in accordance with the indenture or other relevant debt instrument. As relates to the use of surety policies, letters or lines of credit or other similar instruments for this purpose, the Authority shall take into consideration, in advance of the issuance of the applicable bonds, the likely remedial strategies in the event of a material decline in the applicable provider's credit quality. If the Authority is unlikely to be able to secure replacement credit support or an alternate credit facility due to market or other conditions, the Authority shall makes provisions in applicable bond structures to address such risks whenever practicable.

F. Third Party Credit Enhancement

The Authority may secure credit enhancement for its bonds from third-party credit providers to the extent such credit enhancement is available upon reasonable, competitive, and cost-effective terms. Such credit enhancement may include municipal bond insurance, letters of credit and lines of credit, as well as other similar instruments. Generally, credit enhancement providers shall be selected on a competitive basis whenever possible.

All or any portion of an issue of bonds may be secured by bond insurance provided by municipal bond insurers if it is economically advantageous to do so, or if it is otherwise deemed necessary or desirable in connection with a particular issue of bonds. The relative cost or benefit of bond insurance may be determined by comparing the amount of the bond insurance premium to the present value of the estimated interest savings to be derived as a result of the insurance.

The issuance of certain types of bonds may require a letter of credit or credit facility from a commercial bank or other qualified financial institution to provide liquidity and/or credit support. The types of bonds where a credit facility may be necessary include commercial paper, variable rate bonds with a tender option, and bonds that could not receive an investment grade credit rating in the absence of such a facility. □The Authority shall take into consideration, in advance of the issuance of the applicable bonds, the likely remedial strategies in the event of a material decline in the applicable provider's credit quality. If the Authority is unlikely to be able to secure replacement credit support or an alternate credit facility due to market or other conditions, the Authority shall makes provisions in applicable bond structures to address such risks whenever practicable.

G. Method of Bond Sale

Bonds can be sold through either a negotiated or competitive process. Under a negotiated process, one or more investment banks are chosen in advance to manage the sale of bonds at a negotiated price. The process of selecting investment banks for particular financings is generally undertaken through a competitive Request for Proposal process. Under a competitive sale, banks bid on a bond offering and the sale is awarded to the bank offering the lowest interest rate.

The Authority generally utilizes a finance team to manage negotiated sales, which provide the following benefits:

- Utilization of finance team resources for no extra cost;
- Pre-marketing which is useful for a complex credit story like the Authority's;
- Flexible timing and ability to adjust structure to meet market demand.

The Authority will utilize a Municipal Advisor to assist with selection and negotiation of the investment banking firm or team, its fees and benchmark the overall pricing.

H. Investment of Bond Proceeds

Bond proceeds and amounts in the Commission's debt service and debt service reserve funds with respect to outstanding Bonds shall be invested in accordance with the terms of the Commission's Investment Policy and/or within parameters defined in applicable resolutions or financing agreements of the Commission, whichever are more restrictive.

I. Refunding Bonds

The Authority shall monitor interest rates and looks for opportunities to refund debt for savings. Generally, savings targets are based on the net present value savings for the refunding of the bonds being refunded, inclusive of transaction costs. Generally, the Authority seeks to achieve not less than 3% net present value savings from refundings, but will consult with its Municipal Advisor in circumstances where a proposed refunding may be considered on an advance basis. The savings target does not necessarily apply in cases where the Authority wishes to refund bonds to revise key bond covenants or refunding otherwise benefits the Authority absent such savings.

IV. DEBT LIMITS

Debt service coverage limitations shall be established in the indenture or other financing agreement as applicable for additional indebtedness and shall be in accordance with the terms of the Authority's Operating Use and Terminal Lease Agreements and/or Parking, Concession and Rental Car Agreements or other agreements the Authority may enter from time to time which impact the net operating revenues of the Airport. Debt limits for obligations other than those secured by net operating revenues of the Airport shall be evaluated based on market access, cost and terms on a case-by-case basis.

V. CONTINUING DISCLOSURE COMPLIANCE

The Authority's Chief Financial Officer shall oversee and, advised by the Authority's disclosure counsel and Authority staff, shall be responsible for the filing and accuracy of all primary and secondary disclosure regarding the Authority and its debt obligations. The Chief Financial Officer shall take reasonable actions to obtain timely knowledge of any event that must be disclosed pursuant to the Authority's "disclosure undertakings" and shall cause notices of such events to be filed in a timely manner as required by such disclosure undertakings.

The Authority will comply with the requirements of all of its "disclosure undertakings" by filing or causing to be filed annually its disclosure statements and audited financials (together called the Consolidated Annual Financial Report or "CAFR") with the Electronic Municipal Market Access ("EMMA") or as otherwise established in the Authority's financing agreements.

The Authority will comply with the event notice reporting requirements of its disclosure undertakings and timely file with EMMA all required event notices. The Authority will engage disclosure counsel to guide its primary and secondary market disclosure, and to prepare material event notices as necessary.

For each of the Authority's disclosure undertakings, the Authority shall establish and employ a dissemination agent. Disclosure shall be posted electronically on EMMA by the dissemination agent.

The Authority shall post its Official Statements and CAFRs electronically on its website as soon as practicable. The Authority may post additional information on the Investor Relations section of its website if deemed appropriate by the Chief Financial Officer.

The Authority's staff that are involved in the preparation and dissemination of its disclosure, including without limitation the Chief Financial Officer shall receive appropriate training no less than once each calendar year regarding the requirements and practices of applicable regulatory bodies concerning disclosure relating to the Authority.

VI. POST-ISSUANCE TAX COMPLIANCE PROCEDURES

The purpose of this section is to establish policies and procedures in connection with tax-exempt bonds and other tax-advantaged bonds (e.g. tax credit bonds such as Build America Bonds or CREBs) issued by or on behalf of the Authority so as to ensure that the Authority complies with all applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt or other advantaged status of the bonds.

A. Post-Issuance Compliance Requirements

1. External Advisors / Documentation

The Chief Financial Officer shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the bonds will continue to qualify for the appropriate tax status. Those requirements and procedures shall be documented in the Authority's resolution(s), bond documents such as indentures and trust agreements, tax certificate(s) and/or other documents finalized at or before issuance of the bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the bonds.

The Chief Financial Officer also shall consult with bond counsel and other legal counsel and advisors, as needed, following issuance of the bonds to ensure that all applicable post-issuance requirements in fact are met. This shall include, without limitation, consultation in connection with future contracts with respect to the use of bond-financed assets and future contracts with respect to the use of output or throughput of bond-financed assets.

Whenever necessary or appropriate, the Authority shall engage expert advisors (each a "Rebate Service Provider") to assist in the calculation of arbitrage rebate payable in respect of the investment of bond proceeds.

2. Role of the Authority as Bond Issuer

Unless otherwise provided, unexpended bond proceeds shall be held by the Authority, and the investment of bond proceeds shall be managed by the Chief Financial Officer, who shall maintain records and shall prepare regular, periodic statements to the Authority regarding the investments and transactions involving bond proceeds.

If the documents governing the bonds provide for bond proceeds to be administered by a trustee or any other agent (as used herein, a "Trustee"), the Authority shall ensure that such Trustee provides to the Authority regular, periodic (e.g., monthly) statements regarding the investments and transactions involving bond proceeds.

3. Arbitrage Rebate and Yield

Proceeds from bonds issued by or on behalf of the Authority are generally held and invested by the Trustee. Notwithstanding the foregoing, the Authority, as the entity responsible for yield restriction and rebate compliance as to the bonds, shall take all actions necessary to coordinate with the Trustee and, when applicable, engage the services of a Rebate Service Provider, to ensure such compliance. The Authority shall retain copies of all arbitrage reports, investment and expenditure records, and Trustee statements as described below under "Record Keeping Requirements."

4. Allocation of Bond Proceeds

Within the proper timelines, which are currently no later than 18 months after expenditure or the project's placed in service date, but in no event after 5 years from the date of issuance of the applicable issue of new money bonds, the Authority will allocate bond proceeds to expenditures for rebate and private use purposes.

5. Use of Bond Proceeds

The Chief Financial Officer shall:

- monitor the use of bond proceeds, the use of bond-financed assets (e.g., facilities, furnishings or equipment) and the use of output or throughput of bond-financed assets throughout the term of the bonds (and in some cases beyond the term of the bonds) to ensure compliance with covenants and restrictions set forth in applicable Authority resolutions, bond documents and tax certificates;

- maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of bonds;

- consult with bond counsel and other professional expert advisers in the review of any contracts or arrangements involving use or sale of bond-financed facilities to ensure compliance with all covenants and restrictions set forth in applicable Authority resolutions and tax certificates;

- maintain records for any contracts or arrangements involving the use or sale of bond-financed facilities as might be necessary or appropriate to document compliance with all covenants and restrictions set forth in applicable Authority resolutions and tax certificates; and

- meet periodically with personnel responsible for bond-financed assets to identify and discuss any existing or planned use or sale of bond-financed, assets or output or throughput of bond-financed assets, to ensure that those uses are consistent with all covenants and restrictions set forth in applicable Authority resolutions, bond documents and tax certificates.

All relevant records and contracts shall be maintained as described below.

B. Record Keeping Requirements

Unless otherwise specified in applicable Authority resolutions, bond documents or tax certificates, the Authority shall maintain the following documents for the term of each issue of bonds (including refunding bonds, if any) plus at least three years:

- a copy of the bond closing transcript(s) and other relevant documentation delivered to the Authority at or in connection with closing of the issue of bonds;
- a copy of all material documents relating to capital expenditures financed or refinanced by bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with bond proceeds;
- a copy of all contracts and arrangements involving private use of bond-financed assets or for the private use of output or throughput of bond-financed assets; and
- copies of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements.

VII. PERIODIC REVIEW

The Chief Financial Officer shall review this Statement of Debt Policy on a periodic basis, and recommend any changes to the Commission for its consideration and approval.

Item 6 - Investment Policy

RESOLUTION NO. 2016__

RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT ADOPTING AN INVESTMENT POLICY

WHEREAS, the Ontario International Airport Authority (the "Authority") was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino (the "Joint Powers Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (the "Joint Powers Act"), for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport (the "Airport"); and

WHEREAS, under that certain Settlement Agreement effective as of July 30, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California, its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles is obligated to transfer management and control of the Airport and certain "Surrounding Parcels" and other "Airport Assets" to the Authority on the "Transfer Date" (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority will be the sole owner, operator and sponsor of the Airport, the Surrounding Parcels and the related Airport Assets, and shall thereafter be entitled to charge, collect and receive fees, charges, rentals and other revenues from its operation and management of the Airport; and

WHEREAS, the Authority desires to adopt a policy setting forth the requirements and conditions for investment of Authority funds to be held in various accounts of the Authority; and

NOW, THEREFORE, be it resolved as follows:

SECTION 1. The Authority hereby approves and adopts the investment policy attached hereto as Attachment A.

SECTION 2. All actions heretofore taken by any officer or agent of the Authority in connection with or related to the matters set forth in these resolutions are hereby approved, confirmed and ratified.

SECTION 3. This resolution shall take effect immediately.

Attachment A

Investment Policy

_____
OIAA PRESIDENT

ATTEST:

_____
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____
STEPHEN G. LARSON
GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

ONTARIO INTERNATIONAL AIRPORT AUTHORITY
STATEMENT OF INVESTMENT POLICY
EFFECTIVE NOVEMBER 1, 2016

I. PURPOSE

This statement is intended to: (a) describe the policies and procedures utilized in the investment management system of the Ontario International Airport Authority (hereinafter "the Authority"); (b) put in place guidelines for the prudent investment of the Authority's funds, and (c) list and describe suitable investments.

Primary responsibility for investment of the Authority's funds lies with the Chief Financial Officer or their designee.

The goals of the Authority's investment policy and investment management function are enhancement of the economic status of the Authority and protection of the Authority's funds.

The investment policies and practices of the Authority are based upon federal and state law and prudent money management principles. The primary goals of these policies are:

A. To assure compliance with all laws governing the investments under the control of the Authority, including California Government Code Section 53601.

B. To assure compliance with all applicable sections of the Internal Revenue Code of 1986, Arbitrage Rebate Regulations and bond covenants with regard to the investment of bond proceeds.

C. To protect the principal monies entrusted to this office.

D. To generate the maximum amount of investment income consistent with the parameters established in this Statement of Investment Policy.

II. SCOPE

This investment policy applies to all monies belonging to the Authority, and proceeds from bonds or notes issued by the Authority. Bond proceeds and any funds associated with bond issues and other monies arising from bond indebtedness are further restricted by the pertinent bond indenture. Funds described above are accounted for in the Authority's Comprehensive Annual Financial Report.

All monies entrusted to the Authority Treasurer will be pooled in an actively managed portfolio and will be referred to as the "fund" or the "portfolio" throughout the remainder of this document.

III. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall

be the "prudent investor" standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers, acting in accordance with written procedures and the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV. OBJECTIVES

A. Safety of Principal

Safety of principal is the foremost objective of the investment policies and practices of the Authority. Investment decisions shall seek to minimize net capital losses on a portfolio basis. This policy recognizes that market conditions may warrant the sale of individual securities incurring losses in order to protect against further and more substantial capital losses. The intent of this policy is to ensure that capital losses are minimized on a portfolio level rather than on each transaction. The Authority shall seek to preserve principal by mitigating credit risk and market risk.

1) Credit Risk – Defined as the risk of loss due to failure or insolvency of an issuer; shall be mitigated by diversifying the fund so that the failure of any one issuer would not unduly harm the Authority's cash flow. No more than 3% of the portfolio may be invested (at time of purchase) in the securities of any one single issuer except the U.S. Government, its agencies, or the State of California Local Agency Investment Fund.

2) Market Risk – Defined as the risk of market value fluctuations due to changes in the general level of interest rates. Because longer maturity fixed-income securities have greater market risk than shorter maturity securities, market risk will be mitigated by limiting the weighted average maturity of the fund to 2 ½ years. It is explicitly recognized that in an active portfolio occasional losses are inevitable and must be considered within the context of the overall investment return.

B. Liquidity

The Authority's fund will be structured to ensure that the projected expenditure requirements of the Authority for the next six months can be met with a combination of anticipated revenues, maturing securities, principal and interest payments and liquid instruments as required by California Government Code Section 53646.

C. Performance Measurement

The performance of the Authority's investment portfolio will be measured on a yield basis and the performance will be measured against an appropriate benchmark determined by the Chief Financial Officer.

V. SAFEKEEPING OF SECURITIES

With the exception of insured Certificates of Deposit and the Local Agency Investment Fund of the State of California, all securities owned by the Authority, including collateral for repurchase agreements, shall be held in safekeeping by the Authority's custodial bank or a third party bank trust department acting as agent for the Authority under terms of a custody or trustee agreement executed by the bank and the Authority. All securities will be received and delivered using standard delivery versus payment (DVP) procedures and in accordance with State Code.

VI. REPORTING

The Chief Financial Officer is required to submit an investment report on a quarterly basis to the Chief Executive Officer, the Internal Auditor, and the Authority Commission, in accordance with California Government Code Section 53646. The report is required to be submitted within 30 days of the end of the quarter. This report will include the following information:

- Type of investment instrument (i.e. Treasury Bill, CD)
- Issuer name (i.e. US Treasury Note)
- Purchase date (trade and settlement date)
- Maturity date
- Par value
- Purchase price
- Current market value and source of valuation
- Overall portfolio yield based on cost
- Statement of compliance of the portfolio to the investment policy or an explanation of the manner in which the portfolio is not in compliance
- Description of any of the Authority's funds that are under the management of contracted parties.
- Statement denoting the ability of the Authority to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money may not be available.

VII. COMPETITIVE BIDDING

It will be the policy of the Authority to transact all U. S. Treasury securities purchases and sales through a formal and competitive process requiring the solicitation and evaluation of at least three bids/offers. The Authority will accept the offer, which provides (a) the highest rate of return; and (b) optimizes the investment objectives of the overall portfolio. The purchase of securities other than U.S. Treasuries (corporate notes, Agencies, mortgage-backed securities, etc.) will be executed differently. This is due to the lack of homogeneity among these products and their availability (or unavailability) in dealer inventories. Because of the individualized nature of these securities, it is usually not possible to get more than one offer on the same instrument. Therefore, when purchasing non-Treasury securities, the Chief Financial Officer or designee shall make a subjective evaluation regarding the relative attractiveness of various offers, taking into account maturity, credit ratings, structure and other factors which influence pricing. When selling a security, the Authority will select the bid, which generates the highest sale price. It will be the responsibility of the personnel involved in each transaction to produce and retain written records, including the name of the financial

institutions solicited, price/rate quoted, description of the security, bid/offer selected, and any special considerations that had an impact on the decision.

VIII. PURCHASE AND SALE OF SECURITIES

Purchases and sales of securities will be executed only by the Chief Financial Officer or their designee.

IX. POLICY REVIEW

The Authority Treasurer shall annually render to the Authority Commission a statement of investment policy, which shall be considered at a public meeting. Any changes in the policy shall also be considered by the Authority Commission at a public meeting.

X. AUTHORIZED INVESTMENTS

A. The Authority's Investment Portfolio is governed by California Government Code, Section 53600 et seq. Within the context of these limitations, the following investments are authorized, as further limited herein:

1) United States Treasury Bills, Notes, and Bonds, or those securities for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the fund, which can be invested in this category.

2) Obligations issued by various agencies of the Federal Government including, but not limited to, the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Student Loan Marketing Association as well as such agencies or enterprises which may be created. There is no percentage limitation on the dollar amount which can be invested in Agency issues in total, no more than 20% of the cost value of the portfolio may be invested in the securities of any one issuer.

3) Bills of exchange or time drafts drawn on and accepted by a commercial bank, commonly known as banker's acceptances. Banker's acceptances may not exceed 180 days to maturity. To be eligible for purchase, banker's acceptances must be rated B/C or higher by Thomson Bankwatch. No more than 40% of the cost value of the portfolio may be invested in banker's acceptances and no more than 5% of the cost value of the portfolio may be invested in banker's acceptances of any single bank.

4) Commercial paper rated "A1" by Standard and Poor's and "P1" by Moody's Investor Services, and issued by a domestic corporation having assets in excess of $500 million and having an "A" or better rating on its long-term debentures as provided by Moody's or Standard and Poor's. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper on an issuing corporation. Purchases of commercial paper may not exceed 15% of the portfolio, which may be invested pursuant to this section. An additional 15% or a total of 30% of the agency's money may be invested pursuant to this subdivision. The additional 15% may be so

invested only if the dollar weighted average maturity of the entire amount does not exceed 31 days.

5) Negotiable certificates of deposit issued by a nationally or State chartered bank or a State or Federal savings institution, or a State licensed branch of a foreign bank ("Yankee"). Purchases of negotiable certificates of deposit may not exceed 30% of the cost value of the portfolio. To be eligible for purchase by the Authority, the certificate of deposit must be rated A-1 by Standard and Poor's and P-1 by Moody's.

6) Repurchase Agreements – The Authority may invest in repurchase agreements with primary dealers of the Federal Reserve Bank of New York with which the Authority has entered into a master repurchase agreement. The Public Securities Association master repurchase agreement is the "master repurchase agreement". The maturity of repurchase agreements shall not exceed one year. The market value of securities used as collateral for repurchase agreements shall be valued at no less than 102% of the value of the repurchase agreement. Collateral pricing will be monitored no less than monthly by the investment staff and not be allowed to fall below 102% of the value of the repurchase agreement. In order to conform to provisions of the Federal Bankruptcy Code which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable to the Authority as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest, by the United States or any agency thereof. Investments in repurchase agreements may not exceed 20% of the cost value of the fund.

7) Local Agency Investment Fund - The Authority may invest in the Local Agency Investment Fund ("LAIF") established by the State Treasurer for the benefit of local agencies up to the maximum permitted under Section 16429.1 of the Government Code.

8) Time Deposits – The Authority may invest in non-negotiable time deposits collateralized in accordance with the California Government Code, which meet the requirements for investment in negotiable certificates of deposit. The Authority may invest in insured certificates of deposit with individual depository institutions up to the insured limit. No more than 25% of the fund may be invested in this category.

9) Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any State, and operating within the United States. The issuing corporation must have a minimum rating of "A" by both Standard and Poor's and Moody's and have in excess of $500 million in shareholder equity. Purchase of medium-term notes may not exceed 30% of the cost value of the fund with no more than 15% of the cost value of the fund rated below "AA" by both Standard and Poor's and Moody's. No more than 3% of the fund (at time of purchase) may be invested in any one corporate name, including the parent corporation or subsidiaries.

10) Any U. S. Government Agency's Mortgage pass-through security, collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, or consumer receivable-backed bond of a maximum five years maturity. Securities eligible for investment under this section shall be issued by an issuer having

an “A” or higher rating for the issuer’s unsecured debt, as provided by a nationally recognized rating service. The securities must be rated “AAA” by both Moody’s and Standard and Poor’s. Purchase of securities authorized by this subdivision may not exceed 20% of the cost value of the fund.

11) Bonds, notes, warrants or other evidences of indebtedness of any local agency of this state, including bonds payable solely out of the revenues from a revenue producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

12) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the state or by a department, board, agency or authority of the state

13) Bonds, notes, warrants, or other evidence of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

14) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by an NRSRO and shall not exceed 9 percent of the agency's moneys that may be invested pursuant to this section. Investment in these issues is further limited to a 3 percent allocation in any one name.

B. In the event of a rating downgrade of a security in the Authority’s portfolio by any of the applicable rating agencies (Standard and Poor’s or Moody’s) to a rating category below the minimum required for purchase, the Chief Financial Officer or their designee will document such downgrade in writing, including a recommended course of action for said security to the Chief Executive Officer.

The maximum allowable maturity for all securities purchased shall be no greater than 5 years from the settlement date if the maturity has not been further limited in subsections (1) through (12).D. The 5-year maturity limitation may be exceeded only when investing in securities referred to in section 11 above and only with prior Authority Commission approval. Ineligible investments – investments not described herein-, are prohibited for purchase in the Authority’s portfolio. Specifically prohibited as of January 1, 1996 are: Inverse floaters, range notes, interest-only strips derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

Item 7 - LAIF

RESOLUTION NO. 2016_____

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY PROVIDING FOR THE INVESTMENT OF INACTIVE FUNDS IN THE LOCAL AGENCY INVESTMENT FUND OF THE CALIFORNIA STATE TREASURY

WHEREAS, the Ontario International Airport Authority (the "Authority") was formed through the Joint Exercise of Power Agreement by and between the City of Ontario (the "City") and the County of San Bernardino (the "County"); and

WHEREAS, Section 16429.1 et seq. of the California Government Code authorizes the creation of a Local Agency Investment Fund as a special fund in the California State Treasury whereby the pooling of funds by many California local agencies will allow for high rates of return due to the use of large denomination instruments.

WHEREAS, the Authority has money in its treasury not required for immediate needs and has determined that it is in the best interest of the Authority to place said money in approved investments yielding maximum returns.

WHEREAS, it is in best interest of the Authority to deposit and withdraw money in the Local Agency Investment Fund in the California State Treasury in accordance with the provisions of Section 16429.1 et seq. of the Government Code for the purpose of investment as stated therein.

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Ontario International Airport Authority as follows:

SECTION 1. That the Commission authorizes the following individuals to deposit and withdraw money in the Local Agency Investment Fund:

Kelly Fredericks, Chief Executive Officer

Jeff Reynolds, Chief Financial Officer

Guy Boccasile, Investment Officer City of Ontario

SECTION 2. Effective Date. This Resolution will take effect immediately upon its adoption.

SECTION 3. Certification. The Secretary/Assistant shall certify as to the adoption of this Resolution and forward copies of this Resolution to the Ontario City Clerk and the Clerk of the Board, County of San Bernardino.

_____
OIAA PRESIDENT

ATTEST:

_____
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____
STEPHEN G. LARSON
GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

Item 8 - Rules & Regs

RESOLUTION NO. 2016__

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSION ADOPTING THE ONTARIO INTERNATIONAL AIRPORT RULES & REGULATIONS MANUAL

WHEREAS, United States Government code of Federal Regulations Title 14 (14 CFR) Part 139; and, Title 49 (49 CFR) Transportation Security Regulation (TSR) Part 1540 and 1542, require airport operators to establish operational safety and security procedures to meet Department of Transportation – Federal Aviation Administration (FAA) and Department of Homeland Security and Transportation Security Administration (TSA) certification requirements; and

WHEREAS, The ONT Rules and Regulations Manual has been developed under the authority of the OIAA to make rules and regulations to ensure the safe and efficient operations of Ontario International Airport.

NOW, THEREFORE, BET IT RESOLVED by the Commission of the Ontario International Airport Authority as follows:

SECTION 1. The Commission adopts the ONT Rules and Regulations Manual and empowers the CEO or his duly authorized representatives to continuously update, publish and enforce all Rules and Regulation adopted by the OIAA.

SECTION 2. Effective date. The Resolution will take effect upon the OIAA becoming the owner and operator of ONT, and

SECTION 3. Certification. The Secretary/Assistant Secretary shall certify as to the adoption of this resolution.

PASSED, APPROVED, AND ADOPTED this 4th day of October 2016.

_____

OIAA PRESIDENT

ATTEST:

_____

SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____

STEPHEN G. LARSON

GENERAL COUNSEL

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____

SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____

SECRETARY/ASSISTANT SECRETARY

(SEAL)

RULES

AND

REGULATIONS

November 1, 2016

ONTARIO
INTERNATIONAL AIRPORT
AUTHORITY

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SECTION 1 - PREFACE

1.1 Authority:

The Rules and Regulations Manual for Ontario International Airport (ONT) is published under authority of the Ontario International Airport Authority (OIAA) to make rules and regulations governing the use and control of ONT subject to the powers of the United States respecting commerce, and empowers the ONT Chief Executive Officer (CEO) or an authorized representative, to enforce all Rules and Regulations adopted by the OIAA.

United States Federal government Code of Federal Regulations Title 14 (14 CFR) Part 139; and, Title 49 (49 CFR) Transportation Security Regulation (TSR) Parts 1540 and 1542, requires Airport management to establish operational safety and security procedures to meet Department of Transportation - Federal Aviation Administration (FAA) and Department of Homeland Security - Transportation Security Administration (TSA) certification requirements for ONT.

1.2 Purpose:

The purpose of this manual is to provide Airport users with a single document representing a compendium of rules, regulations, procedures, and general information governing their activities at ONT. The objective of the manual is to promote the safe and efficient use of ONT as an integral part of the National Airspace System (NAS).

1.3 Contents:

The regulatory provisions of this manual are established by City of Ontario Ordinances, including number 1775, which is incorporated herein by this reference, Municipal Codes and Resolutions adopted by the OIAA, directives issued by the OIAA, and provisions of 14 CFR Part 139 and 49 CFR Parts 1540 and 1542.

1.4 Compliance:

The importance of compliance with all Airport rules and regulations cannot be emphasized too strongly. City of Ontario Ordinances number 1775 and 1694 collectively, provide that any person violating or failing to comply with regulations established by the OIAA for control of the conduct of persons and ground operations on the Airport shall be guilty of a misdemeanor and

upon conviction thereof shall be punishable by a fine of not more than $500.00 or by imprisonment for a period of not more than six months, or by both such fine and imprisonment.

1.5 Enforcement:

The CEO or an authorized representative, is assigned the overall responsibility of enforcing compliance with Airport Rules and Regulations. Ontario City Ordinance number 1775 authorizes any law enforcement officer of ONT or the City to issue a citation to any person violating the Airport Rules and Regulations. Under certain circumstances, assistance of other law enforcement agencies may be requested.

Successful enforcement, however, depends to a great extent on the full and active cooperation of all Airport users. This requires a thorough knowledge and understanding, through safety training programs, of applicable Airport Rules and Regulations on a continuing basis.

1.6 Deviations:

The CEO or an authorized representative may approve, in writing, deviations from ONT Rules and Regulations when in his judgment, action is necessary to maintain established standards of operational safety and airport security, or in contingency situations affecting life and/or property in areas under the jurisdiction of the OIAA.

SECTION 2 - GENERAL

This Section establishes conditions, limitations and restrictions on commercial activities, personal conduct and behavior applicable to all persons, relating to the use of ONT. Written operating procedures issued by the CEO or an authorized representative are considered addendum to these Rules and Regulations.

2.1 Right of CEO to Control the Airport:

The CEO or an authorized representative shall have the right at any time to close the Airport in its entirety or any portion thereof to air traffic, to delay or restrict any flight or other aircraft operation, to refuse takeoff permission to aircraft, and to deny the use of the Airport or any portion thereof to any specified class of aircraft or to any individual or group, when any such action is considered necessary and desirable to avoid endangering persons or property and to be consistent with the safe and proper operation of ONT. In the event the condition of the Airport, or any part thereof, is considered to be unsafe for landings or takeoffs, a Notice to Airmen (NOTAM) shall be issued, or cause to be issued, closing any affected area, or the entire Airport.

2.2 Labor Disputes:

ONT is owned and operated by the OIAA. As a public enterprise for the benefit of the residents of the Inland Empire region and the general traveling public. In order that these facilities function properly in a safe and efficient manner and that free access to and from these facilities be maintained at all times, the following rules are established regarding picketing and other strike activities on Airport premises:

a. Companies and organizations desiring to picket on Airport premises shall contact the CEO, (909) 395-2400, at least two working days in advance in order to discuss the feasibility of the proposed activities. Scope of the picketing and the area which it can be permitted will be discussed. In this regard, security regulations prohibit this type of activity within the restricted or air operations areas of the Airport.

b. The conduct of pickets and the display of printed material must be reviewed in order that the picketing group will clearly understand the restrictions which the Airport must set in order to fulfill its primary responsibility to the traveling public.

2.3 Commercial Activity:

No person shall enter or remain on Airport property and buy, sell, peddle, or offer for sale or purchase any goods, merchandise, property or perform services (including surveys) of any kind whatsoever, on or from Airport property, without the express written consent of the ONT CEO, (909) 395-2400.

2.4 Soliciting:

No person shall solicit funds for any purpose at the Airport without permission from the OIAA.

2.5 Loitering:

No person who is unable to give satisfactory explanation of their presence shall loiter in or about any area or facility of ONT.

2.6 Carriage of Firearms:

No person, except authorized Sworn Peace Officers, Federal Flight Deck Officers, U.S. Post Office and Customs and Border Protection Officers, or members of the armed forces of the United States on official duty, shall carry any firearms and/or explosives at the Airport without permission. All persons other than those in the excepted classes shall, while at the Airport, surrender all such objects in their possession to ONT Airport Police, (909) 933-5611.

2.7 Private Armed Guards and Guard Dogs:

a. Private armed guards are not permitted on ramps unless specific prior approval is obtained from the ONT Airport Police Watch Commander, (909) 933-5611.

b. Armed guards are not permitted within the confines of an airplane.

c. Guard dogs may not be used in public or common use areas of the airport.

2.8 Lost and Found Articles:

Any person finding lost articles at ONT shall deposit them with Airport Police. Articles unclaimed by the owner after 45 days will be turned over to the finder thereof, unless found by OIAA employees.

2.9 Litter and Refuse:

No person shall place, discharge or deposit in any manner, paper, trash, rubbish, or other refuse anywhere at ONT except in receptacles and other places prescribed by the CEO or an authorized representative.

Any deposit of trash, debris, or refuse in unauthorized locations must be cleaned up immediately in an effective manner by the tenant, company, agent or party responsible for same.

a. All litter and refuse must be covered when transported in vehicles, and all receptacles for same must have covers and liners to ensure against leaking, dripping, sifting, or otherwise escaping of materials and liquids. Receptacles, containers, carts and vehicles equipped with liners, barriers and/or seals help protect against contaminating ground water runoff, storm drains and water tables. See **Appendix 2, Environment Services.**

b. ONT prohibits sorting of recyclables on aircraft aprons and aircraft parking positions. Tenants of Ontario Airport with Use Lease and Operating Agreements (ULA) are specifically required to adhere to the Rules and Regulations contained herein.

2.10 Dogs and Other Animals:

No person shall enter any terminal building with any animal, except a guide dog, or one properly confined or ready for shipment. Animals are permitted in non-air operations areas of the Airport if on a leash or restrained in such a manner as to be under control.

2.11 Smoking:

It is the purpose of this Sub-Section to regulate smoking at the Airport in the same manner and extent as provided in Section 41.50 of the Ontario Municipal Code. The provisions of this Sub-Section shall be interpreted and applied in the same manner as said in Section 41.50.

a. Air Operations Areas (AOA). No person shall smoke any product including e-cigarettes or carry lighted cigars, cigarettes, pipes, matches, or any naked flames in or upon any fuel storage area, aircraft movement area, passenger terminal gate, cargo ramp or apron area, aircraft parking position, or any open deck, gallery or balcony contiguous to or overlooking of any such area,

or in any other place where smoking is specifically prohibited by signs. Designated AOA Smoking Areas are established south of passenger Terminal 2 and Terminal 4 gate areas as follows:

1) Terminal 2; adjacent Gate 211 apron/ramp level; and,

2) Terminal 4; adjacent Gate 402 and north of Gate 410, ramp level.

b. Workplace. It is unlawful to smoke inside any enclosed area of a structure, or within 20 feet of any structure entrance (door) at ONT, including any structure leased by the OIAA.

c. Public Lounges, Airline Boarding/Waiting Areas and Ticketing Lines. It is unlawful to smoke in Airport ticket lines and public circulation areas and public waiting room areas, or within 20 feet of any structure entrance (door). Designated public smoking areas are located outside at the east and west ends of Ontario Passenger Terminal Facilities.

d. Restaurants and Bars. It is unlawful to smoke in restaurants and bars located in ONT passenger terminals.

2.12 Commercial/Non-Commercial Filming, Student Filming and Photography:

Ontario Airport Operations has the responsibility of coordinating and supervising filming activities as mandated by the OIAA. All entities, including tenants, must contact the OIAA, prior to conducting any filming (feature film, television show, or television news magazine), video (music or training), or photographic project at ONT.

a. Film Production companies, airport tenants, students and others requesting to film, photograph, or videotape projects of a commercial, promotional or training nature at ONT must obtain a Film Permit in advance of the proposed production date. See **ONT Filming.**

b. An ONT Film Permit does not constitute a contract. Film Permits are conditional, subject to ONT security and operational requirements, the needs of its tenants, and the traveling public.

c. Filming activity is permitted only in locations approved by the ONT Film Desk, and requires a production location scout, or technical

scout, prior to filming. Filming is not allowed on any lessee's premises or lessee's facilities, unless specifically stated as a permitted use in the lease agreement, or unless individual permission is granted by the CEO or an authorized representative.

2.13 Advertisements:

No person shall post, distribute, or display signs, circulars; printed or written matter of an advertising nature at the Airport without the express written consent of the CEO or an authorized representative and in such manner as may be prescribed.

2.14 Airport Signs:

No signs exposed to public view shall be installed at the Airport without prior approval from the CEO or an authorized representative. Sign installations shall conform to the requirements of **Section 10, the Ontario International Airport Sign Code,**

2.15 Passenger Elevators and Escalators:

Public elevators and escalators are to be used by passengers and airport employees only. Freight and tenant supplies are restricted to service elevators located outside of public view.

In the event the main passenger elevator in Terminal 2 or 4 becomes inoperative, the following passenger handling procedures will be implemented:

Terminal 2: Outbound passengers will be routed to the service elevator via ACAM doors T2-1203 and T2-1205 to the concessions hallway via ACAM door T2-2211 to the TSA screening checkpoint via ACAM door T2-2287.

Inbound passengers will be directed to the area adjacent gate 204, and then escorted through ACAMs door T2-2205 to the service elevator for first floor access via ACAM doors T2-1205 and T2-1203.

Terminal 4: Outbound passengers will be routed to the service elevator via ACAM doors T4-1203 and T4-1205 to the concessions hallway via ACAM door T4-2211 to the TSA screening checkpoint via ACAM door T4-2287.

Inbound passengers will be directed to the area adjacent gate 405, and then escorted through ACAMs door T4-2205 to the service elevator for first floor access via ACAM doors T2-1205 and T4-1203.

In the event service elevators in Terminal's 2 or 4 become inoperative, the following passenger handling procedures will be implemented:

TSA will perform passenger screening prior to access to ACAMs doors.

Terminal 2: Outbound and inbound passengers will be escorted through ACAM door T2-1396 east of baggage carousel 3 to ACAM door T2-1540 to the elevator at gate 211.

Terminal 4: Outbound and inbound passengers will be escorted through ACAM door T4-1396 east of baggage carousel 3 to ACAM door T4-1438 to the elevator at gate 410.

2.16 Tenant Conduct Regarding Unauthorized Activities:

ONT tenants, tenant employees, or any other employee authorized to perform functions at the Airport, shall not assist, in any way, any person engaging in unauthorized activities as identified by: Federal Government Transportation Security Order (TSO); and/or, the CEO or an authorized representative.

2.17 Tenant Construction Requirements:

All tenant construction must receive prior written consent from the CEO or an authorized representative, and conform to the requirements as contained in the tenant's OIAA – Use and Lease Agreement, Improvements and Alterations.

2.18 Airport Construction and Obstruction Control:

Conduct of any construction, alteration, or other modification of Airport premises requires prior review and Letter of Construction Approval or Notice to Proceed issued by the OIAA. ONT Airport Operations oversees construction safety specifications and precautions affecting air operations and public areas.

2.19 Damage to Airport Property:

No person shall destroy, or cause to destroy, injure, damage, deface, or disturb in any way, property of any nature located on the Airport, nor willfully abandon any personal property on the Airport. Any person causing or responsible for such injury, destruction, damage, or disturbance shall report such damage immediately to the Airport Police and, upon demand by the

CEO or an authorized representative, shall reimburse the Airport for the full cost of damages incurred by the OIAA. Any person causing or failing to report and/or reimburse the Airport for injury, destruction, damage, or disturbance of Airport property, may be refused the use of any facility until and unless said report and/or reimbursement has been made.

2.20 Bird Hazard Reduction - Wildlife Hazard Management:

a. In general, wildlife which strike aircraft, including birds, not only create a hazard to the wildlife involved; but can adversely affect the safety of aircraft flight, and the safety of the traveling public who use ONT. For this reason, Ontario Airport Operations manages an FAA approved ONT Wildlife Hazard Management Plan (WHMP) assisted by a contract USDA Wildlife Biologist.

b. ONT Airport Operations monitors the Air Operations Area for the presence of wildlife. When bird(s) or other wildlife is observed to be a hazard to flight operations, ONT Airport Operations staff shall report to FAA ONT Air Traffic Control Tower (ATCT) controllers the following: the type and approximate location of the wildlife hazard; if involving birds, report the estimated number(s) and direction of flight above ground level (AGL); and, when the wildlife no longer presents an operational hazard.

c. It is FAA policy for ONT ATCT controllers, who observe or receive a wildlife hazard report, to advise aircraft pilots of the wildlife activity until the hazard potential is abated.

d. To the greatest extent practicable, as operationally safe, ONT Airport Operations, (909) 544-5344 or (909) 821-7433, conducts bird dispersal activities to discourage birds from flocking or nesting on ONT aircraft movement areas.

e. ONT, in coordination with other ONT WHMP participants, conduct ongoing wildlife habitat mitigation with emphasis to eliminate conditions that create a habitat attracting bird populations at ONT.

f. In accordance with FAA Regulations, and the ONT WHMP, no person shall: feed, provide habitat, introduce, encourage, or attract the introduction of wildlife on the Airport.

2.21 Plastic Covers:

Plastic covers shall not be used in any portion of the AOA, except to cover pallets or containers and only where such covered pallets or containers are completely secured by netting. Plastic covers shall not be disposed of in any exterior waste containers within the boundaries of the Airport.

2.22 Unmanned Aircraft Systems (Drones):

The use of unmanned aircraft systems or drones is not permitted on, over, or adjacent to airport property.

SECTION 3 - AIRCRAFT OPERATIONS

This Section identifies aircraft operational procedures, restrictions, prohibitions and policies at ONT, Air Operations Area (AOA).

3.1 Definitions:

Airport: Is Ontario International Airport (ONT or KONT), in the City of Ontario, California. ONT is owned and operated by the Ontario International Airport Authority (OIAA).

Air Operations Area (AOA): Is all areas of the Airport located inside the Airport Security Perimeter (ASP). The ONT AOA includes; Aircraft Movement Areas (runways, taxiways, and safety areas), aircraft aprons, cargo ramps, public aircraft parking positions, passenger terminal gates, leased areas, and ground vehicle roadways.

Aircraft: A powered fixed wing airplane or rotor wing helicopter controlled by an onboard pilot.

ATCT: Federal Aviation Administration (FAA) Air Traffic Control Tower at ONT.

Aircraft Movement Area (AMA): Located in the AOA, the Aircraft Movement Area is all runways, taxiways, and areas of ONT used for taxiing, takeoff, and landing of aircraft under control of the FAA ONT ATCT. The AMA excludes aircraft aprons, cargo ramps, leased areas, and public aircraft parking positions.

Non-Movement Area: Located in the AOA, aircraft non-movement areas include taxilanes, aircraft aprons, cargo ramps, leased areas, and public aircraft parking positions not normally under control of the FAA ONT ATCT. Aircraft non- movement areas exclude all runways, taxiways, and areas of an airport used for takeoff, and landing of aircraft,

Aircraft Surface Movement Program (ASMP): The ONT ASMP is a one (1) day class providing non-pilot aircraft operators (mechanics and tow crews) familiarization of ONT facilities and operating procedures; designed to enhance operational safety and awareness on ONT Aircraft Movement Areas (AMA). For further ASMP information, see **Appendix 4, Security Badge Office.**

Taxi: Movement of an aircraft under engine power. Personnel conducting aircraft taxi operations at ONT shall be licensed pilot(s); or certified Airframe

and Power-plant mechanic(s) who have successfully completed the ONT Aircraft Surface Movement Program (ASMP) course, as indicated by an ASMP icon on their ONT Security Photo Identification Badge.

Tow: Movement of an aircraft by an external aircraft pay-mover (tractor or tug). Personnel conducting aircraft tow operations at ONT shall be licensed pilot(s); or, certified Airframe and Power-plant mechanic(s) and/or airline and tenant personnel who have successfully completed the ONT ASMP course, as indicated by an ASMP icon displayed on their ONT Security Photo Identification Badge.

3.2 Compliance:

The CEO or an authorized representative shall have authority to deny the use of the Airport to any aircraft or pilot violating the OIAA, TSA or FAA Regulations, whether at ONT Airport or elsewhere.

3.3 Aircraft Incident/Accident Reporting:

The operator of any aircraft involved in an incident/accident causing personal injury or property damage shall, in addition to all reports required to be made to other agencies, make a prompt and complete report concerning said incident/accident to the CEO or an authorized representative through **ONT Emergency Dispatchers, (909) 937-1911, and ONT Airport Operations, (909) 544-5344 or (909) 821-7433.**

3.4 Disabled Aircraft:

a. Any owner, lessee, operator or other person having the control, or the right of control of any disabled aircraft on the Airport shall be responsible for the prompt removal and disposal thereof, and any and all parts thereof, subject, however, to any requirements or direction of: the NTSB, the FAA, the CEO or an authorized representative at Ontario International Airport (ONT), that such removal or disposal be delayed pending an investigation of an accident.

b. Any owner, lessee, operator or other person having control, or the right of control, of any aircraft does, by use of the Airport, agree and consent, notwithstanding any provision in any agreement, lease, permit or other instrument to the contrary, that the CEO or an authorized representative at ONT, may take any and all reasonable and necessary action to affect the prompt removal or disposal of disabled aircraft that obstructs any part of the Airport utilized for aircraft operations; that any costs incurred by or on behalf of the

Airport for any such removal or disposal of any aircraft shall be paid to the OIAA; that any claim for compensation against the OIAA and any of its officers, agents or employees, for any and all loss or damage sustained to any such disabled aircraft, or any part thereof, by reason of any such removal or disposal is waived, and that the owner, lessee, operator or other person having control, or the right of control, of said aircraft shall indemnify, hold harmless and defend the OIAA and all of its officers, agent and employees, against any and all liability for injury to or the death of any person or for any damage to any property arising out of such removal or disposal of said aircraft.

c. Air carrier airlines, and owners of aircraft based at ONT, can assist the Airport in the recovery of disabled aircraft by submitting, to ONT Airport Operations, a completed Disabled Aircraft Recovery Operations Questionnaire (DARO). For DARO forms, see **Appendix 3, Disabled Aircraft Recovery Operations Questionnaire**.

3.5 Protection of Aircraft:

a. All persons shall navigate, land, service, maintain and repair aircraft in conformity with Federal Aviation Administration (FAA), Transportation Security Administration (TSA), and National Transportation Safety Board (NTSB) laws and regulations; California State Department of Transportation - Division of Aeronautics Rules and Regulations; and, ONT Rules and Regulations contained herein.

b. No person shall interfere or tamper with any aircraft at the Airport, or start the engine of such aircraft without the operator's consent; nor shall any employee of the OIAA move or handle such aircraft, except in cases of emergency.

c. No person shall enter an aircraft without the consent of the owner or representative in-charge; excluding emergency response personnel actively responding to an aircraft emergency.

d. Unattended aircraft shall have all doors closed, and methods of boarding (boarding bridges, stairs and ladders) removed from providing access to aircraft doors. For further information, see **Section 7, Airport Security.**

3.6 Aircraft Parking Responsibility:

a. Direct approval from ONT Airport Operations, (909) 544-5344 or (909) 821-7433, is required prior to an aircraft using any public aircraft parking position or passenger gate.

b. Unless previously authorized by ONT Airport Operations, no person shall park, or leave an aircraft positioned on any ONT aircraft movement area, safety area, aircraft apron, cargo ramp, or other area in such a way that any portion of an aircraft protrudes:

   1) Onto a runway, taxiway or taxilane;

   2) Beyond an aircraft parking position safety clearance envelope markings (red/white);

   3) Into a vehicle roadway, or other area designated unsafe for aircraft parking as instructed by the CEO or an authorized representative.

c. The CEO or an authorized representative may instruct the operator of any aircraft parked, or stored, at ONT to be moved from its current parked or stored position. If the operator refuses to comply with such directions, the CEO or an authorized representative may order such aircraft moved at the expense of the owner or operator, and without liability for the damage, which may result in the course of such moving.

d. See **Section 4, Airport Facilities, Aircraft Parking and Passenger Gate Use**, for specific information regarding aircraft parking position use and size limitations.

3.7 Aircraft Repairs/Maintenance:

a. All maintenance of aircraft or engines performed on ONT public aircraft parking positions, or passenger terminal gates, must be approved by ONT Airport Operations, (909) 544-5344 or (909) 821-7433. Aircraft engine and system fluid checks and replenishment, minor adjustments, and emergency repairs may be performed on aircraft parking positions, or ramps, when such repairs can be safely accomplished, and in compliance with the following instructions:

   1) No inconvenience to other Airport tenants or personnel.

2) All aircraft repairs on public aircraft parking positions, or passenger terminal gates, must be completed within originally scheduled airline flight arrival and departure times.

3) High power run (for maintenance or testing) of aircraft engines is prohibited at all aircraft parking positions.

4) Any aircraft being repaired on Airport aircraft parking positions shall be moved immediately upon the request by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

3.8 Starting or Running of Aircraft Engines:

a. Aircraft engine start and run is permitted on public aircraft parking positions, provided following conditions are met:

1) The aircraft engine(s) are run at minimum idle power.

2) The aircraft is properly parked with fuselage longitudinally centered over the lead line and nose gear on top of the parking position painted nose block marking.

3) The aircraft operator has sufficient ground/ramp safety personnel positioned, at each side and aft of the aircraft, to stop ground vehicle traffic from passing behind the aircraft.

4) The aircraft operator advises ONT ATCT prior to starting engine(s).

5) Minimum power idle engine runs are limited to five (5) minutes in duration, unless otherwise approved by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

b. Auxiliary Power Units (APU) are run minimum time required to accomplish necessary maintenance or preflight operations.

c. No aircraft engine shall be started, or run, unless a licensed pilot or certified Airframe and Power Plant mechanic is attending the aircraft controls. To deter movement, wheel blocks equipped with ropes, or other suitable means of chocking aircraft wheels, shall be placed in front of the main landing wheels before starting engine(s), unless the aircraft is locked into position by functioning locking brakes.

d. Aircraft engines shall be started and run in Airport approved locations, including leased premises, designated by the CEO or an authorized representative as coordinated by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

e. During pushback operations, all aircraft shall be pushed back with its fuselage longitudinally centered over, and parallel to, a taxiway centerline before commencing engine start.

f. Pilots and mechanics are prohibited from running an aircraft engine unless reasonably necessary for the maintenance, testing or repair of such engine, the instruction of mechanics or pilots, the moving or the flight operation of the aircraft, and complies with **Section 5, ONT Noise Management Procedures.**

g. Turbo-jet and turbo-fan cross-bleed engine air-start of multi-engine jet aircraft may be conducted on taxiways provided the following conditions are met:

    1) The aircraft Auxiliary Power Unit (APU) is inoperative.

    2) The aircraft operator advises ONT ATCT prior to starting engines.

    3) Cross-bleed engine start procedure is conducted while the aircraft is longitudinally centered over and parallel to a taxiway centerline while engine start is being performed.

h. Aircraft and flights delayed on public aircraft parking positions are prohibited from running engine(s). Aircraft power supply must be provided by: Passenger Boarding Bridge, APU, or other Ground Power Unit (GPU).

i. The starting or operating of aircraft engines inside any hangar or within 25 feet of any building or other structure is prohibited.

j. No aircraft engine exhaust, blast, and/or propeller wash shall be directed in such a manner as to cause injury, damage, or hazard to any person, structure, or property. If it is impossible to taxi aircraft without compliance with the above, the engine or engines must be shut off and that aircraft towed.

k. Aircraft engines shall not be operated during refueling or defueling operations, or during a fuel spill, unless otherwise approved by the ONT Aircraft Rescue and Fire Fighting (ARFF) Officer in Charge. For further information, see **Section 6, Fire Safety.**

3.9 High Power Run of Aircraft Engines (Run-up):

a. High power run of aircraft engines is prohibited on all ONT aircraft parking positions.

b. Aircraft operators must obtain location approval and instructions from ONT Airport Operations, (909) 544-5344 or (909) 821-7433, before conducting sustained run of any aircraft engine above minimum idle power; high power engine operation, or engine run. In most cases, an Airport Operations aircraft escort is required to/from the assigned engine run location.

c. If more than one engine is to be run, each engine should be checked separately; however, if required for airframe and power loading requirements, more than one (1) engine can be run simultaneously with prior notification and approval of ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

d. To the greatest extent possible, high power engine runs are to be operated at minimum time required to accomplish necessary maintenance or preflight checks.

e. The State of California has issued ONT a noise variance, which **prohibits high power run of mounted aircraft engines for maintenance, or test purposes, on both leased and non-leased areas between the hours of 2200-0700 local time.** During these hours, aircraft Auxiliary Power Unit(s) (APU) shall only be operated for maintenance and preflight operations. For further information on ONT noise management, see **Section 5, Aircraft Noise Mitigation Procedures.**

3.10 Air Traffic Rules:

a. Aircraft types classified as ultralight, unmanned, motorless (gliders) and towed; including aircraft that tow banners, are prohibited from landing or takeoff at ONT.

b. Formation takeoffs and landings involving multiple aircraft on any active runway at the same time are not permitted at the Airport.

Exceptions may be approved by ONT Airport Operations at (909) 544-5344 or (909) 821- 7433.

c. Ram-jet and rocket-assisted or any other type of assisted takeoffs shall not be made at the Airport without first obtaining permission of the CEO or an authorized representative and notifying the FAA ATCT in advance.

d. Touch and go landings conducted by turbo-jet and turbo-fan aircraft are not permitted at the Airport; turbo-prop aircraft excepted.

e. No person shall land on or takeoff from any runway during the time that said runway is closed to operations by order of the CEO or an authorized representative except in cases of emergency.

f. No person shall land or takeoff or attempt to land or takeoff any aircraft from any runway, which is at the time being used by another aircraft, except in cases of emergency as instructed by ONT FAA ATCT.

g. Aircraft landing at the Airport shall make the landing runway or touchdown area available to others by exiting as promptly as possible.

h. No aircraft having an actual gross weight (including passenger, cargo, fuel, equipment, etc.) in excess of the FAA Certificated maximum gross weight for such aircraft shall land, takeoff or taxi at the Airport without permission of the CEO or an authorized representative.

3.11 <u>Aircraft Movement on Air Operations Area (AOA)</u>:

a. An FAA ONT ATCT issued clearance is required prior to any aircraft being flown, taxied, towed, or otherwise moved on ONT Aircraft Movement Areas (AMA).

b. All aircraft operators who taxi, tow, or move aircraft at ONT shall be thoroughly familiar with the location of all Airport runways, taxiways, and aircraft parking positions, and navigational aids, prior to conducting flight operations at ONT. See **Appendix # 6, ONT Airport Layout Plan (ALP)**.

c. All aircraft operators who fly, taxi, or tow aircraft at ONT shall be familiar with the most current U.S. Department of Transportation, National Aeronautic Charting Office, Civil Flight Information Publication, FAA Airport/Facility Directory (AFD) published for ONT.

d. All non-pilot aircraft operators intending to cross any ONT runway under tow require an escort by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

e. All non-pilot aircraft operators who move an aircraft on ONT Aircraft Movement Areas shall successfully complete the ONT ASMP prior to taxi or towing an aircraft.

f. Airport tenants who operate aircraft at ONT are ultimately responsible to ensure their personnel are trained in and familiar with, the proper methods and procedures for the operation of aircraft, aircraft systems, tow pay- movers, tractors, tugs and other aircraft Ground Support Equipment (GSE); including proper Pilot/Controller communication procedures and VHF radio operation.

g. No aircraft at ONT shall be taxied, towed, parked, or otherwise moved on any closed, deactivated, or restricted Aircraft Movement Area, aircraft apron, cargo ramp or aircraft parking position, unless authorized by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

h. Aircraft operators at ONT must ensure the safe movement of their aircraft, proceeding only after verifying no danger of collision with persons or property is present.

i. Aircraft under taxi, tow, or otherwise being moved on Airport runways, taxiways, taxilanes, aircraft aprons and cargo ramps, or other Airport owned property, requires a qualified person to continuously attend all aircraft controls; and monitoring of designated ONT FAA Air Traffic Control Tower (ATCT) frequencies. In the event of radio equipment failure (lost communication) ATCT controllers may use an ALDIS Lamp (light gun) for communication; or dispatch an ONT Airport Operations Superintendent to provide escort to the aircraft in question.

j. No aircraft shall be flown, taxied, towed, or otherwise moved at ONT in a careless or negligent manner in disregard of the rights and safety of others; at unusual attitude or speed which endangers persons or property. Aircraft are not permitted to make arrival or departure turns which cause the over-flight of ONT passenger terminals.

k. Aircraft under power shall not execute 180° turns, in position, on ONT aircraft aprons, cargo ramps, and taxiways; except, when authorized by ONT ATCT controllers having prior approval from ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

l. No aircraft at ONT shall be moved (pushed-back), or towed, except by a vehicle type (pay-mover, tractor or tug) recommended or approved for such purpose. All aircraft GSE and vehicles are subject to Airport Safety Inspections, and are restricted to routes, by use, as prescribed by ONT Airport Operations, Airport Police and Aircraft Rescue and Fire-Fighting (ARFF) personnel.

m. No aircraft at ONT shall be towed, or otherwise moved on any aircraft movement area, apron or ramp, without an operational aircraft braking system, unless under control of specialized tow equipment designed to tow aircraft without requiring the operation of aircraft brakes.

3.12 Intersection Departures:

Turbo-jet and turbo-fan aircraft intersection departures are prohibited at ONT; except departures on runway 08L, from taxiway intersection D. Propeller driven aircraft intersection departures are permitted during official daylight hours, upon pilot request, for improved air traffic efficiency.

3.13 Helicopter Operations:

a. ONT does not provide official heliport or helipad markings. All helicopter landing and takeoff operations shall be to/from Fixed Base Operator (FBO) leased premises, unless otherwise permitted by the CEO or an authorized representative through ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

b. Helicopter arrivals and departures at ONT shall operate under the direction of the FAA ONT ATCT at all times. No helicopter may land or takeoff from the Airport unless it is equipped with VHF radio to maintain communications with the FAA ATCT.

c. Parked helicopters shall have braking devises and/or rotor mooring tie- downs applied to the rotor blades. Helicopters shall not be taxied, towed or otherwise moved with rotors turning unless there is a clear area of at least 25 feet in all directions from the outer tips of rotor blades.

d. No helicopter shall be left running unless a certificated helicopter pilot or a certificated mechanic is at the controls.

3.14 Use of Unsafe Areas:

No aircraft shall park, tow, taxi, land or takeoff on ONT Aircraft Movement Areas or other parts of the Air Operations Area (runways, taxiways, taxilanes, aircraft aprons, or cargo ramps) when considered unsafe, closed, or identified as unavailable for use. The boundaries of unsafe, unavailable, or closed areas may be marked by vehicles equipped with yellow or red beacons/strobes, a lighted or surface painted yellow movement area closure 'X'; or, as identified by an end of taxiway sign, barricades, delineators, or high intensity red lights. An appropriate NOTAM shall be issued for all closures and unsafe conditions.

3.15 Aircraft Power-Back Operations:

Aircraft power-back operations are not permitted at ONT.

3.16 Small Aircraft:

The FAA classifies small aircraft as weighing less than 12,500 pounds. Operators of small aircraft are cautioned to keep safe distance from aircraft blast created by Large, Heavy and Super-Heavy aircraft normally operated at ONT.

3.17 Taxiing Into or Out of Hangars:

No aircraft shall be taxied into or out of a hangar under its own power.

3.18 Aircraft Lighting During Hours of Darkness:

a. Every aircraft parked on ramp or apron areas shall have navigational/position lights illuminated or wingtips marked by delineation between the hours of official sunset and sunrise, or during periods of low visibility, except in areas designated by ONT Airport Operations; on ramp and apron areas which are properly illuminated during these hours.

b. All aircraft being taxied, towed or otherwise moved on the ramp, apron or taxiways shall proceed with navigational lights illuminated or approved alternative lighting between the hours of official sunset and sunrise, and during periods of low visibility. Aircraft unable to provide operational navigational lights require (dark tow) escort by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

3.19 Aircraft Operations in Low Visibility and Adverse Weather Conditions:

ONT has an FAA approved Low Visibility Operations/Surface Movement Guidance and Control System (LVO/SMGCS) Plan for aircraft movement during periods of low visibility and adverse weather; i.e., fog, precipitation, smoke and haze. The ONT LVO/SMGCS Plan provides safe routes for aircraft taxiing to/from the runway environment.

a. In low visibility weather conditions (Runway Visual Range (RVR) at or below 1200 feet horizontally) ONT Airport Operations and FAA ONT ATCT controllers determine the need to activate the ONT LVO/Surface Movement Guidance and Control System (LVO/SMGCS) Plan. In LVO/SMGCS conditions, all ground vehicle traffic, construction, and maintenance activity is prohibited in aircraft movement areas. Exempt are ONT Airport Operations vehicles with an ATCT clearance and vehicles responding to an emergency or other special needs situation.

b. All non-essential vehicle operations not directly supporting aircraft servicing will be restricted when the ONT LVO/SMGCS Plan is in effect. Individual airlines shall decide which vehicles are essential for use during LVO/SMGCS conditions. For further information, see **Appendix 1, Low Visibility Operations/Surface Movement Guidance and Control System (LVO/SMGCS) Plan**; and, **Section 9, Motor Vehicle Operations.**

3.20 Flight Training and Student Pilots:

Designated as FAA Class 'C' Airspace, ONT is available to pilot familiarization, and training flights. FAA ONT ATCT may be unable to provide services to training flight activity during periods of high volume air traffic.

3.21 Aircraft Operators and Intoxicants or Drugs:

As provided under FAR Part 91.11, no pilot or other member of the flight crew of an aircraft in operation on the Airport or any person attending or assisting in any aircraft operation on the Airport shall be under the influence of intoxicants (alcohol or drugs), nor shall any person under the influence of intoxicants be permitted to board any aircraft, excluding medical patient(s) under care. The CEO or an authorized representative at his sole discretion may deny any person violating this Section.

3.22 Charter and Itinerant Aircraft:

a. Airlines with an ONT Use and Lease Agreement (ULA) or Air Carrier Operating Permit (ACOP) are required to notify the CEO, through ONT Airport Operations, (909) 544-5344 or (909) 821-7433, in advance, as practicable, of any deviation from schedule, extra-section or chartered aircraft operation.

b. Airlines without an ONT Air Carrier Operating Agreement (ACOA) intending to operate a charter or itinerant flight at ONT must notify the CEO through ONT Airport Operations, (909) 544-5344 or (909) 821-7433, at least 48 hours in advance of any aircraft operation. For further information, see **Section 8, Airport Operating Permits.**

c. All ONT tenants, airline or FBO, who contract ground handling services with an itinerant or charter air carrier operators shall notify ONT Airport Operations, (909) 544-5344 or (909) 821-7433, prior to flight operations.

d. Access to the AOA shall adhere to the escort procedures as outlined in **Section 9, Motor Vehicle Operations,** and subject to prior approval by the ONT Airport Duty Superintendent of Operations, (909) 544-5344 or (909) 821-7433.

e. Charter aircraft operators, personnel, equipment and vehicles, under escort, may only ingress and egress the AOA via an ONT Secured Area Access Point (SAAP), or via FBO exclusive area leaseholds.

f. ONT FBO and air carriers shall provide positive control of all charter and itinerant passengers at their facilities; all FBO(s) must ensure non- screened charter passengers are not allowed to intermingle with screened passengers, per current Transportation Security Order(s) (TSO) as issued by DHS-TSA mandate.

3.23 Into-Plane Refueling:

Truck and aircraft refueling must be performed by authorized ONT tenants with properly trained personnel. Hydrant refueling systems are not currently available at ONT.

3.24 Markings, Signs and Signals:

The pilot in command (PIC) or other person(s) engaged in the operation of any aircraft must, at all times, comply with any lawful order, signal, and instruction of the CEO or an authorized representative as subject to the

direction of FAA ONT Air Traffic Control Tower personnel. When the operation of aircraft is controlled by lights, signs, signals, and markings; all lights, signs, signals, and markings shall be obeyed, unless otherwise directed by the CEO or an authorized representative.

3.25 Washing of Aircraft:

No aircraft shall be wet washed at ONT. Dry washing and polishing of aircraft at terminal gates and aircraft parking positions is permitted provided the ramp remains clean and free of debris from this operation.

Non-storm water (precipitation or rain) discharge into storm drains is forbidden. For further information, see **Appendix 2, Best Management Practices (BMP) and Storm Water Pollution Prevention Plan.**

3.26 Painting Guidelines for Aircraft Aprons, Cargo Ramps, Taxiways and Taxilanes:

All surface painted markings require the approval of the CEO or an authorized representative ONT Airport Operations, (909) 544-5344 or (909) 821- 7433. All Taxiway, taxilane, and aircraft parking position lead-in/nose block stop surface painted markings are yellow.

3.27 Aircraft Movement Area Lighting - Energy Conservation:

ONT is equipped with two (2) parallel runways: 26L-08R and 26R-08L. Runways 26L, 26R and 08L are equipped with FAA Instrument Landing Systems (ILS); exclusive of runway 08R, a visual approach only runway. As necessary, FAA ATC approves ILS Category II/IIIb low visibility approaches to ONT Runway 26L when Runway Visual Range (RVR) values are below 1800 feet and above 600 feet horizontal visibility. More information on low visibility aircraft operations is identified in **Appendix 1, ONT LVO/Surface Movement Guidance Control System (LVO/SMGCS) Plan.**

In order to conserve energy, and lower carbon footprints associated with the operation of a large airport, ONT has entered into a Letter of Agreement (LOA) with the FAA ONT ATCT regarding deactivating specific lighting systems as noted below:

a. Between the hours of 2300-0500, as practicable (when prevailing weather conditions are above 3 miles visibility, cloud ceilings are above 1000 feet AGL, and air traffic conditions permit) FAA ONT ATCT will turn off all runway 26R-08L lighting (edge, touchdown zone, and centerline); and, turn off taxiway centerline lighting on taxiways "November" and "Sierra," a low visibility lighting operating system.

b. In the interest of safety, airport efficiency, or aircraft operational need (upon pilot request, emergencies, winds, air traffic congestion, or as ATC deems necessary) runway 26R-08L shall remain usable and available for immediate use and reactivation. Upon FAA ONT ATCT reactivation of runway 26R-08L lighting, ONT Airport Operations shall inspect the runway prior to FAA ONT ATCT issuing any aircraft takeoff or landing clearance for runway 26R-08L.

c. Aircraft Movement Area lighting supporting the runway environment includes runway edge, centerline, and touchdown zone lighting systems; and, a system of lighting, and signs, which help to provide guidance to pilots on taxiways leading to/from active runways, they include: lighted signs, runway hold position guard lights, taxiway edge, and taxiway centerline lighting installed at every runway intersection and on every major taxiway at ONT.

3.28 Fees:

The payment of rentals, fees, and charges relating to aircraft use of Airport premises and facilities shall be made prior to an aircraft operator or air carrier (passenger or cargo) departing ONT. In lieu of such payments, the pilot operator or owner of an aircraft shall make satisfactory credit arrangements with the CEO or an authorized representative.

Without prior approval of credit, Faithful Performance Guarantee, or payment arrangement, ONT Airport Operations, (909)544-5344 or (909) 821- 7433, is authorized to collect all Airport use fees, in cash or captain's check, prior to an aircraft operated for hire departing ONT.

General Aviation (GA) aircraft operating under 14 CFR Part 91 are exempt from landing fees; however, where applicable, fees for services and facilities apply whether incurred at Fixed Based Operators and Airport facilities, including use of public aircraft parking positions.

ONT tenants' having Use and Lease Operating Agreements (ULA) may prohibit tenants' ability to provide future service(s) to any air carrier (airline) operator failing to pay landing fees due and payable upon request of the Airport. ONT rate schedules are published in **Section 8, Operating Permits and Fees.**

Failure to pay ONT-TEC could restrict use where applicable.

SECTION 4 - AIRPORT FACILITIES, AIRCRAFT PARKING AND PASSENGER TERMINAL GATE USE

During normal business hours, questions and concerns regarding Airport Facilities, Aircraft Parking and Passenger Terminal Gate Use should be directed to ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

After normal business hours (nights, weekends and holidays) questions and concerns regarding ONT Airport Operations can be addressed by the ONT Airport Duty Superintendent of Operations, (909) 544-5344 or (909)821-7433.

Real time assignment of aircraft parking positions and passenger gates are authorized by ONT Airport Operations, (909) 544-5344 or (909)821-7433.

4.1 General Aviation (GA) Aircraft Parking Restrictions:

a. General Aviation (GA) is operators of private, business, or corporate aircraft operating under 14 CFR, Part 91 FAA regulations, or military aircraft. GA aircraft are prohibited from entering or using ONT passenger terminal area gates and public aircraft parking positions. GA aircraft, or military aircraft, are limited to Fixed-Base Operator (FBO) facilities for services and overnight parking. Airport security regulations require an FBO representative be physically present to receive GA, or military, aircraft upon landing ONT:

   1) If FBO services are not available GA aircraft must contact Airport Operations, (909) 544-5344 or (909) 821-7433, prior to landing at ONT.

   2) GA aircraft may be granted use of public aircraft parking positions, case by case, as available; requests must be initiated by an FBO who cannot fully accommodate GA aircraft intended to be parked. Approvals may be granted for up to three (3) days in duration. Public aircraft parking fees apply to all GA aircraft not parked on ONT FBO leased property.

   3) All GA aircraft/flight servicing; i.e., passenger loading or unloading, refueling, and catering, shall be performed on FBO leased property.

4.2 Air Carrier (Airline) Aircraft Parking:

a. ONT Passenger Terminal (Terminal 2, Terminal 4, and International Arrivals Terminal) and Remote Aircraft Parking positions require prior approval from the ONT Airport Duty Superintendent of Operations, (909) 544-5344 or (909) 821-7433.

b. Airline(s) shall notify the ONT Airport Duty Superintendent of Operations, (909) 544-5344 or (909) 821-7433, of any flight delays or cancellations that could impact another airline(s) operation.

c. Upon request of the CEO or an authorized representative the operator of any aircraft disabled, parked or stored at the airport shall move said aircraft. If the operator refuses to comply with such directions, the CEO or a designated representative, may order said aircraft moved at the expense of the owner, or operator, without liability for damage(s) that may result from moving said aircraft.

d. Aircraft parking is limited to size and type of aircraft, as published for each aircraft parking position in paragraph 4.03, herein.

e. ONT public aircraft parking positions (aircraft aprons, cargo ramps, and passenger terminal gates) exclude tenant and FBO leaseholds, and the private property of United Parcel Service (UPS) Company.

f. Unattended aircraft shall have all doors closed, and other methods of aircraft access (boarding bridges, stairs and ladders) removed, thereby preventing unauthorized access to the aircraft. For further information, see **Section 7, Airport Security.**

g. No aircraft shall be parked in a manner which allows that aircraft to overlap the path and safe parking of aircraft using an adjacent aircraft parking position.

h. ONT Airport Operations, (909) 544-5344 or (909) 821-7433, direct approval is required prior to an aircraft using public aircraft parking positions or passenger gates.

i. Unless previously authorized by ONT Airport Operations, no person shall park, or leave an aircraft positioned on any ONT aircraft movement area, safety area, aircraft apron, cargo ramp, or other area in such a way that any portion of an aircraft protrudes:

   1) Onto a runway, taxiway or taxilane;

2) Beyond an aircraft parking position safety clearance envelope markings (red/white);

3) Into a vehicle roadway, or other area designated unsafe for aircraft parking as instructed by the CEO or an authorized representative.

j. During pushback, all aircraft are to be pushed back with its fuselage longitudinally centered over, and parallel to, a taxiway centerline.

k. Properly parked, all ONT public aircraft parking positions are designed to allow an individual to walk around the aircraft without being forced to walk under any portion of another aircraft. For further information, see **Section 3, Aircraft Operations.**

4.3 Aircraft Parking Positions - Maximum Aircraft Size Limitations:

The FAA has issued ONT a Modification of Standards (MOS) to accommodate scheduled service of Airbus A380 aircraft. The FAA has designated the A380 as a "Super Heavy" aircraft requiring special consideration for FAA Airport Design Group (ADG) VI standards. Diverted, itinerant, non-scheduled, and alternate airport ADG-VI aircraft may operate at ONT, they include the following: A380, AN124-100, B747-800 and Military C-5A aircraft. Parking of ADG-VI aircraft requires direct assistance and approval from ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

ONT public aircraft parking positions are designed to accommodate a fleet mix of FAA ADG-III, ADG-IV and ADG-V aircraft. Most aircraft parking positions allow aircraft operators to power into a parking position, unless otherwise stated below.

Following is a list of all public aircraft parking positions and passenger terminal gates by facility location, number, nose face direction, maximum aircraft size, parking use instructions and Passenger Boarding Bridge (PBB) utility information (if available, PBB utilities normally include ground power, potable water, and pre- conditioned air):

a. **Terminal 1 (T-1) Aircraft Parking**: T-1 passenger facilities are permanently closed; however, aircraft parking can be assigned for itinerate, charter, and alternate aircraft operations. Air carriers operating at T-1 are required to use buses for deplaning and enplaning of passengers except military charters accessing the USO at ONT.

Number	Nose Faces	Max Arcft. Size	Position Use and Utility Information
1	North	B737-900	Taxi in/out Twy G; No PBB or utilities
2	North	B737-900	Taxi in/out Twy G; No PBB or utilities
3	North	B737-900	Taxi in/out Twy G; No PBB or utilities
4	North	B757-200	Taxi in/out Twy G; No PBB or utilities
6	North	B757-200	Taxi in/out Twy G; No PBB or utilities
7	North	B737-900	Taxi in/out Twy G; No PBB or utilities
8	North	B737-900	Taxi in/out Twy G; No PBB or utilities

b. **International Arrivals Terminal (IAT)**: The International Arrivals Terminal (IAT) facility is operated by the Ontario International Airport (ONT). The IAT is intended to benefit air carriers who have scheduled international arrivals at ONT. Prior to arriving ONT, all international air carriers are required to coordinate with US Customs and Border Protection service supervisor, (310) 568-7547 or (310) 568-7501, to schedule processing for international passengers.

Although International flights arrive at the IAT, they normally depart from domestic passenger Terminals 2 and 4. Should aircraft gates not be available for boarding at Terminal 2 or 4, air carriers may bus passengers to IAT to enplane a flight.

Number	Nose Faces	Max Arcft. Size	Position Use and Utility Information
31	South	B737-900WG	Taxi in/out Twy G; No PBB or utilities
32	South	A320/ MD-80	Taxi in/out Twy G; No PBB or utilities **NOTE: Larger than B737 tow onto 32**
32A	South	B747-400	Taxi in/out Twy G; No PBB or utilities **NOTE: B747 on 32A closes 32 and 33**
33	South	B737-900	Taxi in/out Twy G; No PBB or utilities
33A	South	B747-400	Taxi in/out Twy G; No PBB or utilities **NOTE: B747 on 33A closes 32 and 33**

34	**South**	**B737-900**	Taxi in/out Twy G; No PBB or utilities
35	**South**	**B737-900**	Taxi in/out Twy G; No PBB or utilities
35A	**South**	**B747-400**	Taxi in/out Twy G; No PBB or utilities **NOTE: B747 on 35A closes 34 and 35**
36	**North**	**B767-400**	Taxi in/out Twy G; No PBB or utilities
37	**North**	**B737-900**	Taxi in/out Twy G; No PBB or utilities
38	**North**	**B737-900**	Taxi in/out Twy G; No PBB or utilities
39	**North**	**B737-900**	Taxi in/out Twy G; No PBB or utilities

c. **Terminal 2 (T-2) - Passenger Terminal Gates**: T-2 is only available for use by air carriers with current ONT ULA and ACOP agreements.

Number	Nose Faces	Max Arcft. Size	Position Use and Utility Information
201	**North**	**B737-900WG**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
202	**North**	**B737-900WG**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
203	**North**	**B757-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
204	**North**	**A320-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
205	**North**	**CRJ700**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
206	**North**	**B757-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
207	**North**	**B757-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
208	**North**	**B757-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities **NOTE: Arcft on 208 closes 208A**

208A	**North**	**B767-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities **NOTE: Arcft on 208A closes 208**
209	**North-west**	**MD-90**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
210	**North**	**ERJ145XR**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
211	**North**	**B757-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities
212	**North**	**B767-200**	Taxi in/push back tail east on Twy N-1; equipped with PBB and utilities

d. **300 Series Aircraft Parking Positions**: 300 series aircraft parking positions are assigned to RON, charter and alternate airport air carrier operations; no PBB or aircraft utilities are available.

Number	Nose Faces	Max Arcft. Size	Position Use and Utility Information
301	**North**	**B727-200**	Taxi in/out on Twy N-1; No PBB or utilities
302	**North**	**B727-200**	Taxi in/out on Twy N-1; No PBB or utilities
303	**North**	**B757-300/ B767-300**	Taxi in/out on Twy N-1; No PBB or utilities **NOTE: B767 on 303 closes 302 and 304**
304	**North**	**B727-200**	Taxi in/out on Twy N-1; No PBB or utilities
305	**North**	**B737-900**	Taxi in/out on Twy N-1; No PBB or utilities
306	**North**	**B757-200**	Taxi in/out on Twy N-1; No PBB or utilities **NOTE: B757WG -Not Included**
307	**North**	**B727-200**	Taxi in/out on Twy N-1; No PBB or utilities
308	**North**	**B727-200**	Taxi in/out on Twy N-1; No PBB or utilities
309	**North**	**B727-200**	Taxi in/out on Twy N-1; No PBB or utilities

e. **Terminal 4 (T-4) - Passenger Terminal Gates**: T-4 is only available for use by air carriers with current ONT ULA and ACOP agreements.

Number	Nose Faces	Max Arcft. Size	Position Use and Utility Information
401	North	B737-8WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
402	North	B737-8WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
403	North	B737-8WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
404	North	B737-8WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
405	North	B737-8WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
406	North	B737-8WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
407	North	B737-8WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
408	North	A321-200	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
408A	North	B757-200	Taxi in/push back on Twy N-1; Equipped with PBB and utilities. Use of gate 408A closes gate 408
409	North	B757-200	Taxi in/push back on Twy N-1; Equipped with PBB and utilities **NOTE: B757 on 409 and 410 simultaneously require tow on or wing walkers present**
410	North	B757-200	Taxi in/push back on Twy N-1; Equipped with PBB and utilities **NOTE: B757 on 409 and 410 simultaneously require tow on or wing walkers present**
411	North	B757-200	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
412	North	B737-7WG	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
413	North	B747-400	Taxi in/push back on Twy N-1; Equipped with PBB and utilities
414	North	A320/ MD-80	Taxi in/push back on Twy N-1; Equipped with PBB and utilities

f. **West Cargo Ramp (WCR) Taxiway 'B'**: West Cargo Ramp parking positions are assigned to cargo, RON, charter and alternate airport air carrier operations; no PBB or aircraft utilities are available.

Number	Nose Faces	Max Arcft.	Position Use and Utility Information
501	West	B747-400	Taxi in/push back, tow forward on Twy B; NO PBB or utilities
502	West	B747-400	Taxi in/push back, tow forward on Twy B; NO PBB or utilities
503	East	B727-200	Taxi in/push back, tow forward on Twy B; NO PBB or utilities
504	East	B757-200	Taxi in/push back, tow forward on Twy B; NO PBB or utilities
505	East	B757-200	Taxi in/push back, tow forward on Twy B; NO PBB or utilities

g. **Taxilane S-2**: Taxilane S-2, located south of Taxiway S, is not visible to the ONT ATCT. Areas not visible to the ATCT are non-movement areas. Non Visibility Area clearances issued by ATC are advisory in nature; aircraft operators use these (non-vis) areas at their own risk. Aircraft operators shall give advisories to ONT ATCT prior to commencing movement on Taxilane S-2. Taxilane S-2 is flanked by Federal Express to the east and west; Guardian Jet Center to the south.

4.4 Ground Support Equipment (GSE) Parking and Storage:

Use of GSE at aircraft parking positions and passenger terminal gates is as follows:

a. Prior to, and following, the use of any ONT aircraft parking position, passenger terminal gate and Passenger Boarding Bridge (PBB), all aircraft operators (airlines) shall ensure the parking position (gate) is left clean and free of Foreign Object Debris (FOD), Fluid Spills, and Ground Support Equipment (GSE).

b. ONT Airport Operations, (909) 544-5344 or (909) 821-7433, must be notified of any unsatisfactory or hazardous condition prior to an aircraft occupying an aircraft parking position or passenger terminal gate. Aircraft parking positions with FOD or hazardous material fluid spills are unsafe and are subject to closure by ONT Airport Operations.

c. The last aircraft operator (airline) to use an ONT public aircraft parking position, or passenger terminal gate, shall be held responsible for any non-routine clean-up or damaged Airport equipment and facilities.

d. All aircraft operators and contract ground service companies are prohibited from staging GSE, to be used for a flight, more than 15 minutes prior to the flight arrival. All GSE shall be removed as soon as the flight departs. The only exception to this rule is for successive flights by the same airline; however, GSE should not be left on an unoccupied aircraft parking position overnight.

e. Only GSE absolutely needed for the servicing of aircraft will be permitted to be stored at aircraft gates. GSE not necessary for the daily servicing of aircraft must be stored in leased areas or areas specifically designated for GSE storage by the airport.

f. Storage of GSE is permitted west of Terminal 2 and Cucamonga Channel. Infrequently used GSE may be stored in this area using the following guidelines:

    1) Disabled GSE is prohibited from being stored in this area and must be removed by the company responsible within 72 hours after notification by ONT Airport Operations.

    2) GSE not removed within the specified time are subject to Airport impound at the expense of the company responsible.

    3) Airlines are responsible for control and space allocation of the designated GSE storage area. All suggestions or complaints should be addressed to the CEO or an authorized designee.

g. GSE and vehicle(s) shall not be parked between buildings (passenger terminals and hangars) and concrete wheel stops, blocks, bollards, or posts. Posts and wheel blocks are intended to protect buildings from becoming damaged GSE or vehicles.

h. Washing GSE and vehicles is permitted only at the wash rack located west of the North Secured Area Access Point (SAAP) and airport beacon tower building. This area is designated by the City of Ontario as having a proper clarifier system for discharge into the Chino Basin storm drain system.

i. Only lavatory carts may be cleaned at aircraft lavatory dump stations (located near T-2 gate 201 and T-4 gate 414).

4.5 Passenger Enplaning and Deplaning:

All aircraft shall be loaded/unloaded and passengers enplaned/deplaned in designated areas, unless otherwise permitted by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

a. All passengers shall be directed through designated routes to and from the terminal buildings; airline personnel are required to be stationed to assist and direct passengers during ground level enplaning and deplaning.

b. Enplaning or deplaning of passengers on the ramp when aircraft engines are operating is prohibited.

All pedestrian traffic is prohibited from crossing taxiways, taxilanes, aircraft aprons and cargo ramps; including the crossing of adjoining aircraft parking positions and passenger terminal gates.

4.6 Diverted Aircraft and Alternate Airport Operations:

ONT is open to air carrier operations 24/7; as such, ONT is routinely used by domestic and international air carriers (airlines) as an alternate airport for aircraft which divert from originally scheduled destination airports.

ONT is accustom to receiving diverted aircraft, and has a number of aircraft parking positions to accommodate the type and volume of aircraft which historically use ONT as an alternate airport. Aircraft parking for air carriers using ONT as an alternate airport are limited and assigned on a first come basis. ONT air carrier tenants and scheduled revenue flight operations shall have aircraft parking priority over diverted aircraft.

Air carriers considering using ONT as an alternate airport, should contact the ONT Airport Duty Superintendent of Operations, (909) 544-5344 or (909) 821-7433, prior to diverting to ONT.

Aircraft intending to use ONT as an alternate airport are cautioned that Federal Inspection Services (FIS) and contract air carrier services (provided by ONT tenants) are limited in capability, and vary by the time of day services are being requested. ONT tenants may choose to provide service to diverted aircraft as deemed necessary. Air carriers, who plan ONT as an alternative airport, are encouraged to review the Ontario International Airport, Irregular Operations Plan (IROP) in **Appendix 6.**

4.7 Screening Procedures for Charter Operations:

For further information, see **Section 7, Airport Security.**

4.8 Maintenance or Repair of Aircraft:

See **Section 3, Aircraft Operations.**

4.9 Starting Running, High Power Run of Aircraft Engines:

See **Section 3, Aircraft Operations.**

4.10 Passenger Terminal Gate Assignment Guidelines:

ONT Airport Operations, (909) 544-5344 or (909) 821-7433, assigns passenger facility terminal gates to passenger air carriers (airlines) under two provisions: (1) Use and Lease Agreement (ULA); and, (2) Air Carrier Operating Permit (ACOP) with the following guidelines:

a. Passenger air carriers with ONT ULA leases shall have the priority right to passenger terminal gate(s) with preferential use. ULA airlines shall make its preferential use gate(s), when not in active use, available for secondary use by other air carriers that also have an ONT ULA. ULA airlines shall have the right to assess ONT approved charges to such secondary users.

b. ONT ULA passenger airlines shall establish a Gate Use Committee facilitated by ONT-TEC to develop any necessary criteria (including gate use fees) for the availability and use of preferential gates by secondary users and the resolution of any unsatisfied request for secondary use of preferential gate(s). ONT Terminal Operations shall retain the right to make a final decision regarding any Gate Use Committee action.

c. When an air carrier is unable to obtain use of a passenger terminal gate(s) from a preferential gate lessee, or from the Airport, it shall request use of a gate(s) from the Gate Use Committee. If unsatisfied, the air carrier may appeal any decision, or indecision, of the Gate Use Committee to the Airport Airline Affairs Committee for resolution. If still unsatisfied, the air carrier may appeal to the CEO for final resolution. If the Airport directs a secondary use, it shall collect the appropriate fees and credit same to the preferential gate lessee.

d. An Air Carrier Operating Permit (ACOP) airline may operate on the preferential use gate of a ULA air carrier solely at the discretion of the

ULA air carrier. Coordination for such use will be strictly between the air carriers involved.

e. ONT Airport Operations, (909) 544-5344 or (909) 821-7433, staff will coordinate scheduling of all non-preferential use passenger gates using the following guidelines:

1) Gate assignments are made in an attempt to maintain balance of terminal use.

2) ACOP air carriers may request specific ONT gates if the gate is adjacent to another air carrier to whom they have contracted for ground handling.

3) Request for additional gates by air carriers for unforeseen circumstances, such as flight delays, weather conditions etc., are referred to the ONT Airport Duty Superintendent of Operations, (909) 544-5344 or (909) 821-7433. The Duty Superintendent will have the final decision on all ONT gate assignments.

4) A single use fee will be imposed for use of ONT aircraft gates, with the exception of pre-assigned gates, for remain overnight (RON) aircraft. This fee applies to all aircraft operations such as an arrival and departure, an arrival only or a departure only. All fee rates are established by the OIAA and are adjusted semi- annually.

5) Departures occurring more than three (3) hours after the arrival will be assessed aircraft parking fees in accordance with the OIAA.

6) Air carriers may be assigned temporary or scheduled use of an alternate ONT passenger gate. The following restrictions will apply to such use:

i. Any installation of information technology devices and cabling of customer service equipment (ticker printer, computer reservations terminals, and other technology hardware) is optional, and are subject to approval by the OIAA: Infrastructure Management Technology Group (IMTG), ONT Properties, and the ONT Airport Operations Section.

ii. All company logos, signs, boarding displays must be removed from ONT common use boarding gates and podiums if no flight is scheduled within the next three hours.

iii. Airline customer service equipment must be removed within six (6) hours of being notified by ONT Airport Operations or designated representative.

iv. Permanent installation of customer service equipment requires the submission of appropriate construction approval request documentation to the OIAA.

v. Air carriers may request use of an additional passenger gate(s), and aircraft parking positions, for aircraft which remain overnight (RON), or need parking for more than 3 hours, when those aircraft cannot be accommodated on their preferential gate(s). These gate assignments will be assigned by ONT Airport Operations, (909) 544-5344 or (909) 821-7433, on a first-come, first-served basis.

4.11 Passenger Boarding Bridge (PBB) Operation:

a. General: All ONT Passenger Boarding Bridge(s) (PBB) are owned by the OIAA. PBB's are operated by each airlines personnel or ground handling agent and maintained by a third-party maintenance provider under contract with the Airline Consortium Group ONT-TEC. PBB maintenance and repair includes preconditioned air, potable water and attached ground power units. The ONT-TEC PBB contractor JBT Aero Tech can be contacted at (909) 937-8888. Should a PBB become inoperative, or require immediate repair, airlines or ground service companies using the PBB shall notify ONT-TEC Dispatch, (909) 544-5395, ONT Airport Operations, (909) 544-5344 or (909) 821-7433, to report the operational irregularity or outage.

b. Training Responsibility: ONT tenant airlines and aircraft ground service companies are solely responsible to ensure the proper training of employees who operate ONT PBB(s). Questions about ONT PBB capabilities can be answered by JBT Aero Tech service technicians. JBT Aero Tech service technicians will demonstrate PBB operational features to tenants; however, JBT Aero Tech is not held responsible for the actions of persons who dock a PBB with aircraft. The OIAA shall be held harmless from any and all damage to airline

property, or to the PBB, when such damage has been found to be the result of negligent or improper use by the PBB operator.

c. PBB Operating Conditions:

1) PBB(s) shall not be operated, moved or repositioned while passengers occupy bridge tunnels.

2) PBB(s) shall not be docked to a moving aircraft. The aircraft must be fully stopped and have its wheel chocks in place prior to the PBB operator approaching and connecting to the aircraft.

3) The operator shall not move a PBB while personnel are on the exterior access stairs or cat walk.

4) The operator shall verify all bridge mounted ground power cables and pre-conditioned air hoses are clear of aircraft and stored in proper storage locations prior to moving a PBB. Ground power cables, preconditioned air and potable water hoses, shall not remain on the ground following PBB use.

5) The operator shall check to ensure the area under and around a PBB is clear of personnel and equipment prior to moving a PBB.

6) The operator shall raise the control cab roll up door to its fullest open extent prior to moving a PBB; close and secure the roll up door upon completion of use.

7) Miscellaneous equipment, such as wheel chairs, baggage, airline supplies, food catering and other equipment, shall not be stored on PBB interiors, exteriors, stairs and cat walk.

8) Surface painted (red) clear zones are located at each PBB passenger gate; PBB(s) shall remain clear of all ground support equipment, vehicles, wheel chairs, baggage, airline supplies, food catering, and other equipment at all times.

d. PBB Exterior and Interior Signage:

1) Only pre-approved signage may be displayed on the exterior and interior of a PBB at ONT. All requests for installation of signage shall be submitted to the CEO in writing. Airline/Company logos, identification or advertising materials

shall not be affixed on the PBB door or the interior/exterior of the bridge.

2) ONT will provide all required signage, decals and placards for emergency procedures, telephone numbers, fire extinguisher locations and PBB identification.

3) ONT contracted PBB technician(s) shall maintain lighted exterior mounted gate number identification signage.

e. PBB Condition Reporting:

1) PBB operators shall immediately report any damage or mechanical problems to ONT Airport Operations, (909) 544-5344 or (909) 821-7433. Airport Operations staff shall notify JBT Aero Tech PBB technician(s), at (909) 937-8888, for inspection and/or repair of PBB(s).

2) Unreported PBB damage, and associated repair costs, shall be assigned to the last airline that utilized the damaged PBB.

3) Airlines shall not operate any PBB that has been reported out of service due to mechanical problems or damage.

4) When a PBB is non-serviceable due to required mechanical repairs, ONT Airport Operations will notify the affected airline(s) and JBT Aero Tech technician(s) shall place a "Do Not Operate" tag on the control panel of the PBB. When all repairs are completed, ONT Airport Operations shall advise the affected airline(s) when the non-serviceable PBB is returned to service; ensuring the "Do Not Operate" tag is removed.

5) Passenger Terminal Gate(s) with non-serviceable PBB(s) shall remain available to airline(s) using adjoining gate emergency staircases and GSE aircraft stair units.

f. Operation of Passenger Boarding Bridges in High Wind Conditions:

1) All ONT PBB(s) are certified operationally safe for use in high wind conditions, up to and including 60 MPH (52 KNOTS). PBB(s) shall be deemed non-operational, without exception, when winds exceed 60 MPH (52 KNOTS) or the ONT Airport Duty Superintendent of Operations is able to determine wind conditions present a potential hazard to life and/or property. The Airport Duty Superintendent shall notify all airlines affected to

undock the PBB from aircraft parked at passenger terminal gates during unsafe high wind conditions.

2) Airport Operations shall instruct JBT Aero Tech to position PBB(S) in their fully lowered and retracted positions. All PBB(s) must be tied down and secured when winds exceed 90 MPH (78 KNOTS). Only authorized personnel shall tie down and secure PBB(s). ONT Airport Operations staff shall advise all airlines when PBB operations may resume.

3) During extreme high wind conditions all PBB power systems and pre-conditioned air hoses shall be disconnected and stored in proper storage receptacles.

4) While PBB(s) are deemed non-operational due to high wind conditions, no airline personnel or passengers are to enter a PBB for any reason without receiving prior approval from ONT Airport Operations.

g. Passenger Boarding Bridge Operations for Regional Jets: Regional Jet (RJ) aircraft have a lower passenger entry door (sill) height above the ground.

1) RJ aircraft using an ONT PBB must use an appropriate PBB adapter to ensure the safety of passengers crossing to/from RJ aircraft docked to a PBB.

4.12 Washing of Aircraft:

Wet washing of aircraft on ONT property (aircraft aprons, cargo ramps, aircraft parking positions, and tenant leaseholds) is prohibited. ONT does permit dry washing and polishing of aircraft provided all aircraft aprons, cargo ramps, aircraft parking positions, and tenant leaseholds remain clean and free of debris resulting from the washing and/or polishing process.

4.13 Passenger Terminal Aircraft Gate and Apron Pavement Cleaning:

a. Passenger terminal pavement inclusive of aprons and aircraft gates at Terminal 2 and Terminal 4 are policed daily for Foreign Object Damage (FOD) and debris on alternating Fridays. Gates with yellow FOD receptacles (barrels) are emptied during the cleaning process.

b. Concrete cleaning (scrubbing) of passenger terminal aircraft parking surfaces (gates) is performed on a regular basis. All Terminal 2 and Terminal 4 gates are scrubbed at least two times each month with Terminal 4 gates 403, 404 and 406 scrubbed once per week due to their increased aircraft activity. 300 series aircraft gates are cleaned once per month. All other remote or hard–stand aircraft gates are scrubbed on an as needed basis.

4.14 Transportation and Transfer of Livestock:

To assure containment of livestock during transfer operations at ONT, the following handling procedures shall be followed:

a. Loading or unloading livestock into transport trailers, or shipping containers, shall be conducted on cargo ramps remote to passenger terminal gates.

b. Livestock transport trailers and shipping containers must be structurally sound to prevent escape of livestock.

c. Aircraft livestock transferred from aircraft directly to transport trailers must be loaded and unloaded utilizing a ramp between the vehicle and the aircraft. The ramp is to be constructed in such a manner as to prevent livestock escape.

d. Livestock ramps must be securely fastened to both the aircraft and vehicle to prevent separation during transfer operations.

e. Leakage of urine, feed, straw, or other debris shall not contaminate cargo ramps or aircraft parking positions.

f. Airlines or aircraft ground handlers must notify ONT Airport Operations, (909) 544-5344 or (909) 821-7433, prior to commencing livestock loading/unloading activities.

4.15 Freight Forwarding:

Vehicles (box trucks and vans), not designed to carry passengers, which transport baggage or freight only, shall not load or unload at ONT passenger terminal building curbs. For security reasons, freight-forwarders and airline bag delivery service companies shall utilize appropriate freight/cargo facilities for the transfer of baggage or freight. Airlines not having freight/cargo facilities are encouraged to make prior arrangement with airline and cargo handlers for the use of their facilities.

4.16 Aircraft Gate Hold Procedures:

The FAA has sole responsibility for the safe and efficient flow of air traffic movement. ONT Airport Operations does not control gate hold or ground stop procedures. FAA National Air Traffic Management shall determine when ground stop procedures (arrivals and departures) effect ONT.

The FAA ONT Air Traffic Control Tower (ATCT) may implement gate hold procedures for departures whenever any of the following conditions exist:

a. When ONT weather or traffic conditions impose departure delays.

b. When excess aircraft are holding on Aircraft Movement Areas awaiting takeoff, ONT ATCT will broadcast gate hold instructions on FAA Automated Terminal Information Service (ATIS) 124.25 MHz.

c. Airport Operations requires aircraft on ATCT gate hold to do so with all engines shut down.

SECTION 5 - AIRCRAFT NOISE MITIGATION OPERATING PROCEDURES AND RESTRICTIONS

This section identifies the OIAA Aircraft Noise Mitigation Program (ANMP), and noise Mitigation procedures, in use at Ontario International Airport (ONT). ONT ANMP procedures are defined by a noise variance issued by the State of California, Department of Transportation Division of Aeronautics, Title 21, Section's 5012 (noise variance) and 5053 (reference section) of the Noise Standards Section.

All aircraft operators shall comply with Federal Aviation Administration (FAA) regulations and procedures for noise abatement and noise emission standards and with all rules, policies, procedures, resolutions and ordinances established by the OIAA relative to noise mitigation. Air Traffic Control (ATC) is used in this section as a common term for all pertinent U.S. DOT FAA Air Traffic Control, including but not limited to, at the ONT Air Traffic Control Tower (ATCT) and Southern California Approach Control Facility (TRACON).

All ONT ANMP issues are addressed in Bi-annual meetings of the Ontario Airport Noise Advisory Committee (OANAC). OANAC members consist of: 2 - City of Ontario residents, representing the citizens of Ontario; 1 - member from the OIAA; 1 - member representing Airlines who operate at ONT; 1 - member representing the FAA ONT ATCT and/or TRACON; and, 1 - member representing the City of Ontario.

It is not intended that any air traffic flight regulation, ANMP procedure or OANAC proceeding, contained herein, shall, in any manner, abrogate the authority and responsibility of the pilot in command to assure the safe operation of their aircraft.

5.1 Operational Responsibilities:

By FAA Letter of Agreement (LOA), ATC shall employ the noise abatement preferential runway use procedures specified herein, and recognizing that under certain conditions it may be necessary to prescribe deviations because of aircraft emergencies, adverse weather, or field construction and maintenance work. Nothing in these procedures shall limit the discretion of either ATC or the pilot with respect to the full utilization of the airport facilities in an unusual situation.

a. Pilots of all turbo-jet and turbo-fan powered aircraft who are given a preferential runway assignment by ATC shall use that runway unless the pilot determines that in the interest of safety another runway shall be used, except as provided in paragraph 4 this section, Traffic and Flight Procedures (Contra-Flow Operations).

b. Airline maintenance managers are to ensure that their personnel observe the maintenance restrictions set forth in **Sub-Section 5.06**, Maintenance Restrictions, herein this Section.

c. ONT Airport Operations (909) 544-5344 or (909) 821-7433 may monitor all aircraft engine maintenance and Auxiliary Power Unit (APU) operations; and, as necessary, shall stop maintenance operations that are not in compliance with the maintenance restrictions set forth in Sub-Section's 5.04 and 5.05 herein.

5.2 Reporting and Implementation Responsibilities:

a. OIAA will track aircraft operations deviating from Sub-section 5.03 herein. OIAA will contact, as appropriate, ONT Airport Operations, the FAA, aircraft owners, pilots, airline officials, community complainants or others concerning such deviations. ONT Airport Operations will record all reported and observed operational deviations identified in Sub-section 5.03, 5.04 and 5.05 of this Section.

b. Information regarding the ONT Airport Noise Operations and Management System (ANOMS), the monitoring of airport noise, and noise complaints can be found online at: www.flyONTairport.com ; or, noise complaints can be filed by telephone, (909) 395-2400.

c. The OIAA will, in cooperation with the FAA, airline and pilot user groups, prepare and, as necessary, revise the Aircraft Noise Mitigation Operating Procedures and Restrictions set forth herein.

5.3 Runway Use Procedures:

a. Normal prevailing winds at ONT are from the west; in westerly operations, aircraft arrive and depart to the west on runways 26L and 26R. When weather conditions require (prevailing tailwind component velocities of 7 knots or more, in dry runway conditions; or, more than 3 knots in wet runway conditions, aircraft operations are reversed, and aircraft arrive and depart to the east; in easterly operations, aircraft arrive and depart on runways 08L and 08R.

b. Between the hours of 2200 and 0700, aircraft operate in accordance with preferential runway use procedures known as "Contra-flow."

During Contra-flow operations, aircraft arrive on runways 26L and 26R and depart on runways 08L and 08R. Contra-flow procedures shall be discontinued when atmospheric conditions (wind and low

cloud ceilings), or when aircraft operations and construction activities require.

c. Turbo-jet and turbo-fan aircraft are prohibited from runway intersection departures, except from runway 08L at taxiway intersection 'D'.

5.4 Starting, Running, and High Power Run of Aircraft Engines:

See **Section 3, Aircraft Operations.**

5.5 Engine Run of Aircraft Engines in Test Cells:

a. Maintenance or test running of jet engines not mounted on an aircraft is prohibited.

5.6 Helicopter Operating Procedures:

a. Helicopter operators arriving or departing ONT shall utilize the flight routes designated by the FAA for Visual Flight Rules (VFR) and Special Visual Flight Rules (SVFR) operations.

b. When possible, helicopter operators shall use noise abatement approach and departure flight techniques.

c. ONT does not have a marked heliport or helipad. Additionally, taxiway S-2 is not visible to ONT ATCT controllers, as such, is a non-movement area. Helicopters landing or departing on taxiway S-2 do so at their own risk.

SECTION 6 - FIRE SAFETY

All fire and fire related safety provisions of these Rules and Regulations, including hazardous materials, shall be in accordance with applicable sections of Code of Federal Regulations (CFR), California Fire Code, and/or the National Fire Protection Association (NFPA) Codes and Standards; including, all applicable laws, rules, and regulations as enforced by the City of Ontario Fire Inspector assigned to ONT as coordinated by ONT Aircraft Rescue Fire Fighting (ARFF).

6.1 Fire Inspector:

a. It shall be the duty of the City of Ontario Fire Code Official to enforce all applicable sections of these Rules and Regulations pertaining to fire protection, fire prevention and fire spread control at ONT.

b. All buildings, structures and premises shall be inspected periodically by a City of Ontario, Fire Code Official, or his/her duly authorized representative, to ensure compliance with these Rules and Regulations.

c. In addition, any representative of ONT ARFF, Airport Police, or Airport Operations, is authorized by the CEO or an authorized representative to conduct inspections for fire hazards or flammable conditions on airport property.

6.2 Handling of Explosives and Other Hazardous Materials:

a. Class 1.1 explosives and any explosives not acceptable for transportation under applicable federal regulations are not permitted at ONT, unless a written waiver authorizing such materials is granted by the CEO or an authorized representative.

b. No person shall transport Class 1.3 explosives in or upon the Airport unless in compliance with the following:

1) The FAA ONT Air Traffic Control Tower (ATCT), ONT ARFF, Airport Police, and ONT Airport Operations are notified in advance of the type and amount whenever these explosives are in transit through the Airport.

2) All federal, state and city laws are adhered to by the operator of the aircraft.

3) Aircraft with an in-flight malfunction shall attempt to land at a military installation before continuing to ONT for landing.

4) No person shall store explosives at ONT, unless a prior written waiver authorizing the storage of such materials is granted by the CEO or an authorized representative.

5) No person shall store, keep, handle, use, dispense, or transport, in, or upon the Airport, any explosives, blasting agents, flammable liquids, combustible liquids, flammable solids, oxidizers, organic peroxides, corrosive materials, flammable gases, nonflammable gases and poisons.

c. Poisons B, irritating materials (ORM A, B, C, D and E), or cryogenic liquids shall not be stored, kept, handled, used, dispensed or transported, in, or upon the Airport at such time or place or in such a manner or condition as to endanger unreasonable or as to be likely to endanger unreasonable persons or property. For purposes of this hazardous class scheme, the U.S. Department of Transportation (DOT) definitions as contained in 49 CFR, Parts 171-177, as amended, shall be utilized.

d. Hazardous Materials regulated at ONT shall include, but not be limited to, those materials enumerated in:

1) Regulations of the U. S. Department of Transportation published in 49 CFR, Parts 100 through 199, as amended.

2) The Director's List, as amended, issued by the Director of the California Department of Industrial Relations in Title 8, California Code of Regulations, Section 339.

3) Sections 66680 and 66685 of Title 22 of the California Administrative Code, as amended, as a hazardous and/or extremely hazardous material or hazardous and/or extremely hazardous waste or non-waste form.

4) The list of Environmental Protection Agency (EPA) pollutants, 40 CFR, Section 401.15, as amended.

5) A list of hazardous materials prepared by the San Bernardino County Director of Health pursuant to the SBSO Health Code. Hazardous materials regulated shall also include any material which has been determined to be hazardous based upon any appraisal or assessment by or on behalf of the party storing this material in compliance with the requirements of the EPA or the California Department of Health Services, or which should

have been, but was not determined to be hazardous due to the deliberate failure of the party storing the material to comply with the requirements of the EPA and/or the Department of Health Services.

e. All applicable regulations governing explosives, which are acceptable for transportation, must be strictly adhered to. Any other material subject to federal or state regulations governing hazardous materials must be handled in strict compliance with those regulations and any other more restrictive regulations that the CEO or an authorized representative might deem necessary to impose. Any waiver of such regulations or any part thereof by the FAA or by any other competent authority shall not constitute, or be construed to constitute, a waiver of this rule.

f. Advance notice of at least twenty-four (24) hours shall be given to the CEO or an authorized representative through ONT Airport Emergency Dispatchers, (909) 937-1911, for any operations requiring permission pursuant to this rule.

g. Permission may be given for the movement of radioactive materials only when such materials are packaged, marked, labeled and limited as required by regulations applying to transportation of explosives and other dangerous articles and which do not create undue hazard to life or property at ONT. ONT ARFF shall provide the CEO or an authorized representative with information relative to the hazards of any material subject to this Section.

h. All Airport tenants involved with the handling of hazardous materials must provide the Airport with a Hazardous Materials Removal Plan. The plan will include the name of the company used for removal of hazardous materials and the names and 24-hour telephone numbers of tenant staff authorized to handle such removals. The plan will be updated annually.

6.3 Fire Extinguishers and Equipment:

a. Fire extinguisher equipment at the Airport shall not be tampered with at any time, nor used for any purpose other than firefighting or fire prevention. All such equipment shall be inspected for conformity with NFPA Codes. Tags showing the date of the last inspection shall be left attached to each unit.

b. Fully charged and currently inspected fire extinguishers, of the type recommended by the NFPA Codes for specific materials, are required at all locations handling flammable materials.

c. At all re-fueling facilities (farms), fuel cut off valves are conspicuously located and marked for use during emergencies involving underground fuel flow systems.

d. Airport fire protection systems and equipment shall not be tampered with at any time. No person other than authorized employees or representatives of the OIAA shall turn such equipment on and off, or operate any other Airport equipment except for testing, maintenance or repair only. Tenants in their respective leaseholds shall turn such equipment on and off for testing, maintenance or repair only. ONT Airport Emergency Dispatcher, (909) 937-1911, must be notified anytime a fire protection system is not operating.

6.4 Open Flames (WELDING):

a. Prior to commencing open flame welding at passenger terminal gates, aircraft parking positions, or buildings, ONT Aircraft Rescue and Fire-Fighting, (909) 544-5490, and ONT Airport Operations, (909) 544-5344 or (909) 821-7433, must be notified at least 12 hours in advance.

b. A fireguard is required at all times during welding.

c. Open flame welding within 50 feet of aircraft refueling operations, or refueling facilities, is prohibited.

d. A fire extinguisher must be present at the site during welding operations.

6.5 Reporting Fires:

Any person observing any unattended or uncontrolled fire on the Airport premises shall immediately report it directly to the ONT Emergency Dispatcher (909) 937-1911. No person shall make any regulation or order, written or verbal, requiring any person to take any unnecessary delaying action prior to reporting a fire to ONT ARFF or City of Ontario Fire Department.

6.6 Litter and Cleaning of Allotted Space:

a. Each tenant at the Airport shall keep their allotted space, or leasehold, are policed and free from rubbish and debris. Flammable materials shall be stored only in approved containers in or about tenant areas and all floors shall be clean of fuel, oil and litter.

b. The use of volatile or flammable solvents for cleaning floors is prohibited. Approved metal receptacles with tight-fitting, self-closing covers shall be used for the storage of oily waste rags and similar materials. The contents of these receptacles shall be removed daily. Clothes lockers shall be constructed of metal or fire-resistant materials.

6.7 Cleaning Ramps and Other Surfaces:

Any spillage or dripping of fuel, oil, grease or any other material which may be unsightly, unsafe to personnel and/or property or detrimental to the pavement in any area on the Airport shall be removed immediately by suitable procedures in a manner satisfactory to the CEO or an authorized representative. The responsibility for the immediate removal of such fuel, oil, grease or other material shall be assumed by the operator of the equipment causing the spillage.

6.8 Control of Contaminants:

a. No fuel, oil, grease, flammable liquids, or contaminants of any kind; including, detergents, polishing compounds or metal etching agents, used to dry wash aircraft or other surfaces, shall be allowed to flow into or be placed in any sewer system, storm drain, or open water area, not equipped with a OIAA permitted separator, clarifier, or industrial waste system.

b. Equipment used to scrub pavement surfaces must have the capability of picking up all cleaning water for disposal at a location equipped with a permitted clarifier authorized for such use.

6.9 Fueling Operations:

As part of the OIAA Stormwater Pollution Prevention Program (SWPPP), the OIAA, has developed a number of Best Management Practices (BMP) related to aircraft vehicle and equipment fueling, they are:

a. Aircraft refueling is prohibited when the aircraft being refueled engine(s) are running. Aircraft Auxiliary Power and Ground Power Units are exempt.

b. Per NFPA Section 407 guidelines for fueling operations during lightning activity, refueling operations shall be discontinued when lightning ground strike frequency and intensity occurring within 5

statute miles of ONT indicates refueling safety is compromised, as determined by the ONT Duty Superintendent of Operations, (909) 544-5344 or (909) 821-7433.

c. During all aircraft refueling operations, the refueling vehicle and aircraft must be properly bonded in order to prevent the possibility of ignition of the fuel.

   1) Prior to any transfer and during refueling or defueling process, the fueling equipment and the aircraft shall be bonded, thus providing a conductive path to equalize the potential between the fueling equipment and the aircraft.

   2) The bond shall be maintained until fueling connections have been removed, allowing separated charges that could be generated during refueling operations to reunite. Bonding of an under-wing refueling nozzle to the aircraft is not required when a metal clamping contact between the nozzle and the filler connection is adversely affected.

d. "Earth" grounding (earthing) is not required during the fueling of an aircraft. However, this does not preclude electrical earthing requirements for other operations being conducted; If ground support equipment is connected to the aircraft, or if other operations are being conducted that require electrical earthing, separate connections must be made for this purpose.

e. No refueling vehicle shall be parked, stored, repaired or operated within 50 feet of a building or hangar, other than a refueling service area, or within 10 feet of any other refueling vehicle, in order to maintain defensible space for firefighting purposes.

f. During fuel handling operations in connection with any aircraft, at least one 2-wheel type fire extinguisher meeting the requirements of NFPA shall be immediately available for use.

g. No person shall perform any act or use any material which is likely to cause a spark within five (5) feet of any aircraft while the fueling process is being conducted.

h. No airborne radar equipment shall be operated or ground tested on any passenger ramp or apron area or any area when the directional beam of high intensity radar is within 300 feet or the low intensity beam (less than 50kw output) is within 100 feet of another aircraft, an

aircraft refueling operation, an aircraft refueling truck or a flammable liquid storage facility.

i. During fuel handling in connection with any aircraft, no passenger shall be permitted to remain in such aircraft or to enter or depart from such aircraft unless a qualified attendant is at each door that is in use for this purpose, and unless means of safe egress is in position in the event that such device is required for the safe and rapid debarkation of the passengers.

j. During fuel handling operations in connection with any aircraft, no person shall allow any motorized ground equipment to be positioned under such aircraft's wing tip. Aircraft fuel tanks are vented through the wing tips, which may produce a dangerous and explosive mixture. Fueling operations shall immediately be terminated should anyone position a vehicle under a wing tip.

k. Persons engaged in aircraft fuel handling shall exercise care to prevent overflow of fuel.

l. All operators of aircraft at ONT, who receive aviation fuel, including all persons who supply aviation fuel, shall use aviation fuel storage areas, and delivery facilities (fuel farms), designated by the CEO or an authorized representative for such use.

m. If for any period during which these facilities are not available, the operators may make other arrangements with their suppliers of aviation fuel for deliveries thereof to their aircraft, provided that such other arrangements shall be subject to the approval of the CEO or an authorized representative from the standpoint of safety, traffic control and similar matters.

n. The transfer of bulk aircraft or commercial fuel from one refuel service vehicle to another is prohibited within the boundaries of the Airport without prior approval and presence of ONT ARFF personnel.

o. Automotive and ramp equipment other than refueling service vehicles and tank vehicles shall be refueled by fuel service contractors authorized by the CEO or an authorized representative and only at prescribed locations and from dispensing systems approved by the CEO or an authorized representative.

p. The presence of unsafe tank vehicles and refueling service vehicles at ONT, is likely to endanger persons or property in or upon the

Airport and render the use of the Airport unsafe. Therefore, no such tank vehicle and/or refueling service vehicle shall be allowed in or upon any area of the Airport unless it conforms to the rules and regulations provided in this section, in addition to all other rules and regulations for the use of the Airport.

q. No tank vehicle or refueling service vehicle shall be used for transportation of flammable liquids at ONT unless registered, inspected and approved by ONT ARFF Section.

r. Every fueling unit shall be provided with signs visible from the outside and showing the name of the firm or corporation operating the unit and the type of fuel contained therein, and in accordance with DOT and NFPA Section 407.

s. All fueling vehicles operating on ONT Air Operations Areas (AOA) shall be properly equipped and maintained and must meet the requirements established by the CEO or an authorized representative.

t. All fueling vehicles operating on ONT AOA are subject to on-the-spot inspection, by the CEO or an authorized representative to determine if the vehicle meets OIAA requirements for safe operating conditions.

u. Smoking by any person on or within fifty feet of a tank vehicle or refueling service vehicle is prohibited.

v. The delivery of fuel shall at all times be under the control of the vehicle attendant, through the use of approved flow controlling devices operated by the attendant, designed to shut off automatically upon release of hand or foot pressure. Latching or fastening devices onto fuel control units is not permitted.

w. The driver, operator or attendant of any refueling vehicle shall be in attendance with the vehicle at all times when the vehicle is refueling an aircraft.

x. During the filling of fuel storage tanks, no compartment shall be completely filled and the driver, operator, or attendant, shall be present at the vehicle at all times. The fuel tank vehicle, the tank truck filling rack, and the flammable liquid discharge piping shall all be grounded to a point of zero electrical potential.

y. All fueling vehicles shall be equipped with at least two chock blocks. The parking brake shall be set and chock blocks shall be placed in such a manner as to prevent the forward or backward motion of the vehicle whenever it is parked, left unattended by the driver, or during loading and unloading operations.

z. When parked, refueling tank vehicles shall be positioned for immediate drive away, or towing, and a clear space of not less than ten (10) feet shall be maintained between any parked refueling tank vehicle and any similar or other parked or moving vehicle. In addition to the foregoing, where five (5) or more vehicles are parked, there shall be 150 pound dry chemical wheel-type fire extinguishers positioned so one or more units will be located no more than 100 feet from any vehicle. Tank vehicles and refueling service vehicles shall not be parked in any public area, except as designated by the CEO or an authorized representative.

aa. The motor of a refueling tank vehicle shall not be run during the filling of the cargo tank, while making or breaking fuel filling connections, or during repairs to the fuel handling system. The propulsion motor for refueling service vehicles shall not be run during the fuel transfer and while making and breaking hose connections.

bb. During refueling or defueling, tank vehicles shall be so placed as to be readily removable in event of fire, so as to permit direct driving away from the loading or refueling position. Not more than one refueling vehicle shall be positioned to refuel each wing of an aircraft. When high capacity aircraft are refueled, additional refueling vehicles shall not be parked or positioned within 100 feet from the aircraft served and then only in areas approved by the CEO or an authorized representative.

cc. When it is deemed not feasible to dispense automotive fuel from underground tanks with a fixed fueling system, the CEO, or her/his duly authorized representative, may permit fuel to be dispensed by an approved automotive fuel dispensing vehicle operated by an authorized fueling service contractor at an approved site. Such operations shall comply with the protective requirements and restrictions as designated by the CEO or an authorized representative.

dd. Automotive fuel dispensing vehicles shall not dispense fuel unless properly bonded.

ee. Automotive fuel dispensing vehicles shall carry at all times a sufficient quantity of absorbent material, of a type approved by the CEO or an authorized representative, to contain accidental fuel spills.

6.10 Fuel Spills:

a. **In the event of a fuel spill of any type** (Jet A, AvGas, or Automobile Gasoline), **in any amount**, the fueling operator, or individual responsible, shall **immediately notify ONT Airport Emergency Dispatcher, (909) 937-1911**; additionally, the individual (company) shall also immediately notify ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

b. Should passengers evacuate because of a fuel spill, passengers shall not be re-admitted to the Passenger Boarding Bridge or the aircraft until permitted by ONT ARFF personnel.

c. In the event of fuel spillage, when there is no apparent presence of fire, fuel delivery units shall not be moved until the spillage is dispersed or removed. Spilled fuel must be cleaned up immediately and the area secured. No aircraft or vehicular movement shall be allowed in the area until authorized by the CEO or an authorized representative, via ONT ARFF personnel.

6.11 Aviation Fuel Delivery Permits:

All Petroleum Product delivery companies or brokers, who engage in fuel delivery (by hydrant or tanker truck) to the OIAA and tenants' storage facilities or buy and sell fuel from storage facilities, shall be required to obtain a Fuel Delivery Permit. All companies who provide into plane fueling are required to obtain a Non-Exclusive License Agreement issued by the CEO or an authorized representative, through the OIAA. See **Section 8, Operating Permits/Fees**.

6.12 Tenant Fueling Agents:

a. ONT Tenants, who perform Fueling Agent services, must have for their employees, an approved training program conforming to FAA, Part 139.321, regulatory standards.

b. At least one Fueling Supervisor, employed onsite by an ONT permitted Fueling Agent, must have completed an FAA certificated aviation fuel training course, in fire safety, prior to commencing fueling operations. Recurrent supervisory training, in aviation fuel fire safety, must be completed within every 24 calendar months.

c. ONT Fueling Agents must provide annual written certification to the CEO or an authorized representative, through ONT ARFF Section, (909) 544-5490, that all required training within this Section has been accomplished.

6.13 Aircraft Parts Cleaning Materials:

Cleaning of aircraft parts and other equipment shall be done preferably with non-flammable cleaning agents. When flammable combustibles must be used, only liquids having flash points in excess of 100 degrees Fahrenheit, (38 degrees Celsius) shall be used and special precautions shall be taken to eliminate ignition sources in compliance with good practice recommendations of the uniform fire code and the NFPA.

6.14 Paint, Varnish, and Lacquer Use:

For paint, varnish, or lacquer spraying operations, the arrangement, construction, ventilation, and protection of spraying booths and the storing and handling of materials shall be in accordance with the standards of the California State Fire Code, Air Resources Board - Air Quality Management District regulations.

6.15 Sewage, Industrial Waste, Toxic and Hazardous Waste:

a. Tenants shall comply with the requirements of OIAA Hazardous Materials Management Policy regarding the discharge of sewage and industrial waste.

b. No person shall generate, store, keep, handle, transport, treat or dispose of hazardous waste (as defined by the Resource Conservation and Recovery Act, Title 40, CFR Part 261 or succeeding legislation) in or upon the Airport.

6.16 Methanol Storage:

a. Methanol shall be treated in the same manner as automobile gasoline.

b. A maximum of two containers of methanol may be stored at gate positions in areas not in or under buildings or stairways.

c. The bulk storage of methanol will be on leaseholds only.

SECTION 7 - AIRPORT SECURITY

7.1 Security Requirements:

a. All persons using the Ontario International Airport (ONT) are subject to the Airport Security Program (ASP) issued by the Airport CEO of the OIAA, pursuant to Code of Federal Regulations (CFR) Title 49, Transportation Security Regulations (TSR), Part 1542. The ASP contains Sensitive Security Information (SSI) controlled by 49 CFR TSR Parts 15 and 1520. Unauthorized release of SSI may result in civil penalty or other action.

b. Air carrier tenants must have an approved security safety and passenger handling program.

c. Only authorized and properly identified personnel and vehicles are allowed access into the Secured Air Operations Area (AOA). Airport Security Identification Badges are issued by the ONT Security Badge Office (SBO). Requirements and procedures for the issue of ONT Airport Security Identification Badges can be found in **Appendix # 4, Security Badge Office.**

d. Any person(s) who gains or allows another person unauthorized access into the Secured AOA by tailgating or piggybacking will be subject to a citation.

e. All persons desiring to enter the Security Identification Display Area (SIDA) Secured AOA or Sterile Passenger Boarding Areas are subject to security screening.

f. Unidentified or unauthorized personnel in AOA may be detained, arrested, and/or removed by the Airport CEO or an authorized representative. The Airport CEO or an authorized representative may remove unidentified or unauthorized vehicles on the ONT AOA, at the owner's expense.

g. Any person who violates security regulations may be denied future entry into ONT Secured Areas and AOA.

h. Security doors shall be kept locked as required by the Airport Security Program. Tenants shall be responsible for doors located in their leased areas. Any tenant that fails to control unauthorized access into the Secured Area/AOA through doors located in its tenant leased

areas will be subject to a citation and may lose the ability to use SIDA door(s).

i. The ONT Airport Perimeter Fence Area shall remain free of vehicles, stored materials, unattended equipment, or other property. The Airport CEO or an authorized representative, may remove, or cause to remove, any unidentified or unauthorized vehicle, or other property, parked in posted "no parking" zones along the Secured AOA perimeter fence five (5) foot clear zone. Secured Area Clear Zones may be expanded at the discretion of ONT Airport Police, as necessary.

j. Security Responsibilities of Employees and other persons while employed or conducting business at the Airport. No Person may:

1) Tamper or interfere with, compromise, modify, attempt to circumvent any security system, measure, or procedure implemented under the Airport's ASP and Federal TSR requirements, Section 1500 et al.

2) Enter, or be present within, a Secured Area, AOA, Security Identification Display Area (SIDA), or Sterile Area without complying with the systems, measures, or procedures being applied to control access as defined in the ONT ASP and TSA Regulations Section 1500 et al.

3) Use or allow to be used any Airport-issued access medium or identification system that authorizes the access, presence, or movement of persons or vehicles in the Secured Area, AOA, or SIDA in any other manner for which it was issued.

4) Each person issued an ONT Security Identification Badge granting SIDA Secured Area access is responsible for challenging any individual not properly displaying an ONT issued Security Identification Badge appropriate to the area. Any person who is not properly displaying or who cannot produce a valid ONT Security Identification Badge shall be referred to OIAA ONT Airport Police, (909) 933-5611, for proper handling.

SECTION 8 - AIRPORT OPERATING PERMITS AIRCRAFT LANDING AND TERMINAL USE FEES

Commercial aircraft activity at Ontario International Airport (ONT), is subject to certain conditions and restrictions, as specified by the provisions of this section.

8.1 Airport Operating Permit:

a. No person shall operate as a scheduled air carrier from ONT unless in possession of a valid ONT Single Use Operating Permit (SUOP), Air Carrier Operating Permit (ACOP) or Use and Lease Operating Agreement (ULA).

b. Questions regarding Air Carrier Operating Permits should be directed to the Ontario International Airport, ONT Airport Operations Section, (909) 544-5346.

8.2 Single Use Operating Permit (SUOP):

a. No air carrier shall conduct business at ONT on an on-demand, non-permanent basis, including one-time operations, unless they are in possession of a Single Use Operating Certificate for Ontario International Airport.

b. Requests, relative to Single Use Operating Certificates, should be directed to the ONT Airport Operations Section, (909) 544-5346.

8.3 Air Carrier Operating Permit (ACOP):

Air carriers that transport passengers and have operated aircraft from ONT more than six (6) times in a calendar year; or, an itinerant Air Carrier not having any agreement or permit, which transports passengers and cargo for compensation from ONT, must execute an ONT Air Carrier Operating Agreement (ACOP).

8.4 Use and Lease Operating Agreements (ULA):

Air carriers (airline) which transport either passengers or both cargo and passengers may execute an ONT Use and Lease Operating Agreement (ULA) with the OIAA.

8.5 Charges and Fees:

a. The OIAA Commission is authorized to fix, regulate and collect rates or charges for the use of buildings, grounds, facilities, utilities, and structures controlled by OIAA in accommodation of air commerce.

b. All charges and fees are subject to periodic review and change.

c. The payment of rentals, fees, and charges relating to the use of Airport premises and facilities shall be made prior to an aircraft operator or air carrier (passenger or cargo) departing ONT. In lieu of such payments, the pilot operator or owner of an aircraft shall make satisfactory credit arrangements with the CEO or an authorized representative, through the OIAA.

d. Without prior approval of credit, FPG, or billing arrangement, the *ONT Airport "Duty Superintendent" of Operations, (909)544-5344 or (909) 821-7433,* is authorized to collect all Airport use fees, prior to an aircraft operated for hire departs ONT. ONT tenant lease agreements may prohibit their ability to provide future service(s) to any air carrier (airline) or air taxi operator who fails to pay landing fees due upon request of the Airport.

e. Inquiries of current charges and fees should be directed to the OIAA.

8.6 Definitions:

a. Air Carrier - Any person, or persons, including corporations and other legal entities, that undertakes, whether directly or indirectly or by lease or any other arrangement, to engage in air commerce, certified by the Federal Aviation Administration (FAA), and holds a current FAA certificate to transport air passengers or property for hire.

b. Fees, Rates and Charges - Include, but are not limited to, landing fees, aircraft parking charges, and passenger facility charges.

c. Landing - The actual landing of an aircraft at an Airport, whether such landing be a planned or an emergency landing, but shall not refer to an emergency landing made following takeoff from an airport owned or operated by the OIAA.

d. Landing Facility - Common (shared) use areas of the Airport, which include but are not limited to the runways, taxiways, taxilanes, service roads, aprons, cargo ramps, public aircraft parking positions and passenger terminal gates; exclusive of leased areas.

e. Maximum Gross Landing Weight - The FAA Certificated Maximum Gross Landing Weight or actual gross landing weight of aircraft if no such specification exists. In computing fees prescribed herein, except for aircraft weighing less than 25,000 pounds, 500 pounds, or any larger part of 1,000 pounds, shall be counted as if a whole 1,000 pounds and any smaller part shall be disregarded.

f. Permit - Non-Exclusive Air Carrier Operating Permit.

g. Non-Signatory Air Carrier Operating Permit (ACOP) - Passenger Aircraft: An air carrier that transports passengers operating **more than seven (7) times in a calendar** year but has not signed an ONT ULA; or, an itinerant Air Carrier not having any agreement or permit, which transports either passengers and cargo for compensation.

h. Non-Signatory Air Carrier Operating Permit (ACOP) – Cargo Aircraft: An air carrier that transports cargo operating **seven (7), or more, times in a calendar year** but has not signed an ONT ULA; or, an itinerant air carrier not having any agreement or permit, which transports either passengers and cargo for compensation.

i. Signatory Permitted Air Carriers with Use Lease and Operating Agreements (ULA), for Passenger Aircraft - An air carrier transporting either passengers or both cargo and passengers that have executed an ONT ULA assumed by the OIAA is subject to landing fees as set by the OIAA Commission.

j. Signatory Permitted Air Carriers with Use and Lease Operating Agreements (ULA) for Cargo Aircraft - An air carrier transporting cargo that has executed an ONT ULA assumed by the OIAA is subject to landing fees as set by the OIAA Commission.

k. Single Use Operating Permit (SUOP) - Issued to non-permitted air carriers on a one-time basis. A single use request **may be utilized no more than six (6) times in a calendar year.** After three (3) air carrier landings SUOP air carriers are required to commence the process to obtain a Non- Signatory Air Carrier Operating Permit (ACOP).

l. Public Aircraft Parking Areas - Those areas designated by the CEO or an authorized representative, for the parking of aircraft; subject to changes at any time.

m. Revenue Landings - All landings of aircraft at the Airport except the following:

1) Landings of general aviation aircraft not for hire;

2) Landings of aircraft owned and operated by agencies of the U.S. Government;

3) Non-scheduled emergency landings; and,

4) Landings of aircraft without revenue passengers and/or cargo on board as operated for the purpose of positioning (ferrying) an aircraft to enplane passengers and/or cargo for an originating ONT revenue flight.

8.7 Revenue Landing Charges:

As provided by Resolution of the OIAA Commission, air carriers (Permitted and Non-permitted) are required to pay a landing fee to OIAA for each aircraft operated at ONT. OIAA, after consultation, may adjust the landing fee rate each fiscal year.

a. Landing Fee Rate for Signatory Air Carrier Aircraft with ONT Use and Lease Operating Agreements (ULA);

1) $30.00 for each landing of aircraft having a maximum gross landing weight of 12,500 pounds or less.

2) $57.00 for each landing of aircraft having a maximum gross landing weight of more than 12,500 pounds up to and including 25,000 pounds.

3) $2.29 per 1,000 pounds of maximum gross landing weight for each landing of aircraft having a maximum gross landing weight of more than 25,000 pounds.

b. Landing Fee Rate for Non-Signatory - Air Carrier Operating Permit (ACOP) Aircraft;

1) $37.00 for each landing of aircraft having a maximum gross landing weight of 12,500 pounds or less.

2) $72.00 for each landing of aircraft having a maximum gross landing weight of more than 12,500 pounds up to and including 25,000 pounds.

3) $2.86 per 1,000 pounds of maximum gross landing weight for each landing of aircraft having a maximum gross landing weight of more than 25,000 pounds.

4) The landing fee rates are based on budgeted expenses and revenues and are subject to adjustment at year end based in actual revenues, maintenance and operation expenses, debt service, and other factors.

c. Ramp, Apron and Remote Area Charges;

1) $100.00 for each 15-minute period or fraction thereof after the air carrier has been given notice by the CEO or an authorized representative that Airport Operations require that the aircraft leave the area. The period to be used for calculating this charge shall begin 15 minutes after such notice has been given.

2) $100.00 for each 10-minute period or fraction thereof when aircraft is improperly or in a position other than a regular gate position and the air carrier has been given notice by the CEO or an authorized representative that Airport Operations require that the aircraft leave the area. The period to be used for calculating this charge shall begin five (5) minutes after such notice has been given.

3) $100.00 for each 15-minute period or fraction thereof in excess of 30 minutes for the cleanup of fuel spills.

d. Aircraft Parking Fee;

1) Parking charges shall be $0.40 per 1,000 pounds of maximum gross landing weight per day, with a minimum charge of $10.00 per day except that there shall be no charge for the first

three hours of the first 24 hours of parking regardless of the number of continuous days parked.

2) Air carriers shall submit a monthly report listing the dates and times their aircraft were parked at Airport. Payment of parking charges shall accompany each report.

e. Non-revenue and air carrier landings and operators of General Aviation (GA) aircraft under Title 14 CFR Part 91; Non-revenue air carrier positioning flights and GA aircraft are exempt from landing fees. GA aircraft may incur fees for services at ONT Fixed Base Operators (FBO).

8.8 Terminal Rental Rates and Facility Use Fees:

a. Signatory Air Carriers - $108.49 per square foot per year for the exclusive use, and joint use space.

b. Non-Signatory Airlines and Non-Airline Tenants - $119.34 per square foot per year for the exclusive use, and joint use space.

c. Non-preferential Gate Use Fee - $275.00 per operations (arrival and/or departure) for the use by an airline of a non-preferential (unassigned) gate.

d. Jet Bridge Utility (Passenger Boarding Bridge - PBB) Use Fee - $185.00 per operation for use by an airline of ONT utilities while parked at a non- preferential use gate.

e. Ticket Counter/Passenger Queuing Use Fee - $15.00 per operations (arrival and/or departure) for Signatory Airline and $16.50 per operation (arrival and/or departure) for Non-Signatory Airline or Non-Airline Tenant.

f. Signatory New Entrant Joint Use Fee - $4.50 per arriving passenger.

g. Non-Signatory Joint Use Fee - $5.00 per arriving passenger.

8.9 Security Deposit - Letter of Credit Policy:

a. In order to guarantee the payment of all fees and charges associated with a permit or authorization to operate, air carriers shall remit for the benefit of OIAA, a security deposit in the amount of $10,000.00 or three times the estimated monthly landing fees for said Air Carrier,

whichever is greater, as determined by the CEO or an authorized representative.

b. The deposit shall not be in cash, but shall take the form of a non-revocable letter of credit, as approved by the OIAA.

c. The documents evidencing each deposit must provide that the same shall remain in full force and effect during the term of the permit and for a period of sixty (60) days following the termination as that category of carrier.

d. The CEO or an authorized representative, may review the sufficiency of the amount of each security deposit as needed and increase or decrease the required amount to conform to this policy.

8.10 Aircraft Landing and Parking Reporting Requirements:

All landings, together with the number of aircraft parking days, must be reported on the Monthly Report of Landings by the tenth (10th) day of the month following the end of the calendar month of operations, in the name of the Air Carrier under whose FAA Operating Certificate the flight is made. In the event that an Air Carrier hires the services of another Air Carrier through a long or short term wet lease agreement, in which the hiring carrier agrees to pay the landing and parking fees, the ultimate responsibility for the reporting of landings and parking and the payment of landing and parking fees rests with the Air Carrier under whose FAA Operating Certification the flight is made.

8.11 Non-Exclusive License Agreements (NELA):

Any company or air carrier desiring to provide a contract service to another company or air carrier at Ontario International Airport (ONT) must obtain a Non-Exclusive License Agreement with OIAA specific to ONT. These services may include, but are not limited to; into-plane fueling; parking, towing, pushback, loading and unloading of aircraft; ramp services; baggage handling and porter services; aircraft servicing, repairing, and cleaning; servicing, fueling, and rental of ground service equipment; catering commissary or food services; passenger ticketing; weather reporting; flight planning; cargo handling; maintenance and janitorial services, and security services.

a. Non-Exclusive License Agreements (NELA) are handled by the CEO. Requests should be directed to:

Ontario International Airport Authority
303 E. B Street
Ontario, CA 91761
Telephone: (909) 395-2400

b. Requirements and documentation for obtaining a Permit include, but are not limited to, the following:

1) Company Information Form.

2) Letter of Intent.

3) Letter(s) of Verification.

4) Business Tax Registration Certificate (BTRC), Vendor Registration Number (VRN), or Letter of Exemption issued from the City Clerk's Office.

5) Corporate documentation (i.e., articles of organization or fictitious business name statement).

6) Compliance with OIAA contract insurance requirements. Questions relative to insurance should be directed to the OIAA. All insurance underwriters must provide verification of insurance endorsed on OIAA Risk Management forms.

7) $500.00 annual administrative fee.

8) Packets containing complete instructions and forms for obtaining a Non-Exclusive License Agreement are available through the CEO's Office.

8.12 <u>Offsite Inflight Catering and Food Service Permit</u>:

An Offsite In-flight Catering and Food Service Permit is a contractual agreement issued through the OIAA granting the non-exclusive right to provide in-flight catering services at ONT. The permit is issued to any company providing in-flight catering services to an air carrier at ONT from an offsite location. Requests or questions should be directed to the ONT CEO's Office, (909) 395-2400.

8.13 Fuel Delivery Permit:

All Petroleum Product delivery companies or brokers who engage in the delivery (by underground pipeline, hydrant or tanker truck) of fuel to ONT and tenants' storage facilities or buy and sell fuel from storage facilities shall be required to obtain an ONT fuel delivery permit. Requests or questions should be directed to the CEO, (909) 395-2400.

8.14 Permit Terms and Fees Due Reporting Requirements:

a. Permits are issued, and will be effective on a month-to-month basis for a term not to exceed five (5) years, subject, however, to prior termination, with or without cause, upon thirty 30 days written notice by either party.

b. A monthly accounting report and applicable fees shall be transmitted to the OIAA by the tenth (10th) day of the month for the preceding month's activities. Said report shall include each person or entity for which services were provided during the prior month, the gross amount billed or received for said services, and the total amount owed to the Airport, if applicable.

SECTION 9 - MOTOR VEHICLE OPERATIONS

In this Section, the OIAA CEO or an authorized representative, specifies general operating procedures and requirements for all vehicles at Ontario International Airport (ONT).

Except as prescribed in this Section, or in cases of emergency involving the protection of life and/or property, all motor vehicles shall be operated upon the Airport in accordance with the California Vehicle Code. Specific procedures covering the use of fueling vehicles and equipment for fueling operations are provided in **Section 6, Fire Safety.**

9.1 Operation of Motor Vehicles:

a. No vehicle shall be operated in or upon any Airport property in a careless or negligent manner or in disregard of the rights and safety of others, or without due caution or circumspection.

b. No vehicle shall be operated at a speed or in a manner, which endangers unreasonably, or is likely to unreasonably endanger persons or property.

c. No vehicle shall be operated if such vehicle is as constructed, equipped or loaded as to endanger or be likely to endanger persons or property.

9.2 Reserved, Posted or Restricted Parking Areas:

a. The CEO or an authorized representative, may reserve all or any part of parking lots or other areas not under lease or permit for the sole use of vehicles of OIAA, its officers or employees, tenants, or for such visitors to ONT, as she/he may designate, and to indicate such restrictions by appropriate markings and/or signs; designate a parking time limit on any portion of said lots; designate any portion of said lots as a passenger loading zone, designate any portion of said lots as a no stopping, no waiting or no parking area; designate where and how vehicles shall be parked by means of parking space markers; and designate direction of travel and indicate same by means of appropriate signs and/or markings.

b. When appropriate signs and/or markings have been installed, no person may park or drive a vehicle on any portion of such lots reserved for the exclusive use of any vehicle unless authorized by the CEO.

c. Vehicles parked in any garage, parking lot or other authorized parking area reserved for public, private or employee use, shall park in such a manner as to comply with all posted and/or painted lines, signs, and rules.

d. Vehicles displaying either a distinguishing license plate or a placard issued pursuant to Section 22511.5 or Section 9015 of the California Vehicle Code may park in designated disabled parking sections as indicated by appropriate signs and/or markings. All others not displaying such license plate or placard shall be towed.

9.3 Curb Markings:

All vehicles parked and unattended at ONT are subject to immediate tow and storage at the owner's expense.

a. Red Zone: No vehicle, whether attended or unattended, shall stop, wait or park in any area adjacent to a curb which is painted red; provided, however, that a scheduled transit bus may park in a red zone designated as a bus zone by a sign or other marking.

b. White Zone: No vehicle shall stop, wait or park in any area adjacent to a curb which is painted white; Exception, vehicles may be stopped at a white zone while actively engaged in the immediate loading or unloading of passengers and/or baggage. No vehicle stopped in a white zone shall be left unattended. Stopping a taxi in a white zone for the purpose of waiting for passengers and/or baggage is however permitted, provided that the white zone is designated as a taxi zone by a sign or other marking.

c. Yellow Zone: Taxi cabs are the only vehicles permitted to stop, wait, load and unload passengers at ONT passenger terminals. Taxi cabs may not be left unattended.

d. Green Zone: Allows vehicles to park for up to 20 minutes. No Green Zones are located at active ONT passenger terminals.

9.4 Cell Phone Waiting Lot:

Vehicles waiting to meet arriving ONT passengers are encouraged to wait in the Cell Phone Waiting Lot, located west of Terminal 2 and Terminal 4 at: 1040 W. Moore Way, Ontario, CA 91761 (next to closed Terminal 1).

9.5 Emergency Suspension of Parking:

a. The CEO or an authorized representative, may prohibit parking or movement of vehicles on any part of the Airport when a traffic congestion or hazard is likely to result from the holding of any assemblage, celebration, or function on Airport property.

b. The CEO is further authorized to post signs giving notice of such addition to other instructions appearing thereon.

9.6 Authorized Vehicles on ONT Air Operations Area (AOA):

a. The Air Operations Area (AOA) includes aircraft movement areas, apron areas, cargo ramps, and other non-leasehold areas located inside an Airport security fence. All vehicles must enter the ONT Air Operations Area through established Secured Area Access Point (SAAP) posts. ONT SAAP post locations are located at:

   1) North SAAP (Post 5) - 590 South Vineyard Ave. (not manned)

   2) South SAAP (Post 6) - 2095 East Avion Street.

b. Operators of motorized vehicles in the AOA shall have drivers duly authorized and licensed by the California Department of Motor Vehicles, or other state, and possess a current/valid ONT Security Photo Identification Badge with "Restricted Area Driver" permit; with the following exception:

   1) OIAA does not require Class A or B licenses for drivers in the AOA and private driveways; however, ONT strongly recommends drivers hold valid and appropriate licenses, and medical certificate for the vehicles they are operating.

c. Approval for tenants to escort vendors or suppliers is determined on a case-by-case basis by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

d. Drivers who escort other persons and/or vehicles in the AOA must have an escort icon 'E' and a 'Restricted Area Driver' icon on their ONT Security Photo Identification Badge.

e. Lightweight specialty vehicles such as golf carts are prohibited from traversing AOA roadways; they must remain on passenger terminal aprons, cargo ramps, or on leasehold areas. Use of golf carts must be

approved by ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

9.7 AOA Motor Vehicle Operating Permit (MVOP):

a. Airport tenant vehicles with State issued license and registration authorized to operate on public roadways require an ONT Motor Vehicle Operating Permit (MVOP) prior to entering the AOA, in accordance with OIAA requirements.

b. Access to the AOA is subject to prior approval by the CEO or an authorized representative.

c. Vehicles exempt from obtaining an ONT MVOP are: all OIAA, fire department and law enforcement vehicles; and, Ground Support Equipment (GSE) exclusive to use in the AOA.

d. ONT MVOP can be obtained from the ONT Airfield Operations Unit, (909) 544-5346.

9.8 Insurance Requirements:

All vehicles operated on the AOA must have appropriate liability insurance as required by the OIAA.

9.9 AOA Vehicle Identification:

a. All DMV registered motor vehicles entering the AOA must display a current ONT MVOP, or be under authorized escort.

b. All vehicles operating on the ONT AOA are required to have an approved logo or company name displayed on both sides of the vehicle in a location opposite the front seat. For vehicles having front doors, the identification shall be located on the front door panels.

c. The name of the company or tenant shall be spelled out in letters no less than three (3) inches in height. Company logos or symbols shall be at least 18 inches in diameter when not accompanied by approved lettering. To enhance conspicuity, all markings shall be on a background of sharply contrasting color.

d. Magnetic or temporary identification panels, and logos, are not permitted without prior approval by ONT Airport Operations at (909) 544-5344 or (909) 821-7433.

e. Non-Permitted Aircraft Ground Support Equipment must have company name and company equipment number stenciled on two sides of each piece of equipment.

9.10 Vehicle Licensing:

A valid California license plate and registration, is not required on vehicles or equipment when operated exclusively in the ONT AOA.

9.11 AOA Restricted Area Driver Permit Program:

a. No motor vehicle shall be operated on the AOA unless the driver possesses a valid State of California Driver's license and ONT issued Restricted Area Driver's Permit. It is the responsibility of an applicant's organization to verify and ensure all current and future AOA Restricted Area drivers possess a valid California Driver's license. The temporary use of an out-of-state driver license may be permitted until an out-of-state transferred employee establishes permanent residence in the State of California.

b. When transporting passengers for hire, drivers must be in possession of an appropriate and valid California driver's license, or other valid out of state license.

c. Suspension or revocation of any California or other state driver's license must be immediately reported to ONT Security Badge Office, (909) 544-5170. OIAA Airport Police, Security Officers and Airport Operations personnel reserve the right to check whether a driver of any motor vehicle holds a valid driver's license while on the AOA.

d. All persons holding a OIAA ONT Security Photo Identification Badge, with Restricted Area Driver's permit, shall return said badge to the Security Badge Office (SBO) without being expressly requested to do so, upon termination of employment, revocation or suspension of the person's California, other state, or international driver's license, or when their job no longer includes the driving of a vehicle in the AOA. See **Appendix # 4, Security Badge Office.**

e. Training and Testing Requirements for AOA Restricted Area Driver Permits;

1) Every driver/applicant who operates a vehicle on the ONT AOA must be familiar with the pertinent provisions of the State of California Vehicle Code; and, the traffic and licensing Sections

and Subsections of these Rules and Regulations. The driver must have been trained in the vehicle type he/she will operate.

2) Airport tenants are responsible to provide proper training for all vehicles and equipment their employee(s) are authorized and required to operate on the ONT AOA.

3) A minimum of eight (8) supervised hours of practical driver training (behind the wheel) on the ONT AOA is required prior to the applicant becoming eligible to attend the ONT AOA Restricted Area Driver Permit class. Practical driver training should include daylight and night driving on ONT AOA roadways, access drives, aircraft aprons and cargo ramps. Applicants must be the driver during the required practical training and not a passenger in the vehicle.

4) Applicants attending the ONT AOA Restricted Area Driver Permit training class must pass a written (multiple-choice) 25 question test. The class and test will be administered by the applicant's company representative who has completed a Train the Trainer class within the previous two years. The Train the Trainer class is given quarterly by ONT Airport Operations, (909) 544-5346. The class and test covers ONT AOA rules and regulations, safety practices, and facility familiarization. Training Class study materials and notes may be used during the Restricted Area Drivers test. The applicant will fail the class when incorrectly answering six (6) or more test questions; applicants who fail the class may attend the next scheduled course taught by their company. If the applicant fails the second test, it can be re- administered in one month.

5) The International Civil Aviation Organization (ICAO) has designated English as the official language of aviation worldwide; the FAA has also adopted English to be used in the United States. ONT AOA Restricted Area Driver Training classes are instructed in English only. Students are welcome to bring a language interpreter, a representative at their own cost and choice, to translate class materials and tests for languages other than English. The ONT AOA Restricted Area Driver Study Guide and exam are available in English only.

9.12 Movement of aircraft by other than pilot in command:

a. Any person who operates a push back/tow tractor to move aircraft is required to complete a Surface Movement Training Class for Non-Pilots. The class is also required for the brake rider in the cockpit. The class is given by Airport Operations staff normally on the last Thursday of the month. The class is also required for mechanics that taxi aircraft for maintenance purposes. If there are two mechanics in the cockpit both are required to have the training. The training is valid for two years or until the badge of the employee expires. For information on the class call ONT Airport Operations, (909) 544-5357.

9.13 AOA escort of vehicles/drivers without Restricted Area Driver Permit and/or Motor Vehicle Operating Permit:

a. Every AOA driver must carry, in their personal possession, a valid California, or other state driver license in addition drivers must display an ONT Security Photo Identification Badge with Restricted Area Driver Permit, worn above the waist. ONT Security Photo Identification Badges must be presented to any Airport Police or Airport Operations personnel upon request.

b. Drivers without an AOA Restricted Area Driver permit shall not drive on the AOA unless guided by an escort vehicle driven by an authorized Restricted Area Driver with an Escort icon ("E") or while training with an authorized Restricted Area Driver in the same vehicle.

c. ONT tenants shall escort all company and contracted vehicles not having an annual ONT Motor Vehicle Operating Permit (MVOP), and/or vehicles driven by persons without an ONT Security Photo Identification Badge with AOA Restricted Area Driver Permit.

d. ONT airline and tenants escorting box trucks, tractor trailers, buses, and other high profile equipment, must have approval from Airport Operations to enter the AOA. Upon arrival at a Secured Area Access Point (SAAP), the attending Airport Police Security Officer shall contact Airport Operations, (909) 544-5344 or (909) 821-7433, to verify the escorting tenant, type of equipment, and intended AOA destination of the escort requested.

e. Tenant vehicle escorts are limited to Two (2) vehicles per escort; or Four (4) vehicles, when the tenant provides both lead and trailing escort vehicles.

f. Tenants who provide AOA escort to vehicle(s) without a current ONT MVOP accept all legal liabilities for the operator/owner of the vehicle and driver they escort in the ONT AOA.

9.14 Vehicle Roadworthiness:

a. Before operating any motor vehicle on the Airport, the driver must ensure that the vehicle is in roadworthy condition. No vehicle shall be operated which is not in a sound mechanical and safe condition. OIAA reserves the right to inspect and declare unfit for use on Airport property any vehicle or piece of equipment that does not comply with all safety requirements.

b. It is the sole responsibility of the vehicle owner and driver for ensuring the roadworthiness and operational safety of the vehicle, and shall in no way be reduced, or restricted, by the issuance of an ONT Restricted Area Driver Permit, Annual Motor Vehicle Operating Permit, or by any technical inspections carried out by OIAA personnel.

c. Vehicles designed to transport special goods (i.e., fuel tanker trucks,) shall comply with all pertinent provisions contained in Department of Transportation Regulations and National Fire Protection Association (NFPA) Section 407 guidelines. See **Section 6, Fire Safety**, for more information regarding the carriage of hazardous materials on the AOA.

d. Vehicles regularly driven on ONT Aircraft Movement Areas (runways and taxiways) shall be fitted with an operational rotating yellow light or strobe.

9.15 Emergency and Special Purpose Vehicles:

a. All vehicles proceeding with a red rotating beacon or red and blue light bars, and all vehicles guided by them; i.e., Aircraft Rescue and Firefighting and Airport Police vehicles; and, all OIAA vehicles proceeding with a yellow rotating beacon, i.e., Airport Operations, Airport Buses and special purpose vehicles, are exempt from the speed limit when responding to an emergency, or other special situation, and may leave the established roadways when necessary and appropriate.

b. All drivers must exercise special caution when in proximity to these vehicles; do not drive in front of emergency vehicles responding to an emergency, or on scene of an emergency.

c. All vehicles described in this Subsection must yield the right-of-way to taxiing aircraft.

9.16 Actions in Case of an Accident:

a. In case of an accident involving injury or death to any person, the following must be notified immediately:

1) ONT Airport Emergency Dispatchers, (909) 937-1911; or 1-911 when using an ONT passenger terminal courtesy phone.

2) ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

b. All accidents, which result in damage to any property, must also be reported to OIAA ONT Airport Police Services, (909) 937-1911.

c. Any incident or accident involving an aircraft and a vehicle must be reported immediately to ONT Airport Emergency Dispatchers, (909) 937-1911, and ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

d. Any vehicle involved in an accident shall not be moved until released by the ONT Airport Police Officer in charge.

e. All persons involved in an accident, including accident witnesses, shall remain at the scene of the accident until an ONT Airport Police Officer arrives. If witnesses cannot remain at the scene of an accident for reason of other urgent duties, they shall report to the Airport Police Division Office, located at 1923 East Avion Street, Ontario, CA 91761, immediately upon accomplishing their urgent duties.

9.17 Intoxicants and Drugs:

Drivers who operate a motor vehicle or automotive equipment shall not consume intoxicating beverages, drugs or narcotics while on duty; nor shall they have consumed the same within six (6) hours prior to driving on the AOA.

9.18 Right-of-Way:

All vehicles operated in or upon the AOA shall yield the right-of-way as follows:

a. To all aircraft being taxied, towed or otherwise moved, including their towing and guiding vehicles, and ground safety personnel.

b. Emergency vehicles and equipment responding to an emergency; i.e., ONT Aircraft Rescue and Firefighting (ARFF), ONT Airport Police, City of Ontario Fire and Police Department, Rescue Ambulances, or vehicles which display California Emergency Vehicle exterior lighting; including ONT Airport Operations vehicles with yellow rotating beacons.

c. Vehicles operating on service roadways take precedence over all vehicle traffic in entering roadways from: leased premises, aircraft parking aprons and loading cargo ramps, and other equipment parking areas.

d. At road intersections or junctions and in all other areas vehicles shall yield to vehicles the right before left principle (right-of-way) shall apply, unless prescribed otherwise by traffic signs.

9.19 <u>Use of AOA Roadways</u>:

Vehicles shall use only designated and marked (surface painted) roadways and access lanes when crossing taxiways and taxilanes, or when entering/exiting aircraft aprons and cargo loading ramps as follows:

a. If a driver's destination is located off a designated roadway (at passenger terminal gates, aircraft parking positions, or equipment parking areas) the marked roadway shall be used as long as possible. Vehicles entering and exiting aircraft aprons and ramp areas shall use all due care; the shortest route must be taken to/from the roadway. Entrances/exits to access lanes are delineated by elevated red retro-reflective markers.

b. Access lanes may be used only if it does not hinder or endanger taxiing aircraft traffic. Access lanes must be used with special care and attention and must be cleared immediately if aircraft approach.

c. Vehicles are prohibited from leaving marked roadways, or driving on Aircraft Movement Areas, unless escorted by Airport Operations, Airport Police or Airport Safety personnel.

d. Vehicles are prohibited from driving through aircraft parking positions and passenger terminal gates.

9.20 Speed Limits:

Vehicles shall be operated on the ONT AOA in strict compliance with speed limits as follows:

a. **20 mph** on the main ONT roadway loop, including roadways.

b. **10 mph** on all access drives to/from aircraft aprons, cargo loading ramps, aircraft parking positions, passenger terminal gates.

c. **5 mph** on baggage drives, fuel farms, hangars and other enclosed areas.

d. **At walking speed** - 3 miles per hour or less where aircraft occupy parking positions and gates.

e. **Basic Speed Laws** apply; at no time shall drivers exceed speeds which are reasonable and prudent, consistent with prevailing visibility, and existing weather conditions due to fog, precipitation, smoke, and haze, respective of available lighting and traffic conditions.

9.21 Traffic Signs, Directions, Signals and Markings:

a. All vehicles operated on any Airport property must at all times comply with any lawful order, signal, or direction by authorized Police, Safety Officers or Airport Operations personnel.

b. The CEO or an authorized representative is authorized to place and maintain such traffic signs, signals, pavement markings, and other Airport property as required to indicate and carry out the provisions of these Rules and Regulations and of the California Vehicle Code to guide and control traffic.

c. Where traffic is controlled by traffic lights, signs, mechanical or electrical signals, or pavement markings, such lights, signs, signals and markings shall be obeyed unless an authorized OIAA representative directs otherwise.

d. Airport signs generally conform to the standards set by the California Vehicle Code. In addition, special OIAA signs may be posted to alert drivers to special conditions.

e. Where conditions preclude the use of post-mounted traffic signs, surface painted roadway markings shall have the same validity.

Special caution is advised in cases of limited visibility and/or poor road conditions.

9.22 Special Safety Rules:

a. The use of vehicles on the ONT AOA shall be limited to the absolute minimum required. Unnecessary running of engines is prohibited.

b. Hydraulic stabilizers on vehicles may be extended only after it has first been ascertained that all persons are clear of the danger area.

c. The use of forklifts for cargo handling at passenger terminal gate positions is prohibited.

d. Moving scissors-type vehicles, with scissors extended, is prohibited, except to position the vehicle against an aircraft for servicing. The scissors shall not be extended behind an aircraft with engines running. When scissors are extended, a safety lock is required to prevent injury to personnel due to inadvertent lowering of the scissors platform.

e. A guide person is required whenever the vehicle operator's vision is restricted.

9.23 AOA Driving Area Definitions:

a. Roadways; a system of six (6") inch wide white color surface painted parallel markings which demark roadways, access lanes and passage ways or other designated ways intended for the movement of ground vehicle traffic on the AOA. Roadways intersect aircraft taxiways, as such, ground vehicle operators shall stop to visually ensure their vehicle and equipment are safely clear of all aircraft before proceeding across the taxiway intersection; roadway vehicles may cross taxiway intersection(s) after verifying no danger of collision exists for aircraft occupying, approaching, or exiting the taxiway.

b. Access Lanes; exit and entry points to/from roadways allowing ground vehicles and equipment access to aircraft aprons, cargo ramps, public aircraft parking positions, and passenger terminal gates. Ground vehicles and equipment using access lanes may cross taxilane(s), to gain access to roadways, after the vehicle operator has ensured all equipment can remain safely clear of aircraft occupying, approaching, or exiting the taxilane to be crossed.

c. Aircraft Parking Positions; an area around an aircraft position designated for public parking and/or servicing of aircraft, as delineated by signs surface painted markings and buildings or hangars.

1) Aircraft parking positions are normally bounded by passenger terminals, aircraft aprons, cargo ramps, buildings, perimeter fences or roadways. All public aircraft parking positions are co-located with roadway or access lane (solid white lines), and Aircraft Movement Area boundary markings (one (1) solid and one (1) dashed yellow line), which demark the physical limit of a properly parked aircraft, providing safe separation for aircraft maneuvering on adjacent taxilanes or taxiways. Additionally, aircraft parking positions located at ONT passenger terminal gates are marked with surface painted aircraft safety zones, or envelopes, consisting of two (2) solid red stripes separated by one (1) solid white stripe.

2) No vehicle may operate or park inside the envelope of an aircraft parking safety zone, except to actively service an aircraft.

3) Drivers of ground vehicles must exercise special caution when aircraft are taxiing and maneuvering into, or out of, aircraft parking positions. Drivers can make several observations to help identify when an aircraft will soon occupy or push off an aircraft parking position:

a. When an aircraft is about to occupy (taxi into) an empty aircraft parking position, or gate, observe the following indications:

i. Passenger Boarding Bridges (PBB) have a lighted amber rotating beacon; the beacon will be lighted and rotating.

ii. All ground support equipment is clear of the red/white aircraft safety zone envelope area.

iii. Aircraft ground support staff are positioned outside at the top, and sides, of the painted red/white aircraft safety envelope.

b. When an aircraft is about to depart (pushback) from an aircraft parking position, or gate, drivers should observe the following conditions;

i. Aircraft position lights are lighted; GREEN on the right wing tip and RED on left wing tip.

ii. Aircraft beacons/strobes on the belly and top of the aircraft are flashing RED, the aircraft doors are closed, and the PBB is pulled away from the aircraft.

iii. Aircraft wheel chocks have been removed from the landing gear, and vehicles are no longer servicing the aircraft. Use caution, aircraft engine(s) may be running.

4) For your personal safety, and the safety of others, aircraft parking position red/white safety zones must be strictly observed. Vehicles stopped/parked inside an aircraft parking position safety zone envelope must be attended at all times.

d. Taxiways and Taxilanes: Taxiways are a defined path for the taxiing of aircraft from one part of an airport to another marked by a continuous yellow centerline. Taxilanes are a defined path for the taxiing of aircraft, which provides access from taxiways to aircraft parking positions and other terminal areas marked by a continuous yellow centerline.

1) Taxiways and Taxilanes are reserved for aircraft traffic.

2) Driving of motor vehicles on aircraft taxiways and taxilanes is prohibited, except when crossed at designated roadways and access lanes. Stopping on aircraft taxiways and taxilanes at any time is prohibited.

3) No person or vehicle shall cross taxiways/taxilanes if an aircraft is in the vicinity. Ground vehicles must stop at posted "Stop" signs, and yield the right of way to the aircraft whether it is taxiing or under tow.

e. Ground Support Equipment (GSE) Parking Areas;

1) GSE parking areas are marked by unbroken white boundary lines and/or by fences, buildings and signs.

2) GSE parking areas may also be located next to an aircraft parking position safety zone envelope. These surface painted safety zone markings are designed to protect operating and parked aircraft, they are; two (2) red lines separated by a white line. No equipment or vehicle shall be parked inside this aircraft safety envelope unless actively being used to service parked aircraft.

9.24 Aircraft Movement Area (AMA):

The ONT Aircraft Movement Area (AMA) consist of runways, taxiways, and other surfaces of the Airport, including Safety Areas, which surround an AMA to protect aircraft which are taxiing, hover taxiing, or performing takeoff and landing. Aircraft Movement Areas exclude taxilanes, aircraft aprons, cargo ramps, aircraft parking positions and passenger terminal gates.

a. The AMA is reserved for flight operations. Walking or driving on active AMA surfaces is prohibited. However, ground vehicles may cross taxiways where required by marked roadways. Approval for AMA access must be obtained from ONT Airport Operations, (909) 544-5344 or (909) 821-7433, and FAA ONT Air Traffic Control Tower (ATCT).

b. All vehicles operating on the ONT AMA shall be equipped with a lighted, rotating amber beacon, making vehicle movement clearly identifiable; and be equipped with an operational two-way VHF radio (transceiver) for communications with the FAA ONT ATCT.

c. All ground vehicle traffic must, at all times, comply with the directions of ONT: Airport Operations, Airport Police, and Aircraft Rescue and Firefighting (Safety Base) personnel.

d. No vehicle shall cross a runway unless escorted by an ONT Airport Operations vehicle having proper FAA ATCT clearance.

e. All vehicles approved to access a closed runway shall enter and exit the closed runway from the runway approach or departure end; except when deemed necessary during emergency conditions, or as approved by ONT Airport Operations.

9.25 Stopping, Parking and Unattended Vehicles/Equipment:

a. Vehicles shall be parked only in OIAA approved parking areas; be secured against uncontrolled rolling by an engaged handbrake and/or

have the wheels blocked with appropriately sized wheels chocks. Ignitions shall be switched off unless required for auxiliary functions.

b. Parking of vehicles in surface painted restricted areas that surround fire hydrants, or the blocking of access to fire hydrants is prohibited.

c. No vehicle shall be stopped or parked on any taxiway, taxilane, access service roadway, access lane, or area marked with solid red or red hatched lines. Authorization to park a vehicle in these areas must receive prior approval from ONT Airport Operations, (909) 544-5344 or (909) 821-7433.

d. No vehicle or equipment shall be stopped or parked in an area that blocks the ingress/egress of emergency vehicles, including vehicles responding to the emergency; i.e., ONT Airport Operations, Airport Police and Construction and Maintenance.

e. No person shall stop or park a vehicle, place an object, or perform work blocking another vehicle (equipment) which prevents a forward path free of obstacles. If the vehicle becomes blocked and it cannot freely move forward from its parked position, the operator of the blocking vehicle must immediately notify the blocked vehicle owner/operator.

f. Operators of vehicles and equipment which becomes disabled on AOA roadways must notify the ONT Emergency Dispatch Center, (909) 937-1911; vehicle operators must stay with (attend) the disabled vehicle, or equipment, until released by ONT Airport Operations or Airport Police.

9.26 <u>Driving Under Aircraft</u>:

No vehicle or equipment operator shall drive a motor vehicle under any portion of an aircraft, except where the vehicle is actively involved in servicing that aircraft. When driving under an aircraft, vehicle operators must drive the slowest speed possible paying strict attention to height limitations. A guide person (marshal) shall be used, even when moving forward, if the drivers view from the vehicle is obstructed. This section shall not apply to fueling operations, which are covered separately by **Section 6, Fire Safety.**

9.27 <u>Reversing and Driving Backwards</u>:

Reversing and driving backwards is permitted only if existing conditions make it impossible to drive forward. When reversing or driving backwards, it

is the driver's responsibility to ensure that the path is free of obstacles. If the vision of the driver of a motor vehicle is obstructed to the rear for any reason, a guide person shall assist the driver.

9.28 Driving Behind Aircraft Engines:

Aircraft blast can cause severe injury or death. Safe distances must be maintained when operating vehicles, or when walking, in front of or behind aircraft with engines running. Minimum safe distance behind an operating jet engine (at minimum idle power) is 200 feet. All vehicles, equipment, and persons, shall remain well clear of aircraft running jet engines at high power; such as during maintenance runs, taxi, takeoff, or landing roll, until the high power run has subsided or the aircraft has departed:

a. Due to the potential for aircraft blast, drivers of open air and high profile vehicles are advised not to hold on the following roadways and roadway connectors when B-747, B-777, MD-10, MD-11, A340 and A-380 or similar Group VI aircraft are present:

   1) On the north-south access lane(s) east of taxiway P, and west of taxiway W, where located between taxiway N and Taxilane N-1 (between Passenger Terminal 2 and Passenger Terminal 4).

   2) On the east-west roadway at taxiway intersections: P, S-4, S-2; and, between taxilane S-1 and taxiway D south of taxiway S (Fed- Ex).

   3) On the east-west access lanes of taxiway intersections: W-1, W-2 and W-3 (United Parcel Service - UPS).

   4) At the east-west roadway at taxiway intersections: P, R, V, U and W (between Terminal 2 and Terminal 4).

9.29 Driving Between Aircraft and Passenger Terminal or Bus Loading Gates:

a. In aircraft parking areas, vehicle and equipment operators must be especially watchful for pedestrians. At no time shall a vehicle be driven between an aircraft and a passenger terminal gate when passengers are actively using the walkways.

b. No vehicle shall be driven in any area between a bus and an aircraft, loading gate or building when the area is actively being used as a walkway for passengers.

9.30 Pedestrian Movement:

a. Pedestrian traffic is prohibited on AOA roadways, access lanes, driveways and between passenger terminals.

b. Pedestrians on runways, taxiways and taxilanes are strictly prohibited.

9.31 Motorcycles and Bicycles:

The use of two (2) wheeled cycles; bicycles and motorcycles on AOA roadways, aircraft aprons and cargo ramps is prohibited.

9.32 Electric Carts:

Use of electric carts and recharging stations are subject to approval by the CEO or an authorized representative. All requests for the installation of electric vehicle charging stations must be made in writing to the OIAA, and should including specific details of the electric vehicle, location of use, recharging location and method.

9.33 Towed Vehicles:

a. The maximum length of a vehicle train; inclusive of tractor, trailer, and all other vehicles being towed (except fire safety vehicles), shall not exceed 85 feet; inclusive of the load being towed.

b. Tractor/tug towed trains, full or empty, shall not exceed five (5) carts or lower deck LD-3 containers on single wide dollies. Tractor/tug trains shall not exceed four (4), full or empty, when transporting larger lower deck LD-7 containers, main deck M-1 containers, and bulk cargo pallets on double wide dollies. In no event shall the number towed units exceed a number which is safely under control, as indicated by the proper loading and tracking of the vehicles being towed in the train.

c. No single vehicle, or tractor with semi-trailer, shall exceed 50 feet in length.

9.34 Trailer and Cargo Container Dolly Restrictions:

Trailers and cargo container dollies shall not be permitted on the AOA unless equipped with reflective markings, an operational positive lock coupling and independent locking brake system so that when disengaged from a towing vehicle, neither aircraft engine blast nor wind will cause the equipment to become free rolling. The yoke and hitch of all trailers shall be inspected frequently, by the owner/operator, for metal fatigue to preclude yoke malfunction and failure.

9.35 Vehicle Lights/Reflectors:

a. While operating on the AOA from sunset to sunrise, or in limited visibility conditions, a vehicle's lights must be switched on (low-beam lights). All headlights, taillights, turn signal lights and running or clearance lights on a vehicle shall be in proper working order.

b. Any cart or piece of equipment being towed after darkness must have 3" diameter reflectors, reflective tape or operable lights on both sides and rear.

c. All vehicles being guided must switch on their low-beam lights.

d. Driving with parking lights only or high beam headlights is prohibited.

9.36 Passenger and Employee Transportation:

Passengers and employees may be transported only in vehicles equipped for that purpose, provided the driver has been appropriately trained to operate said vehicle. Class A and B licensing is not required when operating on the AOA; however, it is strongly recommended that drivers hold a valid and appropriate license and medical certificate for the vehicles they are operating. If vehicle is equipped with seatbelts they shall be used and fastened.

9.37 Freight/Cargo Transportation:

All freight/cargo must be transported in a matter that prevents spillage. The use of netting, carts with curtains or in the case of oversize cargo payloads, rope or strapping shall be used for such purpose. Prior to transporting, cargo vehicle operators must inspect trailers and dollies to ensure they are properly secured and connected. Roadblocks by Airport Police will be used to enforce these rules. If freight/cargo payloads transported are not secure the tractor trailer train will be detained; allowed to continue when properly secured.

9.38 In-flight Kitchen/Cabin Service Trucks:

In-flight kitchen and cabin service trucks should be operated in such a manner so that trash bags do not have the potential of falling or being blown off the vehicle. They should be stored behind closed doors in the vehicle or placed in a trash receptacle before driving in the AOA. Service vehicles are prohibited from having open doors or personnel on the rear landing of the vehicle while in motion. See **Section 2 General**, for further information regarding refuse and litter, and use of plastic at ONT.

9.39 Transportation of Dangerous Goods and Hazardous Material (HAZMAT):

a. Dangerous Goods and Hazardous Material (HAZMAT) spills can adversely impact airport operations and the overall safety of the traveling public, exceptional care must be exercised when transporting HAZMAT at ONT.

b. Transportation of approved FAA explosives on the ONT AOA requires prior written permission from ONT Airport Police Services. Possession of DOT Class 1.1 explosives are strictly prohibited at ONT and are subject to Federal prosecution and imprisonment.

c. ONT Aircraft Rescue Firefighters (ARFF), and City of Ontario Fire Department Fire Inspectors, have the right to conduct inspections of all Airport property (public, leased and private) for the safe use and storage of HAZMAT. Any HAZMAT violation shall be reported to the CEO for review and further administrative action.

For further information regarding the Handling of Dangerous Goods, Explosives and Other Hazardous Materials at ONT. Please refer to **Section 6, Fire Safety.** and, **Appendix 2.**

9.40 Traffic Obstructions:

a. Any found U.S. Mail sack or letter box, airline freight/cargo package, container, and other property observed unattended on aircraft aprons, cargo ramps, aircraft parking positions, or roadways shall be removed and delivered to an Airport Police Officer, or to the Secured Area Access Point (SAAP) Security Officer, as found property for distribution to the appropriate agency or owner, as practicable.

b. Any condition which creates a hazard or obstruction to aircraft, or ground vehicle traffic on the AOA shall immediately be reported to

ONT Airport Operations, (909) 544-5344 or (909) 821-7433. Owners of property creating a hazard, when identified, shall remove the hazard soon as possible.

c. Following the servicing of an aircraft, the aircraft parking position or aircraft safety zone (if marked) must be cleared of all vehicles, equipment, and other obstructions without delay.

9.41 Special Weather and Roadway Conditions:

a. Special caution is necessary if roadway markings (traffic signs, stop limit lines, etc.) and maneuvering aircraft are not visible because of adverse weather; i.e., fog, precipitation, smoke and haze; including diminished road conditions. All persons operating a motor vehicle shall drive at speeds that are reasonable and prudent under the prevailing conditions.

b. In low visibility weather conditions (Runway Visual Range (RVR) below 1200 feet horizontally) ONT Airport Operations and ONT ATCT determine the need to activate the ONT Low Visibility Operations/Surface Movement Guidance and Control System (LVO/SMGCS) Plan. In LVO/SMGCS conditions, all ground vehicle traffic, construction, and maintenance activity is prohibited in aircraft movement areas. Exempt are Airport operations vehicles issued an ATCT clearance and vehicles responding to emergencies or other special needs situations.

c. All non-essential vehicle operations not directly supporting aircraft servicing will be restricted when the ONT LVO/SMGCS Plan is in effect. Individual airlines shall decide which vehicles are essential for use during LVO/SMGCS conditions.

9.42 Maintenance of Vehicles and Ground Servicing Equipment:

a. Repair, dismantling or servicing equipment in any area other than on tenant approved leasehold(s) is prohibited; however, ONT Airport Operations, (909) 544-5344 or (909) 821-7433, may approve repairs to disabled equipment in public areas, as necessary, to maintain the safe and efficient operation of the Airport.

b. Maintenance of vehicles and equipment on public aircraft parking positions and passenger terminal gates; including aircraft aprons and cargo ramps, is prohibited.

c. For further information regarding hazardous materials and environmental issues involving maintenance and repair of vehicles and equipment at ONT, see **Appendix 2.**

9.43 Authorization to Move Vehicles - Vehicle Impound:

a. The OIAA CEO may move, or cause to be removed (at the owner's/operator's expense) from any restricted or reserved area, any roadway or right-of-way, or any other area on the Airport, any vehicle which is disabled, abandoned, or illegally or improperly parked, or which creates a safety hazard or interferes with airport operations.

b. Any such vehicle may be removed or caused to be removed to the official vehicle impound area designated by the CEO. Any vehicle impounded shall be released to the owner or operator upon proper identification of the person claiming such vehicle and upon payment of the towing charge currently in effect and any accrued storage fees. The Airport shall not be liable for damage to any vehicle or loss of personal property, which might result from the act of removal.

9.44 Vehicle Traffic and Air Operations Area (AOA) Access Control:

a. The responsible office for passenger and vehicle traffic control at ONT is the Airport Police.

b. All persons entering the AOA located inside the Airport Security Perimeter Fence (runways, taxiways, infield safety areas, taxilanes, roadways, fuel storage facilities, aircraft aprons, cargo ramps, aircraft parking positions, passenger terminals, buildings and aircraft hangars) identified as restricted areas in the approved ONT DHS-TSA Airport Security Plan (ASP), Security Identification Display Area (SIDA), are required to have a valid ONT Security Photo Identification Badge in their possession at all times; or, be under positive control escort provided by an individual(s) having an "E" escort icon displayed on their Security Photo Identification Badge.

c. Permits and/or Security Photo Identification badges shall be presented to SAAP guards and at all Police inspection stations and control posts upon entry without special request.

d. Airport Police personnel are authorized to check all persons and vehicles in the AOA to determine identity, ensure compliance with

these Rules and Regulations, and protect all persons and property in the area.

e. ONT Airport Operations is also responsible for traffic control on aircraft aprons/ramps and authorized to check persons and vehicles within the provisions of the law.

f. Under emergency conditions and by specific orders of Airport Police or ONT Airport Operations personnel, traffic may be detoured, halted or diverted in any manner to maintain safe and efficient operations in the AOA.

g. Airport Police and ONT Airport Operations are authorized to prevent any persons from driving in the AOA whose conduct may endanger persons or property. In such cases, the driver's permit may be confiscated.

h. All gates or entrances providing access to the AOA must be closed or barricaded immediately after passage by the user. Any gate observed open shall immediately be reported to the ONT Airport Emergency Dispatchers, (909) 937-1911.

9.45 <u>Contractor Vehicle Operations</u>:

a. Contractor vehicles will not be permitted into ONT Air Operations Areas (AOA) without permission of the CEO or an authorized representative. A Letter of Approval is required prior to any construction, or associated vehicles, being approved on the AOA. Construction vehicles must display a valid Monthly Airfield Access Permit and meet, as a minimum, the following requirements:

1) A FETS Construction Inspector must be present during all phases of OIAA contracted construction activity.

2) Construction activity on ONT Aircraft Movement Areas (AMA) requires daily approval from ONT Airport Operations, (909) 544-5344 or 821-7433, with construction safety briefings conducted daily and prior to starting work on the AMA. An Airport Operations escort may be necessary during the hours of construction.

3) Construction contractors working on the AOA who need to operate vehicles on the AMA (runways, taxiways) and aircraft

aprons and cargo ramp areas shall and shall furnish flag persons and traffic signaling as required by OIAA.

4) Construction contractors working on the Airport requiring frequent access to the AOA through gates, not normally granted via ONT Secured Area Access Points, shall furnish guard personnel to control such gates and prevent access to the AOA by unauthorized persons and vehicles.

9.46 <u>Construction Vehicle Flag Requirements</u>:

a. Contractors shall furnish 3' x 3' orange/white checkered flags affixed to the highest point of all construction-related and oversized vehicles as follows:

1) On all vehicles and/or equipment not equipped with a continuously operating yellow beacon.

2) On all vehicles and/or equipment that are parked or operated adjacent to any runway, taxiway/taxilane, aircraft maneuvering area, aircraft parking position or passenger terminal gate.

3) On all vehicles traveling on ONT approved haul routes and AOA roadways.

4) On all contractors' vehicles utilized to escort sub-contractors on AOA roadways, aircraft aprons and cargo ramps.

5) On all cranes (at highest point) during daylight hours; at night crane owner/operators shall add a steady red light (minimum of 100 watts) atop while the crane boom while raised. Note: all cranes operated within five (5) statute miles of an airport require an FAA 7460-1 Aeronautical Study be conducted and approved prior to operation.

b. AOA construction vehicles do not require orange/white checkered flags by meeting all of the following conditions, they: are not oversized, are properly marked with company logos on both sides, will travel only on marked roadways to/from; aircraft aprons, cargo ramps, and will be parked clear of all aircraft maneuvering areas, aircraft parking positions and passenger terminal gates.

9.47 Compliance and Enforcement of Motor Vehicle Operations Rules and Regulations:

a. All persons, while on the Airport, shall comply with all lawful orders or directives given by representatives of ONT Airport Police and/or Airport Operations. This obligation also applies to orders issued by persons exercising legal powers within the scope and course of their employment and duties; i.e., ONT Aircraft Rescue and Fire Fighting (ARFF), City of Ontario Police (OPD) and Fire Departments (OFD), and Divisions of the Department of Homeland Security (DHS); including, Federal Aviation Administration (FAA), U.S. Customs and Border Protection (CBP), Transportation Security Administration (TSA), and related DHS Law Enforcement Agencies.

b. Violations of these Rules and Regulations may lead to temporary suspension or permanent revocation of the privilege to operate a motor vehicle on the AOA or at the Airport overall. Any Airport Police Officer, ONT Airport Operations representative, or other OIAA representative designated by the CEO or an authorized representative, shall have authority to enforce these Rules and Regulations.

c. Many of the Rules and Regulations applicable to the operation of motor vehicles at ONT are contained in the statutes of the State of California Vehicle Code and the City of Ontario Municipal Code.

d. Driving on the AOA of the Airport is a privilege granted by the OIAA CEO and may be suspended or revoked at any time for just cause.

SECTION 10 - AIRPORT SIGN POLICY

This section provides a brief overview of the Ontario International Airport (ONT) Sign Policy for tenant signage in ONT passenger terminal areas.

These guidelines are intended to provide tenant signage criteria for existing and new or remodeled terminal facilities being proposed and constructed at ONT. This policy is meant to provide the minimum limitations on signage in these areas.

Any sign not having the approval of the OIAA CEO or an authorized representative, in writing, shall not be installed; any existing signs not having approval of OIAA shall be removed; and, the request for approval shall be submitted in accordance with Subsection 11.05 of this policy. If any existing sign exceeds the limitations stated in this policy, but has previously been approved by the OIAA or its predecessor, that sign shall be allowed to remain as is. However, if there is to be a change or relocation in any way involving approved signs, the OIAA shall require these signs to be changed to conform to the limitations of this policy.

The purpose of this sign code is to provide an effective signing program to aid the public using airport facilities and, at the same time, limit the advertising nature of such signing. In short, the acceptable criteria for a sign are one that meets the immediate needs of the airport user. Signs of an advertising nature will not be allowed.

In practice, regardless of the many guidelines, unauthorized signs always pose problems. The CEO or an authorized representative will periodically review the leaseholds for signage compliance. By referring to this policy for the proper procedures and limitations, unnecessary expenditures and inconveniences can be alleviated.

10.1 General Rules and Definitions:

a. All signs shall be of an informative nature designed to meet the immediate needs of the traveling public. Signs of an advertising nature are not permitted unless approved by the OIAA.

b. No backwashed, animated, or flashing signs are permitted. Internally illuminated signs shall be kept to a minimum and will only be allowed in the specific circumstances mentioned in the text of this code.

c. Signs in public areas are the responsibility of the OIAA. Signs in leased areas are the responsibility of the tenant.

d. No signs shall be permitted on exterior doors or windows except those required to meet safety standards.

e. No signs shall be permitted on the roof of any building. This regulation also applies to any structure atop a building, such as the ticketing building pylons.

f. No exposed cans, raceways, crossovers, or exposed neon tubing shall be permitted.

g. All signs must meet safety standards. All illuminated signs shall bear the label of the Underwriters' Laboratories, Inc., and shall meet all local code requirements.

h. Signs of a promotional nature may be displayed if such signs or promotions are first authorized in writing by the CEO or a designated representative with the understanding that such signs or promotions are of a temporary nature. The CEO or a designated representative shall approve the duration of the promotional activity, but that said activity shall have a maximum longevity of 30 days.

i. Signs not covered in this code are to be considered prohibited. Exceptions may be granted if such additional signing serves the public.

10.2 Exterior Airline Signs – Ticketing and Satellite/Concourse Buildings:

a. Ticketing Buildings (upper and lower levels); No signage shall be permitted on the exterior surfaces of the ticketing buildings. Signing for the tenants and terminal activities will be limited to sign modules under the canopies and under the elevated roadways. All under canopy and roadway signing shall be furnished and installed by the OIAA The copy on these signs will be limited to the system alphabet (Helvetica) and color or logo/signatures will not be permitted. The copy, frequency, and placement of these signs will be determined by the OIAA CEO.

b. Sidewalk Check-in Facilities; Airline identification signs shall be permitted on curbside check-in counters. Letter area and logo height shall not exceed six (6) inches. These signs shall be attached to the check-in counter only. No signs shall be permitted on conveyor systems, housings, or other structures.

c. Satellite/Concourse Buildings; No signs shall be permitted on the exterior surfaces of the satellite/concourse buildings or tenant constructed appendages except those relating to safety or numerical gate identification. Gate numerals shall have a height of 18 inches. Such signs may be illuminated as specifically approved.

10.3 Interior Airline Signs - Ticketing and Satellite/Concourse Buildings:

a. Ticketing Buildings; Airlines are responsible for the primary airline identification (recognized logo/signature) and shall be confined to the counter back-wall.

1) Airline identification on the overhanging fascia will be limited to the corporate name in the system alphabet (Helvetica) and is the sole responsibility of the OIAA.

2) Airline identification will be limited to the basic corporate name in the system alphabet (Helvetica) on the fascia. Additional copy such as "Airlines" will not be permitted. Frequency and copy size will be governed by linear counter length, architectural guidelines for that building, and follow standards set by the OIAA. All fascia signs are the sole responsibility of the OIAA.

b. Baggage Claim or Check-In Signs; Signs directly relating to the claiming of baggage or check-in of baggage are permitted. Letter height is restricted to a maximum of 4 inches with a maximum letter area height of 18 inches.

c. Satellite/Concourse Buildings; No sign(s) in these areas shall be illuminated, except numerical gate identification signs.

10.4 Concessionaire Signs in the Passenger Areas:

a. Auto Rental Agency;

1) Identification on the overhanging fascia will be limited to the basic corporate name in the system alphabet (Helvetica). The letter height will be dictated by the signage system or motif requirements of that area or building and approval by the OIAA.

2) Corporate identification (recognized logo/signature) shall be confined to the counter back wall. The back wall treatment

shall be restricted in display content to one logo/signature. The maximum letter height is eight (8) inches and the maximum letter area height will be 12 inches. Internally illuminated combination logo/reservation plastic holders are not permitted.

3) Line control or queue signs suspended from the fascia directly above the counters shall be greater than four (4) inches high and the letters shall not exceed two (2) inches in height. Logo/signatures shall not appear on these devices nor shall they have additional attached appendages. These signs shall match in illumination and clear distance from the floor.

4) Signs used to identify unoccupied counters or telephones for this purpose shall have a maximum letter height of one (1) inch and a maximum letter area height of four (4) inches.

b. Bus and Limousine Services; All signs for bus or limousine services shall have a letter height not to exceed four (4) inches, with a maximum letter area height of 12 inches.

c. All Other Concessionaires; Concessionaires must submit graphics and sign proposals to the OIAA for review. Graphics, signs, and letter sizes will be approved based on each individual situation.

10.5 Submitting Sign Requests:

a. Before any sign may be installed, drawings must be approved by the CEO. Submit all requests to:

Ontario International Airport Authority
303 E. B Street
Ontario, CA 91764
(909) 395-2400

b. The sign drawing submitted shall include the following:

1) A scale drawing of sign location and an elevation view of building fascia or wall showing the sign in place.

2) A detail scale drawing of the sign showing letter style, dimensions, and specifications describing materials and color.

c. For other buildings or conditions not listed in the code, review and approval of signs will be based on those portions of this Sign Policy deemed to be most applicable to the sign presented for approval.

d. Every sign permit issued shall expire 180 calendar days from the date of issuance if the work permitted thereunder has not commenced, or if the work started has been suspended for a period of 180 days or more.

APPENDIX 1 – LVO/SMGCS PLAN

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APPENDIX 1

LOW-VISABILITY OPERATIONS/SURFACE MOVEMENT GUIDANCE AND CONTROL SYSTEM (LVO/SMGCS) PLAN

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1.0 INTRODUCTION:

1.01 This Low-Visibility/Surface Movement Guidance and Control System (LVO/SMGCS) Plan describes enhancements, procedures and actions at Ontario International Airport (ONT) is applicable to the airport operator, air traffic control (ATC), and other users and tenants of the Airport during low visibility conditions.

1.02 These enhancements, procedures, and actions are in accordance with the guidance set forth in Federal Aviation Administration (FAA) Advisory Circular 120-57A, Surface Movement Guidance and Control System, current edition and FAA Order 8000.94 Procedures for Establishing Airport Low-Visibility Operations/Surface Movement Guidance and Control System. A LVO/SMGCS Plan is necessary for airports where scheduled air carriers conduct takeoff or landing operations in visibility conditions where Runway Visual Range (RVR) values are 1,200 feet and below.

1.03 The procedures contained in this plan were developed by LVO/SMGCS Working Group which consisted of representatives from Airport Operations, Aircraft Rescue and Firefighting (ARFF), ONT Airport Traffic Control Tower (ATCT), FAA Airports Regional Office, FAA Flight Standards, scheduled airlines, cargo carriers, and other tenants and aircraft operators.

1.04 This document supersedes policies, procedures, rules or guidelines for airports, aircraft or vehicles operators, or air traffic control, as established on 04/19/2007. It does prescribe certain airfield lighting and marking improvements and operating procedures that have been designed to enhance the safety and efficiency of aircraft and vehicle movements.

1.05 To enhance the safety of low visibility operations, 14 CFR Part 91 operators should follow the guidance in this plan to the maximum extent possible and expect follow-me assistance to and from the runway environment.

1.06 This plan addresses current and future enhancements to support low visibility takeoff, landing, and taxiing operations at ONT. The LVO/ SMGCS Working Group will meet not less than once per year to assess low visibility operations and modify the plan as necessary.

2.0 DEFINITIONS:

2.01 Airfield; The portion of the Airport intended to be used wholly or in part for the arrival, departure, and movement of aircraft.

2.02 Airport; Is the Ontario International Airport (ONT) owned and operated by the Ontario International Airport Authority (OIAA).

2.03 Airport Operations; The term "Airport Operations" refers to personnel assigned from the Airport Operations Section who are responsible for the overall management of the airfield.

2.04 Air Carrier; Includes airlines and person(s) who undertake direct public air transportation, by aircraft, or other transportation arrangements. Air carriers do not include General Aviation (GA) aircraft operated for private purposes.

2.05 Air Traffic Control (ATC); All aspects of air traffic operations as regulated by Federal Aviation Administration (FAA) employees, Air Traffic Controllers, and other staff, at Federal facilities including: ATCT, Terminal Radar Approach Control (TRACON), and Air Route Traffic Control Center (ARTCC) within the National Airspace System (NAS).

2.06 Airport Apron Controller; Personnel from airline and/or airport operations providing joint control of non-movement areas. Not in use at ONT.

2.07 Aircraft Apron; A defined area on the airport intended to accommodate aircraft for purposes of loading or unloading passengers or cargo, refueling, parking and maintenance. Apron areas include the following components:

a. Aircraft Parking Positions, Passenger Terminal Gates and Cargo Ramps; Intended for aircraft parking where passengers enplane or deplane, and cargo is loaded or unloaded.

b. Aircraft Service Areas; adjacent to an aircraft parking position, or passenger terminal gate, aircraft service areas are where personnel stage Ground Service Equipment (GSE) used to load and unload aircraft.

c. Taxilanes; an area providing aircraft under taxi, or tow, access to and from aircraft parking positions, passenger terminal gates, and cargo ramps.

d. Vehicle Roadways and Access Lanes; Identified rights of way on an aircraft apron area designated for ground service, ARFF apparatus, and other emergency vehicles.

2.08 Aircraft Movement Area; Runways, Taxiways, and other areas on the AOA are used for taxi, hover, air taxi, takeoff, and landing of aircraft; exclusive of aircraft aprons, cargo ramps and aircraft parking positions.

2.09 Aircraft Non-movement Area; ONT Non-Movement Ares include Taxilanes, Aircraft Aprons, Cargo Ramps, ATC Non-Visibility Areas, and aircraft parking positions which, by definition, are not under FAA Air Traffic Control (ATC).

2.10 Controlling Region; Refers to the FAA geographic region in which the airport is located. ONT is located in the FAA Western-Pacific Region.

2.11 Emergency Access Roadways; Rights of way on aircraft movement areas designated for Aircraft Rescue and Firefighting (ARFF) and other emergency vehicle operations.

2.12 Mandatory Runway Holding Position Signs, Markings and Guard Lights; A system of signs, markings and lights designed to protect the active runway environment; installed on all taxiways which intersect ONT runways; they include the following:

a. Surface Painted Holding Position Markings; Installed at all runway intersections, Surface Painted Holding Position Markings identify runway entrance/ exit locations. Surface painted holding position markings delineate the appropriate holding point for pilots and Airport users to remain clear of aircraft operating on the adjacent runway.

b. Mandatory Runway Holding Position Signs; Installed at all runway intersections, a mandatory runway holding position sign is elevated with white numbers/letters on red background and collocated to the surface painted hold position marking.

c. Runway Guard Lights - Elevated; installed at all runway intersections, Elevated Runway Guard Lights are a pair of alternating flash (wig-wag) yellow lights, installed on both sides of a taxiway, co-located with runway hold position markings to alert pilots and users to the presence of a runway, assisting in the prevention of runway incursions.

d. Runway Guard Lights - In-pavement; Installed at all runway intersections, in-pavement Runway Guard Lights are an array of alternately flashing yellow lights installed across the entire taxiway, co-located with a runway holding position marking. In-pavement runway guard lights alert pilots and Airport users to the presence of a runway, assisting in prevention of runway incursions.

e. Enhanced Taxiway Centerline Markings; Installed at all runway intersections, Enhanced Taxiway Centerline Markings are surface painted markings which have dashed yellow lines on each side of a solid yellow taxiway centerline installed at all taxiways preceding all runway holding markings, signs and guard lights, which alert pilots and Airport users that they are approaching a runway entrance.

f. Holding Position Sign and Markings for ILS Critical Area/POFZ Boundary; Installed on the west end of Twy N to indicate the aircraft holding positions for Runway 08L ILS critical area. The elevated lighted signs are white letters on a red background and collocated to the surface painted ILS boundary markings.

2.13 Controlling Region; Refers to the FAA geographic region in which the airport is located. ONT is located in the FAA Western-Pacific Region.

2.14 Geographic Position Markings; Not installed at ONT, Geographic Position Markings are pavement markings used to identify the location of aircraft or vehicles during low visibility conditions.

2.15 Instrument Landing System (ILS); A system of FAA installed maintained and monitored Radio Navigational Aids used by ATC and aircraft to assist pilots on approach to the Airport in low visibility and instrument metrological conditions. ONT is approved to accept ILS Category IIIb instrument approaches by appropriately equipped aircraft, operated by properly trained pilots, as regulated by the FAA.

2.16 Low Visibility Operations; The movement of aircraft or vehicles on airfield dedicated paved surfaces when Runway Visual Range (RVR) values and visibility conditions are reported to be 1,200 feet or below.

2.17 Runway Status Lights; Not installed at ONT, Runway Status Lights consist of in-pavement red light fixtures located at runway holding position markings, and ILS critical area holding position markings. Runway status lights may be automated or controllable by ATC and integrated for use with in-pavement (green) taxiway centerline lead-on line lights at locations where aircraft will enter or cross a runway.

2.18 Runway Visual Range (RVR); a value, in feet, of horizontal visibility measured parallel a runway centerline. RVR values are measured at three (3) locations along the length of a runway: Touchdown, Midfield, and Rollout. ONT RVR measuring equipment is installed, maintained and monitored by the FAA.

2.19 Low-Visibility Operations/Surface Movement Guidance and Control System (LVO/SMGCS) Plan; A LVO/SMGCS plan consists of and provides for guidance and control or regulation of all aircraft, ground vehicles, and personnel on the movement area of an aerodrome. Guidance relates to facilities, information and advice necessary to enable pilots of aircraft, and drivers of ground vehicles, to find their way on the aerodrome in low visibility conditions; to keep aircraft and/or vehicles on surfaces or areas intended for their specific use. Control or regulation means the measures necessary to prevent collision and to ensure the safe and efficient flow of aircraft and ground vehicle movement.

2.20 Surface Painted Direction Marking; Not installed at ONT, Surface Painted Direction Markings are usually installed where taxiway direction signs cannot be installed, or where taxiway direction information is needed to enhance taxiway intersections.

2.21 Surface Painted Location Marking; Not installed at ONT, Surface Painted Location Markings are usually installed where taxiway location signs cannot be installed, or where taxiway location information is needed to enhance a taxiway location.

2.22 Taxiway Centerline Lights; Taxiway centerline lights are a series of in-pavement green lights which lead aircraft to/from active runway environments in low-visibility operations. All major parallel taxiways, and most connector taxiways, at ONT are equipped with in-pavement taxiway centerline lighting systems.

2.23 Taxi Route; A specific sequence of lighted taxiways used by aircraft during low visibility operations.

3.0 FACILITIES, SERVICES AND EQUIPMENT:

3.01 **Runways**; ONT has two (2) east-west parallel runways used individually, or in combination, for takeoff and landing of aircraft.

All runways are useable for takeoffs down to 500 feet RVR equipped with Runway Visual Range (RVR), High Intensity Runway Edge Lighting (HIRL), and runway Centerline Lighting (CL).

a. Runway 26L is available for landings down to 600 feet RVR; marked as a Precision Instrument Runway (PIR) with 10,200 feet Takeoff Runway Distance Available (TODA) and Landing Distance Available (LDA), runway 26L is approved to accept Category-IIIb Instrument Landing System (ILS) approaches, and is equipped with RVR, ALSF-2 Approach Lighting System (ALS) with Sequenced Flasher (SF), and Precision Approach Path Indicator (PAPI) lights. Runway 26L lighting includes: HIRL, CL, Touchdown Zone Lights (TDZL), and rapid exit taxiway centerline lighting.

b. Runway 26R is available for landings down to 2400 feet RVR; marked as a PIR with 12,200 feet TODA and LDA, runway 26R is approved to accept ILS Category-I approaches, and is equipped with RVR, Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALS-R), and PAPI. Runway 26R lighting includes: HIRL, CL and rapid exit taxiway centerline lights.

c. Runway 08L is available for landings down to 1800 feet RVR; is marked as PIR with 12,200 feet TODA and 11,203 feet LDA (displaced threshold of 997 feet), is approved to accept ILS Category-I approaches; and, is equipped with RVR and MALS-R and PAPI. Runway 08L lighting includes: HIRL, TDZL, CL and rapid exit taxiway centerline lights.

d. Runway 08R is a visual approach runway available for landing down to 5000 RVR, marked as a PIR with 10,200 feet TODA and LDA. Equipped with RVR and a PAPI, Runway 08R lighting includes: HIRL, CL and rapid exit taxiway centerline lights.

3.02 **Taxiway Lighting**; Continuous green taxiway centerline lights extend from all runway rapid exit taxiways and runway end entrances. Continuous green taxiway centerline lights and blue taxiway edge lights also extend the full length of parallel taxiways: S, N, W, and, at all taxiways which intersect runways.
Taxiways: G, H, J, M, and Taxilane N-1, do not meet FAA Advisory Circular AC120-57A lighting requirements for use as low visibility taxi routes; during low visibility conditions aircraft taxiing on these taxiways require escort by Airport Operations.

3.03 **Runway Guard Lights**; Elevated and in-pavement runway guard lights are located at all runway access points and are illuminated at all times to prevent runway incursions.

3.04 **Runway Status Lights**; Not installed at ONT, see Section 2.17.

3.05 **Taxiway Guidance Signing and Marking Inspections**; Taxiway guidance signage and marking are inspected routinely as part of the Airport Operations airport self-inspection program. Electronic monitoring is provided for all signs and lights associated with low visibility taxi routes. This monitoring alerts ATC whenever the lighting system is inoperative.

3.06 **Non-movement Area Control**; The Airport administers control of the AOA non-movement areas on all aircraft aprons, cargo ramps, aircraft parking positions and passenger terminal gates. Airport tenants control some AOA non-movement areas, Fixed Base Operators (FBO), as designated by airport leaseholds or private property. Appropriate movement and non-movement boundary area markings are installed at all aircraft apron boundaries.

3.07 **Surface Movement Surveillance**; Airport Surface Detection Equipment Radar Equipment (ASDE-X) is not installed at ONT.

3.08 **Aircraft Escort (Follow-me) Service**; Upon PIC or ATC request, ONT Airport Operations will provide aircraft escort "follow-me" service to all aircraft. Aircraft escorts are subject to availability based on operational priorities.

a. All General Aviation (GA) aircraft operations (14 CFR Part 91) require Airport Operations to provide (follow-me) escort to aircraft operators to and from the runway environment when RVR values are 1200 feet and below.

Airport Operations escort of aircraft, arriving and departing ONT will originate/terminate upon an aircraft crossing the aircraft movement area boundary marking adjacent the intended Fixed Base Operator (FBO) leased property perimeter.

b. An aircraft Pilot in Command (PIC), assisted by the respective FBO as available, is solely responsible for the operation and control of their aircraft on FBO tenant leased property.

(1) Departing GA aircraft will be escorted by Airport Operations from an FBO leased property perimeter to the assigned departure runway holding position.

(2) Arriving GA aircraft will be escorted by Airport Operations from a designated runway intersection exit to the FBO perimeter as instructed by an ONT ATCT clearance.

3.09 **Aircraft Parking and Passenger Boarding Bridge (PBB) Docking**; The air carrier (airline) PIC, and/or airline service company, are responsible for aircraft within their control; when maneuvering on ONT aircraft parking positions and passenger terminal gates. Operation and docking of ONT PBB(s) to aircraft is the responsibility of the air carrier or aircraft service company operating the PBB. Airport Operations may escort aircraft to the movement area boundary of an aircraft parking position; however, air carriers and/or airline service companies shall assume control of aircraft parking operations when the PIC exits the aircraft movement area.

4.0 AIRCRAFT RESCUE AND FIRE FIGHTING (ARFF):

4.01 **ARFF Response**; ONT ARFF facilities are located south of the mid-point of Runway 26L/08R, south of Taxiway S. ARFF response times shall comply with FAA 14 CFR Part 139, as certificated. During low visibility operations, required ARFF apparatus and personnel continuously monitor operations, on stand-by ready, at the ARFF station. ONT Airport Operations is responsible for notifying the ARFF Captain that current weather conditions have activated the ONT LVO/SMGCS Plan.

4.02 **Emergency ARFF response when RVR values are 1,200 feet and below**;

a. ARFF Captain(s) will place personnel on standby alert status when notified of LVO/SMGCS Plan activation.

b. ARFF personnel must receive an ATC clearance from ATCT personnel prior to entering any aircraft movement area and notify ATCT when all ARFF vehicles have cleared movement areas.

ARFF personnel will also notify ATCT on appropriate ATC frequencies when performing tactical operations on non-movement areas; and, when tactical operations have ceased and all ARFF apparatus are clear of those areas.

c. ARFF personnel will notify Airport Operations of all activity requiring access to the aircraft movement areas and when all ARFF equipment is clear of aircraft movement areas.

d. ARFF will become familiar with the low visibility taxi routes described in Exhibit 'A' - Published LVO/SMGCS Taxi Routes.

4.03 **ARFF Low Visibility Training**; ARFF conducts Aircraft Movement Area intersection identification and familiarization training weekly to ensure ONT ARFF effectiveness and safety. ARFF training is also accomplished during disaster drill exercises as required by 14 CFR Part 139.325.

5.0 GROUND VEHICLE CONTROL:

5.01 **Ground Vehicle Access**; Vehicle access onto the airfield is controlled by a system of perimeter fencing, gates and restricted area access control through an individual security photo identification badge system. Mandatory vehicle markings and placards (company logos) are required to identify all vehicles in ONT Air Operations Areas (AOA). Non-permitted vehicles (vendors, and tenant contractors) must be tenant escorted, as individually approved by ONT Airport Operations. ONT Airport Police and Airport Operations personnel have authority over all vehicles operated on the AOA; and, may have any unauthorized vehicle or equipment, deemed unsafe and removed from the AOA.

5.02 **Ground Vehicle Roadways**; Except for the necessary movement on exclusive lease areas, vehicles on the ONT AOA operate within a clearly marked system of vehicle roadways, access lanes, aircraft aprons and cargo ramps. Service roads are identified by solid white edge lines and a dashed white line used as centerline divider. Where a service road intersects a taxiway, a solid white stop line is provided across the vehicle lane at a point that assures adequate clearance from taxiing aircraft. Standard "Stop" signs are installed in line with the surface painted white stop line, on the right side of the road, at each entrance. Dashed white/black "Zipper Lines" are installed across certain taxiways where additional driver reference is needed during low-visibility conditions.

5.03 **AOA Driver Training**; All ONT AOA drivers must be certified as having at least 8 hours practical (on-the-job) training provided by their individual employer, tenant, FBO, or tenant contractor. After completion of the 8 hours of driver training, all drivers must attend an AOA Driver Training class inclusive of LVO/SMGCS procedures for vehicle operations during low visibility conditions are 1200 RVR or below as validated by ONT Airport Operations. All drivers must successfully complete the class and pass the driver training exam. All drivers shall attend this class, every 24 months, upon renewing their Ontario Airport Security Photo Identification Badge.

5.04 **Access Restrictions**; Vehicles operated by Airport Operations and FAA Facility Maintenance personnel may with proper training, access ONT Aircraft Movement Area(AMA) when displaying proper security photo identification badge(s) in vehicles equipped with 2-way VHF radio and lighting equipment. All other access to the AMA will be coordinated and approved by ONT Airport Operations. During low visibility conditions (1200 RVR and below), no vehicles are permitted in the AMA that are not in direct support of the LVO/SMGCS Plan.

5.05 **Construction**; ONT will obtain prior FAA approval for any temporary alternatives/changes to the ONT LVO/SMGCS Plan or taxi routes affected by AMA construction in accordance with FAA Order 8000.94, Paragraph 11b. Prior to implementation of the LVO/SMGCS Plan, Airport Operations will stop all construction activity and/or other specialized activity on the airfield that could interfere with aircraft movement.

6.0 AIR TRAFFIC CONTROL PROCEDURES:

6.01 **Background and Operating Concept**; The ONT LVO/SMGCS plan

provides guidance and control of aircraft between aircraft apron and

cargo ramp boundaries, taxiways, and runways, in a safe and efficient manner during low visibility conditions. The coordinated efforts of ONT FAA ATCT and Airport Operations focus on assuring the safe movement of aircraft to avoid inadvertent or unauthorized entry onto Aircraft Movement Areas.

When any one portion of the Airfield is in a low visibility condition; i.e., visibility (RVR) values are 1200 feet and below, the entire Airfield is considered to be in low visibility conditions and LVO/SMGCS procedures and restrictions are in effect.

The concept for accomplishing these objectives is to use the east-west runways in a westerly flow direction only. The principal arrival runway is Runway 26L while both runways may be used for departures.

6.02 **Visibility Reporting**; ONT ATCT personnel will coordinate with Airport Operations when lowering ceiling and visibility conditions indicate that RVR values of 1,200 feet are imminent and LVO/SMGCS procedures will go into effect. Airport Operations shall notify ONT based airlines, airline service companies, FBO and cargo operators, as available, by telephone or other communications. Individual airlines will be responsible for notifying their staff and service companies, or vendors, not notified by Airport Operations, that the LVO/SMGCS plan is in effect.

ONT ATCT personnel will coordinate with Airport Operations prior to implementation of LVO/SMGCS procedures, for a visual inspection of all in-pavement runway guard lights, elevated runway guard lights, runway and taxiway centerline and edge lights and internally illuminated signs for their operational status. Airport Operations shall report the operational condition of each lighting system and signs to ONT ATCT personnel every two hours until RVR values exceed 4,000 feet.

These procedures are terminated by ONT ATCT when no longer deemed necessary due to prevailing weather conditions. ONT ATCT will also advise ONT Airport Operations when the LVO/SMGCS Plan is no longer required, and ONT Airport Operations will advise the airport tenants and other organizations noted above that the LVO/SMGCS Plan is no longer in effect. The airlines will make appropriate notifications when the LVO/SMGCS Plan has been terminated.

6.03 **Departures**; Each air carrier (airline) or aircraft operator is responsible for positioning their aircraft at the Aircraft Movement Area boundary prior to taxi. This may be accomplished with a tug, signalman, follow-me escort vehicles, or other appropriate means, including unassisted taxi, when visibilities on aircraft aprons or cargo ramps permit.

Aircraft established at the movement area boundary, shall contact ATC ground control for taxi instructions. ATC may provide RVR readings to pilots prior to taxiing in the movement area.

When RVR values are 1,200 feet and below, all taxiway lighting shall be illuminated.

FAA Air Traffic Controller(s) may use pilot position reports to monitor aircraft position prior to an aircraft entering an aircraft movement area.

FAA Air Traffic Controller(s) provide taxi instructions and traffic advisories appropriate to the route. The north parallel taxiway, Taxiway N, will be used for all arrival and departure traffic from Runway 26R and Runway 26L.

The south parallel taxiway, Taxiway S, will be used for all arrival and departure traffic to and from Runway 26L and Runway 26R with the exception of United Parcel Service (UPS) aircraft. All UPS aircraft will use Taxiway W for departures on Runway 26L and Runway 26R.

6.04 **Departure Routings**; Aircraft routings for departures will vary depending on the initial location of the aircraft. Aircraft must have ATC clearance prior to entering aircraft movement areas of: Taxilane N1, Taxiway N, Taxiway S, and Taxiway W.

Aircraft already operating in an aircraft movement area when visibility drops below 500 feet RVR may continue taxi to the aircraft starting point, a designated holding point, or the assigned departure runway per SMGCS plan taxi routes herein with ONT Airport Operations "follow-me" escort to all aircraft.

a. Runway 26R departures; When RVR values are 1200 feet, down to and including 500 feet:

(1) Aircraft departing on Runway 26R from Terminal 2 proceed on Taxi lane N1 eastbound, or westbound, and continue south on Taxiway P or Taxiway R to Taxiway N. Aircraft proceed east on Taxiway N to Runway 26R.

(2) Aircraft departing on Runway 26R from Terminal 4 precede Taxi lane N-1 eastbound or westbound, and continue south on Taxiway U or Taxiway W, to Taxiway N. Aircraft proceed east on Taxiway N to Runway 26R.

(3) Aircraft departing on Runway 26R from West Cargo Ramp (WCR) proceed south on Taxiway B to Taxiway N. Aircraft proceed east on Taxiway N to Runway 26R.

(4) Aircraft departing on Runway 26R from the International Arrivals Terminal (IAT) or Terminal 1 require Airport Operations escort from Taxiway G, Taxiway H, and Taxiway J to join Taxiway N. Airport Operations shall terminate the aircraft escort with ATCT after the aircraft has established Taxiway N. Aircraft proceed east on Taxiway N to Runway 26R.

b. Runway 26L departures; When RVR values are 1200 feet, down to and including 500 feet:

(1) Aircraft departing on Runway 26L from the South Cargo Ramp (SCR) and General Aviation aircraft parking areas; proceed north on Taxilane S1, Taxilane S2, Taxilane S3, Taxilane S4, or Taxiway P, to Taxiway S. Aircraft proceed east on Taxiway S. Aircraft hold short of Taxiway W for Runway 26L departure sequencing.

(2) Aircraft departing on Runway 26L from United Parcel Service (UPS) cargo ramp proceed north on Taxilanes; W1, W2, or W3, to Taxiway W west-northwest. Aircraft hold short of Taxiway S for Runway 26L departure sequencing.

c. Runway 08L departures; When RVR values are 1200 feet, down to and including 500 feet:

(1) Aircraft departing on Runway 08L from Terminal 2

proceed west or east on Taxilane N1 and turn south on

Taxiway R or Taxiway P to Taxiway N. Aircraft proceed west on Taxiway N to Runway 08L.

(2) Aircraft departing on Runway 08L from Terminal 4 proceed west or east on Taxilane N1 and turn south on Taxiway V or Taxiway U to Taxiway N. Aircraft proceed west on Taxiway N to Runway 08L.

(3) Aircraft departing on Runway 08L from the International Arrivals Terminal (IAT), or Terminal, 1 require Airport Operations escort from Taxiway G, Taxiway H, and Taxiway J to join Taxiway N. Airport Operations shall terminate the aircraft escort with ATCT after the aircraft has established Taxiway N. Aircraft proceed west on Taxiway N to Runway 08L.

(4) Aircraft departing on Runway 08L from West Cargo Ramp (WCR) proceed south on Taxiway B to Taxiway N. Aircraft proceed west on Taxiway N to Runway 08L.

(5) Aircraft departing on Runway 08L from Federal Express cargo ramp proceed west on Taxiway S to hold short of Runway 08R. When cleared aircraft cross Runway 08R and Runway 08L to Taxiway N. Aircraft proceed west on Taxiway N to Runway 08L.

(6) Aircraft departing on Runway 08L from United Parcel Service (UPS) cargo ramp proceed north on Taxilanes; W1, W2, or W3, to Taxiway W west-northwest. Aircraft hold short of Taxiway S for ATC clearance. Aircraft proceed west on Taxiway S to hold short of Runway 08R. When cleared aircraft cross Runway 08R and Runway 08L to Taxiway N. Aircraft proceed west on Taxiway N to Runway 08L.

d. Runway 08R departures; When RVR values are less than 1200 feet, down to and including 500 feet:

(1) Aircraft departing Runway 08R from Federal Express cargo ramp, South Cargo Ramp (SCR), and General Aviation aircraft parking areas; proceed north on Taxilane S1, Taxilane S2, Taxilane S3, Taxilane S4, or Taxiway P, to Taxiway S. Aircraft proceed west on Taxiway S to Runway 08R.

(2) Aircraft departing Runway 08R from United Parcel Service (UPS) cargo ramp proceed north on Taxilanes; W1, W2, or W3, to Taxiway W west-northwest. Aircraft hold short of Taxiway S for ATC clearance. Aircraft proceed west on Taxiway S to Runway 08R.

6.05 **Arrivals**; When RVR values are 1,200 feet and below, all taxiway lighting will be illuminated. However all landings are on Runway 26L, with ATC approved ILS CAT-IIIb approaches certified to 600 RVR. Taxiway's S and N are primary arrival parallel taxiways. ATC may ask arriving aircraft to report "clear" of the runway or ILS critical area.

Aircraft already operating in the movement area when visibility drops below 500 feet RVR may continue taxi to the aircraft starting point, a designated holding point, or the assigned departure runway per LVO/SMGCS plan taxi routes herein with ONT Airport Operations "follow-me" escort to all aircraft.

a. Runway 26L arrivals; When RVR values are 1200 feet, down to and including 600 feet:

(1) In general, all aircraft arriving on Runway 26L exit Taxiway K to the north side or Taxiway F to the south side, as appropriate. If aircraft are unable to exit the runway using the above taxiways, aircraft are to continue roll out to the end of the runway to exit on Taxiway D for north side parking and Taxiway S for south side parking.

(2) Aircraft arriving Runway 26L for Passenger Terminal 2; exit the runway at Taxiway K or Taxiway D to the north, cross Taxiway M, hold short of Runway 26R until cleared by ATCT to cross Runway 26R; clearing Runway 26R proceed east on Taxiway N to Taxiway P or Taxiway R, turn north on Taxilane N1 to the assigned gate location.

(3) Aircraft arriving on Runway 26L for Passenger Terminal 4; exit the runway at Taxiway K or Taxiway D to the north, cross Taxiway M, hold short of Runway 26R until cleared by ATCT to cross Runway 26R; clearing Runway 26R, proceed east on Taxiway N to Taxiway U or Taxiway V north, turn on Taxilane N1 to the assigned gate location.

(4) Aircraft arriving on Runway 26L for the International Arrival Terminal (IAT) or Terminal 1 aircraft parking positions; exit the runway at Taxiway K or Taxiway D to the north, cross Taxiway M, hold short of Runway 26R until cleared by ATCT to cross Runway 26R; clearing Runway 26R proceed east on Taxiway N for Airport Operations Escort onto Taxiway G, Taxiway H, or Taxiway J. Airport Operations will terminate all aircraft escorts upon entering the assigned passenger gate.

(5) Aircraft arriving on Runway 26L for the West Cargo Ramp (WCR) exit the runway at Taxiway K or Taxiway D to the north, cross Taxiway M, hold short of Runway 26R until cleared by ATCT to cross Runway 26R; clearing Runway 26R proceed west on Taxiway N to Taxiway B north, to the assigned aircraft parking position.

(6) Aircraft arriving on Runway 26L for South Cargo Ramp (SCR) or General Aviation parking, Fixed Base Operator (FBO) exits Runway 26L at Taxiway F or Taxiway D to the south. Aircraft arriving for Federal Express or Guardian Jet Center proceed west or east on Taxiway S to Taxiway S2 or Taxiway S1 south, as appropriate. Aircraft arriving Atlantic Aviation, SCR or ASIG proceed east on Taxiway S, turn south on Taxiway S3, Taxiway S4, or Taxiway P, as appropriate.

(7) Aircraft arriving Runway 26L for United Parcel Service cargo ramp exit Runway 26L at Taxiway P, Taxiway F or Taxiway D to the south, proceed east on Taxiway S to Taxiway W south. Aircraft contact UPS ramp control on 131.325 for parking assignment prior to entering Taxiway W south of Taxiway S; proceed via Taxilanes W1, W2 or W3, as appropriate. Taxiway W south of Taxiway S is a non-movement area.

(8) An aircraft shall not be cleared to land while another aircraft is on or crossing the arrival runway; and, an aircraft shall not be cleared to cross or taxi onto a runway on which an aircraft has been cleared to land.

6.06 **Aircraft Operations when RVR values are below 500 feet**; Air carriers are not permitted to enter ONT Aircraft Movement Areas when RVR values are below 500 feet. However, air carrier operators already operating in aircraft movement areas when visibility drops below 500 feet RVR may continue taxi to the aircraft starting point, a designated holding point, or the assigned departure runway, per LVO/SMCGS plan taxi routes with ONT Airport Operations "follow-me" escort available to all aircraft.

6.07 **Aircraft Maintenance - High Power Aircraft Engine Run (run-up)**; Aircraft maintenance high power engine runs (run-up) are not permitted whenever ONT Airport Terminal Information Service (ATIS) reported visibility is less than 2 miles, and/or ceilings are less than 800 feet.

7.0 AIRCRAFT OPERATOR PROCEDURES DURING LOW VISIBILITY CONDITIONS:

7.01 **General**; A PIC conducting low visibility aircraft operations is required to have a current, FAA approved, ONT low visibility taxi route chart. Low visibility taxi routes are available on appropriate NOS, Jeppesen, and LIDO published charts. See Exhibit 'A' herein.

7.02 **When RVR values are at or above 500 feet RVR, Departures**;

a. Departures: All aircraft must have an FAA ATCT clearance prior to entering any aircraft movement area. Departing aircraft will follow company LVO/SMGCS procedures for pushback and engine start prior to entering any aircraft movement area. As appropriate, PIC should request push back and taxi assistance from qualified airline ground service companies; including aircraft marshals, wing walkers and ground safety personnel, or other appropriate means set out in the airline's operating procedures to assist aircraft positioning for entry into aircraft movement areas. ONT Airport Operations "follow me" escort available to all aircraft under tow for departure or relocation to an adjacent aircraft gate on Twy N1.

7.03 **When RVR values are at or above 600 feet RVR, Arrivals**;

b. Arrivals: Arriving aircraft will follow company LVO/SMGCS procedures for taxi to aircraft parking positions, passenger terminal gates, and cargo ramps, as appropriate. Aircraft leaving ONT aircraft movement areas are considered under the control of individual air carriers providing aircraft docking

from qualified aircraft marshals, wing walkers, and ground safety personnel, or other appropriate means set out in the airline's operating procedures to assist aircraft parking.

c. Taxi routing: See section 6.04 and 6.05 as above, herein this LVO/SMGCS Plan.

7.03 When RVR values are below 500 feet: Air carriers are not permitted to enter ONT Aircraft Movement Areas when RVR values are below 500 feet. Air carrier operators already operating in aircraft movement areas when visibility drops below 500 feet RVR may continue taxi to the aircraft starting point, a designated holding point, or the assigned departure runway with ONT Airport Operations "follow-me" escort available to all aircraft.

8.0 AIRPORT OPERATIONS PROCEDURES DURING LOW VISIBILITY PROCEDURES:

8.01 When RVR values are 1200 feet and below;

a. Airport Operations will notify ARFF Senior Safety Officer when ATCT personnel activate or discontinue LVO/SMGCS Plan. ARFF personnel are to be on alert status while LVO/SMGCS Plan is in effect.

b. Airport Operations will notify, or cause to make notifications to, air carriers and fixed base operators regarding LVO/SMGCS conditions by issuance of an appropriate NOTAM.

c. Provide all General Aviation aircraft operations (14 CFR Part 91) "follow-me" escort services to and from the runway environment when RVR values are 1200 feet and below. Airport Operations escort of aircraft, arriving and departing ONT will originate/terminate upon an aircraft crossing the aircraft movement area boundary marking adjacent the intended Fixed Base Operator (FBO) leased property perimeter.

d. Upon ATC or PIC request, provide follow-me escort to all aircraft.

e. All Airport Operations personnel are trained in procedures necessary prior to conducting aircraft escorts in all weather conditions. Specific training guidelines are maintained in the Airport Operations office.

8.02 **When visibility is less than 500 feet**; Air carrier operations are not permitted when RVR values are less than 500 feet. However, aircraft already operating in an aircraft movement area when visibility drops below 500 feet RVR may continue taxi to the aircraft starting point, a designated holding point, or the assigned departure runway per SMGCS plan taxi routes herein. Upon ATC or PIC request, ONT Airport Operations will provide follow-me escort to all aircraft.

8.03 **Aircraft Maintenance - High Power Aircraft Engine Run (run-up)**; Aircraft maintenance high power engine runs (run-up) are not permitted whenever ONT Airport Terminal Information Service (ATIS) reported visibility is less than 2 miles, and/or ceilings are less than 800 feet.

9.0 LVO/SMGCS PLAN RESPONSIBILITIES:

9.01 **Airport Operator**;

a. Serve as the point of contact for the LVO/SMGCS plan, hold meetings of the LVO/SMGCS Working Group and maintain documentation of proceedings.

b. Coordinate a review of the LVO/SMGCS plan and airport activities on at least an annual basis, and amend, publish, and distribute the initial and revised LVO/SMGCS plan.

c. Monitor adherence to the sections of the LVO/SMGCS plan that are under the Airport's control and take action to correct deficiencies.

d. Conduct inspections, report failures and provide maintenance of lighting aids associated with the LVO/SMGCS plan.

9.02 **Airport Traffic Control Tower**;

a. Initiate and terminate LVO/SMGCS procedures specified herein, Paragraph 6.0 - AIR TRAFFIC CONTROL PROCEDURES.

b. Coordinate with Airport Operations Department prior to implement the LVO/SMGCS Plan.

c. Provide directional assistance to ARFF units and other emergency equipment responding during an emergency in low visibility conditions.

d. Monitor and control aircraft and vehicles in movement areas.

e. Develop and coordinate the Low Visibility Taxi Routes charts with FAA Airport Safety Certification Division, FAA Flight Standards Division, and FAA Air Traffic Division, within the FAA Western-Pacific Region.

9.03 **Airport Tenants**;

a. Participate in the LVO/SMGCS Working Group and disseminate low visibility procedures to company employees.

b. Train personnel in low visibility procedures.

c. Enforce LVO/SMGCS plan driving procedures on the AOA.

d. Assure adherence to all sections of the LVO/SMGCS plan that are under airport tenant control, and take action to correct deficiencies.

10.0 PLAN MILESTONES:

10.01 **Near Term LVO/SMGCS Plan**: Continue periodic meetings of the LVO/SMGCS working group. Make changes to the LVO/SMGCS Plan as necessary.

10.02 **Long Term LVO/SMGCS Plan**: Continue to meet FAA mandates regarding LVO/SMGCS Plan and update any necessary lighting and markings required by future FAA publications.

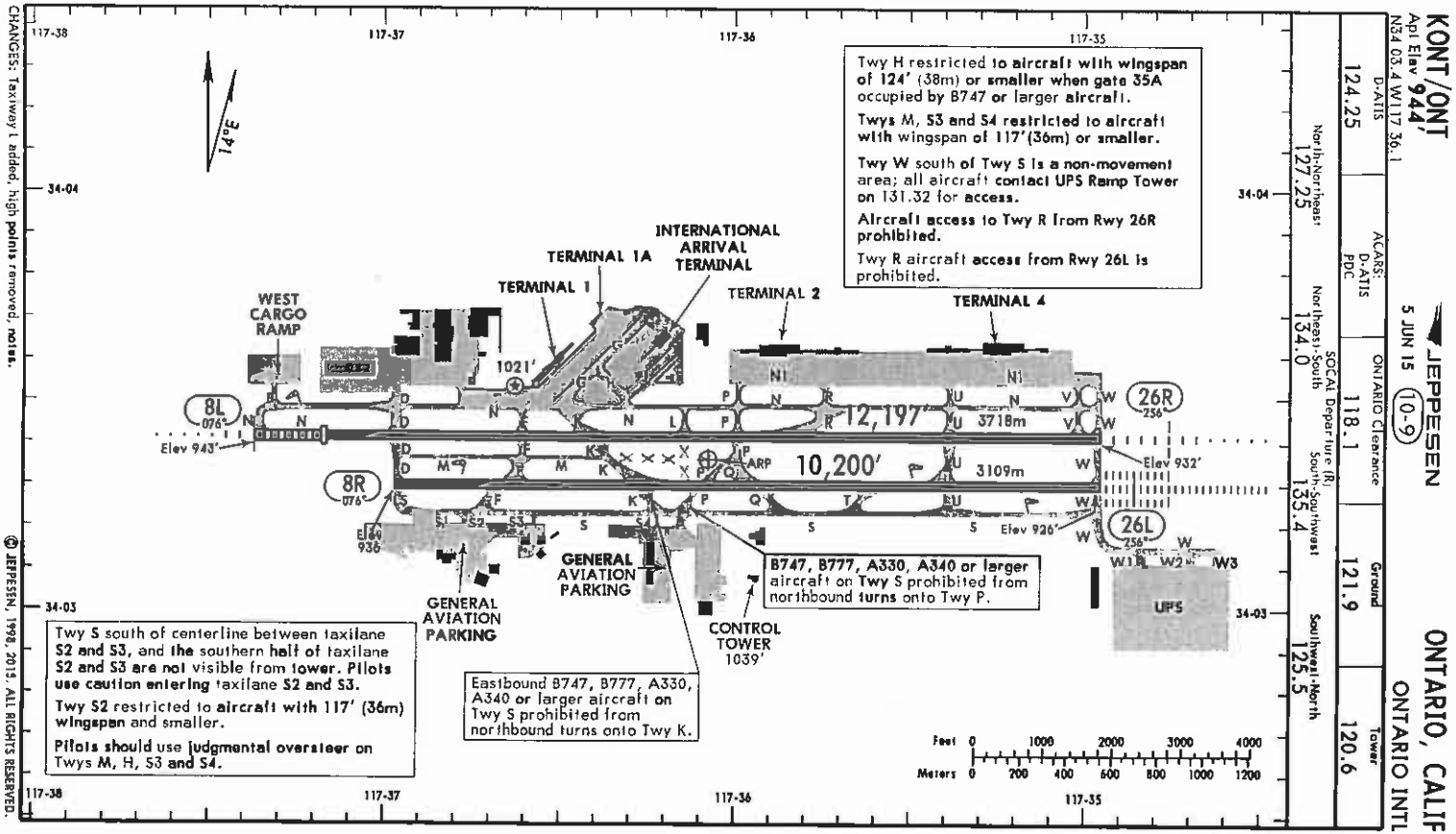
11.0 DISTRIBUTION LIST:

FAA, ONT Airport Traffic Control Tower Manager
FAA, Airport Safety Certification Division, Western Pacific Region
FAA, Flight Standards Division, Western-Pacific Region
ONT, Air Carrier Station Managers
ONT, Air Carrier Chief Pilots
ONT, Fixed Based Operators
ONT, Aircraft Ground Handling Companies
ONT, Aircraft Refueling Companies
ONT, Air Carrier Caterers
ONT, Airport Management
ONT, Airport Operations
ONT, Aircraft Rescue and Firefighting

12.0 REVISION PAGE CONTROL:

Remove Page(s)	Dated	Insert Pages	Date
All	04/19/2007	All	06/01/2010
All	12/21/2012	All	01/30/2013
All	01/30/2013	All	04/01/2014
All	04/01/2014	All	12/18/2014

13.0 EXHIBIT 'A' - PUBLISHED AIRPORT LOW VISIBILITY CHARTS



kont109.apt Tue May 19 09:01:02 2015 Rev:06/05/15 (5) Eff:O/R

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GENERAL

CAUTION: Birds in vicinity of airport.
Aircraft parking and contract ground services are limited for alternate aircraft ops.
Noise abatement procedures in effect; full-length turbojet departure encouraged, nightly preferential runway usage, 2200-0700.

ADDITIONAL RUNWAY INFORMATION

RWY		USABLE LENGTHS LANDING BEYOND Threshold	Glide Slope	TAKE-OFF	WIDTH
8L	HIRL CL MALSR TDZ ❶PAPI-L grooved RVR	11,200' 3414m	10,325' 3147m		150' 46m
26R	HIRL CL MALSR ❶PAPI-L grooved RVR		11,037' 3364m		

❶ Angle 3.00°.

8R ❷ 26L	HIRL CL ❸PAPI-L RVR				150' 46m
	HIRL CL ALSF-II TDZ ❸PAPI-R RVR		9040' 2755m		

❷ Grooved.
❸ Angle 3.00°.

TAKE-OFF & OBSTACLE DEPARTURE PROCEDURE (AMEND 8)

Rwy 26L					Rwy 26R				
2 operating RVRs are required. All operating RVRs are controlling.		Adequate Vis Ref	STD		Both RVRs are required and controlling.		Adequate Vis Ref	STD	
CL & HIRL	CL or RCLM & HIRL		3 & 4 Eng	1 & 2 Eng	CL & HIRL	CL or RCLM & HIRL		3 & 4 Eng	1 & 2 Eng
TDZ RVR 5 Mid RVR 5 Rollout RVR 5	TDZ RVR 10 Mid RVR 10 Rollout RVR 10	RVR 16 or 1/4	RVR 24 or 1/2	RVR 50 or 1	TDZ RVR 5 Rollout RVR 5	TDZ RVR 10 Rollout RVR 10	RVR 16 or 1/4	RVR 24 or 1/2	RVR 50 or 1

Rwy 8R					Rwy 8L				
With Mim climb of 285'/NM to 3000'					With Mim climb of 285'/NM to 3000'				
2 operating RVRs are required. All operating RVRs are controlling.		Adequate Vis Ref	STD		Both RVRs are required and controlling.		Adequate Vis Ref	STD	
CL & HIRL	CL or RCLM & HIRL		3 & 4 Eng	1 & 2 Eng	CL & HIRL	CL or RCLM & HIRL		3 & 4 Eng	1 & 2 Eng
TDZ RVR 5 Mid RVR 5 Rollout RVR 5	TDZ RVR 10 Mid RVR 10 Rollout RVR 10	RVR 16 or 1/4	RVR 24 or 1/2	RVR 50 or 1	TDZ RVR 5 Rollout RVR 5	TDZ RVR 10 Rollout RVR 10	RVR 16 or 1/4	RVR 24 or 1/2	RVR 50 or 1

OBSTACLE DP

Rwys 8L/R: Climb heading 076° to 2600' then climbing RIGHT turn direct PDZ VOR, thence climb in PDZ VOR holding pattern (hold northeast, RIGHT turns, 210° inbound) to cross PDZ VOR at or above MEA for route of flight before proceeding on course.

Rwys 26L/R: Climb heading 256° to 2200' then climbing LEFT turn direct PDZ VOR, thence climb in PDZ VOR holding pattern (hold northeast, RIGHT turns, 210° inbound) to cross PDZ VOR at or above MEA for route of flight before proceeding on course.

DIVERSE VECTOR AREA (Radar Vectors) (AMEND 1)

Rwy 8L: Headings as assigned by ATC; requires minimum climb of 280'/NM to 2900'.
Rwy 8R: Headings as assigned by ATC; requires minimum climb of 285'/NM to 2900'.
Rwy 26L: Headings as assigned by ATC.
Rwy 26R: Headings as assigned by ATC.

For TAKEOFF OBSTACLE NOTES see 10-9A1

FOR FILING AS ALTERNATE

	ILS Rwy 8L ILS Rwy 26L	ILS Rwy 26R	LOC Rwy 8L LOC Rwy 26L RNAV (GPS) Rwy 8R	RNAV (RNP) Z Rwy 8L RNAV (RNP) Z Rwy 26L RNAV (RNP) Z Rwy 26R VOR DME Rwy 8R	Authorized Only When Local Weather Available RNAV (GPS) Y Rwy 8L RNAV (GPS) Y Rwy 26L RNAV (GPS) Y Rwy 26R	LOC Rwy 26R
A	600-2	700-2	800-2		800-2	800-2
B						
C						
D		700-2 1/4				800-2 1/4

CHANGES: Noise abatement note.

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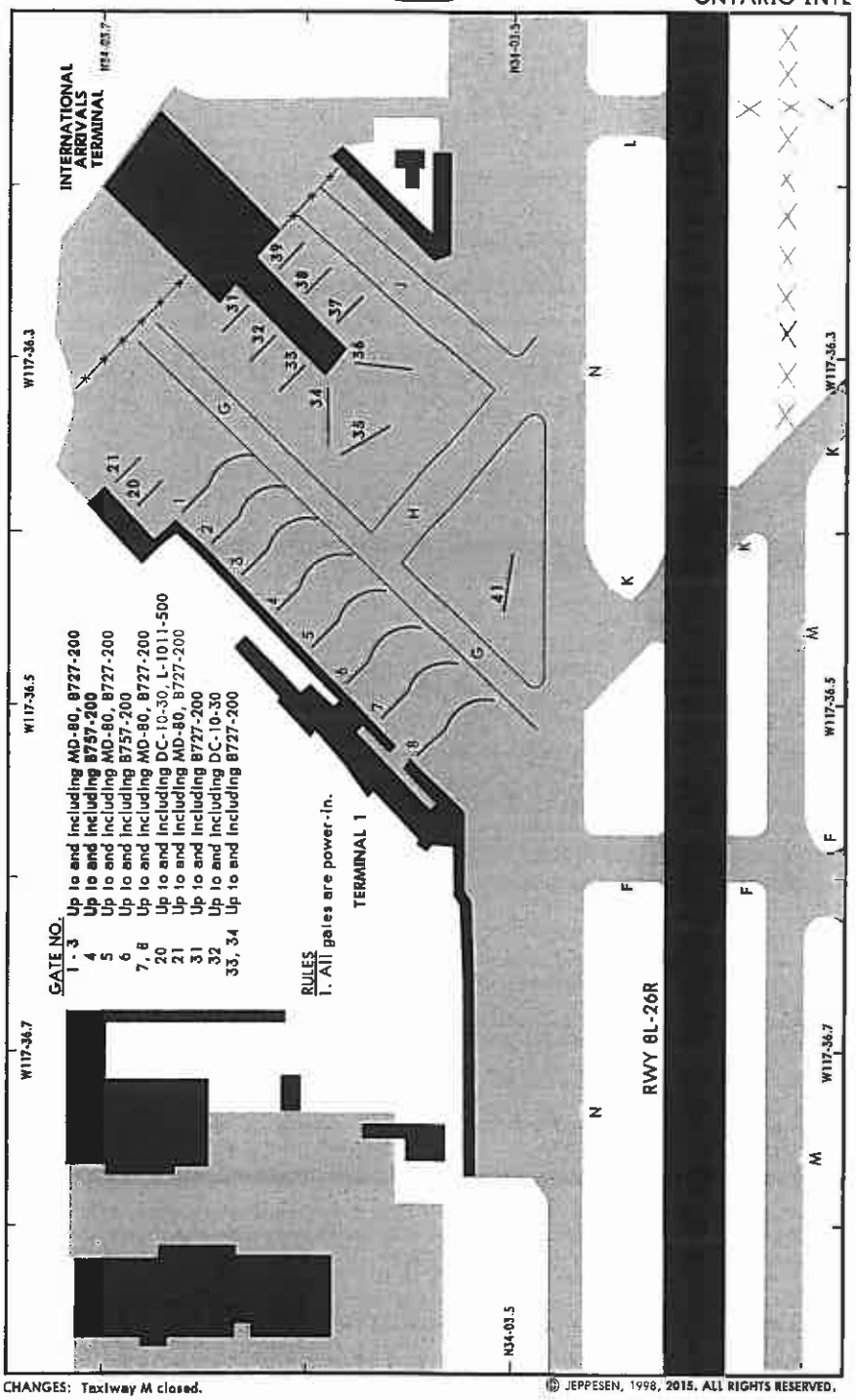

CHANGES: Taxiway M closed.

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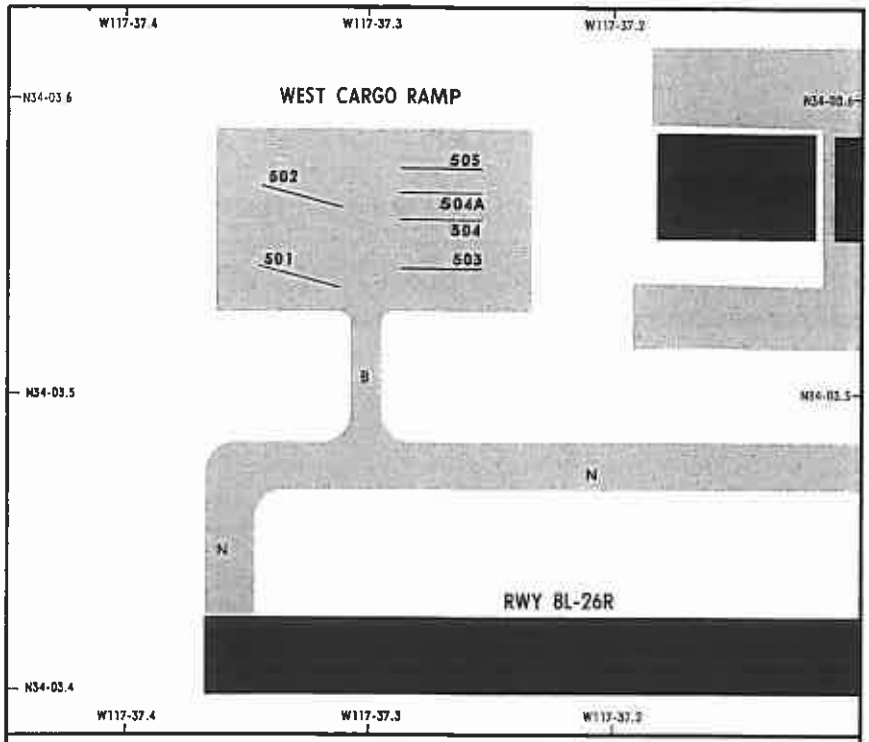

PARKING GATE COORDINATES

GATE/SPOT NO.	COORDINATES
1	N34 03.7 W117 36.4
2 thru 4	N34 03.6 W117 36.4
5 thru 7	N34 03.6 W117 36.5
8	N34 03.5 W117 36.5
20, 21	N34 03.7 W117 36.4
31 thru 34	N34 03.6 W117 36.3
35	N34 03.6 W117 36.4
36 thru 38	N34 03.6 W117 36.3
39	N34 03.6 W117 36.2
41	N34 03.5 W117 36.4
501	N34 03.5 W117 37.3
502	N34 03.6 W117 37.3
503	N34 03.5 W117 37.3
504 thru 505	N34 03.6 W117 37.3

CHANGES: Taxiway A deleted.

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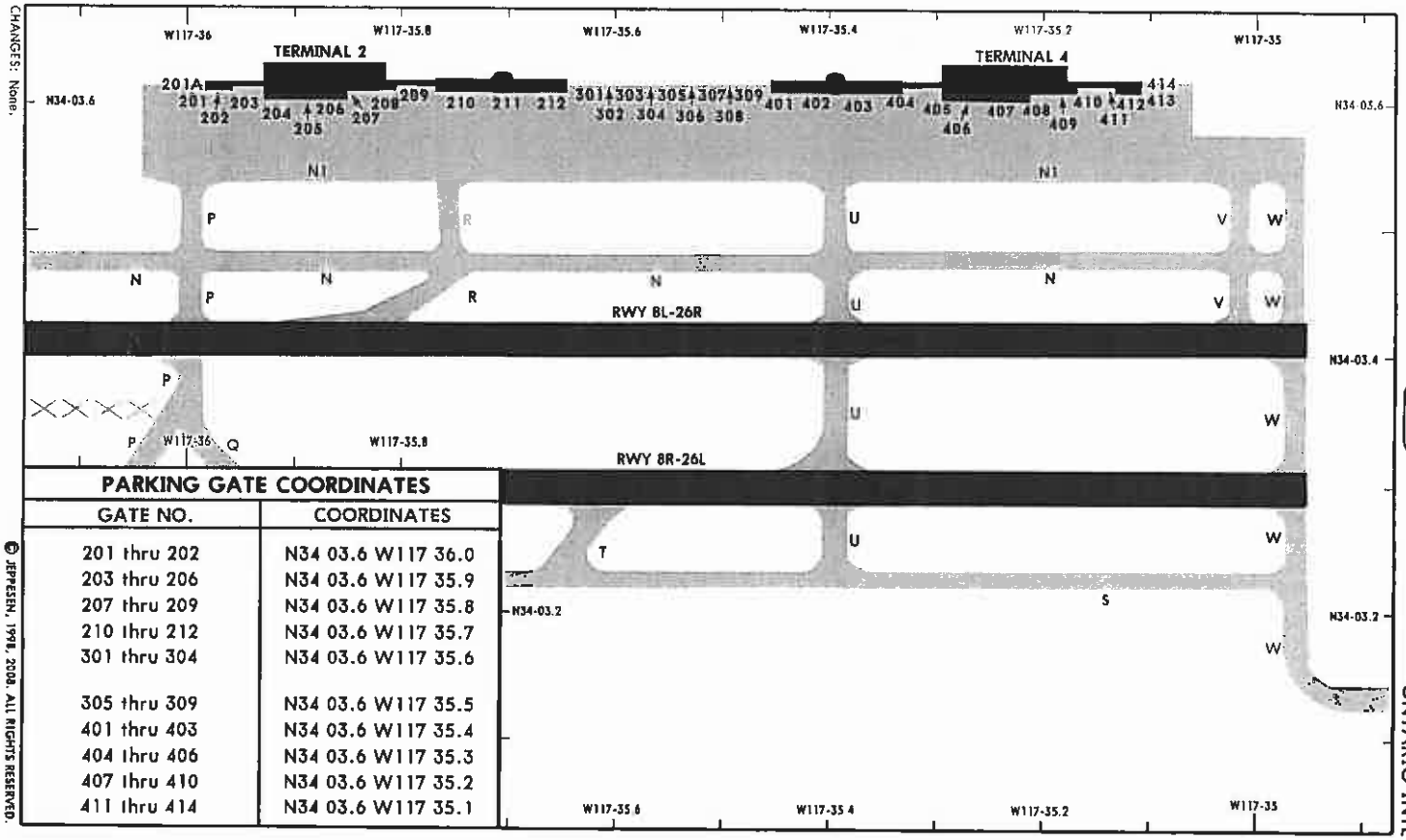
Corrs



PARKING GATE COORDINATES	
GATE NO.	COORDINATES
201 thru 202	N34 03.6 W117 36.0
203 thru 206	N34 03.6 W117 35.9
207 thru 209	N34 03.6 W117 35.8
210 thru 212	N34 03.6 W117 35.7
301 thru 304	N34 03.6 W117 35.6
305 thru 309	N34 03.6 W117 35.5
401 thru 403	N34 03.6 W117 35.4
404 thru 406	N34 03.6 W117 35.3
407 thru 410	N34 03.6 W117 35.2
411 thru 414	N34 03.6 W117 35.1

CHANGES: None.

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ONTARIO INTL

JEPPESEN

5 JUN 15 (10-9E)

SMGCS

ONTARIO, CALIF
LOW VISIBILITY TAXI ROUTES

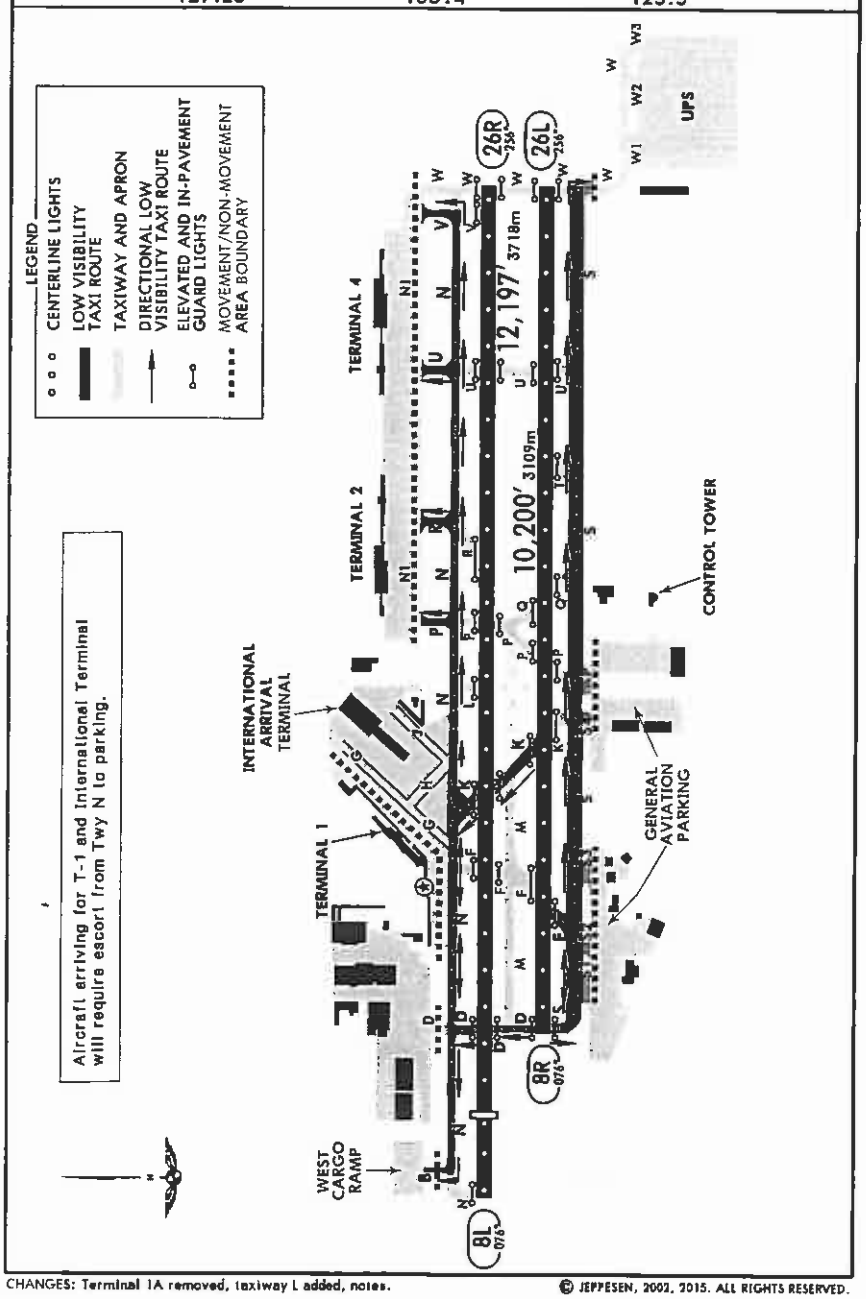
RVR 1200 to 600

RWY 26L ARRIVALS

D-ATIS	ACARS: D-ATIS PDC	ONTARIO Clearance	Ground	Tower
124.25		118.1	121.9	120.6

SOCAL Departure (R)

360°-110°	110°-210°	210°-360°
127.25	135.4	125.5



CHANGES: Terminal 1A removed, taxiway L added, notes.

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kont109e.apt Tue May 19 09:05:17 2015 Rev:06/05/15 (5) Eff:O/R

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KONT/ONT
ONTARIO INTL

JEPPESEN

5 JUN 15 (10-9F)

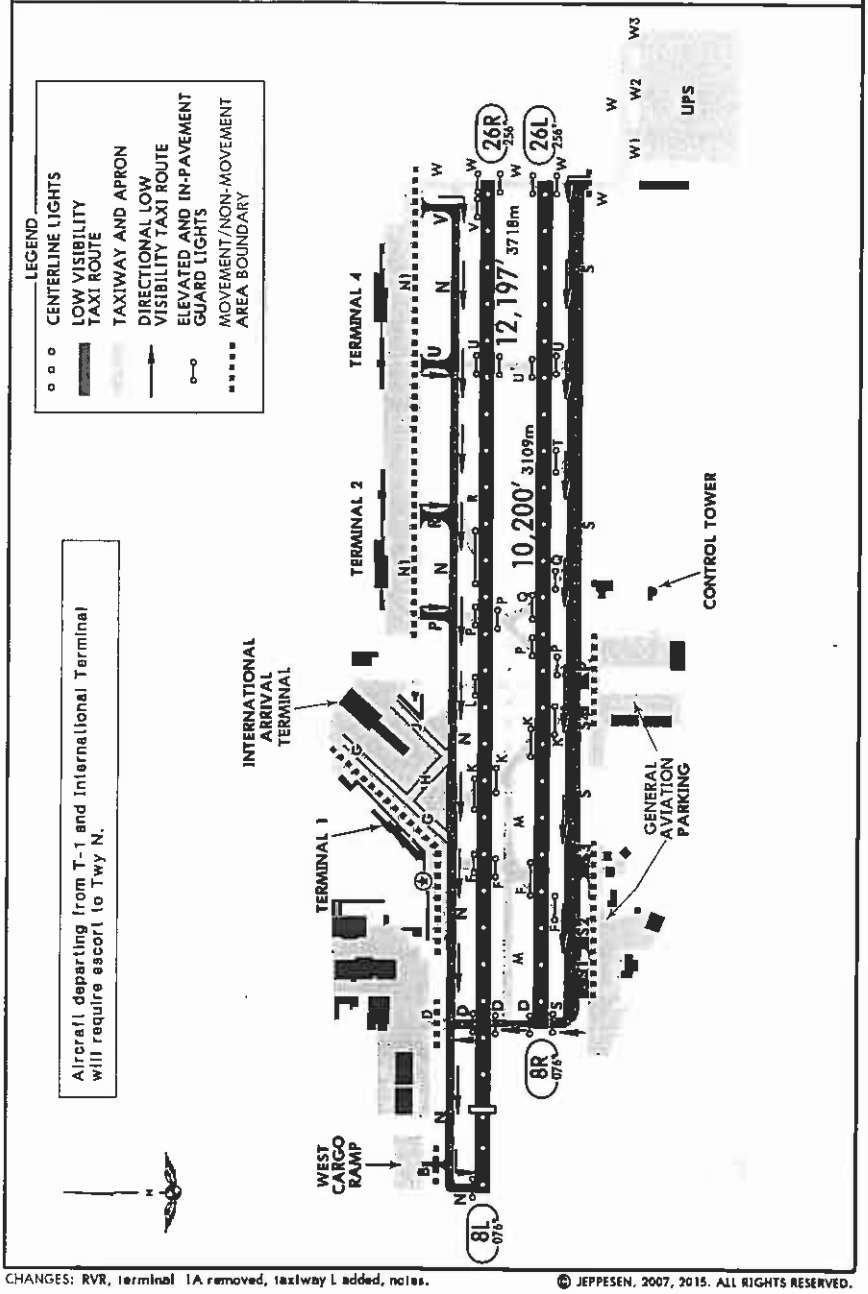
SMGCS
ONTARIO, CALIF
LOW VISIBILITY TAXI ROUTES
RWY 8L/R DEPARTURES

RVR 1200 to 500

D-ATIS	ACARS: D-ATIS PDC	ONTARIO Clearance	Ground	Tower
124.25		118.1	121.9	120.6

SOCAL Departure (R)

360°-110°	110°-210°	210°-360°
127.25	135.4	125.5



CHANGES: RVR, terminal 1A removed, taxiway L added, notes.

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KONT/ONT
ONTARIO INTL

JEPPESEN

5 JUN 15 (10-9G)

SMGCS

ONTARIO, CALIF
LOW VISIBILITY TAXI ROUTES

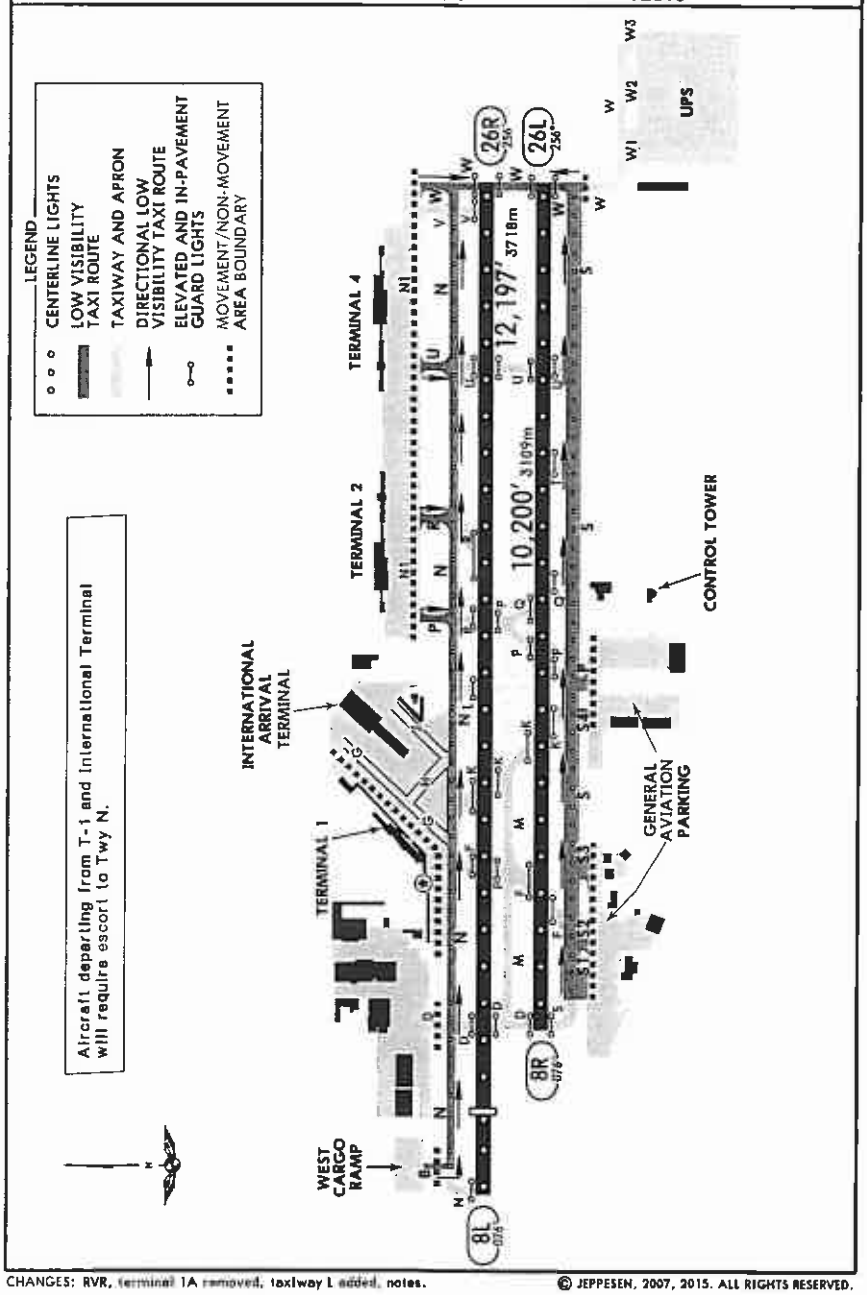
RVR 1200 to 500

RWY 26L/R DEPARTURES

D-ATIS	ACARS: D-ATIS PDC	ONTARIO Clearance	Ground	Tower
124.25		118.1	121.9	120.6

SOCAL Departure (R)

360°-110°	110°-210°	210°-360°
127.25	135.4	125.5



CHANGES: RVR, terminal 1A removed, taxiway L added, notes.

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kont109g.apt Tue May 19 09:06:24 2015 Rev:06/05/15 (5) Eff:O/R

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APPENDIX 2 – ENVIRONMENTAL

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APPENDIX 2

Environmental Rules

SC-1	Discharge of Non-Storm Water Discharges to Storm Drains
SC-2	Aircraft, Ground Vehicle and Equipment Maintenance
SC-3	Aircraft, Ground Vehicle and Equipment Fueling
SC-4	Aircraft, Ground Vehicle and Equipment Washing
SC-5	Aircraft Deicing/Anti Icing
SC-6	Outdoor Material Handling
SC-7	Outdoor Storage of Significant Material
SC-8	Waste/Garbage Handling and Disposal
SC-9	Building and Grounds Maintenance
SC-10	Strom Water Pollution Prevention Education
SC-11	Lavatory Service Operations
SC-12	Outdoor Wash-down/Sweeping
SC-13	Fire Fighting Foam Discharge
SC-14	Potable Water System Flushing
SC-15	Runway Rubber Removal
TC-1	Oil/Water Separators
SR-1	Emergency Spill Cleanup Plans

Ontario International Airport Authority

SC1	ELIMINATION OF NON-STORM WATER DISCHARGES TO STORM DRAINS

PURPOSE:

Existing discharges: Eliminate non-storm water discharges to the storm water collection system. Non-storm water discharges can be classified as follows: 1) *Activity-based* (subtle), and 2) *Overt* (hard pipe connection). Activity-based non-storm water discharges may include: wash water, deicing fluids, and spillage. Overt non-storm water discharges may include: process wastewater, treated cooling water, and sanitary wastewater.

Prevention of illicit connections: Prevent improper physical connections to the storm drain system from sanitary sewers, floor drains, industrial process discharge lines, and wash racks through education, developing project approval conditions, and performing both construction phase and post-construction inspections.

GENERAL APPROACH:

Identification of Activity-Based (Subtle) Discharges:

The following techniques may be used to identify activity-based non-storm water discharges to the storm water collection system:

- Perform frequent activity inspections to identify non-storm water discharges - stagger inspection times to cover all work periods.
- Perform visual inspections of discharge points to the storm drain system - observe uncharacteristic volumes, colors, turbidity, odors, deposition, staining, floatables, and foaming characteristics of any flow.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Perform inspections during the design review and project construction phases to ensure drainage, wastewater, and water supply connections are correct (no cross connections or illicit hookups).
- Develop a set of as-built prints for all projects. Keep a set of the prints at the facility.
- Design projects to include adequate waste repositories at locations near waste origin points.
- Provide adequate and appropriately designed facilities for functions such as steam cleaning, degreasing, painting, mechanical maintenance, chemical/fuel storage and delivery, material handling, waste handling and storage, lavatory service, and food preparation.

TARGETED ACTIVITIES

All Maintenance
All Fueling
All Washing
Equipment Cleaning
Cargo Handling
All Storage
Painting/Stripping
Floor Washdowns
Aircraft Deicing/Anti-Icing
Garbage Collection
Aircraft Lavatory Service
Fire Fighting Equip. Testing
Potable Water System Flush
Runway Rubber Removal

TARGETED POLLUTANTS

Oil and Grease
Vehicle Fluids
Fuel
Solvents/Cleaning Sol.
Deicing/Anti-Icing Fluid
Battery Acid
Pesticides/Herbicides/ Fertilizers
Paint
Aircraft Fire Fighting Foam
Metals
Dumpster Wastes
Sediment
Landscape Waste
Floatables
Lavatory Chem. Wastes
Potable Water System Chemicals
Rubber Particles

KEY APPROACHES

Perform inspections and enforcement
Provide training for employees
Promote education of vendors/public

Ontario International Airport Authority

SC1	ELIMINATION OF NON-STORM WATER DISCHARGES TO STORM DRAIN

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

- Use "dry" cleaning and surface preparation techniques where feasible.
- Limit the availability of outdoor water supplies (hose bibs).
- Post signs at outdoor water sources stating the appropriate uses and discouraging uses which would introduce pollutants to the storm drain system/receiving waters.

Contingency Response

- Develop and implement a Spill Prevention Control and Countermeasure (SPCC) Plan, if required under guidelines set forth in 40 CFR, Section 112.3(a), (b).
- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.

Inspection and Training

- Inspect waste containers frequently for leaks and proper closure seal.
- Develop employee training programs which emphasize the proper disposal procedures for operations-derived wastes.
- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.

REQUIREMENTS:

- Capital and O&M costs associated with the elimination of non-storm water discharges can be high.

LIMITATIONS:

- Storm drain documentation for many facilities is not up-to-date.
- Activity-based (subtle) non-storm water discharges from a particular facility are typically sporadic, transient, and often require frequent inspections to detect.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 112 Oil Pollution Prevention (SPCC/OPA Plans)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC2	AIRCRAFT, GROUND VEHICLE AND EQUIPMENT MAINTENANCE

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from aircraft, vehicle, and equipment maintenance and repair, including ground vehicle and equipment painting/stripping and floor washdowns.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Provide covered maintenance areas when designing new facilities or upgrading existing facilities. Utilize indoor areas, lean-tos, or portable covers.
- Locate outdoor maintenance areas so minimal quantities of runoff cross the site.
- Include appropriate storm water quality structures (oil/water separators, sumps, first flush diversion basins, etc. - see TC-1 for further information regarding treatment control BMPs) in the design of outdoor maintenance areas.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

Implement the following to the maximum extent practicable.

Good Housekeeping

- Use drip pans.
- Use absorbent materials at potential problem areas. Adequately collect/remove absorbent materials from area after use and dispose of them in an appropriate manner.
- Drain and crush oil filters (and oil containers) before recycling or disposal. Store crushed oil filters and empty lubricant containers in a leak-proof container - covered if outdoors.
- Label storm drain inlets to indicate they are to receive no wastes. Do not hose down work areas to the storm drainage system or use concrete cleaning products unless the storm drain inlet is blocked and wash water is collected and properly disposed of through a permitted sewer connection. As an alternative, use mops, dry sweeping compound, or contract professional cleaning services. Confirm the use of appropriate disposal practices by contract cleaning services.
- Drain and properly dispose of all fluids and remove batteries from salvage aircraft, vehicles, and equipment.

TARGETED ACTIVITIES

Aircraft Maintenance

Vehicle Maintenance

Equipment Maintenance

TARGETED POLLUTANTS

Oil and Grease

Vehicle Fluids

Solvents/Cleaning Solutions

Fuel

Battery Acid

Paint

KEY APPROACHES

Conduct maintenance indoors, or in covered area.

Prevent wash water discharges to the storm drain

Clean catch basins regularly

Collect and properly dispose of all fluids

SC2	AIRCRAFT, GROUND VEHICLE AND EQUIPMENT MAINTENANCE

Good Housekeeping, cont.

- Recycle or properly dispose of the following: greases, oils, antifreeze, brake fluid, cleaning solutions, hydraulic fluid, batteries, transmission fluid, and filters.
- Use biodegradable products and substitute materials with less hazardous properties where feasible.

Physical Site Usage

- Where feasible, move maintenance activities indoors or provide cover over work area.
- Use designated washing, steam cleaning, and degreasing areas to clean equipment.
- Store mechanical parts and equipment that may yield even small amounts of contaminants (e.g., oil or grease) under cover and away from drains.

Structural Controls

- Equip maintenance and cleaning areas with runoff controls that prevent discharge to storm sewers.
- Install and maintain catch basin filter inserts that assist in the removal of oil and grease, sediments and floatables.

Maintenance

- Maintain clean equipment by eliminating excessive amounts of external oil and grease buildup. Use water-based cleaning agents or non-chlorinated solvents to clean equipment.
- Regularly clean any catch basins that receive runoff from a maintenance area, especially after larger storms.
- Inspect, clean and maintain sump and oil/water separators, if necessary.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.
- Furnish all maintenance vehicles with adequate supplies of spill response materials and appropriate spill response procedures.

Inspection and Testing

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.
- Provide employee storm water quality awareness training.
- Develop regular maintenance and inspection programs for oil/water separators.
- Characterize wastes collected from oil/water separators. Provide appropriate employee training.

REQUIREMENTS:

- Capital and O&M costs should be low but will vary depending on the size of the facility. Costs associated with diversion basins can be high.
- Maintenance costs should be low.

Ontario International Airport Authority	
SC2	**AIRCRAFT, GROUND VEHICLE AND EQUIPMENT MAINTENANCE**

LIMITATIONS:

- Size, space and time limitations may preclude all work being performed indoors.
- Identification of engine and equipment leakage points may require the use of solvents or other cleaners to remove external accumulations of oily grime.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

SC3 AIRCRAFT, GROUND VEHICLE, AND EQUIPMENT FUELING

PURPOSE:

Prevent fuel spills and leaks, and reduce their impacts to storm water.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Design fueling areas to prevent the run-on of storm water and the runoff of spills by employing the following approaches:
  - Cover the fueling area if possible.
  - Use a perimeter drain or slope the fueling area to a dead-end sump or oil/water separator.
  - Pave the fueling area with concrete rather than asphalt.
- If storm water runoff from fueling areas is not collected, install an appropriately sized oil/water separator. Regulatory agency approvals are required.
- Install and maintain vapor recovery systems where required and/or appropriate.
- Existing underground fuel storage tanks should be upgraded with leak detection, spill containment, and overfill protection in advance of December 22, 1998, the federal regulatory deadline. This is relevant to storm water regulations due to the potential for contamination of surface soils or waters that could be transported by storm water runoff.
- Design facilities to include secondary containment where required and/or appropriate.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

Implement the following to the maximum extent practicable.

Good Housekeeping

- Fuel pumps intended for vehicular use (not aircraft) should be posted with signs stating "No Topping Off" to prevent overflow.
- Use absorbent materials and spot cleaning for small spills; do not hose down the area unless the storm drain is blocked and drainage is collected by vacuum truck and disposed of through a permitted connection to the sanitary sewer.
- Properly dispose of any fuel spills and leaks. Vacuum equipment/trucks are recommended for collection. Always dispose of materials in an approved manner; use an approved treatment facility through a permitted connection. Never discharge materials to a catch basin or storm drain.

TARGETED ACTIVITIES

Aircraft Fueling

Vehicle Fueling

Equipment Fueling

TARGETED POLLUTANTS

Fuel

KEY APPROACHES

Install berms or curbing around fueling areas

Use absorbent materials and/or vacuum equipment for spills

Install proper equipment for fuel dispensing and tank monitoring to prevent spills, leaks and overflows

Good Housekeeping (contd.)

- Use pigs/mats over catch basins during fueling activity.
- Manage the disposal of water that collects in fuel tanks and fueling hydrant sumps according to state and federal regulations.

Physical Site Usage

- Avoid mobile fueling of equipment wherever feasible; fuel equipment at designated fueling areas.

Structural Controls

- Cover the fueling area if possible.
- Divert storm water runoff away from fueling area to avoid storm water contact with contaminated surfaces through the use of berms or curbing.
- Install gate valves at catch basins for use during fueling activity.
- Employ secondary containment or cover when transferring fuel from a tank truck to a fuel tank.

Equipment

- Provide appropriate monitoring for tanks containing fuel, such as:
  - Level indicators and gauges.
  - Overfill protection with alarms.
  - Interstitial leak detection for double-walled tanks.
  - Routine inspection/lockout for drainage valves for tank containment areas.
- Fuel dispensing equipment should be equipped with "breakaway" hose connections that will provide emergency shutdown of flow should the fueling connection be broken through movement.
- Automatic shut-off mechanisms should be in place on fuel tankers. These valves should remain in the closed position unless manually opened during fueling.

Maintenance

- Inspect, clean and maintain sumps and oil/water separators at appropriate intervals.

Contingency Response

- Develop and implement a Spill Prevention Control and Countermeasure (SPCC) Plan if required under guidelines set forth in 40 CFR, Sections 112.3(a), (b).
- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.
- Furnish adequate spill response information, equipment and materials on all fueling vehicles.

Inspection and Training

- Inspect fueling areas and storage tanks regularly. Record all maintenance activities and inspections relating to fueling equipment and containers in a logbook.
- Underground fuel storage tanks should be tested as required by federal and state laws.
  Provide the appropriate level of spill response training to personnel to address all types of potential spills.

SC3	AIRCRAFT, GROUND VEHICLE, AND EQUIPMENT FUELING

REQUIREMENTS:

- The cost of retrofitting existing fueling areas to minimize storm water contamination can be high. Practical design concepts such as incorporating extruded curb along the upstream side of facilities to prevent run-on of storm water can be of modest cost.

LIMITATIONS:

- Properly sized and installed oil/water separators must be regularly maintained to be effective (see TC-1 for a description of management practices relating to oil/water separator operations and maintenance).

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 112 Oil Pollution Prevention (SPCC OPA/Plans)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharge
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC4 AIRCRAFT, GROUND VEHICLE AND EQUIPMENT WASHING

PURPOSE:
Prevent or reduce the discharge of pollutants to storm water drains from aircraft, vehicle, and equipment washing, and equipment degreasing.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Consider off-site commercial washing where feasible. Using appropriate off-site facilities will decrease the waste generated on-site.
- Consider incorporating a wash water recycling system into the project design.
- Outdoor washing operations should have the following design characteristics:
  - Paved with portland cement concrete.
  - Bermed and/or covered (if feasible) to prevent contact with storm water.
  - Sloped to facilitate wash water collection.
  - Wash water should be collected in a dead-end sump for removal or discharged to the sanitary sewer through a permitted connection.
  - Discharge piping serving uncovered wash areas should have a positive shut-off control valve that allows switching between the storm drain and the sanitary sewer.
  - Clearly designated.
  - Equipped with an oil/water separator designed to operate under storm water runoff conditions (treat storm water volumes and flow rates). Regulatory agency approvals are required.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

Implement the following to the maximum extent practicable.

Good Housekeeping

- Use "dry" washing and surface preparation techniques where feasible. Several products are presently marketed which are being used to clean even the largest aircraft. Remove all materials (i.e., drippings and residue) using vacuum methods. Dispose of properly.
- Provide secondary containment for containers of washing and steam cleaning additives.
- Use pigs/mats to cover catch basins during wash activity.
- Use biodegradable phosphate-free detergents.
- Keep washing area clean and free of waste.
- Include proper signage to prohibit the discharge of waste oils into the drains.
- Collect and discharge wash water to an approved treatment facility (sanitary sewer system) through a permitted connection.

TARGETED ACTIVITIES

Aircraft Washing

Vehicle Washing

Equipment Washing

Equipment Degreasing

TARGETED POLLUTANTS

Oil and Grease

Solvents

Vehicle Fluids

Cleaning Solutions

KEY APPROACHES

Use designated area

Use dry washing techniques

Recycle wash water or discharge appropriately

Cover catch basins

Provide training

SC4 AIRCRAFT, GROUND VEHICLE AND EQUIPMENT WASHING

Physical Site Usage

- Consider off-site commercial washing and steam cleaning where feasible. Using appropriate off-site facilities will decrease the waste generated on-site.
- Use designated wash areas indoors, or outdoors covered and bermed where feasible, to prevent contamination of storm water by contact with wastes.

Structural Controls

- Install gate valves at catch basins for use during washing activities to facilitate the collection of the wash water and prevent discharge to the storm drainage system.
- Filter and recycle wash water where practical.

Maintenance

- Conduct berm repair and patching.
- Inspect, clean, and maintain sumps, oil/water separators, and on-site treatment and recycling units.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.

Inspection and Training

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.
- Develop regular maintenance and inspection programs for oil/water separators.
- Characterize wastes derived from oil/water separators. Provide appropriate employee training.

REQUIREMENTS:

- Capital costs vary depending on measures implemented.
  - LOW COST: $500-1,000 for berm construction.
  - MEDIUM COST: $5,000-20,000 for plumbing modifications (including re-routing discharge to the sanitary sewer and installing a simple sump).
  - HIGH COST: $30,000-150,000 for on-site treatment and recycling.
- O&M costs increase with increasing capital investment.

LIMITATIONS:

- Some wastewater agencies may require pretreatment and monitoring of wash water discharges to the sanitary sewer.
- Steam cleaning and de-greasing operations can generate significant pollutant concentrations which may require permitting, monitoring, pretreatment, and inspections. These compliance issues will vary according to local agency jurisdiction.

Ontario International Airport Authority	
SC4	**AIRCRAFT, GROUND VEHICLE AND EQUIPMENT WASHING**

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC5	AIRCRAFT DEICING/ANTI-ICING

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from aircraft deicing and anti-icing procedures.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- When designing or modifying operating areas, consider the following characteristics:
  - Paved with portland cement concrete.
  - Sloped to facilitate fluid collection.
  - Fluids could be collected in a dead-end sump for removal or discharged to the sanitary sewer through a permitted connection (check with local wastewater agency).
  - Clearly designated.
  - Equipped with an oil/water separator.
- Consider incorporating a closed loop recycling system into the design of deicing/anti-icing stations.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

- Perform anti-icing and deicing operations only in areas designated by OIAA as appropriate for such activities.
- Depending on conditions, apply only enough fluid to surfaces to ensure the safe operation of the aircraft. Excess fluid dripped to the ground contaminates soil and water if not properly contained
- Clean ramp areas following deicing/anti-icing operations. Wet-type sweepers are effective in removing deicing fluids from paved areas. Dispose of or recycle the fluids in accordance with local, state, and federal regulations.
- Implement forthcoming recommendations of the FAA technical committee on deicing.
- Inspect, clean and maintain sumps and oil/water separators.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.

Inspection and Training

- Monitor deicing and anti-icing operations regularly to ensure quantities of fluids used are at a minimum while not jeopardizing aircraft safety.
- Provide the appropriate level of employee training in the following areas: spill

TARGETED ACTIVITIES

Aircraft Deicing

Aircraft Anti-Icing

TARGETED POLLUTANTS

Ethylene glycol

Propylene glycol

KEY APPROACHES

Perform in designated areas only

Apply only required amounts of fluid

Clean ramp area when done

Implement forthcoming recommendations of FAA

Inspection and Training (contd)

response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.

REQUIREMENTS:

- Costs associated with the collection and proper disposal of anti-icing fluids can be high.

LIMITATIONS:

- Wastewater agencies may ban conventional anti-icing chemicals, such as ethylene glycol, from the sanitary sewer system or may require extensive pretreatment and monitoring of deicing and anti-icing fluid discharges to the sanitary sewer.

RELEVANT REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

SC6	OUTDOOR MATERIAL HANDLING

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from loading and unloading of material and cargo.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Design loading/unloading areas to prevent storm water run-on through the use of the following practices:
  - Grading or berming.
  - Positioning roof downspout to direct storm water away from loading/ unloading areas.
- Design facilities so that materials which may contribute pollutants to storm water may be stored indoors or under cover.
- Incorporate oil/water separators into exposed loading dock designs.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

Good Housekeeping

- Use seals or door skirts between vehicles and structures to prevent material exposure to rainfall.
- Contain and adsorb leaks during transfers and spillage from hose disconnections; dispose of residue properly.
- Avoid transferring materials in close proximity to storm drain inlets.
- Use drip pans under hoses.
- Transfer liquids only in paved areas. Portland cement paving should be used if the liquid is asphalt reactive.
- Provide contractors and haulers with copies of pertinent BMPs. Require contractors/haulers adherence to BMP specifications.
- Consider contracting maintenance operations for material handling equipment. Designate an appropriate area for contractors to perform maintenance activities. Verify proper waste disposal practices of contractors.

Physical Site Usage

- Protect all loading/unloading activities from rainfall, run-on and wind dispersal to the maximum extent practicable. Viable options include conducting loading/unloading under existing cover, or moving indoors.
- Position tank trucks or delivery vehicles so that possible spills or leaks can be contained.

TARGETED ACTIVITIES

Cargo Handling

Fuel Storage

Chemical Storage

Equipment Storage

TARGETED POLLUTANTS

Fuel

Pesticides/ Herbicides/ Fertilizers

Oil and Grease

Solvents/Cleaning Solutions

Battery Acid

KEY APPROACHES

Conduct loading/ unloading under cover

Transfer materials in paved areas, away from storm drain inlets

Contain and absorb leaks/spills that occur during material transfer

SC6	OUTDOOR MATERIAL HANDLING

Structural Controls

- Cover loading/unloading areas/docks to reduce exposure of materials to rain. Construct roofing structure over material handling area, or move indoors.
- Consider relocating storm drain inlets in areas away from fuel hydrants.

Maintenance

- Conduct berm repair and patching.
- Inspect, clean and maintain oil/water separators.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.
- Include spill kits on appropriate material handling vehicles and equipment.

Inspection and Training

- Conduct regular inspections and make repairs as necessary.
- Check loading/unloading equipment (valves, pumps, flanges, and connections) regularly for leaks.
- Develop and implement a written operations plan which describes loading/unloading procedures.
- Provide proper training for material handling equipment operators.
- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.

REQUIREMENTS:

- Capital and O&M costs should be low except when covering large loading/unloading areas.

LIMITATIONS:

- Space and time limitations may preclude the indoor or covered transfer of cargo and materials.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 112 Oil Pollution Prevention (SPCC/OPA Plans)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm water Discharges

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

SC7	OUTDOOR STORAGE OF SIGNIFICANT MATERIAL

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from outdoor storage areas for significant material (e.g., fuels, chemicals, bagged material on pallets, soils or asphalt material bulk storage, deicing compounds, etc.).

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Require the use of appropriate water quality control structures for fuel and chemical storage areas such as detention/retention basins and sumps. Develop appropriate minimum performance standards for these water quality control structures and implement a reporting program to monitor the performance and maintenance of these structures.
- Chemical, fuel, and oil dispensing (non-aircraft) areas should be covered, if possible.
- Develop standard guidelines for the management of storm water which collects in secondary containment areas.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

Good Housekeeping

- Avoid dispensing from drums positioned horizontally in cradles. Dispensing materials from upright drums equipped with hand pumps is preferred. Always use drip pans and self closing spigots if dispensing from horizontally positioned drums.
- Store drums and containers on pallets or other structures to keep the container out of contact with storm water.
- Use drum lids to prevent rainfall from washing materials and drippage from the top of containers to the storm drain system.
- Discharge collected storm water from secondary containment areas according to guidelines developed by the federal government and applicable state and local regulations.
- Store all materials in their original containers or containers approved for that use. Ensure that all containers are appropriately sealed. Store empty containers indoors or under cover or move them off-site.

TARGETED ACTIVITIES

Aircraft/Vehicle/ Equipment Maintenance

Aircraft/Vehicle Fueling

Fuel/Chemical/ Equipment Storage

Cargo Handling

TARGETED POLLUTANTS

Fuel

Solvents/Cleaning Solutions

Deicing/Anti-Icing Fluids

KEY APPROACHES

Store materials indoors or under cover

Store drums/ containers on pallets

Provide berming or secondary containment

Develop/implement an SPCC, if required

Perform and document periodic inspections

Ontario International Airport Authority	
SC7	**OUTDOOR STORAGE OF SIGNIFICANT MATERIAL**

REQUIREMENTS:

- Capital and O&M costs will vary widely depending on the size of the facility and the necessary controls. Costs associated with on-site detention/retention facilities could be high.

LIMITATIONS:

- Storage structures must meet local building and applicable local Uniform Fire Code (UFC) requirements. However, spills and releases are frequently caused by improper handling rather than structural deficiencies.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 112 Oil Pollution Prevention (SPCC/OPA Plans)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC8	WASTE/GARBAGE HANDLING AND DISPOSAL

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from waste handling and disposal by tracking waste generation, storage, and disposal; reducing waste generation and disposal through source reduction, re-use, and recycling; and preventing run-on and runoff from waste management areas, including garbage collection areas.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- If possible, avoid the following characteristics when examining candidate sites for storing wastes:
  - Excessive slope.
  - High water table.
  - Locations near storm drain inlets.
  - Locations near public access areas.
- Waste handling and storage areas should be covered, if possible.
- Develop standard guidelines for the management of storm water which collects in secondary containment areas.
- Incorporate sanitary sewer drains into bermed, outdoor, non-hazardous waste storage areas, if approved by the local wastewater treatment agencies/regulations.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

Good Housekeeping

- Perform regular housekeeping activities in waste storage areas and surroundings.
- Recycle materials whenever possible.
- Inspect waste management areas for spills and waste management containers for leaks.
- Ensure that sediments and wastes are prevented from being washed, leached, or otherwise carried off-site.

TARGETED ACTIVITIES

Fuel/Chemical Storage

Painting/Stripping

Garbage Collection

TARGETED POLLUTANTS

Oil and Grease

Vehicle Fluids

Solvents/Cleaning Solutions

Dumpster Wastes

KEY APPROACHES

Cover waste storage areas

Recycle materials

Regularly inspect and clean waste storage areas

Berm waste storage areas to prevent contact with run-on or runoff

Perform dumpster cleaning in designated areas

Properly dispose of all fluids

SC8	WASTE/GARBAGE HANDLING AND DISPOSAL

Good Housekeeping (contd)

- Schedule waste pickup as frequently as necessary to keep storage of waste to a minimum and to avoid overloaded/overfilled disposal containers.
- Minimize spills and fugitive losses such as dust or mist from loading areas.
- Maintain a minimal inventory of required chemicals to reduce the magnitude of potential spills and limit waste generation.
- Track waste generated:
  - Characterize waste streams.
  - Evaluate the process generating the waste.
  - Prioritize the waste streams using: manifests, bills of lading, biennial reports, permits, environmental audits, SARA Title III reports, emission reports, Material Safety Data Sheets (MSDS), NPDES discharge monitoring reports.
  - Inventory reports.
  - Data on chemical spills.
  - Emissions.
- Find substitutes for harmful chemicals; properly dispose of unusable chemical inventory.

Physical Site Usage

- Segregate and separate wastes.
- Avoid locating waste handling and storage in areas with storm drain inlets/catch basins.
- Locate waste storage areas beneath existing cover, if possible.

Structural Controls

- Enclose or berm waste storage areas, if possible, to prevent contact with run-on or runoff.

Garbage Collection Areas

- Design facilities to provide shelter and secondary containment for dumpsters.
- Use covered dumpsters and keep them closed and locked.
- Use only dumpsters with plugged drain holes to prevent leaks from waste materials.
- Do not dispose of liquid wastes such as oils or hazardous materials into dumpsters.
- Perform dumpster cleaning in designated areas that are bermed to contain wash water for a subsequent disposal or discharge to the sanitary sewer. Ramp scrubbers are effective in removing wash water from paved areas. Dispose of or recycle all fluids collected.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.
- Equip waste transport vehicles with spill containment equipment.

SC8	WASTE/GARBAGE HANDLING AND DISPOSAL

Inspection and Training

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.
- Perform and document in a log book periodic inspections of hazardous and non-hazardous waste storage areas. Inspection items should include the following:
  - Check for external corrosion and structural failure.
  - Check for spills and overfills due to operator failure.
  - Check for failure of piping system (pipes, pumps, flanges, couplings, hoses, and valves).
  - Check for leaks or spills during pumping of liquids or gases.
  - Visually inspect new tanks or containers for loose fittings, poor welds, and improper or poorly fitted gaskets.
  - Inspect tank foundations and storage area coatings.
  - Inspect dumpster areas for signs of leakage.

REQUIREMENTS:

- Capital and O&M costs for these programs will vary substantially depending on the size of the facility and the types of wastes handled.

LIMITATIONS:

- Hazardous waste that cannot be re-used or recycled must be disposed of by a licensed hazardous waste hauler.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 112 Oil Pollution Prevention (SPCC/OPA Plans)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC9	BUILDING AND GROUNDS MAINTENANCE

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from building and grounds maintenance by washing and cleaning up with as little water as possible, preventing and cleaning up spills immediately, keeping debris from entering storm drains, and maintaining the storm water collection system.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Incorporate areas of landscape into project design. Landscape areas are pervious and will result in less runoff discharge from a site.
- Incorporate design considerations such as leaving or planting native vegetation to reduce irrigation, fertilizer, and pesticide needs.
- Select landscaping plants which require little maintenance and/or pest control.
- Incorporate storm water detention/retention to reduce peak runoff flows and for water quality control.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

Good Housekeeping

- Collect outdoor washdown water and properly dispose of it through a permitted connection to the sanitary sewer. Approval from treatment facility required for discharge.
- Clean any catch basins that receive runoff from maintenance areas on a regular basis. Use a vacuum truck to remove accumulated materials. Do not simply flush wastes into the storm drain system.
- Minimize use of pesticides, herbicides, and fertilizers. Use according to directions. Seek less harmful/toxic products to replace ones currently used.
- Utilize integrated pest management where appropriate.
- Properly dispose of landscape waste, wash water, sweepings, and sediments.
- Regularly clean paved surfaces that are exposed to industrial activity. Use A "dry" cleaning techniques, such as sweeping, whenever possible.

TARGETED ACTIVITIES

Building Maintenance

Grounds Maintenance

TARGETED POLLUTANTS

Pesticides/Herbicides/ Fertilizers

Oil and Grease

Sediment

Landscape Waste

KEY APPROACHES

Keep paved surfaces cleaned and swept

Clean catch basins regularly using vacuum trucks

Manage use of pesticides/herbicides/ fertilizers

SC9	BUILDING AND GROUNDS MAINTENANCE

Structural Controls

- Provide landscaped areas where erosion is becoming a problem.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may occur.

Inspection and Training

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.

REQUIREMENTS:

- Costs will vary depending on the type and size of the facility. Costs of on-site storm water detention/retention facility could be high.

LIMITATIONS:

- Alternative pest/weed controls may not be available, suitable, or effective in every case.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substances
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC10	STORM WATER POLLUTION PREVENTION EDUCATION

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from activities through implementing an education program targeting employees, vendors, and the public.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Work early on with design and construction engineers, and local storm water authorities to incorporate proactive storm water management features into projects such as decreased impervious areas, infiltration BMPs, biofilters, oil/water separators, etc.
- Inform all construction contractors of their responsibility to comply with adopted BMPs and with regulations prohibiting cross connections between sanitary sewers and storm drains. Provide contractors and subcontractors with copies of relevant BMPs during specification and bidding phases.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Contingency Response

- Provide adequate implementation training for facilities with a Spill Prevention Control and Countermeasure (SPCC) Plan, if required developed under guidelines set forth in 40 CFR, Section 112.3(a), (b).
- Adequately train employees in the use of spill response equipment and materials.

Inspection and Training

- Perform and document in a logbook frequent inspections of work areas, waste storage facilities, maintenance areas, and contractor projects to examine compliance with BMPs. Follow up with additional training or enforcement as required. Incorporate inspection findings into subsequent training efforts.

- Design storm water pollution education programs to contain the following elements:
  - Promote the proper storage, use, and disposal of landscape maintenance chemicals and other potentially harmful chemicals.
  - Promote the use of safer alternative products such as: short-lived pesticides, non-chlorinated solvents, water-based paints, non-aerosol products.
  - Encourage the use of "dry" washing processes for aircraft, vehicles, and

TARGETED ACTIVITIES

All Maintenance
All Fueling
All Washing
Equipment Cleaning
Cargo Handling
All Storage
Painting/Stripping
Floor Washdowns
Aircraft Deicing/Anti-Icing
Garbage Collection
Aircraft Lavatory Service
Fire Fighting Equip. Testing
Potable Water System Flush.
Runway Rubber Removal

TARGETED POLLUTANTS

Oil and Grease
Vehicle Fluids
Fuel
Solvents/Cleaning Sol.
Deicing/Anti-Icing Fluid
Battery Acid
Pesticides/Herbicides/ Fertilizers
Paint
Aircraft Fire Fighting Foam
Metals
Dumpster Wastes
Sediment
Landscape Waste
Floatables
Lavatory Chem. Wastes
Potable Water System Chemicals
Rubber Particles

KEY APPROACHES

Perform inspections and enforcement
Provide training for employees
Promote education of vendors/public

SC 10	STORM WATER POLLUTION PREVENTION EDUCATION

Inspection and Training (contd)

- Design storm water pollution education programs to contain the following elements:
  - Encourage efficient and safe housekeeping practices in industrial activity areas.
  - Increase awareness of the detrimental environmental impacts that result when fuel, antifreeze, pesticides, lubricants, detergents, paints and other wastes are dumped onto the ground or into storm drains.
  - Promote source reduction and recycling of waste materials.
  - Increase awareness of possible penalties and fines associated with discharge of pollutants into storm drains.
  - Increase awareness of what is and what is not allowed to enter storm drains. Provide a mechanism for violations to be reported.

REQUIREMENTS:

- Capital and O&M costs are minimal for educational programs.
- Educational programs need to be ongoing. Information and training must be disseminated at regular intervals.

LIMITATIONS:

- The success of educational programs is difficult to measure. Acceptance and awareness are critical factors.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 112 Oil Pollution Prevention (SPCC/OPA Plans)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC11	LAVATORY SERVICE OPERATIONS

PURPOSE:

Eliminate discharges to the storm drain system associated with ground servicing of aircraft lavatory facilities. The sanitary sewage and associated rinse waters produced during the servicing of aircraft lavatory facilities must be discharged to a wastewater treatment facility under appropriate permitting. Trucks or trailers equipped with bulk storage tanks are typically used to service lavatory facilities. Non-storm water discharges and residuals associated with servicing these facilities can be classified as follows:

- Discharges and residuals associated with diluting and mixing the surfactants and disinfectants used for servicing lavatory facilities.
- Discharges and residuals associated with transferring materials from the aircraft.
- Discharges and residuals associated with transporting and disposing materials to the sanitary sewer system.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- If possible, design triturator facilities to be covered, with low roll-over type berming.
- Include a source of water at the triturator for clean up of lavatory service equipment.
- Coordinate permitting of the triturator sanitary sewer connection through the local storm water and sanitary sewering agencies.
- Triturator facilities should not be located near storm drains.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

- Do not discharge lavatory waste to sanitary sewer connections other than triturator facilities. Other industrial-type connections may be equipped with bypass gates which, if improperly maintained or defective, may discharge to the storm water collection system.
- Drain the aircraft connecting hose as completely as possible into the storage tank after servicing an aircraft. Properly secure all hoses, valves, and equipment when transporting waste to eliminate leakage and spills.
- Use only surfactants and disinfectants approved for discharge to the sanitary sewer system. Do not discharge or rinse other unapproved chemicals or materials into the triturator facility. Any change in the chemicals used in aircraft lavatory service operations must be approved by OIAA.

TARGETED ACTIVITIES

Aircraft Lavatory Service

Lavatory Truck Cleanout/ Backflushing

TARGETED POLLUTANTS

Lavatory Chemicals

Lavatory Waste

Lavatory Truck Wash Water

KEY APPROACHES

Do not discharge lavatory waste to sanitary sewer connections other than triturator facilities

Utilize buckets or pans to capture drippage from aircraft lavatory access fittings

Do not perform lavatory truck cleanout/backflushing at any location other than triturator facilities

Carry absorbent and other containment equipment on the lavatory service equipment

SC11	LAVATORY SERVICE OPERATIONS

Operational Considerations (contd)

- If possible, perform surfactant/disinfectant mixing and transfers in the triturator area or under cover. This will allow the rinsing of minor spills and splashes to enter the sanitary sewer system.
- Do not perform lavatory truck cleanout/backflushing at any location other than triturator facilities.
- Utilize buckets or pans to capture drippage from aircraft lavatory access fittings. Immediately dump the drippage into the bulk storage tank on the service cart or truck.
- Carefully handle chemicals and chemical concentrates. Immediately collect dry chemicals or absorb liquid chemicals for proper disposal. Do not hose down spills unless the discharge enters the sanitary sewer system through a permitted connection (triturator facility).
- Practice good housekeeping techniques at the triturator facility. Immediately clean spills of wastes and chemicals.

Contingency Response

- Carry absorbent and other containment equipment on the lavatory service equipment.
- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.

Inspection and Training

- Perform regular inspections of the hose and fittings used for transferring lavatory waste. Keep the equipment in good working order. Replace worn equipment before leaks develop. Notify appropriate ground service personnel if it is noticed that the aircraft lavatory fittings require maintenance.
- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.

REQUIREMENTS:

- Costs associated with the elimination of discharges resulting from aircraft lavatory servicing are generally low. Most management practices are based on careful material handling, good housekeeping, and awareness of maintenance requirements.

LIMITATIONS:

- Facilities may have a limited number of permitted sanitary sewer access points (triturator facilities) for a large quantity of lavatory service equipment.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC12	OUTDOOR WASHDOWN/SWEEPING

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water from outdoor washdown and sweeping operations.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Consider contracting apron washing/sweeping services. Using appropriate contractors will decrease waste handling responsibilities. Inform contractors of their responsibilities regarding proper disposal of sweeper and scrubber waste. Supply contractors with pertinent BMPs and operating specifications. Follow up with contractor inspections frequently.
- Incorporate appropriate waste receiving facilities for sweepers and washing equipment. Coordinate sanitary sewer connection permitting through the local sanitary sewering agency.
- Incorporate oil/water separators or other water quality devices into project designs.
- Consider incorporating gate valves in areas where apron washing will occur. The gate valves will direct wash water to the sanitary sewer in dry weather and will direct storm water to the storm drain system during wet weather. Mechanical devices should be incorporated to ensure that valves are not left open (to sanitary sewer) during wet weather. Coordinate permitting and connections through the local sanitary sewering agency.
- Employ berms to minimize run-on to other areas.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

- Collect and discharge wash water to the sanitary sewer system through a permitted connection.
- Use designated and approved discharge facilities to dispose of waste derived from apron/ramp cleaning.
- Use "dry" sweeping techniques where feasible.
- Dispose of sweepings in an appropriate manner.
- Conduct berm repair and patching.
- Inspect, clean and maintain sumps and oil/water separators.

TARGETED ACTIVITIES

Apron Washing

Ramp Scrubbing

Outdoor Washdown

TARGETED POLLUTANTS

Oil and Grease

Solvents/Cleaning Solutions

Fuel

Aircraft Fire Fighting Foam

Deicing/Anti-Icing Fluids

Sediment

Floatables

KEY APPROACHES

Collect and discharge wash water to the sewer

Use "dry" sweeping techniques

Dispose of sweepings

SC12	OUTDOOR WASHDOWN/SWEEPING

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near areas where spills may be likely to occur.

Inspection and Training

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.
- Develop regular maintenance and inspection programs for oil/water separators. Document inspections and maintenance in a log book.
- Characterize wastes derived from oil/water separators. Dispose of these wastes properly and provide appropriate employee training.

REQUIREMENTS:

- Capital costs vary depending on measures implemented.
  - LOW COST: $500-1,000 for berm construction.
  - MEDIUM COST: $5,000-20,000 for plumbing modification (including re-routing discharge to the sanitary sewer and installing a simple sump).
- O&M costs increase with increasing capital investment:

LIMITATIONS:

- Some wastewater agencies may require pretreatment and monitoring of wash water discharges derived from apron washing to the sanitary sewer.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC13	FIRE FIGHTING FOAM DISCHARGE

PURPOSE:

Eliminate discharges to the storm drain system associated with flushing or testing of fire fighting foam systems.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Design testing facility with the following characteristics:
  - Located away from storm drain inlets, drainage facilities or water bodies.
  - Paved with concrete or asphalt, or stabilized with an aggregate base.
  - Bermed to contain foam and to prevent run-on.
  - Configure discharge area with a sump to allow collection and disposal of foam.
- Discharge foam waste to a sanitary sewer. Foam waste shall not be discharged to storm drains or water bodies.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

- Perform fire fighting foam testing operations only in areas designated by OIAA as appropriate for such activities.
- Properly dispose of, or recycle, foam discharge.
- Service sump regularly.
- Conduct berm repair and patching.
- Inspect, clean, and maintain sumps.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near area of activity.

Inspection and Training

- Inspect testing facility weekly or monthly, depending on frequency of use.
- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.

TARGETED ACTIVITIES

Fire Fighting Equipment Testing

Fire Fighting Equipment Flushing

TARGETED POLLUTANTS

Aircraft Fire Fighting Foam

KEY APPROACHES

Perform testing operations in designated areas

Properly dispose of, or recycle, foam discharge

Service sump regularly

Ontario International Airport Authority

SC13	FIRE FIGHTING FOAM DISCHARGE

REQUIREMENTS:

- Capital costs vary depending on measures implemented.
  - LOW COST: $500-1,000 for berm construction.
  - MEDIUM COST: $5,000-20,000 for plumbing modifications (including re-routing discharge to the sanitary sewer and installing a simple sump.
- O&M costs increase with increasing capital investment.

LIMITATIONS:

- Some wastewater agencies may require pretreatment and monitoring of this type of discharge to the sanitary sewer.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 122-124 NPDES Regulations for Storm water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC14	POTABLE WATER SYSTEM FLUSHING

Purpose:

Eliminate discharges to the storm drain system associated with flushing of aircraft potable water systems.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Design water truck flushing area with the following characteristics:
  - Located away from storm drain inlets or drainage facilities.
  - Paved with concrete or asphalt, or stabilized with an aggregate base.
  - Bermed to contain wastewater and to prevent run-on.
  - Configure discharge area with a sump to allow collection and disposal of water.
- Discharge water to a permitted sanitary sewer connection. Waste water shall not be discharged to storm drains.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

- Perform water truck flushing operations only in designated areas, designed with berms to prevent run-on and runoff. Do not perform flushing near storm drains.
- Collect all discharge from aircraft potable water flushing or water truck flushing containing Purine, chlorine bleach or other chemicals and properly discharge to a permitted sanitary sewer connection, or recycle the water.
- Conduct berm repair and patching.
- Inspect, clean and maintain sumps and on-site treatment and recycling units.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible locations near area of activity.

TARGETED ACTIVITIES

Aircraft potable water system cleaning and flushing
Water truck cleaning and flushing

TARGETED POLLUTANTS

Purine

Chlorine Bleach

KEY APPROACHES

Perform water truck flushing in designated areas only

Collect all discharge from aircraft potable water flushing or water truck flushing and discharge to a permitted sanitary sewer connection

Do not discharge water to the ground or storm drain sanitary sewer connection

SC14	POTABLE WATER SYSTEM FLUSHING

Inspection and Training

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution educational approaches), right-to-know awareness training, and hazardous materials management.
- Monitor flushing operations regularly to ensure that proper collection and disposal of discharge is being performed.

REQUIREMENTS:

- Capital costs are low for implementation of collection system for aircraft potable water flushing.
- For new facility, capital costs vary depending on measures implemented.
  - LOW COST: $500-1,000 for berm construction.
  - MEDIUM COST: $5,000-20,000 for plumbing modifications (including re-routing discharge to the sanitary sewer and installing a simple sump.
  - HIGH COST: $30,000-150,000 for on-site treatment and recycling.
  -

LIMITATIONS

- Some wastewater agencies may require pretreatment and monitoring of this type of discharge to the sanitary sewer.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges
.40 CFR 401 Effluent Limitation Guidelines

Ontario International Airport Authority

SC15	RUNWAY RUBBER REMOVAL

PURPOSE:

Eliminate discharges to the storm drain of particulate rubber generated by runway rubber removal activities.

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

- Design runway storm drain culverts to allow placement of particulate capture devices, such as hay bales or filter fabric, that will capture rubber and dirt particles generated during periodic runway rubber removal activities.

APPROACH TO EXISTING FACILITIES ACTIVITIES:

Operational Considerations

- Place devices that will capture rubber particulates, such as hay bales or filter fabric, over storm drain culverts or at other areas that will capture rubber particulates generated during periodic runway rubber removal activities.
- Use manual or mechanical cleaning methods (ordinary mechanical street sweepers) to remove rubber particulates from the runway and adjacent paved areas after periodic runway rubber removal activities.

Inspection and Training

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.
- Inspect storm drain culverts or runway drainage areas after runway rubber removal activities.

REQUIREMENTS:

- Capital and O&M costs should be low.
- Maintenance costs should be low

TARGETED ACTIVITIES

Runway Rubber Removal

TARGETED POLLUTANTS

Rubber particles

Dirt particles

KEY APPROACHES

Use hay bales or filter fabric over culverts

Use manual or mechanical cleaning methods (e.g., street sweepers) to remove particulates following normal removal process

LIMITATIONS:

Runway drainage patterns may not be suitable for the collection of rubber particulates in wash water run-off.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997

.40 CFR 122-124 NPDES Regulations for Storm Water Discharges

Ontario International Airport Authority

TC1	OIL/WATER SEPARATORS

PURPOSE:

Oil/Water separators are baffled chambers designed to remove petroleum compounds and grease from storm water. Oil/water separators also remove floatable debris and settled solids (sediment).

APPROACH TO FUTURE FACILITIES AND UPGRADES:

Design of New Facilities and Existing Facility Upgrades

Oil/water separators are typically used in areas where the concentrations of petroleum hydrocarbons, floatables, or sediment may be abnormally high and source control techniques are not very effective. There are two types of oil/water separators: the American Petroleum Institute (API) separator and the coalescing plate separator (CPS). Design, sizing, and placement of oil/water separators is dependent on several factors including: tributary area, type of activity, pollutant type and concentration, and water temperature. General sizing guidelines for API separators include the following:

- Horizontal velocity: 3 feet per minute.
- Depth of 3 to 8 feet.
- Depth-to-width ratio of 0.3 to 0.5.
- Width of 6 to 16 feet.
- Baffle height-to-depth ratios of 0.85 for top baffles and 0.15 for bottom baffles.

CPS separator sizing is more complex. Sizing calculations require the inclusion of information such as packing plate surface areas and plate angles. CPS separators can, due to their packed plate design, remove the same quantities of oils and greases while occupying less space than API separators.

APPROACH TO EXISTING FACILITIES ACTIVITIES:

Operational Considerations

- Separators must be inspected and cleaned frequently for accumulated oil, grease, floating debris and sediments to be effective storm water quality controls.
- Oil absorbent pads are to be replaced as needed, but will always be replaced prior to the wet season.

TARGETED ACTIVITIES

Aircraft/Vehicle/ Equipment Maintenance

Aircraft/Vehicle/ Equipment Fueling

Aircraft/Vehicle/ Equipment Washing

Equipment Maintenance/ Degreasing

Fuel/Chemical Storage

Cargo Handling

TARGETED POLLUTANTS

Oil and Grease

Fuel

Floatables

Sediment

KEY APPROACHES

Frequently inspect and clean separators

Replace absorbent pads as needed

TC1	OIL/WATER SEPARATORS

Operational Considerations (continued):

- The effluent valve will be closed during cleaning operations.
- Any standing water removed during the cleaning operation must be disposed of in accordance with federal, state, and local requirements.
- Any standing water removed during the cleaning operation must be replaced with clean water to prevent oil carry-over through the outlet.

Contingency Response

- Maintain adequate supplies of spill response equipment and materials in accessible location near areas where spills may be likely to occur.

Inspection and Training

- Provide the appropriate level of employee training in the following areas: spill response and prevention, storm water pollution prevention education (see SC-10 for storm water pollution education approaches), right-to-know awareness training, and hazardous materials management.
- Perform and document in a log book all inspections and maintenance operations
- Develop a written operating, sampling and reporting procedure under local storm water authority guidelines. Train appropriate employees to implement these procedures.

REQUIREMENTS:

- Capital and O&M costs should be low.

LIMITATIONS:

- Oil/water separator installations should be designed and installed by experienced individuals. Little data on the characteristics of petroleum hydrocarbons in storm water leads to considerable uncertainty about separator performance.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 112 Oil Pollution Prevention (SPCC/OPA Plans)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges

Ontario International Airport Authority

SR1	EMERGENCY SPILL CLEANUP PLANS

PURPOSE:

Prevent or reduce the discharge of pollutants to storm water resulting from petroleum products or other materials

GENERAL APPROACH:

Owners and operators of facilities that store, process, or refine oil or oil products may be required by federal law (40 CFR 112) to develop and implement a Spill Prevention Control and Countermeasure (SPCC) plan. Emergency spill cleanup plans should include the following information:

- A description of the facility including the owner's name and address, the nature of the facility activity, and the general types and quantities of chemicals stored at the facility.
- A site plan showing the location of storage areas for chemicals, the location of storm drains, site drainage patterns, fire water source locations, and the location and description of any devices used to contain spills such as positive shut-off control valves.
- Notification procedures to be implemented in the event of a spill, such as key company personnel and local, state, and federal agencies.
- Instructions regarding cleanup procedures
- Designated personnel with overall spill response cleanup responsibility.

APPROACH TO EXISTING FACILITY ACTIVITIES:

Operational Considerations

- **Post a summary of the plan at appropriate site locations, identifying the spill cleanup coordinators, location of cleanup equipment, and phone numbers of regulatory agencies to be contacted in the event of a spill.**
- **Maintain an inventory of appropriate cleanup materials on-site and strategically deploy cleanup materials based on the type and quantities of chemicals present.**
- **Make absorbent readily available in the fueling areas**

Contingency Response

- Perform the following notifications in the event of a spill:
  - Fire Department

TARGETED ACTIVITIES

Aircraft/Vehicle/ Equipment Maintenance
Aircraft/Vehicle/ Equipment fueling
Aircraft/Vehicle/ Equipment Washing
Cargo Handling
Fuel/Chemical Storage
Equipment Degreasing

TARGETED POLLUTANTS

Fuel

Vehicle Fluids/Oils

Solvent/Cleaning Solutions

Pesticides/herbicides/ Fertilizers

Battery Acid

KEY APPROACHES

Develop/implement SPCC, if required

SPCC implementation training

Immediate containment/cleanup of spills

Availability of spill response equipment/materials

Required Agency Notification

SR1	EMERGENCY SPILL CLEANUP PLANS

Contingency Response (contd)

- Local Health Department
- State Office of Emergency Services
- National Response Center – if spill exceeds reportable quantity (RQ)
- Containment and cleanup of spills shall begin immediately

Inspection and Training

- Provide formal training in plan execution to key personnel, with additional training for first responder level personnel (29 CFR 1910.120). All employees should have basic knowledge of spill control procedures.

REQUIREMENTS:

- Capital and OEM costs should be small to moderate depending on the types and quantities of chemicals stored on-site.
- Maintenance costs include periodic training and equipment replacement.

LIMITATIONS:

- Spills occurring after work hours in confined areas may go undetected until they impact off-site areas.

RELEVANT RULES AND REGULATIONS:

Industrial Activities Storm Water General Permit, April 17, 1997
.40 CFR 110.3 Discharge of Oil
.40 CFR 122 Oil Pollution Prevention (SPCC/OPA Plan)
.40 CFR 117.3 Determination of Reportable Quantities for a Hazardous Substance
.40 CFR 122-124 NPDES Regulations for Storm Water Discharges

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ONTARIO
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APPENDIX 3 – DISABLED AIRCRAFT OPERATIONS

November 1, 2016

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APPENDIX 3

Disabled Aircraft Recovery Operations (DARO) & Emergency Contact Information

Thank you for providing the following information. In the event an aircraft becomes disabled at Ontario International Airport (ONT), the information that you have provided will assist ONT Airport Operations staff in making prompt notifications and in facilitating the recovery operations. This information is **not** intended to replace the ONT Airport Emergency Plan or Airport Certification Manual (ACM) or any aircraft owner/operator's internal procedures that have been established for emergency response. It is, however, intended to provide for the liaison that is needed between the affected Air Carrier, the Airport and other supporting agencies and organizations.

Company Information

Company:	
ONT Station Manager:	Phone:
Corporate Contact Information:	Phone:
Public Affairs Contact Information:	Phone:
Type of aircraft operated at ONT:	

Aircraft Recovery Operations

Description and location of available Aircraft Recovery Equipment:
Name, address and telephone number of company that will be contracted in the event aircraft recovery is needed:

Aircraft Removal Authorization

In the event of an accident or incident involving your aircraft, please indicate below persons whom your company has empowered with the authority to facilitate removal after its release from the National Transportation and Safety Board, the FBI or any other investigative organization involved.

Name	Position	Business Phone	24 hour Phone
1.			
2.			
3.			
4.			
5.			

Company Representative Signature	Title	Date

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ONTARIO
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APPENDIX 4 – SECURITY BADGE PROGRAM

November 1, 2016

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APPENDIX 4

ONTARIO AIRPORT (ONT)
SECURITY BADGE IDENTIFICATION PROGRAM

1. **Procedures for obtaining an ONT Airport Security Photo Identification Badge**;

   a. The ONT Security Badge Office (SBO) is responsible for the implementation of Transportation Security Administration (TSA) rules and regulations regarding the identification of persons authorized access to the airport restricted areas, including the ONT Air Operations Area (AOA), exclusive areas and terminal buildings as outlined in Title 49 CFR Part 1542, part of the U.S. Department of Homeland Security (DHS).

   b. The ONT Security Badge Office is open for fingerprinting and issuing of identification badges:

      1. Monday-Friday: by appointment only, except for Holidays. Appointments can be made via email at: mailto:ONTsecuritybadgeoffice@flyontario.com

      2. The Security Badge Office is located at:

         1923 E. Avion Street, Ontario, CA 91761
         Office (909) 944-5170
         Fax (909) 937-2513

      3. An authorized signer or designee may pick up blank applications or forms from SBO. Only original applications will be accepted for processing.

      4. An application authorized and dated more than seven (7) calendar days prior to the employee applying for the badge will not be accepted for processing.

   c. All ONT Security Photo Identification Badges issued by OIAA are the property of OIAA. Identification badges shall be returned upon expiration, or separation of employment (for any reason), or when job function no longer requires an Airport issued Security Photo Identification badge or upon demand of OIAA. Any misuse of or willful failure to return OIAA issued photo identification badge is subject to criminal misdemeanor prosecution.

d. All lost, stolen or misplaced badges shall be immediately reported to the ONT SBO, (909) 933-5670, or ONT Emergency Dispatch Center, (909) 933-5611.

di. Organizations enrolled in the ONT Security Photo Identification Badge Program are responsible for the accountability of all badges issued. The SBO will perform audits of organizational compliance and verify accountability of badges.

dii. Any failure, by a company or organization enrolled in the ONT Security Photo Identification Badge Program, to follow and abide by the rules outlined in this procedure reference guide, may be subject to the revocation of any ONT Security Photo Identification badges issued to the company. If badges are revoked company employees will not be allowed access to airport restricted areas.

diii. Challenging Rules; Each Airport employee is required to display, on his or her person, an ONT Security Photo Identification Badge. Each airport employee issued an ONT Security Photo Identification Badge is responsible for challenging an individual who is not displaying an approved badge. Any person without an approved badge shall be referred to the Airport Emergency Dispatch Center, (909) 933-5611.

div. Law Enforcement; All law enforcement personnel must have their application approved and signed by the Chief of Airport Police or his/her designee prior to having a badge issued.

dv. New Badges (New Employees); All employees who require access to airport restricted areas must have an ONT Security Photo Identification Badge. All employees that apply for an ONT Security Photo Identification Badge are required to submit to a fingerprint based Criminal History Records Check and Security Threat Assessment (STA). Applicants must present the SBO with a completed fingerprint application, TSA supplemental form, a valid government issued photo identification, and employment eligibility document at the time of fingerprinting.

dvi. Badge Renewal; Prior to the badge expiration date, badge renewal applicants must present the SBO with a complete badge application, appropriate valid government issued photo identification, and employment eligibility documents.

dvii. Expired Badges; Expired ONT Security Photo Identification Badges are not subject to renewal. For security reasons, expired badge holders must follow the new badge application process above. Expired badge

applicants must present the SBO with the expired badge, a complete badge application; appropriate valid government issued photo identification and employment eligibility documents, submit a completed fingerprint application, and must be re-fingerprinted. Re-fingerprinting may delay the issue of a new badge for processing new fingerprint based Criminal History Records Check and Security Threat Assessment (STA).

l. Reporting of Lost or Stolen Badges;

1. Lost or Stolen badges must be immediately reported to the SBO by faxing an update form to (909) 937-2513; a follow-up phone call should be placed to the SBO, (909) 544-5170. If reporting a lost or stolen badge after SBO hours of operation, a report must be made immediately to ONT Airport Emergency Dispatch Center, (909) 933-5611, and the update form faxed to the SBO.

2. If a subsequent badge is needed, the Badge holder must return to SBO, complete a lost/stolen report, fill out a security badge application, present employment eligibility documents, show work authorization documents, and complete a new security badge application in order to be issued a new badge. A $25.00 replacement fee will apply.

3. The status of lost or stolen applies only to current active badges.

4. Badges that have not been recovered from former employees must be reported immediately as a termination.

NOTE: A reported lost, stolen or terminated badge shall continue to appear on company invalid badge printouts. These badges shall remain in the system to guard against unauthorized use even after a new badge has been issued.

m. Returned Badges; All ONT SIDA badges must be returned to the SBO when the employee is:

1. Terminated,

2. Transferred; or,

3. No longer requires ONT restricted area access, the organization must return the ONT Security Photo Identification Badge to the SBO immediately.

n. Billing; OIAA bills ONT tenants and companies for ONT Security Photo Identification Badges. Payment is due within 30 days. The following charges apply:

- $10.00 - First issue badges and renewals of expiring badges.
- $25.00 - Replacement of lost or stolen badges. Lost or stolen badges can only be reported for active and current company employees.
- $25.00 - Terminated badge, i.e., employee has left company and badge was not returned.
- $15.00 - Credit on recovered lost, stolen, or terminated badges.

o. Security Photo Identification Badge Application; Please contact the ONT Security Badge Office, (909) 544-5170, for current applications or badge related questions. No badge will be issued without the following:

(1) Completed original application with wet (original) signatures dated within seven calendar days.

(2) Fingerprint Clearance Notification.

(3) Two forms of identification – one must be a valid government-issued photo identification and employment eligibility documentation. The application must be filled out in its entirety. If any of the required information is missing, applicant will not be issued a badge.

p. Misuse of Badge Authority on Air Operations Area (AOA); Any employee having an ONT Security Photo Identification Badge, with or without AOA Restricted Area Driving privileges, who causes a runway incursion (pedestrian/vehicle, pilot deviation), a surface movement deviation, or is found driving on the aircraft movement area without proper authorization, will have their SIDA badge immediately confiscated and be escorted out of the SIDA:

- **First Offense**: Complete remedial training in the ONT AOA Restricted Area Driver Training program or Aircraft Surface Movement Program training, as applicable;
- **Second Offense**: Suspension of AOA driving privileges for 120 days; and, complete remedial training in the ONT AOA Restricted Area Driver Training program or Aircraft Surface Movement Program.
- **Third Offense:** AOA access and privileges permanently revoked.
- **A severe runway incursion (Category A) is cause for revocation of AOA access on the employee's first offense.**

2. **Air Operations Area (AOA) Restricted Area Driver Permit (RADP) Program;**

a. Every driver who operates a vehicle in the Air Operations Area (AOA) of the Airport must obtain an AOA Restricted Area Driver Permit (RADP) in compliance of 14 CFR Part 139.329. AOA drivers must also be familiar with pertinent provisions of the State of California Vehicle Code; and, all traffic and licensing found in **Section 9, Motor Vehicle Operations**, of these Rules and Regulations.

b. Airport tenants are responsible to provide proper training on all vehicles and equipment their employees' are authorized and required to operate in the AOA. OIAA does not require California DMV Class A and B licensing for airport tenant drivers operating in the AOA; however, it is strongly recommended that drivers hold a valid and appropriate license and medical certificate for the vehicles they operate.

c. ONT Airport Operations maintains sole administrative control of the AOA RADP program and curriculum requirements.

d. AOA RADP instruction is delegated to individual OIAA stakeholders: airlines, cargo handlers, aircraft service companies, concessions, fixed base operators, government and regulatory agencies, including OIAA employees, using the most current curriculum available, as provided by ONT Airport Operations.

e. How to become an Authorized Trainer of the ONT AOA RADP Program:

1. ONT Security Photo Identification Badge "Authorized Signers" identify individuals within their organization who are to become AOA RADP "Authorized Trainers" capable of instructing employees in the ONT AOA RADP curriculum. Airport Operations requests Authorized Signers identify only necessary staff, in numbers relevant (1 in 10 employees) to the number of total OIAA ONT Photo Security Identification Badges issued to your company, or organization, become an Authorized Trainer. AOA RADP Authorized Trainers are encouraged to have, but are not required to possess, a Restricted Area Driver Permit.

2. AOA RADP Authorized Trainers must receive AOA RADP instruction training from Airport Operations, with recurrent training at least every 24 calendar months, prior to instructing the RADP curriculum. Airport Operations shall provide Authorized Trainer certification instruction at least once annually, in a one-and-one-half (1-1/2) hour group training session.

f. How to obtain an ONT AOA Restricted Area Driver Permit (RADP):

1. For security purposes, all new AOA RADP driver candidates must first obtain an ONT Security Photo Identification Badge prior to being allowed to work or operate any vehicle or equipment in the AOA.

2. New AOA RADP candidates must complete eight (8) supervised hours of practical behind-the-wheel AOA driver training prior to receiving AOA RADP instruction and testing. Practical driver training provides new AOA drivers familiarization of ONT facilities, and should include daylight and night driving on all AOA roadways, access drives, aircraft aprons and cargo ramps.

3. View the 20 minute FAA safety video entitled: "Driving on Airport Operations Area, with Harrison Ford."

4. Write in answers on the AOA Driver Study Guide during the AOA RADP Slide Presentation, as instructed by an Authorized Trainer of the AOA RADP program.

5. Pass one (1) of three (3) versions of the AOA RADP 25 question test, as proctored by an Authorized Trainer. The test is an open book examination; candidates may use their completed AOA Driver Study Guide during testing. A Passing test score is 19 of 25 questions answered correctly, no more than six (6) questions can be answered incorrectly.

6. All AOA Drivers must receive recurrent AOA RADP instruction at least every 24 calendar months. **Recurrent AOA RADP instruction must be completed within 60 days prior to an employee processing their ONT Security Photo Identification Badge renewal application; with every bi-annual badge renewal.**

g. Following successful AOA RADP training and testing as above, the Employee, their Authorized Trainer, and Authorized Signer, must certify all areas of the "Ontario Airport Air Operations Restricted Area Driver Permit Application Form" are complete, as follows:

1. Employee Name: (last and first and middle, if any), employee signature, and date of AOA RADP training.

2. Initials of trainer(s) and date(s) training completion of:
   - Eight (8) hours practical "behind-the-wheel" driver training (new employees only;
   - Driving on AOA video;
   - RADP curriculum training

3. Authorized Trainer's name, signature and date confirming the successful completion of AOA all RADP Training Curriculum.

4. Authorized Signer's name, signature and date confirming successful completion of all AOA RADP training curriculum.

h. During processing of the Security Photo Identification Badge, the AOA Restricted Area Driver Permit applicant must present the original complete (signed/dated) AOA RADP Application Form to the SBO:

1. All AOA RADP Application Form signatures and date(s) of training must be less than 60 days old when presented to the SBO.

2. Airport Operations has instructed the SBO to refuse the Form if any one date is older than 60 days; the badge process may continue, but without an AOA RADP icon.

3. Airport Operations ensures AOA RADP curriculum materials used during training are most current when certified as completed within 60 days of the issuance of a Security Photo Identification Badge having an AOA RADP icon.

i. Individual AOA RADP driver training records shall be maintained by the ONT Security Badge Office (SBO), on the official "Ontario Airport Air Operations (AOA) Restricted Area Driver Permit (RADP) Application Form" as submitted during processing of the ONT Security Photo Identification Badge. All AOA RADP Authorized Trainer certification records shall be maintained by Airport Operations, and submitted to the SBO for cross-reference.

j. ONT tenants may provide their company agents and contractors (to those employees having official ONT Airport business) with eight (8) hours AOA practical "behind-the-wheel" training. When a tenant has sponsored an agency employee, the Authorized Trainer shall complete an "AOA RADP Agency Sponsor Confirmation Form."

k. The International Civil Aviation Organization (ICAO) has designated English as the official language of aviation worldwide. The FAA has also

adopted English as used for aviation purposes in the United States. As a result, ONT AOA RADP curriculum is provided in English only. Stakeholders are welcome to supply a language interpreter, a representative at their own cost and choice, to translate AOA RADP curriculum materials for languages other than English.

3. **Aircraft Surface Movement Program (ASMP);**

a. The ONT Aircraft Surface Movement Program (ASMP) provides non-pilot aircraft operators familiarization of ONT facilities and operating procedures, it is designed to enhance operational safety and awareness on ONT Aircraft Movement Areas (AMA).

b. All non-pilot personnel who operate or move aircraft on any ONT Aircraft Movement Area must successfully complete the ONT ASMP class bi-annually. Each non-pilot aircraft operator, whether operating aircraft under power or under tow (including individuals operating aircraft controls, aircraft braking systems and/or aircraft tug/pay-movers) must display an ASMP icon on their valid ONT Photo Identification Badge.

c. ONT ASMP training is conducted the last Thursday of every month, from 8:00 to 10:30 a.m. in closed passenger Terminal 1. For ONT ASMP reservations, contact ONT Airport Operations, training coordinator, (909) 544-5346.

d. Upon successful completion of the ONT ASMP, an Aircraft Surface Movement icon (Green Sticker) is placed on an individual's ONT Security Photo Identification Badge, indicating their authority to tow or taxi aircraft on the AMA. ONT ASMP training elements are as follows:

(i) **Company Training;** As specified in paragraph 7 of this sub-section; ONT tenants have the responsibility to ensure the proper training of their personnel. ONT ASMP candidates must have successfully completed the ONT AOA RADP Program in the preceding 24 months.

(ii) **Review;** Review and familiarization of ONT AOA Restricted Area Driver Permit practices and ONT ASMP Study Guide prior to candidates attending the classroom workshop and exam.

(iii) **Classroom Workshop;** A two and one half-hour class consisting of video, lecture and review of materials contained in the study guide.

(iv) **Examination** – A multiple-choice test, covering ASMP study guide materials. Successful completion requires minimum passing score of 100 percent.

(v) **Certification;** Upon successful completion of the program, the candidate will have an ASMP icon applied to their ONT Airport Self Identification Badge.

(vi) **Recurrent Training;** Successful completion of an ONT ASMP class is required every 24 calendar months. ASMP renewal candidates should have renewed their ONT Security Photo Identification Badge before attending the ASMP class. Any questions about the ASMP should be directed to ONT Airport Operations, (909) 544-5345.

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APPENDIX 5 – TARMAC DELAY PLAN

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Ontario International Airport

TARMAC DELAY CONTINGENCY PLAN

Ontario International Airport (ONT) has prepared this Emergency Contingency Plan pursuant to §42301 of the FAA Modernization and Reform Act of 2012. ONT is filing this plan with the Department of Transportation because (1) it is a commercial airport or (2) this airport may be used by an air carrier described in USC 42301(a)(1) for diversions.

This plan describes how, following excessive tarmac delays and to the extent practicable, ONT will, to the extent airport staff and facilities are available:

- Provide for the deplanement of passengers;
- Provide for the sharing of facilities and make gates available at the airport; and
- Provide a sterile area following excessive tarmac delays for passengers who have not yet cleared United States Customs & Border Protection (CBP).

ONT has some facility constraints that limit our ability to accommodate diverted flights and strongly encourages aircraft operators to contact the airport Duty Superintendent of Operations at (909) 821-7433 for prior coordination of diverted flights, except in the case of a declared in-flight emergency. Specific facility constraints include the following: 1) Limited contact gate access, and 2) Limited international arrival passenger staging prior to clearing Customs and Border Protection (CBP) and 3) Limited Federal Inspection Station (FIS) CBP staffing. During diversion events ONT will be able to issue various NOTAMs regarding its ability to accommodate diverted flights to ensure the safe and efficient operation of the airport and its ability to serve the civil aviation needs of the public during irregular operations events.

Airport Information

Name of Airport: Ontario International Airport

Name and title of person preparing the plan: Kim Ellis, Assistant Airport Manager

Preparer contact number: 909-544-5308

Preparer contact e-mail: kellis@lawa.org

Date of submission of plan: May 11, 2012

Airport Category: Large Hub ☐ Medium Hub ✓ Small Hub ☐ Non Hub ☐

Contact Information

In the event of diversion or other irregular operations events, aircraft operators should contact the Airport Duty Superintendent of Operations at 909-821-7433 for assistance.

Plan to Provide for the Deplanement of Passengers Following Excessive Tarmac Delays

ONT does not own or operate any of the equipment needed to safely deplane passengers from air carrier aircraft and is, therefore, unable on its own to provide for the deplanement of passengers. Additionally airport personnel are not trained to assist in the deplanement of passengers using equipment owned or operated by air carriers or contract service providers. However, we have requested that each airline, ground handler and FBO operation on the airport provide us with a list of the equipment and resources they have for deplaning passengers and contact information. We will provide this inventory and contact information to airlines as soon as practicable after receiving requests from such airlines experiencing excessive tarmac delays at the contact number listed above.

Plan to Provide for the Sharing of Facilities and Make Gates Available in an Emergency

20 passenger terminal gates and 38 remote aircraft gates at ONT are available under common use leases to air carriers and are controlled by the airport. Additionally, 15 passenger terminal gates at ONT are under preferential and/or exclusive leases to air carriers and are not fully controlled by the airport. We will direct our common use lessees, permittees or users to make gates available to an air carrier seeking to deplane at a gate, to the maximum extent practicable. If additional gates are needed, we will direct tenant air carriers to make preferential and/or exclusive use gates and other facilities available to an air carrier seeking to deplane at a gate, during those time periods when the tenant airline is not using, or not scheduled to use, the gate, to the maximum extent practicable.

Plan to Provide a Sterile Area for Passengers Who Have Not Cleared United States Customs and Border Protection

ONT has defined sterile areas capable of accommodating limited numbers of international passengers. We will coordinate with local CBP officials to develop procedures that will allow international passengers who have not yet cleared United States Customs and Border Protection to be deplaned into these sterile areas to the extent practicable.

Public Access to the Emergency Contingency Plan

ONT will provide public access to its emergency contingency plan through one or more of the following means:

- Posting in a conspicuous location on the airport website (http://www.flyontario.com)
- Providing notice of the availability of the plan on the airport's social media accounts.

ONTARIO
INTERNATIONAL AIRPORT
AUTHORITY

APPENDIX 6 – A380 OPERATIONAL PLAN & IRREGULAR OPERATIONS

November 1, 2016

ONT – AIRPORT OPERATIONS

A380 OPERATIONAL PLAN

ONT AIRPORT OPERATIONS
October 2012 - Version 1

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EXECUTIVE SUMMARY

Ontario International Airport (ONT) is considered a medium hub airport which handles between .25 to 1% of the country's annual passenger boardings. In addition ONT is considered the primary Alternate Airport preferred for Diversion Operations for most Commercial Air Carriers that operate at LAX, as well as for other large and medium hub airports in Southern California. As LAX continues to support commercial flights with Airport Design Group (ADG) IV and V aircraft as well as ADG VI aircraft such as the A380, it is imperative that ONT formulates an Operational Plan that establishes Standard Operation Procedures to receive these aircraft during Diversion Operations. All operations of ADG VI aircraft at ONT will be monitored and continuously evaluated in order to reduce operational impact on the airport and its users. Additionally, ONT Airport Operations staff remain prepared to respond to emergencies and other airfield responsibilities during ADG VI movements as required by 14 CFR Part 139.303. This document is a description of the anticipated maneuvers and the contingencies that would be required to ensure safe and efficient operation of ADG VI aircraft, at ONT.

The size of an A380 aircraft (wingspan 261.8', length 238.7' and tail height of 79.1') has challenged the limits of safe passage around the airfield. It is the intention of this Operational Plan to establish a primary Runway for landing and routes of taxi into and out of designated parking positions. Current processes and procedures that govern aircraft operations at ONT have been analyzed and contingencies have been considered in order to execute strategies that would minimize disruptions to routine operations. The A380 Operational Plan represents ONT Airport Operations perspective on challenges relating to safety and efficiency, gate assignment policies, and future improvements, along with protocols that are currently being implemented.

This Operational Plan addresses:

- Airfield safety measures and regulatory compliances during aircraft landing, taxi, and take off
- Mandatory restrictions on movement areas and service roads along with procedures to enforce these restrictions
- Aircraft parking position assignments
- Contingencies for non-routine operations, including disabled aircraft recovery operations

It is to be noted that although the majority of improvements and modifications have been completed to support the A380 operations, some challenges remain, while others have been resolved through sound processes and procedures. The protocols remain fluid and are being updated and revised based upon observations and experiences with A380 aircraft operations.

1. INTRODUCTION

The Airbus A380 Operational Plan describes procedures and protocols for operations at Ontario International Airport. The Airport Operations Section is confident the proper execution of this plan, will prove its value in operating this aircraft during diverted operations at Ontario International Airport.

Procedures and protocols described within are in accordance with Federal Aviation Regulations and ONT Rules and Regulations. This document does not supersede established policies and procedures as described in the ONT Rules and Regulations.

The Plan does prescribe certain operating procedures focused on enhancing safety and efficiency of A380 movements on the Airfield, thereby mitigating the overall impact on Air carrier Operations as well as the vehicle service road system at ONT.

The Plan also provides for an understanding between A380 Operating Carriers, ONT Airport Traffic Control Tower (ATCT), and Airport Operations on the expected maneuvers of the A380 aircraft. By simplifying the taxi routes and designating an expected route of travel, ONT Airport Operations staff is better positioned to provide the support needed to move the aircraft around the airport. The Plan outlines what A380 Operating Carriers, ONT ATCT, and ONT have acknowledged as acceptable routes.

This document continues to be in a "Work In Progress" and as such may undergo several revisions to accommodate the airport's changing conditions. All feedback received from stakeholders will prove valuable to this plan. If you have comments please contact ONT – Airport Operations Section (909-821-7433).

2. A380 AIRCRAFT ARRIVALS

- **Runway 26R is the designated <u>Primary</u> Runway for A380 arrivals.**
- **Runway 26L is the alternate runway.**
- **Taxiway "S" spots S801 through S811 are the designated primary A380 parking positions.**
- **Taxi routes described herein pertain to aircraft movement to and from the designated parking positions.**
- **A designated ONT Airport Superintendent of Operations will monitor all A380 movements and will be in contact with ONT ATCT personnel and the A380 flight crew on VHF 121.90 for instant communication.**

a. RUNWAY 26R TO TAXIWAY S

<u>PREFERRED TAXI ROUTE TO TAXIWAY S</u>

A380 aircraft lands Runway 26R and exits north at Taxiway D, aircraft taxies eastbound on Taxiway N up to Taxiway U. Upon ONT ATCT instruction, aircraft crosses Runway 26R and Runway 26L and taxies westbound on Taxiway S into one of the primary parking positions S801 to S811, starting with position S801 and continuing in order or as guided and directed by ONT ATCT and ONT Airport Operations staff.

<u>Restrictions or conditions:</u>

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations staff accordingly.
- No Taxiway closures required.
- Vehicle Service Road (VSR) closures implemented via rolling road blocks by ONT Airport Operations personnel, as required.

<u>ALTERNATE TAXI ROUTES</u>

380 aircraft lands Runway 26R and exits south onto Taxiway D. Upon ONT ATCT instruction, aircraft back taxies Runway 26L, and exits at south Taxiway U, aircraft taxies westbound on Taxiway S into one of the primary parking positions S801 to S811, starting with position S801 and continuing in order or as guided and directed by ONT ATCT and ONT

Airport Operations staff.

Restrictions or conditions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations staff accordingly.
- Runway 08R/26L closed for aircraft back taxi.
- No taxiway closures required

ALTERNATE RUNWAY 26L TO TAXIWAY S

PREFERRED TAXI ROUTE TO TAXIWAY S

A380 aircraft lands Runway 26L and exits north onto Taxiway D, aircraft crosses Runway 26R/08L, aircraft taxies eastbound on Taxiway N up to Taxiway U. Upon ONT ATCT instruction, aircraft crosses Runway 26R and Runway 26L, aircraft taxies westbound on Taxiway S into one of the primary parking positions S801 to S811, starting with position S801 and continuing in order as guided and or directed by ONT ATCT and ONT Airport Operations staff.

Restrictions or conditions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations staff accordingly.
- No runway or other taxiway restrictions required.
- VSR closures implemented by ONT Airport Operations personnel, as required.

ALTERNATE TAXI ROUTES

A380 aircraft lands Runway 26L and exits north onto Taxiway D, aircraft back taxies Runway 26R/08L and exits at Taxiway U. Upon ONT ATCT instruction, aircraft crosses Runway 26L and taxies westbound on Taxiway S into one of the primary parking positions S801 to S811, starting with position S801 and continuing in order as guided and or directed by ONT ATCT and ONT Airport Operations staff.

Restrictions or conditions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations staff accordingly.
- Runway 26R/08L closed for aircraft back taxi.
- VSR closures implemented by ONT Airport Operations personnel, as required.

b. RUNWAY 08L TO TAXIWAY S

PREFERRED TAXI ROUTE TO TAXIWAY S

A380 aircraft lands Runway 08L and exits Taxiway U or Taxiway W. Upon ONT ATCT instruction, aircraft crosses Runway 26L and taxies westbound Taxiway S into one of the primary parking positions S801 to S811, starting with position S801 and continuing in order as guided and or directed by

ONT ATCT and ONT Airport Operations staff.

Restrictions or conditions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations staff accordingly.
- No runway or other taxiway restrictions required.
- VSR closures implemented by ONT Airport Operations personnel, as required.

3. A380 AIRCRAFT DEPARTURES

- **Runway 26R is the designated primary departure runway for the A380 aircraft.**
- **Runway 26L is the alternate departure runway.**
- **Prior to seeking push back clearances, contact with ONT ATCT on VHF frequency 121.90, must be established for aircraft movement monitoring and coordination with Airport Operations personnel as necessary.**
- **Taxiway S parking positions S801 to S811**
- **Taxi routes described herein pertain to aircraft movement to and from the designated parking positions.**

a. TAXIWAY S PRIMARY PARKING POSITIONS TO RUNWAY 26R

PREFERRED TAXI ROUTE TO RUNWAY 26R

A380 aircraft taxies westbound on Taxiway S up to Taxiway D from the Primary Parking Positions S801 to S811 as guided and or directed by ONT ATCT and Airport Operations staff. Upon ATCT instruction, aircraft crosses Runway 26L and Runway 26R and taxies eastbound on Taxiway N up to Taxiway W, awaiting ONT ATCT departure instructions.

Restrictions or conditions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations.
- No other taxiway closures required.
- VSR closures implemented by ONT Airport Operations personnel, as required.

ALTERNATE TAXI ROUTES

Alternate taxi routes must be coordinated with and approved by both Airport Operations and ONT ATCT.

b. TAXIWAY S PRIMARY PARKING POSITIONS TO RUNWAY 08L

PREFERRED TAXI ROUTE TO RUNWAY 08L

A380 aircraft taxies westbound on Taxiway S then north onto Taxiway D from the Primary Parking Positions S801 to S811 as guided and or directed by ONT ATCT and Airport Operations staff. Upon ONT ATCT instruction aircraft crosses Runway 26L and Runway 26R and taxies westbound on Taxiway N, holding short of Rwy 08L awaiting ONT ATCT departure instructions.

Restrictions or conditions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations staff accordingly.
- No runway or other taxiway restrictions are required.
- VSR closures implemented by ONT Airport Operations personnel, as required.

ALTERNATE TAXI ROUTES

Alternate taxi routes must be coordinated with and approved by both Airport Operations and ONT ATCT.

4. EAST OPERATIONS

a. ARRIVALS

1. RUNWAY 08L TO TAXIWAY S

PREFERRED TAXI ROUTE TO TAXIWAY S

A380 aircraft lands Runway 08L and exits Taxiway U or Taxiway W. Upon ONT ATCT instruction, aircraft crosses Runway 08R and taxies westbound Taxiway S into one of the primary parking positions S801 to S811, starting with position S801 and continuing in order as guided and directed by ONT ATCT and Airport Operations staff.

Restrictions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operation staff accordingly.
- No taxiway closures required.
- VSR closures implemented by ONT Airport Operations personnel, as required.

ALTERNATE TAXI ROUTES

Alternate taxi routes must be coordinated with and approved by both Airport Operations and ONT ATCT personnel.

b. DEPARTURES

Upon receipt of departure clearance and prior to engine start, contact with ONT Airport Operations at (909) 821-7433 must be established to ensure coordination of aircraft movement with ONT ATCT.

i. TAXIWAY S PRIMARY PARKING POSITIONS TO RUNWAY 08L

PREFERRED TAXI ROUTE TO RUNWAY 08L

A380 aircraft taxies westbound on Taxiway S north onto Taxiway D from the Primary Parking Positions S801 to S811 as guided and or directed by ONT ATCT and Airport Operations staff. Upon ONT ATCT instruction, aircraft crosses Runway 08R and Runway 08L and taxies westbound on Taxiway N, holding short of Rwy 08L awaiting ONT ATCT departure instructions.

Restrictions or conditions:

- ONT ATCT will coordinate all A380 aircraft movement with ONT Airport Operations staff accordingly.
- No runway or taxiway restrictions required.
- VSR closures implemented by ONT Airport Operations personnel, as required.

5. A380 PARKING POSITIONS

PRIMARY PARKING POSITIONS

A380 aircraft primary parking positions have been designated by ONT Airport Operations at specific locations with the sole purpose to stage aircraft during Diversion Operations in a manner that allows the aircraft to power into and power out of each gate location.

Runway 26L is restricted to ADG V and smaller aircraft while A380 aircraft is on Taxiway S.

a. Designated Location

The primary parking positions are located on Taxiway S between Taxiway F and Taxiway U. These positions are intended to stage aircraft in a westbound orientation. Primary parking positions are numbered as follow: S801, S802, S803, S804, S805, S806, S807, S808, S809, S810 and S811. Parking positions S801 to S805 are located between Taxiway F and Taxiway K; positions S806 and S807 are located between Taxiway P and Taxiway Q; position S808 is located between Taxiway Q and Taxiway T; position S809 an S810 are located between Taxiway T and Taxiway S, lastly position S811 is located east of Taxiway U.

b. Parking Position Nose Markings

All A380 aircraft parking position nose markings are in place and positioned to allow the proper positioning of each aircraft in an operationally safe and secure manner.

6. A380 WEST CARGO RAMP OPERATIONS

a. TAXI ROUTES

RUNWAY 26R TO WEST CARGO RAMP

A380 aircraft lands Runway 26R and exits north onto Taxiway D, aircraft taxies westbound on Taxiway N and enters the West Cargo Ramp via Taxiway B.

A380 Aircraft lands Runway 26R and exits north onto Taxiway D, aircraft taxies eastbound Taxiway N to Taxiway G, aircraft taxies Taxiway G to designated parking position.

WEST CARGO RAMP TO RUNWAY 26R

A380 aircraft taxies out of the West Cargo Ramp via Taxiway B and taxies eastbound Taxiway N up to Taxiway D. Upon ONT ATCT instruction, aircraft crosses Runway 26R and 26L and taxies eastbound on Taxiway S up to Taxiway W. Upon receiving ONT ATCT clearance, aircraft crosses Runway 26L awaiting ONT ATCT departure instruction.

A380 aircraft taxies out of the assigned parking spot at Taxiway G via Taxiway G and taxies westbound Taxiway N up to Taxiway D, upon ONT ATCT instructions, aircraft crosses Runway 26L and 26R and taxies eastbound on Taxiway S up to Taxiway W, upon ONT ATCT instruction, aircraft crosses Runway 26L and awaits ONT ATCT instruction for departure.

RUNWAY 08L TO WEST CARGO RAMP

A380 aircraft lands Runway 08L and exits south onto Taxiway U or Taxiway W. Upon ONT ATCT instruction, aircraft crosses Runway 08R and taxies westbound on Taxiway S up to Taxiway D. Upon ONT ATCT instruction, aircraft crosses Runway 08R and Runway 08L and taxies westbound Taxiway N and enters the West Cargo Ramp via Taxiway B.

A380 aircraft lands Runway 08L and exits Taxiway U or Taxiway W. Upon ONT ATCT instruction, aircraft crosses Runway 08R and taxies westbound on Taxiway S up to Taxiway D. Upon ONT ATCT instruction, aircraft crosses Runway 08R and Runway 08L aircraft taxies eastbound Taxiway N up to Taxiway G, aircraft taxies Taxiway G up to designated parking position.

WEST CARGO RAMP TO RUNWAY 08L

A380 aircraft taxies out of the West Cargo Ramp via Taxiway B and taxies westbound Taxiway N awaiting ONT ATCT departure instructions.

A380 aircraft taxies out of the assigned parking spot at Taxiway G via Taxiway G and taxies westbound Taxiway N aircraft and awaits ONT ATCT departure instructions.

b. A380 PUSH-BACK AND TOW OPERATIONS

The current Ontario International Airport A380 Operations Plan does not call for A380 aircraft Push-back and tow Operations.

c. A380 RAMP OPERATIONS

The current Ontario International Airport A380 Operations Plan does not call for Ramp Operations.

d. PASSENGER BOARDING BRIDGE OPERATIONS

The current Ontario International Airport A380 Operations Plan does not call for

Passenger Boarding Bridge Operations.

7. A380 AIRCRAFT – OPERATIONAL COORDINATION

a. PRE ARRIVAL AND DEPARTURE PROCESS

- ONT Airport Operations personnel will contact ONT ATCT personnel to confirm the runway assignment and preferred taxi route for each A380 arrival.
- As movement of A380 aircraft requires assistance and support of ONT Airport Operations personnel, it is the responsibility of the Operating Airline to indicate their Runway requirement and taxi route to the on duty ONT Airport Superintendent of Operations (909) 821-7433) at least 30 minutes prior to departure to allow the positioning of necessary staffing to monitor the operation.

b. AIRCRAFT MOVEMENT ON THE AIRFIELD

- Per the Modification to Standards (MOS) #2 the A380 is limited to a maximum of 15 MPH when operating on ONT's Taxiways and Taxilanes.
- Changes to normal departure times must be communicated to the on duty ONT Airport Superintendent of Operations as soon as information becomes available
- Prior to initiating communications with ONT ATCT personnel, all A380 aircraft must establish contact with the on duty Airport Superintendent of Operations at (909) 821-7433.
- ONT Airport Operations are responsible for providing support for each A380 movement on the airfield to the greatest extent possible based upon then current airport operational conditions and activity.
- ONT Airport Operations personnel will monitor and control VSR traffic at appropriate points to provide the required clearances for moving A380 aircraft.
- Communications with A380 Aircraft will be coordinated with ONT ATCT on frequency 121.90. It will be the responsibility of the airline to monitor this frequency.
- ONT Airport Operations personnel will be available to respond to emergencies and other airfield responsibilities during A380 movements, as required by CFR part 139.303.
- ONT Airport Operations personnel will ensure required aircraft clearances are met by escorting / shadowing the A380 aircraft wingtips and ensuring that VSR traffic and equipment remain clear of minimum distances prescribed in the FAA Modification to Standards.

8. MOVEMENT AREA RESTRICTIONS (Runways)

Runway 26R is restricted to ADG V and smaller aircraft while A380 aircraft is on Taxiway N.

a. Runway 26R

- Runway 26R has been approved for arrivals and departures.
- Runway inspection by Airport Operations personnel is required after all A380 08L/26R arrivals and departures.
- A380 has been approved to exit Runway 26R at Taxiways N, U, W, and D.

Runway 08L is restricted to ADG V and smaller aircraft while A380 aircraft is on Taxiway N.

b. Runway 08L

- Runway 08L has been approved for arrivals and departures.
- Runway inspection by Airport Operations personnel is required after all A380 08L/26R arrivals and departures.
- A380 has been approved to exit Runway 08L on Taxiway N, U, W, and D.

9. MOVEMENT AREA RESTRICTIONS (Parallel Taxiways)

a. Taxiway N

- Taxiway N has been approved for full length A380 operations with ONT Airport Operations personnel assistance.

b. Taxiway S

- Taxiway S has been approved for full length A380 operations with ONT Airfield Operations personnel assistance.

ONT Airport Operations personnel assistance is needed for A380 movements on all above mentioned movement areas to monitor vehicle service road encroachment into wing safety areas.

10. MOVEMENT AREA RESTRICTIONS (North/South Taxiways)

a. Taxiway B

- Taxiway B has been approved for full length A380 operations with ONT Airport Operations personnel assistance.

b. Taxiway D

- Taxiway D has been approved for full length A380 operations with ONT Airport Operations personnel assistance.

c. Taxiway U

- Taxiway U has been approved for full length A380 operations with ONT Airport Operations personnel assistance.

d. Taxiway W

- Taxiway W has been approved for full length A380 operations with ONT Airport Operations personnel assistance.

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APPENDIX 6

Ontario International Airport
Irregular Operations Contingency Plan

In an effort to address the challenges and achieve a successful outcome associated with the handling of diversion commercial aircraft to an alternate location, Ontario International Airport (ONT) has developed the following criteria and procedures intended to lessen the impact to the affected air carriers and their passengers during Airport Irregular Operations (IROPS). It remains the overarching goal to ensure that the operational integrity of the airport is maintained to the greatest extent possible during these conditions. This plan is in compliance with Section 415 of the FAA Modernization and Reform Act of 2012.

Formally known as the Diverted Aircraft and Passenger Plan (DAPP) implemented at ONT in late 2008, the ONT IROPS Contingency Plan is the result of a coordinated effort and utilization of combined resources from U.S. Customs and Border Protection (CBP), Ontario International Airport Authority, Transportation Security Administration (TSA), Domestic and International Air Carriers and associated aircraft service companies at ONT. The common goal is to provide here- to- for unavailable aircraft and passenger services for all flight activity required to return to their departure gate at ONT or divert to ONT from their originally scheduled destination for any reason.

The overall success of the ONT IROPS Plan is dependent upon the full and continued participation of all Airlines, Agencies, Departments, Sections and Companies as set forth herein and as approved by the IROPS Contingency Response Committee.

1. <u>ONT Airport Operations</u>:

The Chief of Airport Operations and ONT Airport Superintendent of Operations personnel have overall responsibility for ensuring the operational integrity of the airport is maintained in compliance with established Federal, State of California, and City of Ontario regulations, ONT Rules and Regulations, and related mandates without fail or exception. Further, Airport Operations is tasked with the responsibility to plan, assign and approve all aircraft parking for domestic and International commercial passenger and cargo aircraft operating at ONT including those diverted due to existing operational conditions at the scheduled destination airport.

In anticipation of and during any IROPs Airport Operations personnel at ONT shall:

a. Monitor weather and operational conditions at ONT and other Southern California commercial airports for planning and operational purposes and immediately issue diversion aircraft event advisories to the IROPS Contingency Response Committee and airport tenant group at ONT as necessary.

b. Make appropriate notifications to the TSA ONT Coordination Center (OCC) and to the CBP Watch Commander at Los Angeles International Airport (LAX) for planning purposes and assistance as required.

c. Make or cause to make appropriate notification to the domestic and International airline group at ONT and LAX for planning purposes and assistance as required.

d. Make or cause to make notification to the ONT Airport Manager, Police Services, ARFF, Maintenance and Public Affairs for informational purposes and assistance as required.

e. Coordinate with ONT FAA Air Traffic Control Tower personnel to ensure all aircraft are received, directed, and positioned in the most safe and efficient manner possible.

f. Coordinate diverted aircraft and passenger handling activities with the affected airlines and or their contracted designee(s).

g. Coordinate and arrange for the use of ONT passenger shuttle busses for on-airport movement of passengers to, from aircraft and the passenger terminal facilities.

h. Assign and make available passenger holding areas at ONT within specified sections of Terminal 1, the east end of Terminal 2, Terminal 4 and the FIS as confirmed and approved by the affected airline and in the case of International passengers, CBP. In non-emergency situations, passengers will not be permitted to deplane any aircraft without airline personnel present to handle and direct their passengers accordingly. In the case of International arriving passengers, Airline representatives must be present to handle and direct these passengers without exception. CBP must be present to process and clear passengers in the FIS.

i. Provide real time information to all affected airlines, airport tenants, CBP, and related agencies, departments, and sections through out the duration of the flight diversion.

j. Conduct bi-annual IROPS Contingency Response Committee meetings for the purpose of reviewing the overall plan with ONT domestic airlines, tenants and aircraft service companies, LAX International airlines, ONT and LAX Airfield and Terminal Operations staff, TSA, CBP, FAA and all affected agencies, departments, and sections.

k. Issue advanced notification to the ONT Consolidated Rental Car Facility and ONT Door to Door Shuttle operators of IROPS activity and the possibility for late and unscheduled passengers.

2. **ONT Airport Police Services:**

In anticipation of and during IROPS, Airport Police Services at ONT shall:

a. Assist Airport Operations personnel with delayed, unscheduled or diverted aircraft activity and passenger escort and security **as requested by the ONT Airport "Duty Superintendent" of Operations, (909) 544-5344 or (909) 821-7433.**

b. Assist airline personnel as necessary with the escort and containment of domestic and international passengers in aircraft and in-bond passenger terminal transit areas as necessary.

c. Provide passenger terminal facility security.

d. Provide aircraft ramp area security at passenger terminal and remote aircraft gate locations as requested.

3. **U.S. Customs and Border Protection – Los Angeles International Airport (LAX):**

In anticipation of and during IROPS at ONT, LAX CBP shall:

a. Provide assistance to the affected airlines diverted to ONT on a 24/7 basis.

b. Provide and dispatch additional CBP staff from LAX to ONT for the purpose of clearing International passengers and the affected aircraft at ONT upon request by the airline with CBP approval.

c. CBP personnel to be dispatched from LAX to ONT within a reasonable time period normally not to exceed two hours.

d. CBP will monitor the transfer of passengers from the aircraft to the FIS or other holding area as identified by Airport Operations personnel at ONT.

4. **Transportation Security Administration (TSA):**

In anticipation of and during IROPS at ONT, TSA shall:

a. Provide and dispatch additional TSA staff for the purpose of screening unscheduled passengers in coordination with the affected airline at ONT.

5. **Domestic and International Airlines – Serving ONT and LAX:**

In anticipation of and during IROPS activity at ONT, all airlines shall:

a. Notify the ONT Airport Operations Section of each known delayed flight activity originating from ONT and any unscheduled diverted flight activity without exception.

b. International airlines must notify the CBP Watch Commander at LAX of any planned ONT diversion activity without fail.

c. International airlines must request prior approval from CBP to disembark or process passengers at ONT.

d. Domestic and international airlines must confirm their intent with ONT Airport Operations to offload unscheduled and or international passengers at ONT and coordinate the location for this activity without exception.

e. Request ONT Airport Operations staff to arrange for ONT passenger shuttle busses for the on airport transfer of passengers from the aircraft at remote locations to the approved passenger terminal.

f. Make all necessary arrangements for the transfer and transportation of passengers from ONT terminal locations to LAX or other locations such as hotels, motels, charter busses etc, as set forth by the airline involved.

g. Supervise, assist, facilitate and control the disembarking of passengers into the FIS or other holding area as identified by Airport Operations personnel at ONT.

h. Supervise international passengers waiting in the temporary holding areas and prevent the commingling of passengers from other different flights.

6. Use of LAX Identification (ID) Media at ONT

Per the Airport Security Plan (ASP), an LAX ID may be used at ONT during weather events at local airports resulting in aircraft being diverted to ONT. It is understood that airports in the Southern California area, i.e., Lindbergh Field, John Wayne, Long Beach, Burbank, Palm Springs, and Los Angeles International will, at times, experience weather conditions that preclude some aircraft from affecting a safe landing. Subsequently, those aircraft will need to divert, possibly to ONT. This program allows for the use of a LAX ID by LAX employees to support those diverted aircraft at ONT, subject to the following conditions:

a. ONT Airport Police or Airport Operations will be notified in advance by the airline diverting to ONT, or that airline's ONT sponsor of the need for LAX badged employee(s) to respond to ONT and provide support for diverted aircraft.

b. Before access is granted to any sterile or restricted areas of ONT, the individuals responding from LAX will present their LAX issued ID badge for verification by ONT Airport Police or Airport Operations against the LAX identification badge stop list.

c. The divert airline will send only the required number of employees to ONT necessary to meet the needs of the diverted aircraft.

d. Airlines are required to work with an existing ONT airline or ground handler who will act as the diverted airlines' sponsor while at ONT. Companies approved to act as the divert airline sponsor are only those companies currently operating at ONT, i.e., airline, ground handling company, or fixed based operator.

e. LAX employees responding to ONT to support a diverted aircraft must acknowledge their receipt of training on the exercise of the privilege to use their LAX ID at ONT without the customary escort by a properly badged ONT employee. This acknowledgement will be in the form of their signature on the log recording LAX employees being granted unescorted access to their aircraft. The company sponsoring an LAX employee at ONT for purposes of providing services to a divert aircraft are required to maintain the record at ONT.

f. The unescorted access privilege granted to an LAX airline employee within restricted areas of ONT is strictly limited to the footprint of the aircraft for which the LAX employee has responded to ONT.

g. The LAX ID is not valid for accessing ONT sterile areas without being properly screened at the passenger screening check point. Use of the LAX ID for unescorted access within the sterile area after being screened will allow the LAX employee to manage the flight in the event the aircraft is positioned or repositioned to a passenger terminal to embark or disembark passengers for the diverted flight.

h. LAX badged employees shall not operate vehicles at ONT, except to push back an aircraft from a gate or reposition the aircraft as needed. If the aircraft is to be repositioned from a remote gate to a terminal, or vice versa, ONT Airport Operations shall provide an escort.

i. LAX badged employees shall not attempt to pass through any ACAMS door without the escort of their ONT sponsor.

j. The ONT airline or ground handler acting as sponsor for a diverted aircraft must maintain a record of the individuals from LAX that are granted access to the restricted/sterile areas. Records must keep kept for a minimum of 24 months AND must be made available for audit by ONT or the TSA.

k. LAX employees will be escorted to the divert aircraft and instructed that they are not allowed to leave the footprint of the aircraft without their ONT sponsor.

l. Use of the LAX badge at ONT is restricted to weather divert situations only. Other divert aircraft, i.e., mechanical, security--will require personnel responding from other airports to be escorted by properly badged ONT employees, in accordance with the Airport Security Program.

m. The privilege to use an LAX badge at ONT under this program is revocable without advance notice.

7. **IROPS Contingency Response Committee Contact Information at ONT and/or LAX:**

a. **Aircraft Ground Handling Companies at ONT:**

Airport Terminal Services (ATS)
Attn: Patti Smetzer – General Manager
(909) 937-1270 Office number or 24 hr cell phone (562) 676-8763

Delta Global Services (DGS)
Attn: Mike J. Pettigrew – Station Manager
(909) 605-7380 or (909) 605-7381 Office numbers

Aircraft Services International Group (ASIG)
Attn: Kyle Stephens – General Manager – ONT/LGB
(909) 937-2378 Office number or 24/7 cell (206) 853-2166

Attn: John Rausch – General Manager - LAX
(424) 223-5360 Office number or 24/7 cell (310) 467-8556

b. Aircraft Into-plane refueling Agents at ONT:

Aircraft Services International Group (ASIG)
24 hr - Fueling Supervisor (909) 821-1973

Guardian Jet Center
Attn: Dan LeBouf – General Manager
(909) 605-6366 Office number

c. Domestic Airline Contacts at ONT:

Alaska Airlines
Attn: Julie Ceron – Station Manager
(909) 937-8983 Office number

American Airlines
Attn: Sherryl Cairns – Station Manager
(909) 937-8800 Office number or 24 hr cell (909) 214-2026

Delta Airlines
Attn: Lance Johnson – Station Manager
(909) 605-7370 Office number or 24 hr cell phone (951) 310-4749

Southwest Airlines
Attn: Bruce Atlas – Station Manager
(909) 975-3851 Office number or 24 hr cell phone (310) 940-9709

Attn: Jesse Perez – Assistant Station Manager
(909) 975-3851 Office number or 24 hr cell phone (909) 322-6136

United Airlines/SkyWest Airlines
Attn: – Station Manager – Tufi Naea
(909) 605-2200 Office 24/7 cell (909) 816-4935

Michelle Franco – Supervisor 24/7 cell (720) 469-6286
Leonard Duncan – Supervisor 24/7 cell (720) 315-5639
Marlena Daniels – Supervisor 24/7 cell (520) 425-6610
Jerry Jimenez – Supervisor 24/7 cell (303) 250-1307

d. Baggage Handling and Delivery Service at ONT:

Sierra Aviation Group
Attn: Jim Mog – General Manager
(909) 948-9900 Office number

e. Airport Operations Section at ONT:

Airport Operations Office: (909) 544-5344
Airport Duty Superintendent of Operations 24 hr cell phone: (909) 821-7433

f. Airport Police Services at ONT:

Police Services Dispatch 24 hr phone: (909) 933-5611

g. U. S. Customs and Border Protection (CBP) at LAX

CBP Watch Commander 24 hr phone: (310) 568-7547 or (310) 568-7501

h. Transportation Security Administration (TSA) at ONT:

TSA ONT Coordination Center 24 hr phone: (909) 472-0140

Item 13 - Alta Agreement

ONTARIO
INTERNATIONAL AIRPORT
AUTHORITY
303 East B Street Ontario, CA 91764

ALAN D. WAPNER
PRESIDENT

RONALD O. LOVERIDGE
VICE PRESIDENT

LUCY DUNN
SECRETARY

JIM W. BOWMAN
COMMISSIONER

CURT HAGMAN
COMMISSIONER

KELLY J. FREDERICKS
CHIEF EXECUTIVE OFFICER

LARSON O'BRIEN
GENERAL COUNSEL

JEFF P. REYNOLDS
TREASURER

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

PROFESSIONAL SERVICES AGREEMENT

This Agreement is made and entered into as _____, 20____ by and between the **Ontario International Airport Authority**, a Joint Powers Authority with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("OIAA"), and **ALTA Environmental** ("Consultant"), with its principal place of business at 3777 Long Beach Blvd. Annex Building, Long Beach, CA 90807 (hereinafter referred to as "Consultant"). OIAA and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

RECITALS

A. OIAA is a public agency of the State of California and is in need of professional services for the following project:

To provide Environmental Management Support services for the Ontario International Airport Authority (OIAA) (Hereinafter referred to as "the Project").

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The Parties desire by this Agreement to establish the terms for the OIAA to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

Consultant shall provide the OIAA with the following Scope of Services (Work) described in the Scope of Services attached hereto as Exhibit "A.

2. Compensation.

a. Subject to paragraph 2 (b) below, the OIAA shall pay for such services in accordance with the following schedule of charges set forth in Exhibit "B".

b. In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of **$ 31,186.00 per month.** This amount is to cover all printing and related costs, and the OIAA will not pay any additional fees for printing expenses. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

If changes in the work seem merited by Consultant or the OIAA, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the OIAA by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the OIAA and executed by both Parties before performance of such services, or the OIAA will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by OIAA.

5. Time of Performance.

Consultant shall perform its services in a prompt and timely manner and shall commence performance upon the OIAA issuance of a Notice to Proceed. Consultant shall complete the services set forth in Exhibit "A".

6. Delays in Performance.

a. Neither OIAA nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

b. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government, including Cal/OSHA requirements.

b. If required, Consultant shall assist the OIAA, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies.

c. If applicable, Consultant is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

8. Standard of Care

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the OIAA, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Consultant

Consultant is retained as an independent contractor and is not an employee of OIAA. No employee or agent of Consultant shall become an employee of OIAA. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from OIAA as herein provided.

Consultant acknowledges that during the term of this independent consultant relationship, consultant may come into contact with confidential information. Consultant agrees to take reasonable steps to protect and not to use or disclose any confidential information to unauthorized parties both during the term of this agreement and after this agreement.

It is specifically understood that consultant will not receive or be eligible for any benefits from the OIAA, including but not limited to, retirement benefit plans, sick pay, paid non-working holidays, paid vacation or leave days or any health insurance, medical reimbursement, or other benefit plan provided to employees of the OIAA.

11. Insurance. Consultant shall not commence work for the OIAA until it has provided evidence satisfactory to the OIAA it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

a. Additional Insured

The OIAA its officials, officers, employees, agents, and volunteers shall be named as additional insureds on Consultant's and its subconsultants' policies of commercial general liability and automobile liability insurance using the endorsements and forms specified herein or exact equivalents.

b. Commercial General Liability

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the OIAA.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

(1) Bodily Injury and Property Damage

(2) Personal Injury/Advertising Injury

(3) Premises/Operations Liability

(4) Products/Completed Operations Liability

(5) Aggregate Limits that Apply per Project

(6) Explosion, Collapse and Underground (UCX) exclusion deleted

(7) Contractual Liability with respect to this Contract

(8) Broad Form Property Damage

(9) Independent Consultants Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(v) The policy shall give the OIAA, and the OIAA Board and each member of the OIAA board, its officers, employees, agents and the OIAA designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the OIAA, and provided that such deductibles shall not apply to the OIAA as an additional insured.

c. Automobile Liability

(i) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the OIAA.

(ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) The policy shall give the OIAA, the OIAA Board and each member of the OIAA Board, its officers, employees, agents and the OIAA's designated volunteers additional insured status.

(iv) Subject to written approval by the OIAA, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the OIAA as an additional insured, but not a self-insured retention.

d. Workers' Compensation/Employer's Liability

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

e. Professional Liability (Errors and Omissions)

At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the OIAA and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

f. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

	Combined Single Limit
Commercial General Liability	$1,000,000 per occurrence/ $2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	$1,000,000 per occurrence
Professional Liability	$1,000,000 per claim and aggregate (errors and omissions)

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

g. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with the OIAA evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

h. Policy Provisions Required

(i) Consultant shall provide the OIAA at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the OIAA at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the OIAA or any named insureds shall not be called upon to contribute to any loss.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to provide waiver of subrogation in favor of the OIAA, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the OIAA, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the OIAA and shall not preclude the OIAA from taking such other actions available to the OIAA under other provisions of the Agreement or law.

i. Qualifying Insurers

(i) All policies required shall be issued by acceptable insurance companies, as determined by the OIAA, which satisfy the following minimum requirements:

(1) Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

j. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the OIAA, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(ii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the OIAA has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the OIAA will be promptly reimbursed by Consultant or the OIAA will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, OIAA may cancel this Agreement.

(iii) The OIAA may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither the OIAA nor the OIAA Board, nor any member of the OIAA Board, nor any of the officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

k. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the OIAA that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the OIAA as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, the OIAA may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

12. Indemnification.

i. To the fullest extent permitted by law, Consultant shall defend (with counsel reasonably approved by the OIAA), indemnify and hold the OIAA, the OIAA Board, members of the Board, its employees, and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, "Claims') in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the OIAA, the OIAA Board, members of the OIAA Board, its employees, or authorized volunteers.

ii. Additional Indemnity Obligations. Consultant shall defend, with counsel of the OIAA choosing and at Consultant's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against the OIAA, the OIAA Board, members of the OIAA Board, its employees, or authorized volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against the OIAA, the OIAA Board, members of the Board, its employees, or authorized volunteers as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse the OIAA for the cost of any settlement paid by the OIAA, the OIAA Board, members of the Board, its employees, or authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for the OIAA's attorney's fees and costs, including expert witness fees. Consultant shall reimburse the OIAA, the OIAA Board, members of the board, its employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the OIAA, the OIAA Board, members of the OIAA board, its employees, or authorized volunteers.

13. California Labor Code Requirements.

Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws, if applicable. Consultant shall defend, indemnify and hold the OIAA, the OIAA Board, members of the Board, officers, employees and agents free and

harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors.

Effective March 1, 2015, if the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such Services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

14. Verification of Employment Eligibility.

By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

15. Laws and Venue.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Bernardino, State of California.

16. Termination or Abandonment

a. The OIAA has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (30) calendar days written notice to Consultant. In such event, the OIAA shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. The OIAA shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by the OIAA and Consultant of the portion of such task completed but not paid prior to said termination. The OIAA shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to the OIAA only in the event of substantial failure by the OIAA to perform in accordance with the terms of this Agreement through no fault of Consultant.

17. Documents. Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the OIAA.

18. Organization

Consultant shall assign an Experienced Environmental Manager. This team shall not be removed from the Project or reassigned without the prior written consent of the OIAA.

19. Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described above.

20. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

CITY:	**CONSULTANT:**
Ontario International Airport Authority	**ALTA Environmental**
Attn: Amy Goethals	**3777 Long Beach Blvd. Annex Building**
303 East "B" Street	**Long Beach, CA 90807**
Ontario, CA 91764-4196	

and shall be effective upon receipt thereof.

21. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the OIAA and the Consultant.

22. Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

23. Entire Agreement

This Agreement, with its exhibits, represents the entire understanding of the OIAA and Consultant as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

24. Severability

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the provisions unenforceable, invalid or illegal.

25. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of the OIAA. Any attempted assignment without such consent shall be invalid and void.

26. Non-Waiver

None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

27. Time of Essence

Time is of the essence for each and every provision of this Agreement.

28. The OIAA's Right to Employ Other Consultants

The OIAA reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

29. Prohibited Interests

Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT

BETWEEN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

AND ALTA ENVIRONMENTAL

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

OIAA

Approved By:

_____

Kelly J. Fredericks P.E., A.A.E.

Chief Executive Officer

ALTA Environmental

_____

Signature

_____

Name

_____

Title

_____

Date

EXHIBIT A

Scope of Services

EXHIBIT B

Schedule of Charges/Payments

Consultant will invoice the OIAA on a monthly cycle. Consultant will include with each invoice a detained progress report that indicates the amount of budget spent on each task. Consultant will inform the OIAA regarding any out-of-scope work being performed by Consultant.

1 SCOPE OF WORK

Our work will be completed by a team of experienced Environmental Compliance Professionals under the supervision of a Licensed California Professional Engineer (P.E.) and SCAQMD Certified Permitting Professional (C.P.P.). Alta will perform the scope of work outlined below.

ENVIRONMENTAL MANAGEMENT STAFFING

Under this task, Alta is proposing to staff the program with one (1) experienced Environmental Manager. However, this staffing arrangement may be re-assessed based upon the Client's specific needs once Alta and the Client refine the environmental compliance staffing plan.

The Alta consultant will assist the Client with the efforts currently in place. In addition, listed below are examples of some of the elements that the on-site staff may coordinate, as necessary:

1: General Compliance

- Environmental compliance deadlines specific to your activities
- Assistance/evaluation of documents for submittal to regulatory agencies
- Evaluation of compliance records, recordkeeping practices, compliance tools
- Interact with environmental agency inspectors and officials
- Coordination of noise compliance, and sound attenuation grant programs
- Coordination of activities related to NEPA/CEQA, wildlife management, and mitigation compliance

2: Air Quality Compliance

- Compliance activities with respect to your South Coast Air Quality Management District (SCAQMD) Permits and Reports
- Address Title V permit requirements
- Preparation of USEPA Toxic Release Inventory Form R reports
- Review of Agency Notices
- Review and interpretation of new or Proposed Regulations

3: Hazardous Waste & Material Compliance

- Assistance in complying with hazardous waste storage requirements
- Assistance in complying with hazardous waste management requirements
- Manifest records
- SB14 documentation
- EPA Manifest Fee Return reporting
- EPA Identification Verification reporting
- CUPA Hazardous Materials Business Plan reporting
- Assistance in complying with Hazardous material and waste program documents
- Tank management and fuel dispensing compliance
- Assistance in complying with Spill Prevention Control and Countermeasures Plan
- Review of Agency notices

4: Storm Water Compliance

- Assistance with account registration for the Storm Water Multiple Application & Report Tracking System (SMARTS)

- Coordination of Notice of Intent submittal for coverage under the Industrial General Permit prior to operations
- Assistance with necessary site plan and Storm Water Pollution Prevention Plan revisions due to change in owner/operator
- Assistance in complying with monthly inspection reports performed
- Assistance in complying with rain event inspections and sampling data
- Performance of annual inspection and Annual Storm Water Report

5: Personnel Training

- Hazardous waste generator and contingency plan training
- Hazardous materials handling training
- Storm water management training
- Emergency action training; and Hazard communication training

2 SCHEDULE

Upon your authorization, your Alta consultant will be available within one (1) business day. This task will be automatically reconducted at the end of each month. The Client shall give Alta a thirty (30) day notice in writing in order to discontinue this task.

3 COST

Alta proposes to perform the identified services on a time and materials basis in accordance with the pricing structure outlined below. Alta will invoice monthly, and will request payment within 30 days of invoice submittals. Additional hours, above the amount indicated in the table below, may be added by the client to complete specific reports or projects, as necessary. The additional hours will be billed at the standard rate indicated below. Alta reserves the right to revise the rates on an annual basis. The costs below are estimated, but will not be exceeded unless the Client approves an additional budget.

ENVIRONMENTAL MANAGEMENT STAFFING	Unit Cost	Days	Hours	Item Cost
Principal	199.50	1	8.00	1,596.00
Environmental Manager (Staff III)	160.00	22	176.00	28,160.00
Travel expenses (mileage)	65.00	22		1,430.00
TASK COST (MONTHLY)	**31,186.00**			

Item 14 - Bonds

RESOLUTION NO. 2016__

RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY AUTHORIZING THE ISSUANCE OF ONTARIO INTERNATIONAL AIRPORT AUTHORITY REVENUE BONDS AND CERTAIN RELATED DOCUMENTS AND ACTIONS

WHEREAS, the Ontario International Airport Authority (the "Authority") was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino (the "Joint Powers Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (the "Joint Powers Act"), for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport (the "Airport"); and

WHEREAS, under that certain Settlement Agreement effective as of July 30, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California, its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles is obligated to transfer management and control of the Airport and certain "Surrounding Parcels" and other "Airport Assets" to the Authority on the "Transfer Date" (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority will be the sole owner, operator and sponsor of the Airport, the Surrounding Parcels and the related Airport Assets, and shall thereafter be entitled to charge, collect and receive fees, charges, rentals and other revenues from its operation and management of the Airport (the "Airport Revenues"); and

WHEREAS, pursuant to the terms of the Settlement Agreement, the Authority is required to make certain payments and transfers to LAWA as set forth in the Settlement Agreement, including, among other things, the obligation to provide on or prior to the Transfer Date sufficient funds so that, together with the funds available in the Ontario Bond Reserve Fund to be transferred on the Transfer Date to the Authority by LAWA, there is adequate cash to redeem and discharge LAWA's then outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006A and Series 2006B (collectively, the "LAWA Bonds"), the proceeds of which were used to refinance the construction of certain improvements at the Airport; and

WHEREAS, the Joint Powers Agreement provides that the Authority shall have the power to borrow money and to issue revenue bonds in accordance with the Joint Powers Act ("Authority Revenue Bonds"); and

WHEREAS, in order to provide funds for the redemption and discharge of the LAWA Bonds, the Authority desires to issue either or both of its Ontario International Airport Revenue Bonds Series 2016A (Tax-Exempt) (AMT) (the "2016A Bonds") and its Ontario International Airport Revenue Bonds Series 2016B (Taxable) (the "2016B Bonds," and such 2016A Bonds and/or 2016B Bonds as are determined to be issued, the "2016 Bonds"); and

WHEREAS, the Authority expects that the initial aggregate principal amount of the 2016 Bonds will not exceed $60 million; and

WHEREAS, as a condition to the issuance of the 2016 Bonds, the Authority must enter into a bond purchase agreement (the "Purchase Agreement") with the underwriter of the 2016 Bonds (the "Underwriter"), a draft of which has been made available to the Authority, pursuant to which the Authority will agree to issue and sell, and the Underwriter will agree to purchase, the 2016 Bonds on the terms and conditions contained therein; and

WHEREAS, as a condition to the issuance of the 2016 Bonds, the Authority must enter into a Master Trust Indenture and a First Supplemental Trust Indenture (collectively, the "Indenture"), each between the Authority and The Bank of New York Mellon (the "Trustee"), drafts of which have been made available to the Authority, which Indenture, among other things, sets forth the provisions necessary for the issuance of the 2016 Bonds; and

WHEREAS, as a condition to the issuance of the 2016 Bonds, the Authority must enter into a continuing disclosure agreement (the "Continuing Disclosure Agreement") with the other party named therein, a draft of which has been made available to the Authority, which provides for the Authority to provide disclosure to the public markets on an annual basis and upon the occurrence of certain events; and

WHEREAS, as a condition to the issuance of the 2016 Bonds, the Authority must enter into an escrow agreement (the "Escrow Agreement") with the Trustee and LAWA, a draft of which has been made available to the Authority, which provides the redemption and discharge of the LAWA Bonds; and

WHEREAS, in connection with the issuance and sale of the 2016 Bonds, the Authority wishes to prepare and distribute a Preliminary Official Statement and a Final Official Statement (each as hereinafter defined); and

WHEREAS, the Authority has determined that the Purchase Agreement, the Indenture, and the Continuing Disclosure Agreement (collectively, the "Authority Documents") are in appropriate form and contain terms that are satisfactory to the Authority, and that it is in the best interest of the Authority to proceed with the issuance of the 2016 Bonds on the terms described therein;

NOW, THEREFORE, be it resolved as follows:

SECTION 1. The terms of the 2016 Bonds set forth in the documents made available to the Authority prior to the effective date of this resolution are hereby approved by the Authority, and the Authority hereby authorizes the issuance of such 2016 Bonds in an aggregate principal amount not to exceed $60 million upon a finding by the City Council of the City of Ontario pursuant to Section 6586.5 of the California Government Code. The 2016 Bonds may be issued as one series of tax-exempt AMT bonds, one series of taxable bonds, or two series, one of which is tax-exempt AMT and one of which is taxable, as approved by an Authorized Authority Representative (as defined below) based on the advice of bond counsel. A failure to issue any one series of 2016 Bonds shall not preclude the issuance of another series of 2016 Bonds. In the event that only one series of 2016 Bonds is issued, the series designation of the 2016 Bonds that are issued may be changed from the designations set forth in this Resolution and the appended draft documents so that the series that are issued proceed alphabetically from the beginning of the alphabet. The 2016 Bonds shall be special limited obligations of the Authority, payable solely from and secured by a pledge of the Net Pledged Revenues (as defined in the Indenture) and certain other limited security provided in the Granting Clauses of the Indenture and in accordance with the terms of the Indenture. The proceeds from the sale of the 2016 Bonds shall be applied as provided in the First Supplemental Trust Indenture and be used, together with additional funds provided by the Authority and LAWA, (a) to redeem and discharge in full the LAWA Bonds, (b) to purchase bond insurance policies and reserve fund surety policies for the 2016 Bonds, and (c) to pay certain costs of issuance related to the 2016 Bonds. Each of the Chief Executive Officer of the Authority and his designee, the Chief Operating Officer of the Authority and his designee, and the Chief Financial Officer of the Authority and his designee (each of such persons being referred to an as "Authorized Authority Representative"), acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the 2016 Bonds, each of which shall have the terms set forth in the documents made available to the Authority prior to the effective date of this resolution, with such changes thereto as the Authorized Authority Representative executing and delivering the same may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 2. The draft form of the Purchase Agreement attached hereto as Exhibit A is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Purchase Agreement, substantially in the form attached hereto as Exhibit A, including counterparts thereof, with such changes thereto as the Authorized Authority Representative executing and delivering the same may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this resolution. In connection with the negotiation,

execution and delivery of the Purchase Agreement, each Authorized Authority Representative is further hereby authorized, empowered and directed to negotiate the purchase price, interest rates, redemption provisions, dated dates, maturity dates, principal amounts and prepayment provisions with respect to the 2016 Bonds, and are further authorized to negotiate any and all other terms and agreements related to the issuance of the 2016 Bonds, as an Authorized Authority Representative, acting individually, may determine to be in the best interest of the Authority, all to be conclusively evidenced by the execution and delivery of the Purchase Agreement; provided, however, that the aggregate principal amount of the 2016 Bonds will not exceed $60 million and the amount of the underwriting fee paid to the Underwriter shall not exceed 1.00% of the original par amount of the 2016 Bonds.

SECTION 3. The Authority hereby approves and ratifies the appointment of Morgan Stanley & Co. LLC as the Underwriter for the 2016 Bonds.

SECTION 4. The draft forms of the Indenture attached hereto as Exhibits B-1 and B-2 are hereby authorized and approved, in substantially the forms attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Indenture, substantially in the forms attached hereto as Exhibit B-1 and B-2, including counterparts thereof, with such changes thereto as the Authorized Authority Representative executing and delivering the same may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this resolution.

SECTION 5. The draft form of the Continuing Disclosure Agreement attached hereto as Exhibit C is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Continuing Disclosure Agreement, substantially in the form attached hereto as Exhibit C, including counterparts thereof, with such changes thereto as the Authorized Authority Representative executing and delivering the same may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this resolution.

SECTION 6. The draft form of Escrow Agreement attached hereto as Exhibit D is hereby authorized and approved, in substantially the form attached hereto. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Escrow Agreement, substantially in the form attached hereto as Exhibit D, including counterparts thereof, with such changes thereto as the Authorized Authority Representative executing and delivering the same may require or approve, such

requirement or approval to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this resolution.

SECTION 7. All or any portion of the 2016 Bonds may be sold with credit enhancement (such as, but not limited to, municipal bond insurance or letters of credit) as any Authorized Authority Representative, acting individually, may determine to be in the best interests of the Authority. Further, the Authority may obtain one or more debt service reserve account surety policies, letters of credit, or similar credit facilities to satisfy the Debt Service Reserve Requirement for all or any portion of the 2016 Bonds, as any Authorized Authority Representative, acting individually, may determine to be in the best interests of the Authority. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to execute and deliver any documents required to be executed and delivered in connection with such credit enhancement or credit facilities, with such terms and provisions as the Authorized Authority Representative executing and delivering such documents may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto; and to take such other actions as may be deemed necessary or desirable in order to effect the purposes of this resolution.

SECTION 8. The form of the Preliminary Official Statement (as hereinafter defined) attached hereto as Exhibit E is hereby authorized and approved, in substantially the form attached hereto. The Preliminary Official Statement is to be distributed substantially in the form attached hereto as Exhibit E, with such changes thereto as any Authorized Authority Representative may require or approve (together with all supplements and amendments prior to the execution and delivery of the Purchase Agreement, the "Preliminary Official Statement"), which requirement or approval shall be evidenced by the Authority's certification to the effect that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule") (except for the omission of certain information as permitted by said Rule). Further, each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to deem final the Preliminary Official Statement within the meaning of the Rule, and to execute and deliver the final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes thereto as any Authorized Authority Representative executing and delivering the final Official Statement, may require or approve (the "Final Official Statement"), such requirement or approval to be conclusively evidenced by the execution and delivery thereof; and to execute and deliver any additional documents, certificates or instruments related thereto, and to take such other actions as may be deemed necessary or desirable in order to effect the purpose of this resolution. The Underwriter is hereby authorized to distribute printed or electronic copies of the Preliminary Official Statement and the Final Official Statement to persons who may be interested in the

purchase of the 2016 Bonds, and to deliver the Final Official Statement to the purchasers of the 2016 Bonds.

SECTION 9. All actions heretofore taken by any officer or agent of the Authority in connection with or related to the issuance and sale of the 2016 Bonds or the matters set forth in these resolutions are hereby approved, confirmed and ratified.

SECTION 10. Each Authorized Authority Representative, acting individually, is hereby authorized, empowered and directed, for and in the name of and on behalf of the Authority, to take any and all actions, to execute any and all documents, and to pay or cause to be paid all costs and expenses, as may be necessary or desirable to effectuate the purposes of these resolutions and the documents and transactions herein authorized and to comply with the terms of the documents herein authorized.

SECTION 11. This resolution shall take effect immediately.

Exhibit A

Form of Purchase Agreement

Exhibit B-1

Form of Master Trust Indenture

Exhibit B-2

Form of First Supplemental Trust Indenture

Exhibit C

Form of Continuing Disclosure Agreement

Exhibit D

Form of Escrow Agreement

Exhibit E

Form of Preliminary Official Statement

_____
OIAA PRESIDENT

ATTEST:

_____
SECRETARY/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

_____
STEPHEN G. LARSON
GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Vicki Kasad, Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY that foregoing Resolution No. 2016- was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016 by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

The foregoing is the original of Resolution No. 2016- duly passed and adopted by the Commission of the Ontario International Airport Authority at their Adjourned Regular Meeting held October 4, 2016.

_____
SECRETARY/ASSISTANT SECRETARY

(SEAL)

$_____
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$_____
SERIES 2016A
(TAX-EXEMPT)
(AMT)

$_____
SERIES 2016B
(TAXABLE)

BOND PURCHASE AGREEMENT

October __, 2016

Ontario International Airport Authority
Ontario, California

Ladies and Gentlemen:

Morgan Stanley & Co. LLC (the "Underwriter") offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with you, the Ontario International Airport Authority (the "Authority"), for the purchase by the Underwriter and sale by the Authority of the Bonds described below, which Purchase Agreement, upon the Authority's acceptance of this offer (evidenced by the signature of a duly authorized representative of the Authority), will be binding upon the Authority and the Underwriter. This offer is made subject to acceptance hereof by the Authority at or prior to 5:00 P.M., Pacific Time, on the date hereof. Upon such acceptance, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon both the Authority and the Underwriter. If not so accepted, this Purchase Agreement will be subject to withdrawal by the Underwriter upon written notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. Terms used but not defined herein are defined in the Indenture identified below.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to sell to the Underwriter, all (but not less than all) of the Authority's Ontario International Airport Revenue Bonds, Series 2016A (Tax-Exempt)(AMT), in the principal amount of $_____ (the "Series 2016A Bonds"), and the Ontario International Airport Revenue Bonds, Series 2016B (Taxable), in the principal amount of $_____ (the "Series 2016B Bonds," and, together with the Series 2016A Bonds, the "Bonds"). The aggregate purchase price for the Bonds shall be $_____, representing the aggregate principal amount of the Bonds [plus net original issue premium/less net original issue discount] of $_____ and less an Underwriter's discount of $_____ to be tendered on the date of payment for and delivery of the Bonds pursuant to Section 6 hereof (the "Closing"). The Underwriter, by signing this Purchase Agreement, confirms that the only compensation it has received or will receive from the Authority for services in connection with this Purchase Agreement is the Underwriter's discount, and that such compensation covers services in connection with the issuance of the Bonds and in connection with this Purchase Agreement and no other services.

2. The Bonds. The Bonds have been authorized pursuant to Resolution 16-____ of the Authority adopted by the Board on October __, 2016 (the "Bond Resolution"). The Bonds shall be dated the date of delivery, and shall be issued and secured under and pursuant to the Master Trust Indenture dated as of November 1, 2016 (the "Master Indenture"), as supplemented by the First Supplemental Trust Indenture dated as of November 1, 2016 (the "First Supplemental Indenture," and together with the Master Indenture, the "Indenture"), each between the Authority and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). The Bonds will be secured by and payable from Net Pledged Revenues, as defined in the Indenture, derived from the operation of the Ontario International Airport (the "Airport") and by amounts in certain funds and accounts held under the Indenture by the Trustee. The Bonds will mature in the years and in the principal amounts, bear interest at the rates and be subject to redemption prior to maturity at the times and in the amounts set forth in the Indenture.

The proceeds of the Series 2016A Bonds will be used (i) to refund the Department of Airports of the City of Los Angeles, California (the "Department") outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006A (Tax-Exempt) (the "2006A Bonds"), (ii) to pay a portion of the cost of a bond insurance policy for the Bonds, (iii) to pay a portion of the cost of a reserve fund surety policy for the Bonds, and (iv) to pay certain costs of issuance related to the Bonds. The proceeds of the 2016B Bonds will be used (i) to refund the Department's outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006B (Taxable) (the "2006B Bonds," and together with the 2006A Bonds, the "2006 Bonds"), (ii) to pay a portion of the cost of a bond insurance policy for the Bonds, (iii) to pay a portion of the cost of a reserve fund surety policy for the Bonds, and (iv) to pay certain costs of issuance related to the Bonds.

The Bonds are being issued in connection with the Authority's anticipated assumption of ownership, management and control of the Airport pursuant to a Settlement Agreement, executed December 22, 2015 and effective July 30, 2015 (the "Settlement Agreement"), among the City of Ontario, California (the "City"), the City of Los Angeles, California, its Board of Airport Commissioners, Los Angeles World Airports ("LAWA"), and the Authority. The issuance of the Bonds, for the purpose of paying and discharging in full the 2006 Bonds, is a condition to the transfer of the Airport from LAWA to the Authority pursuant to the Settlement Agreement, and such transfer is a condition to the issuance of the Bonds. As a further condition to the transfer of ownership, operations and management of the Airport and the issuance of the 2016 Bonds, the Authority is required to obtain written approval from the Federal Aviation Administration ("FAA").

In connection with the transfer, LAWA and the Authority have entered into a Staff Augmentation Agreement, dated April 13, 2016 (the "Staff Augmentation Agreement") pursuant to which LAWA will provide certain staffing and other services at the Airport following the Transfer Date (as defined in the Settlement Agreement). The Authority and LAWA also anticipate entering into an Assignment and Assumption Agreement (the "Assignment and Assumption Agreement"), and a Contract Assignment Agreement (the "Contract Assignment Agreement"), each to be dated as of the Transfer Date, pursuant to which LAWA will assign to the Authority, effective as of the date of transfer of the Airport, certain contracts and other rights and obligations with respect to the Airport.

The scheduled payment of principal of and interest on the Series 2016 Bonds when due will be guaranteed under a municipal bond insurance policy (the "Policy") to be issued concurrently with the delivery of the Bonds by _____ (the "Insurer"). The Authority will satisfy the Reserve Requirement (as defined in the Indenture) with respect to the Bonds as of the Closing Date

through a municipal bond debt service reserve insurance policy (the "Reserve Policy") to be issued concurrently with the delivery of the Bonds by the Insurer.

3. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Bonds at prices not in excess of the initial offering prices (or at yields not lower than the yields) set forth on the inside cover page of the Official Statement (as defined below), provided that the Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices or at yields higher than the initial yields set forth therein.

4. Preliminary and final Official Statement. The Underwriter has distributed copies of the Preliminary Official Statement related to the Bonds dated October __, 2016, which together with the cover page, the inside cover page and appendices thereto, is herein defined as the "Preliminary Official Statement." In connection with the public offering and sale of the Bonds, by its acceptance hereof, the Authority hereby ratifies, confirms and approves the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement, and the Authority represents that such Preliminary Official Statement is deemed final as of its date for purposes of Rule15c2-12 ("Rule 15c2-12") promulgated by the U.S. Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended, except for Permitted Omissions (defined below). It is acknowledged by the Authority that the Underwriter may deliver the Preliminary Official Statement and the final Official Statement related to the Bonds dated October __, 2016 (such Official Statement, including the cover page, the inside cover page and all appendices attached thereto, together with such amendments or supplements thereto as are adopted by the Authority in accordance herewith subsequent to the acceptance of this Purchase Agreement by the Authority, being herein called the "Official Statement") in electronic form and in printed paper form. The Official Statement will be in substantially the same form as the Preliminary Official Statement, subject only to such additions, deletions and revisions, as are necessary to reflect the pricing of the 2016 Bonds or have been consented to or accepted by the Authority and the Underwriter. For purposes of this Purchase Agreement, the printed paper form of the Preliminary Official Statement and the Official Statement are deemed controlling.

The Authority hereby agrees to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof or upon reasonable written notice from the Underwriter within sufficient time to accompany any confirmation requesting payments from any customers of the Underwriter, copies of the Official Statement related to the Bonds dated the date hereof in such quantities as the Underwriter deems necessary to comply with paragraph (b)(4) of Rule 15c2-12 and Rules G-12, G-15 and G-32 of the Municipal Securities Rulemaking Board ("MSRB").

The Underwriter hereby agrees to deliver a copy of the Official Statement to the MSRB in an electronic format prescribed by the MSRB for its Electronic Municipal Market Access ("EMMA") website at www.emma.msrb.org within one (1) business day after receipt of the Official Statement. The Authority hereby authorizes the use and distribution by the Underwriter of copies of the Official Statement, and the Indenture in connection with the public offering and sale of the Bonds.

In order to assist the Underwriter with complying with Rule 15c2-12, the Authority will undertake, pursuant to the Continuing Disclosure Certificate (defined below), to provide certain financial and operating information and notices of the occurrence of certain events. A description of the Continuing Disclosure Certificate is set forth in the Official Statement.

5. Representations. The Authority represents to and agrees with the Underwriter that:

(a) The Preliminary Official Statement as of its date did not and as of the date hereof does not, and the Official Statement as of the date hereof does not and as of the Closing will not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, in the case of the Preliminary Official Statement, for omissions permitted pursuant to Rule 15c2-12 relating to details of the offering such as offering prices, principal amounts, maturities, interest rates and other pricing information, credit ratings, delivery dates, redemption terms and prices, and other terms dependent on such matters, including, without limitation, use of proceeds, credit enhancement, CUSIP numbers, amounts of reserve funds, and other information not known or reasonably ascertainable on the date of the Preliminary Official Statement (collectively, "Permitted Omissions") and, except, in the case of the Preliminary Official Statement and the Official Statement, the information concerning DTC and the book entry system, and information under the captions "UNDERWRITING," with respect to which the Authority makes no representation In addition, any amendments or supplements to the Official Statement prepared and furnished by the Authority pursuant to Section 9 hereof will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) The Authority is a joint exercise of powers authority created by the City and the County of San Bernardino, California (the "County") pursuant to the Joint Exercise of Powers Act, California Government Code Section 6500 and following (as it may be amended and supplemented, the "Joint Powers Act"), and organized under a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the "Joint Powers Agreement"), between the City and the County with the powers and authority set forth in Joint Powers Act and with full legal right, power and authority, inter alia, to operate, improve and maintain the Airport, to enter into this Purchase Agreement and the Indenture, to adopt the Bond Resolution and to issue, sell and deliver the Bonds to the Underwriter as provided herein and to carry out and perform its obligations under this Purchase Agreement, the Bond Resolution, the Indenture, the Bonds, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement.

(c) Pursuant to the Settlement Agreement and the Contract Assignment Agreement, as of the Closing, the Authority will be assigned an Operating Use and Terminal Lease Agreement (each an "Airline Agreement," and collectively, the "Airline Agreements") with each of the signatory airlines (each a "Signatory Airline") providing service at the Airports. As of the Closing, the Airline Agreements will constitute valid and binding obligations of the Authority enforceable in accordance with their terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws and principles of equity relating to or affecting creditors' rights or remedies heretofore or hereafter enacted and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law, and subject to limitations on the enforcement of legal remedies against public agencies. To the best knowledge of the Authority, the Airline Agreements have been executed and delivered by each respective Signatory Airline and, except as described in the Preliminary Official Statement and the Official Statement, are currently in full force and effect and no event of default except as described in the Preliminary Official Statement and the Official Statement by any Signatory Airline has occurred under any Airline Agreement.

(d) The execution and delivery of this Purchase Agreement and the adoption of the Bond Resolution do not, and the execution and delivery of the Bonds and the Indenture do not, and

performance by the Authority of its obligations under the Bonds, the Indenture, this Purchase Agreement, the Continuing Disclosure Certificate of the Authority dated as of November 1, 2016 (the "Continuing Disclosure Certificate"), the Airline Agreements, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement will not, in any material respect, conflict with or constitute on the part of the Authority a breach of or default under (i) the Indenture, (ii) any other agreement or instrument to which the Authority is a party or (iii) any existing law, administrative regulation, court order or consent decree to which the Authority is subject.

(e) With respect to the issuance of the Bonds, the Authority has complied, or on or prior to the Closing will comply, in all material respects, with the Bond Resolution, the Indenture, and the Joint Powers Act.

(f) All approvals, consents and authorizations of any governmental authority, board, agency, council, commission or other body having jurisdiction over the Authority which would constitute a condition precedent to the performance by the Authority of its obligations hereunder and under the Indenture, the Bonds, the Continuing Disclosure Certificate, the Airline Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement have been obtained or will be obtained on or prior to the Closing; provided that the Authority makes no representations as to any approvals, consents or other actions which may be necessary to qualify the Bonds for offer and sale under Blue Sky or other state securities laws or regulations. No consents and approvals are required under the Airline Agreements which would constitute a condition precedent to the performance by the Authority of its obligations hereunder and under the Bond Resolution, the Indenture and the Bonds.

(g) The Bonds will conform to the descriptions thereof contained in the Preliminary Official Statement (recognizing that the descriptions of the Bonds are incomplete as to the Permitted Omissions) and the Official Statement under the caption "DESCRIPTION OF THE 2016 BONDS" and, when duly issued and authenticated in accordance with the Bond Resolution and the Indenture and delivered to the Underwriter as provided herein, the Bonds will be the validly issued and outstanding limited obligations of the Authority, entitled to the benefits of the Indenture and payable from the sources therein specified. The proceeds of the sale of the Bonds will be applied generally as described in the Official Statement under the caption "ESTIMATED SOURCES AND USES OF FUNDS."

(h) The Indenture, when executed and delivered by the Authority, will (assuming due authorization, execution, authentication and delivery by the Trustee) constitute a valid and binding obligation of the Authority enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws and principles of equity relating to or affecting creditors' rights or remedies heretofore or hereafter enacted, and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law, and subject to limitations on the enforcement of legal remedies against public agencies. No event that, with notice or lapse of time, could become an "Event of Default" under the Indenture has occurred and is continuing.

(i) Except as described in the Preliminary Official Statement and the Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the Authority or, to the knowledge of the Authority, has been threatened against the Authority, (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds or the collection of

Net Pledged Revenues pledged under the Indenture to secure the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of the Bonds, the Bond Resolution, the Indenture, the Airline Agreement, this Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement, (iii) which is in any way contesting the creation, existence, powers or jurisdiction of the Authority relating to the Airport or the validity or effect of the Joint Powers Act or any provision thereof or the application of the proceeds of the Bonds, or (iv) which, if adversely determined, could materially adversely affect the financial position of the Authority or the transactions contemplated by the Preliminary Official Statement, the Official Statement, the Bond Resolution, the Indenture, the Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement.

(j) [Reserved.]

(k) Any certificates signed by any officer of the Authority and delivered to the Underwriter pursuant hereto or in connection herewith shall be deemed a representation of the Authority as to the accuracy of the statements therein made.

(l) The Authority has no reason to believe, after review, that the certifications, assumptions and conclusions in the Report of the Airport Consultant dated October __, 2016 (the "Report of the Airport Consultant") prepared by DKMG Consulting LLC (the "Airport Consultant") and included in the Preliminary Official Statement and in the Official Statement, are not reasonable. To the Authority's knowledge, the capital construction program information, aviation activity data, and accounting and other financial documents furnished to the Airport Consultant in connection with the preparation of the Report of the Airport Consultant are accurate in all material respects. Further, the Authority has no knowledge, after due inquiry, of any fact or circumstance that would have a material adverse effect on the assumptions, findings, projections or conclusions in the Report of the Airport Consultant that the Authority has not disclosed to the Airport Consultant and the Underwriter.

(m) The Authority has no reason to believe, after review, that the certifications, assumptions and conclusions in the Demand Forecast Methodology and Results report dated October __, 2016 (the "Aviation Activity Forecast") prepared by Campbell-Hill Aviation Group, LLC (the "Air Traffic Forecast Consultant") and included in the Preliminary Official Statement and in the Official Statement, are not reasonable. To the Authority's knowledge, the aviation activity data and accounting and other financial documents furnished to the Air Traffic Forecast Consultant in connection with the preparation of the Aviation Activity Forecast are accurate in all material respects. Further, the Authority has no knowledge, after due inquiry, of any fact or circumstance that would have a material adverse effect on the assumptions, findings, projections or conclusions in the Aviation Activity Forecast that the Authority has not disclosed to the Air Traffic Forecast Consultant and the Underwriter.

(n) Except for the pledges of revenues made pursuant to the Indenture, the Authority has not pledged or otherwise encumbered any of its revenue or funds that constitute Net Pledged Revenues under the Master Indenture.

(o) The Authority has the legal authority to apply and will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture.

(p) The Authority will not, prior to the Closing, offer or issue any bonds, notes or other obligations for borrowed money payable from or secured by Net Pledged Revenues or incur any material liabilities, direct or contingent, except in the ordinary course of business, payable from or secured by Net Pledged Revenues without prior notice to the Underwriter.

(q) By all necessary official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly authorized the issuance and sale of the Bonds, (ii) the distribution and use of the Preliminary Official Statement and the execution, distribution and use of the Official Statement for use by the Underwriter in connection with the public offering of the Bonds and (iii) the consummation by it of all other transactions described in the Preliminary Official Statement, the Official Statement, this Purchase Agreement and the Indenture and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Authority in order to carry out, give effect to, and consummate the transactions described herein and in the Official Statement.

(r) The Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement, when duly executed and delivered, will constitute legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws and principles of equity relating to or affecting creditors' rights or remedies heretofore or hereafter enacted, and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law, and subject to limitations on the enforcement of legal remedies against public agencies.

(s) The Authority has not entered into any previous undertakings under Rule 15c2-12.

(t) The Authority will not knowingly take or omit to take any action, which action or omission would in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Bond Resolution and herein or which would cause the interest on the Series 2016A to be includable in gross income of the owners thereof for federal income tax purposes.

6. Closing. The closing of the Bonds shall be held at 9:00 A.M., Pacific Time, on November 1, 2016, at the offices of O'Melveny & Myers LLP, or at such other time, date or place as the Underwriter and the Authority may mutually agree in writing. Prior to any agreement to delay the Closing from the date specified in the preceding sentence, the Underwriter shall notify the Authority of increased costs, if any, that the Underwriter expects to incur as a result of such delay. The agreement to delay the Closing shall specify the amount of such increased costs, if any, to be paid to the Underwriter as a result of such delay.

On the day of the Closing, the Authority will cause the duly executed and authenticated Bonds to be delivered to the Trustee, as designee for The Depository Trust Company, New York, New York ("DTC"), which shall act as securities depository for the Bonds, in accordance with DTC's Fast Automated Securities Transfer System. At the Closing, the Underwriter shall accept the delivery of the Bonds and pay the purchase price of the Bonds as set forth in Section 1 hereof in immediately available federal funds by wire transfer payable to the order of the Trustee for the account of the Authority upon (i) tender of the Bonds to DTC or its designee on behalf of the Underwriter by the Authority, (ii) the satisfaction of all conditions to the Closing set forth in Section 7 hereof, and (iii) the delivery by the Authority to the Underwriter of all documents set forth in Section 7(e) hereof.

The Bonds shall be printed in definitive form as one fully registered bond for each stated maturity of the Bonds. CUSIP identification numbers will be obtained by the Underwriter and will be printed on the Bonds in accordance with the requirements of DTC; provided neither the printing of an inaccurate number on any Bond nor the failure to print a number thereon shall constitute cause to refuse acceptance or delivery of any Bond at the Closing.

The Bonds shall be made available to the Underwriter at least one (1) business day before the Closing for purposes of inspection.

7. Conditions Precedent. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the Authority contained herein and the performance by the Authority of its obligations hereunder, both as of the date hereof and as of the date of the Closing.

The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(a) The representations of the Authority contained herein shall be true, complete and correct in all material respects on the date of acceptance hereof and on and as of the date of the Closing and the statements made in all certificates and other documents delivered to the Underwriter at Closing pursuant hereto shall be true and correct in all material respects at the Closing.

(b) At the time of the Closing, this Purchase Agreement, the Bond Resolution, the Indenture, the Continuing Disclosure Certificate, the Airline Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement shall be in full force and effect and shall not have been amended, modified or supplemented from the forms thereof provided to the Underwriter as of the date hereof, except as may have been agreed to in writing by the Underwriter; and the Authority shall have duly adopted and there shall be in full force and effect the Bond Resolution and such other resolutions of the Authority as, in the opinion of O'Melveny & Myers LLP, bond counsel to the Authority ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

(c) The Authority shall have delivered to the Underwriter Official Statements by the time, and in the numbers, required by Section 4 of this Purchase Agreement.

(d) The Authority shall have delivered to the Underwriter on or prior to the Closing, executed copies of the Continuing Disclosure Certificate, the Indenture, the Airline Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement.

(e) At or prior to the Closing, the Underwriter shall receive the following documents (in each case reasonably satisfactory to the Underwriter and with any such changes as the Underwriter shall approve):

(1) (i) The approving and supplemental opinions of Bond Counsel, dated the date of the Closing, addressed to the Authority substantially in the forms attached as Appendix D-1 to the Official Statement and attached hereto as Exhibit A-1, respectively, and if such opinions are not addressed to the Underwriter, letters addressed to the Underwriter to the effect that the Underwriter may rely upon such opinions as if they were addressed to the Underwriter,

(ii) the opinion of O'Melveny & Meyers LLP, disclosure counsel to the Authority ("Disclosure Counsel"), addressed to the Authority, substantially in the form attached hereto as Exhibit A-2, and if such opinion is not addressed to the Underwriter, a letter addressed to the Underwriter to the effect that the Underwriter may rely upon such opinion as if it were addressed to the Underwriter; and (iii) the opinion of Nixon Peabody LLP, dated the date of the Closing, addressed to the Authority substantially in the form attached as Appendix _ to the Official Statement, and if such opinion is not addressed to the Underwriter, a letter addressed to the Underwriter to the effect that the Underwriter may rely upon such opinion as if it were addressed to the Underwriter;

(2) The opinion of Shepard Mullin LLP, counsel to the Authority, dated the date of the Closing and addressed to the Underwriter, substantially in the form attached hereto as Exhibit B;

(3) The opinion of counsel to the Trustee, dated the date of the Closing and addressed to the Underwriter, substantially in the form attached hereto as Exhibit C;

(4) The opinion of _____, counsel to the Department dated the date hereof and addressed to the Underwriter, substantially in the form attached hereto as Exhibit D;

(5) The opinion of Stradling Yocca Carlson & Rauth a Professional Corporation, counsel to the Underwriter, dated the date of the Closing and addressed to the Underwriter, and covering such matters as the Underwriter may reasonably request;

(6) A certificate, dated the date of the Closing, signed by the Chief Executive Officer of the Authority (or other appropriate authorized official of the Authority agreed to by the Underwriter) to the effect that (a) the representations of the Authority contained in Section 5 hereof are true and correct in all material respects as of the date of the Closing; (d) to the best of his or her knowledge, since the date of the Official Statement no event or circumstance affecting the Authority has occurred or been discovered which should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances in which they were made, not misleading, in any material respect, except no representation is made with respect to any information in the Official Statement concerning DTC or the book entry system, or information under the captions "UNDERWRITING;" (e) all of the conditions to the transfer of the Airport to the Authority pursuant to the Settlement Agreement have been satisfied or waived, and concurrently with the issuance of the Bonds the Authority will assume ownership, operations and management of the Airport;

(7) Executed or certified copies of the Indenture and the Bond Resolution;

(8) A certificate, dated the date of the Closing, signed by the _____ of the Department to the effect that (a) the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement, and the Contract Assignment Agreement have been duly authorized and executed and are in full force and effect; (b) no litigation is pending or, to his or her knowledge, threatened, in any way contesting or affecting the validity of the Airline Agreements, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement, and the Contract Assignment Agreement or the transactions contemplated by the Settlement Agreement, the Staff

Augmentation Agreement, the Assignment and Assumption Agreement, the Contract Assignment Agreement], or the Airline Agreements; (c) to the best of his or her knowledge, the audited financial statements of the Department relating to the Airport for Fiscal Years 2010-11 through and including 2014-15 attached to such certificate and the unaudited financial statements for Fiscal Year 2015-16 attached to such certificate fairly present the financial positions and results of operations of the Airport as of the dates and for the periods therein set forth, and the Department has no reason to believe that such financial statements have not been prepared in accordance with generally accepted accounting principles consistently applied, except as otherwise noted therein. Since June 30, 2016, no material and adverse change has occurred in the financial position or results of operations of the Airport and the Department has not incurred, since June 30, 2016, any material liabilities relating to the Airport other than in the ordinary course of business; (d) the Department is not aware of any events of default currently outstanding under the Airline Agreements, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement, and the Contract Assignment Agreement or the occurrence of any event which by notice, the passage of time or otherwise would constitute any such event of default; (e) no approval, permit, consent or authorization of any governmental or public agency, authority or person having jurisdiction over the Department not already obtained and no proceedings not already had are required in connection with the execution and delivery of the Airline Agreements, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement, and the Contract Assignment Agreement, or the performance by the Department of its obligations under the Airline Agreements, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement, and the Contract Assignment Agreement and (f) all of the conditions to the transfer of the Airport to the Authority pursuant to the Settlement Agreement have been satisfied or waived and, concurrently with the issuance of the Bonds, ownership, operations and management of the Airport will be transferred to the Authority;

(9) Evidence satisfactory to the Representative of the assignment of long-term insured ratings assigned to the Bonds by Standard & Poor's Ratings Group ("S&P") of "____," and by Fitch Ratings, Inc. ("Fitch") of "____," and underlying ratings of "___" by S&P and "___ by Fitch;

(10) A copy of the FAA Approval Letter, dated _____, 2016 and evidence that the FAA has issued to the Authority a certificate permitting the Authority to operate the Airport;

(11) Evidence of defeasance of the 2006A Bonds and the 2006B Bonds;

(12) A copy of the Title Insurance Policy;

(13) Copies of the Policy and the Reserve Policy;

(14) An opinion of counsel to the Insurer, in form and substance satisfactory to the Agency and the Underwriter;

(15) A certificate of the Insurer in form and substance satisfactory to the Agency and the Underwriter;

(16) A certificate, dated the date of the Closing, signed by the Chief Executive Officer of the Authority, in form and substance satisfactory to the Underwriter, to the effect that except as disclosed in the Official Statement, since the date of this Purchase Agreement, no materially adverse change has occurred in the financial position or results of operations of the Authority and the Authority has not incurred, since the date of this Purchase Agreement, any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement, and as to certain other matters reasonably requested by Bond Counsel;

(17) A verification report issued by Causey Demgen & Moore, (the "Verification Agent") as to the sufficiency of the amounts deposited with the applicable escrow agent to defease the 2006A Bonds and the 2006B Bonds;

(18) A fully executed copy of the Report of the Airport Consultant, as attached as Appendix A to the Official Statement and a letter from the Airport Consultant consenting to the inclusion of the Report of the Airport Consultant, substantially in the form attached hereto as Exhibit E;

(19) A fully executed copy of the Demand Forecast Methodology and Results reports dated _____ (the "Aviation Activity Forecast"), as attached as Appendix B to the Official Statement and a letter from Campbell-Hill Aviation Group, LLC (the "Air Traffic Forecast Consultant") consenting to the inclusion of the Aviation Activity Forecast, substantially in the form attached hereto as Exhibit F;

(20) A Tax Certificate of the Authority dated the date of Closing; and

(21) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, counsel for the Underwriter, Bond Counsel or Disclosure Counsel may reasonably request in connection with the transactions contemplated by this Purchase Agreement.

8. Termination by the Underwriter. The Underwriter shall have the right to terminate its obligations under this Purchase Agreement to purchase, accept delivery of and to pay for the Bonds if between the date hereof and the Closing:

(a) the market price or marketability at the initial offering prices or yields of the Bonds set forth in the Official Statement or the ability of the Underwriter to enforce contracts for the sale of the Bonds to customers has been materially adversely affected, in the reasonable judgment of the Underwriter (evidenced by a written notice from the Underwriter to the Authority terminating the obligation of the Underwriter to accept delivery of and to pay for the Bonds and stating the reason therefor which shall be a reason set forth in this Section 8(a)), by reason of any of the following:

(1) (x) Any legislation which is (A) enacted by or introduced in Congress of the United States, (B) favorably reported for passage to either House of the Congress of the United States by any Committee of such House to which such legislation has been referred for consideration, (C) recommended to the Congress of the United States for passage by the President of the United States or the Treasury Department, or (D) officially presented by any member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives for formal action by such Committee,

or officially presented as an option for formal consideration by either such Committee, by the staff of such Committee or by the staff of the Joint Committee on Taxation of the United States Congress, or by the occurrence of any other Congressional action, but in each case only, however, if the occurrence of any of the foregoing events is generally accepted by the municipal bond market as potentially affecting the Federal tax status of the Authority, its property or income or the interest on its bonds or notes (including the Bonds), or (y) any decision rendered by a court established under Article III of the Constitution of the United States or the Tax Court of the United States, or any final order, ruling, regulation or official statement issued or made by or on behalf of the Treasury Department of the United States or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing Federal income taxation upon interest received by holders of the Bonds, or (z) any final order, ruling, regulation or official statement issued or made by or on behalf of the SEC, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds are not exempt from qualification under, or other requirements of, the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, or otherwise is or would be in violation of the Federal securities laws as amended and then in effect;

(2) Any outbreak of hostilities or other local, national or international calamity or crisis, or any escalation of existing hostilities or other local, national or international calamity or crisis, shall have occurred;

(3) The declaration of a general banking moratorium by Federal authorities, or the general suspension of trading on the New York Stock Exchange or other national securities exchange;

(4) The imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the net capital requirements of the Underwriter;

(5) The adoption of any amendment to the Federal Constitution or the Joint Powers Act, any order or decision by any Federal or District court, or enactment by any Federal or state legislative body materially adversely affecting (i) the Authority or (ii) the validity or enforceability of this Purchase Agreement, the Bonds, the Indenture, the Continuing Disclosure Certificate, the Tax Certificate of the Authority dated as of the Closing, the Bond Resolution and any instrument or agreement to which the Authority is a party in connection herewith; or

(6) There shall have occurred since the date of this Purchase Agreement any downgrading or published negative credit watch from a rating agency that at the date of this Purchase Agreement has published a rating on the Bonds, which action reflects a change or possible change, in the ratings accorded the Bonds, or

(7) There shall have occurred since the date of this Purchase Agreement any materially adverse change in the affairs or financial condition of the Authority, except for changes which the Official Statement discloses are expected to occur; or

(b) if an event occurs, or information becomes known, which, in the reasonable judgment of the Underwriter makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and, in any such event, the Authority refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is, in the reasonable judgment of the Underwriter, to materially adversely affect the marketability or market price of the Bonds.

If the Authority shall be unable for any reason to satisfy the conditions of the Underwriter's obligations contained in Section 7 of this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by Section 8 of this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the Authority shall have any further obligations or liability hereunder except as set forth in Section 10 below.

9. Amendments to Official Statement. During the period commencing on the date of the Closing and ending twenty-five (25) days from the end of the underwriting period (the Closing is hereby assumed to be the end of the underwriting period, unless written notice to the contrary is given by the Underwriter to the Authority on or before the Closing, but in no event shall the end of the underwriting period be more than sixty (60) days after the Closing), the Authority shall advise the Underwriter if any event relating to or affecting the Official Statement shall occur as a result of which it may be necessary or appropriate to amend or supplement the Official Statement in order to make the Official Statement not contain an untrue statement of material fact and not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If any such event occurs and in the reasonable judgment of the Underwriter and the Authority, an amendment or supplement to the Official Statement is necessary or appropriate, the Authority shall, at its expense, forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to counsel for the Underwriter) which will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement, as amended is delivered to a purchaser or "potential customer," not misleading.

10. Expenses. As between the Underwriter and the Authority, the Authority will pay or cause to be paid all costs of issuance of the Bonds including, but not limited to (a) the reasonable cost of preparation, posting, printing and delivery of the Preliminary Official Statement and the Official Statement, including the number of copies the Underwriter deems reasonable; (b) any cost of preparation of the Bonds; (c) the fees and disbursements of Bond Counsel, Special Tax Counsel and Disclosure Counsel; (d) the fees and disbursements of any accountants, consultants, verification agents, financial advisors or additional legal counsel retained by the Authority in connection with the issuance of the Bonds; (e) fees for Bond ratings and credit enhancement, if any; (f) the out-of-pocket expenses (which may be included as an expense component of the Underwriter's discount) of travel, meals, and lodging for Authority representatives and its advisors to attend conferences with the rating agencies, investor meetings, and pricing meetings relating to the issuance of the Bonds; (g) all advertising expenses in connection with the public offering of the Bonds; (h) the costs of filing fees required by any of the Blue Sky laws; (i) CUSIP Service Bureau charges; (j) DTC fees; (k) Trustee's fees; and (l) all out-of-pocket of the Authority associated with the issuance of the Bonds.

All other expenses and costs of the Underwriter incurred under or pursuant to this Purchase Agreement, including without limitation, the cost of preparing this Purchase Agreement and other Underwriter's documents, travel expenses, and the fees and expenses of counsel to the Underwriter shall be paid by the Underwriter.

11. Qualification of Securities. The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification in effect so long as required for the initial distribution of the Bonds until the end of the underwriting period; provided, however, that in no event will the Authority be required to qualify as a broker-dealer or a foreign corporation, or to file any general or special consents to, or otherwise take any action that would subject it to general or unlimited, service of process under the laws of any state.

12. No Advisory or Fiduciary Role. The Authority acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities for resale to investors, in an arm's length commercial transaction between the Authority and the Underwriter, and the Underwriter has financial and other interests that differ from those of the Authority; (ii) the Underwriter is acting solely as principal, and is not acting as a municipal advisor, financial advisor or fiduciary to the Authority; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter or its affiliates have provided other services or are currently providing other services to the Authority on other matters); (iii) the only obligations the Underwriter has to the Authority with respect to the transactions contemplated hereby expressly are set forth in this Purchase Agreement; and (iv) the Authority has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate.

13. Notices. Any notice or other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing to [To Come], Attention: Chief Executive Officer, and any such notice or other communication to be given to the Underwriter may be given by delivering the same in writing to Morgan Stanley & Co. LLC, 1585 Broadway, 16th Floor New York, NY 10036, Attention: Ira Smelkinson, Executive Director. Any such notice shall be made in writing by sending the notice by air courier or nationally recognized overnight delivery service or mailing by certified or registered mail, return receipt requested, in the United States mail to the address as stated above (or at such other address as may have been designated by written notice) of the party entitled thereto.

14. Benefit; Parties in Interest; Survival of Representations. This Purchase Contract shall constitute the entire agreement between the Authority and the Underwriter, and it may only be amended in a writing signed by all parties hereto. This Purchase Agreement is solely for the benefit of the Authority, and the Underwriter, including any successors and assigns of the Underwriter (but not including any beneficial owners of the Bonds), and no other party or person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof. Except as otherwise expressly provided herein, all of the agreements and representations of the Authority contained in this Purchase Agreement and in any certificates delivered pursuant hereto shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriter; (ii) delivery

of and payment for the Bonds hereunder; or (iii) in the case of Paragraph 10, termination of this Purchase Agreement.

If the Authority shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter, nor the Authority shall be under any further obligation hereunder, except that the respective obligations to pay expenses, as provided in Section 10, shall continue in full force and effect.

15. Waiver. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the Authority hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter, in its sole discretion.

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

17. Governing Law. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California.

18. Headings. The headings of the paragraphs of this Purchase Agreement are inserted for convenience of reference only and shall not be deemed a part hereof.

19. Counterparts; Electronic Signatures. This Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original hereof. Signatures hereto may be delivered as .pdf signatures delivered by electronic mail.

Very truly yours,

MORGAN STANLEY & CO. LLC

By:_____
Ira Smelkinson
Executive Director

Approved and Agreed to:
_____, 2016

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By:_____
Kelly J. Fredericks, P.E. A.A.E.
Title: Chief Executive Officer

[Signature page to Series 2016 Bond Purchase Agreement for the Ontario International Airport Authority]

SCHEDULE I

$_____
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$_____
SERIES 2016A
(TAX-EXEMPT)
(AMT)

$_____
SERIES 2016B
(TAXABLE)

The Series 2016A Bonds will bear interest at the rates, mature and have the prices, as follows:

Maturity Date October 1	Amount	Rate	Price

$_____ _____% Term Bond due October 1, 20__, priced at _____%

$_____
SERIES 2016B
(TAXABLE)

Maturity Date October 1	Amount	Rate	Price

$_____ _____% Term Bond due October 1, 20__, priced at _____%

Redemption Provisions

[TO COME]

EXHIBIT A
to
BOND PURCHASE AGREEMENT

Supplemental Opinion of Bond Counsel to the Authority

[Date of Closing]

[*to come*]

EXHIBIT A-2
to

BOND PURCHASE AGREEMENT

Opinion of Disclosure Counsel to the Authority and Reliance Letter

[Date of Closing]

EXHIBIT B
to
BOND PURCHASE AGREEMENT

Opinion of Counsel to the Authority

[Date of Closing]

Morgan Stanley & Co. LLC,
as Underwriter

$_____
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$_____	**$_____**
SERIES 2016A	**SERIES 2016B**
(TAX-EXEMPT)	**(TAXABLE)**
(AMT)	

Ladies and Gentlemen:

This opinion is rendered pursuant to Section 7(e)(2) of the Bond Purchase Agreement, dated _____, 2016 (the "Purchase Agreement"), between the Ontario International Airport Authority (the "Authority") and Morgan Stanley & Co. LLC (the "Underwriter"), providing for the sale by the Authority and the purchase by the Underwriter of the Ontario International Airport Revenue Bonds, Series 2016A (Tax-Exempt)(AMT), in the principal amount of $_____ (the "Series 2016A Bonds"), and the Ontario International Airport Revenue Bonds, Series 2016B (Taxable), in the principal amount of $_____ (the "Series 2016B Bonds," and, together with the Series 2016AB Bonds, the "Bonds"), dated the date of delivery. Terms defined in the Purchase Agreement are used in this opinion as defined therein.

Based on such examination and review, I am of the opinion that:

(1) The Authority is a joint exercise of powers authority created by the City of Ontario, California (the "City") and the County of San Bernardino, California (the "County") pursuant to the Joint Exercise of Powers Act, California Government Code Section 6500 and following (as it may be amended and supplemented, the "Joint Powers Act"), and organized under a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the "Joint Powers Agreement"), between the City and the County with full legal right, power, and authority to own, operate, improve, and maintain the Airport, to enter into the Indenture, the Airline Agreement, the Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement, and the Contract Assignment Agreement, to adopt the Bond Resolution, to issue, sell, and deliver the Bonds to the Underwriter pursuant to the Purchase Agreement and to carry out and perform its obligations under the Indenture, the Airline Agreement, the Purchase Agreement, the Settlement Agreement, the Staff

Augmentation Agreement, and the Assignment and Assumption Agreement, the Contract Assignment Agreement and the Bonds.

(2) The Bond Resolution has been duly adopted by the Authority and is in full force and effect.

(3) The Indenture, the Airline Agreement, this Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement have been duly authorized, executed, and delivered by the Airports Authority and constitute the valid and binding obligations of the Authority enforceable in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted, and the performance by the Authority under the does not conflict with or constitute on the part of the Authority a breach of or default under any other agreement or instrument to which the Authority is a party, or any existing law, administrative regulation, court order, or consent decree to which the Airports Authority is subject. The Airline Agreements are in effect with respect to all of the Signatory Airlines.

(4) All approvals, consents, and orders of any governmental authority, board, agency, council, commission, or other body having jurisdiction which would constitute a condition precedent to the performance by the Authority of its obligations under the Bonds, the Bond Resolution, the Indenture, the Airline Agreement, this Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement have been obtained; provided that no opinion is expressed as to any approvals, consents, or other actions which may be necessary to qualify the Bonds for offer and sale under Blue Sky or other state securities laws or regulations. No consents and approvals are required under the Airline Agreement, which would constitute a condition precedent to the performance by the Authority of its obligations under the Bond Resolution, the Indenture, and the Bonds.

(5) Except as described in the Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the Authority or against any other party of which the Airports Authority has notice or, to the knowledge of the Airports Authority, threatened against the Authority, (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds or the collection of Net Revenues pledged under the Indenture to secure the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of the Bonds, the Bond Resolution, the Indenture, the Airline Agreement, this Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement, (iii) in any way contesting the creation, existence, powers or jurisdiction of the Authority or the validity or effect of the Joint Exercise of Powers Act or any provision thereof or the application of the proceeds of the Bonds or (iv) which, if adversely determined, could materially adversely affect the financial position of the Authority or the transactions contemplated by the Official Statement, the Indenture, the Bonds, the Bond Resolution, the Indenture, the Airline Agreement, this Purchase Agreement, the Settlement Agreement, the Staff Augmentation Agreement, the Assignment and Assumption Agreement and the Contract Assignment Agreement.

(6) The Preliminary Official Statement and the Official Statement and the distribution thereof have been approved by the Authority and the execution and delivery of the Official Statement to the Underwriter has been authorized by the Airports Authority.

I have participated in the preparation of the Preliminary Official Statement and the Official Statement, and I have reviewed and discussed with members of the Authority staff and others the information therein. On the basis thereof, I have no reason to believe that the information in the Preliminary Official Statement and the Official Statement (except (i) information concerning DTC and the book entry system under the captions "DESCRIPTION OF THE 2016 BONDS," and in APPENDIX D – "Book Entry Only System," (ii) Permitted Omissions from the Preliminary Official Statement, and (iii) the financial statements and other statistical and financial data contained therein, as to all of which I express no opinion or belief), as of its date and as of the date hereof, contained or contains any untrue or misleading statement of a material fact, or omitted or omits to state any material fact, necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

EXHIBIT C
to
BOND PURCHASE AGREEMENT

Opinion of Trustee's Counsel

[Date of Closing]

Morgan Stanley & Co. LLC,
as Underwriter

$_____
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$_____	**$_____**
SERIES 2016A	**SERIES 2016B**
(TAX-EXEMPT)	**(TAXABLE)**
(AMT)	

_____, 2016

Morgan Stanley & Co. LLC
New York, New York

Re: Ontario International Airport Authority Revenue Bonds Series 2016A (Tax-Exempt)(AMT) and Series 2016B (Taxable)

Ladies and Gentlemen:

I am a Managing Counsel in the Legal Department of The Bank of New York Mellon Trust Company, N.A. ("BNY Mellon") and I am delivering this opinion in connection with the execution and delivery of that certain Master Trust Indenture dated as of November 1, 2016 (the "Master Indenture"), between the Ontario International Airport Authority (the "Authority") and BNY Mellon, as trustee (the "Trustee"), as amended and supplemented by that certain First Supplemental Trust Indenture dated as of November 1, 2016 (together with the Master Indenture, the "Indenture"), between the Authority and the Trustee. All capitalized terms used herein not otherwise defined shall be as defined in the Indenture.

In rendering the opinions set forth below, I have examined the originals, or copies certified to my satisfaction, of such agreements (including, without limitation, the Indenture), certificates and other statements of government officials and corporate officers of BNY Mellon, documents and other papers as I deemed relevant and necessary as a basis for such opinion and have relied as to factual matters on representations, warranties and other statements therein. With respect to parties other than BNY Mellon, in such examination, I have assumed the authenticity of all documents submitted to me as originals, the genuineness of all signatures, the legal capacity of natural persons and the conformity to the originals of all documents submitted to me as copies. In my examination of documents (including, without limitation, the Indenture) executed by parties other than BNY Mellon, I have also assumed

that, if the opinions set forth in paragraphs (1) through (4) below referred to such parties and such documents, such opinions would be true and correct with respect to such parties and such documents.

The opinions expressed herein are limited to the laws of the State of California and the Federal law of the United States, and I do not express any opinion herein concerning any other law.

Based upon the foregoing, I am of the opinion that:

(1) BNY Mellon is a national banking association duly organized and validly existing under the laws of the jurisdiction of its organization and has the corporate power to execute and deliver the Indenture, and any other documentation relating to the Indenture, and to perform its obligations under the Indenture.

(2) The execution and delivery by BNY Mellon of the Indenture and any other documentation relating to the Indenture, and its performance of its obligations under the Indenture, have been and are as of the date hereof duly authorized by all necessary corporate action.

(3) No approval, authorization or other action by, or filing with, any governmental body or regulatory authority (which has not been obtained) is required in connection with the due execution, delivery and performance by BNY Mellon of the Indenture.

(4) The Indenture has been duly executed and delivered and constitutes the valid and legally binding obligation of BNY Mellon enforceable against it in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought as a proceeding in equity or at law).

My opinions are subject to the following assumptions and qualifications:

I express no opinion as to (a) any transactions not specifically referred to herein; (b) any provision of the Indenture to the extent it provides that a party is entitled to recover more than its actual damages under the Indenture; (c) any right, remedy or provision of the Indenture (including without limitation any termination payment provisions thereof) which, if determined to be a penalty, a court or other authority or body may have the discretion to invalidate or decline to enforce; (d) the enforcement of rights with respect to indemnification and contribution obligations; (e) any provision relating to severability; (f) any provision purporting to waive or limit rights to trial by jury, oral amendments to written agreements or rights of set-off; (g) any provision relating to submission to jurisdiction, venue or service of process; (h) any provision purporting to prohibit, restrict or require the consent of the other party for the transfer of, or the creation, attachment or perfection of a security interest in, the Indenture or an interest therein, which may be limited by applicable law or considerations of public policy; (i) any provision that provides that the rights of the parties to the Indenture may not be assigned by a party without the prior written consent of the other party or parties, which may be limited by Sections 9406 or 9408 of the Uniform Commercial Code; (j) the tax consequences of any transaction under the Indenture; (k) any Federal securities laws, pension and employee benefit laws (e.g., ERISA), anti-money laundering laws, trading with the enemy laws, or other laws of special or general application not normally covered in an opinion on capacity and enforceability, in accordance with market practice; or (l) the priority, perfection, attachment or validity of any security interest created under the Indenture or the enforcement of remedies in connection therewith.

This opinion is based upon facts and law in existence on the date hereof and I disclaim any obligation to advise you of any changes therein occurring after the date hereof. This opinion is given for the use and benefit of the addressee and no other party or entity is entitled to rely on it.

Very truly yours,

Rhea L. Ricard
Managing Counsel

EXHIBIT D
to
BOND PURCHASE AGREEMENT

Opinion of Counsel to the Department

[Date of Closing]

Ontario International Airport Authority
Ontario, California

Morgan Stanley & Co. LLC,
as Underwriter
Los Angeles, California

$_____
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$_____	**$_____**
SERIES 2016A	**SERIES 2016B**
(TAX-EXEMPT)	**(TAXABLE)**
(AMT)	

Ladies and Gentlemen:

We serve as counsel for the Department of Airports of the City of Los Angeles, California (the "Department"). This opinion is being delivered in connection with the issuance by the Authority of its Revenue Bonds, Series 2016A (Tax-Exempt)(AMT), in the principal amount of $_____ (the "Series 2016A Bonds"), and the Ontario International Airport Revenue Bonds, Series 2016B (Taxable), in the principal amount of $_____ (the "Series 2016B Bonds," and, together with the Series 2016A Bonds, the "Bonds"). The Bonds are being sold on the date hereof pursuant to a Bond Purchase Agreement, dated October __, 2016 (the "Bond Purchase Agreement"), between the Ontario International Airport Authority (the "Authority") and Morgan Stanley & Co. LLC (the "Underwriters). Unless otherwise defined herein or the context otherwise requires, the capitalized terms used herein shall have the respective meanings ascribed thereto in the Bond Purchase Agreement.

In this connection, we have reviewed the Constitution and the laws of the State of California and certain proceedings taken by the Department in connection with execution and delivery of the following agreements (collectively, the "Department Documents"):

1. The Settlement Agreement, dated December 22, 2015 (the "Settlement Agreement"), among the City of Ontario, California, the Department and the Authority;

2. the Staff Augmentation Agreement, dated April 13, 2016 (the "Staff Augmentation Agreement") between the Department and the Authority;

3. the Assignment and Assumption Agreement, dated _____, 2016, between the Department and the Authority (the "Assignment and Assumption Agreement");

4. the Contract Assignment Agreement, dated _____, 2016, between the Department and the Authority (the "Contract Assignment Agreement;" and

5. [OTHER?]

In connection with this opinion, we have examined (i) the Department Documents and (ii) such other records, documents, certificates, opinions, and other matters as are in our judgment necessary or appropriate to enable us to render the opinions expressed herein. As to relevant factual matters, we have relied upon, among other things, the factual representations contained in the Department Documents.

We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies. To the extent the Department's obligations depend on the enforceability of the Department Documents against the other parties thereto, we have assumed that the Department Documents are enforceable against such other parties. We express no opinion with respect to any indemnification, contribution, lien priority or choice of law provisions contained in the foregoing documents.

As used in this opinion, the phrase "current actual knowledge" means knowledge as we have obtained from (i) the incumbency and signature certificate of the Department; (ii) the representations and warranties contained in each closing certificate of the Department; and (iii) knowledge of facts or other information currently known to lawyers in our firm who have performed legal services for the Department.

From such examination, on the basis of our reliance upon the assumptions in this opinion and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications in this opinion, as of the date hereof we are of the opinion that:

(1) The Department is a [department of the City of Los Angeles]] duly organized under the laws of the State.

(2) The resolutions and other approving actions of the Department approving and authorizing the execution and delivery of the Department Documents by the Department (the "Resolutions") were duly adopted or taken at meetings of the Department [[City Council?]], which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption.

(3) To our current actual knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body of competent jurisdiction, pending or threatened against the Department, to restrain or enjoining the enforcement of the Department Documents or in any way contesting the validity of the Bonds or the Department Documents.

(4) The execution and delivery of the Department Documents by the Department, the adoption of the Resolutions, and compliance by the Department with the provisions of the foregoing, as appropriate, under the circumstances contemplated thereby, to our current actual knowledge, does not and will not conflict with or constitute on the part of the Department a breach or default under any

agreement or other instrument to which the Authority is a party or by which it is bound (and of which we are reasonably aware) or any existing law, regulation, court order or consent decree to which the Department is subject.

(5) The Department Documents have been duly authorized, executed and delivered by the Department and, assuming due authorization, execution and delivery by the other parties thereto, the Settlement Agreement, the Assignment and Assumption Agreement and the Staff Augmentation Agreement constitute legal, valid and binding agreements of the Department, enforceable in accordance with their respective terms, subject in each case to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought.

(6) Except as described in the Official Statement, no authorization, approval, consent, or other order of the State or any other governmental authority or agency within the State having jurisdiction over the Department is required for the valid authorization, execution, delivery and performance by the Department of the Department Documents which has not been obtained.

(7) To our current actual knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency or public board or body, pending or, to the our current actual knowledge, threatened, which may affect the existence of the Department or the titles of its officers to their respective offices, or which in any way contests or affects the validity or enforceability of the Department Documents or which contests the power of the Department or any authority or proceedings for the execution or delivery of the Department Documents, or the transfer of the Airport pursuant to the Settlement Agreement, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Department Documents.

This opinion may be relied on by you only in connection with the issuance of the Bonds. It may not be used or relied upon for any other purpose or by any other person, nor may copies be delivered to any other person, without in each instance our prior written consent; provided however that it may be included in the transcript of record of proceedings relating to the issuance of the Bonds. This opinion is expressly limited to the matters set forth above, and we render no opinion, whether by implication or otherwise, as to any other matters. This letter speaks only as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that arise after the date of this opinion and come to our attention, or any future changes in laws.

The opinions expressed herein are based on our analysis of existing laws, regulations, rules and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or thence occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events occur. We do not express herein any opinion as to any matter governed by any laws other than the laws of the State of California or the laws of the United States of America.

Respectfully submitted,

EXHIBIT E
to
PURCHASE AGREEMENT

CERTIFICATE OF THE AIRPORT CONSULTANT

$_____
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$_____	**$_____**
SERIES 2016A	**SERIES 2016B**
(TAX-EXEMPT)	**(TAXABLE)**
(AMT)	

DKMG Consulting LLC (the "Airport Consultant") is delivering this certificate pursuant to Section ___ of the Bond Purchase Agreement relating to the above-captioned bonds (the "Bonds"), dated October __, 2016 (the "Bond Purchase Agreement"), between the Ontario International Airport Authority (the "Authority") and Morgan Stanley & Co. LLC (the "Underwriter"). The Airport Consultant hereby satisfies as follows:

1. The Airport Consultant has been retained by the Authority to prepare the Report of the Airport Consultant, dated October __, 2016 (the "ROAC").

2. The Airport Consultant consents to the inclusion of the ROAC as Appendix A to the Preliminary Official Statement relating to the Bonds, dated October __, 2016 (the "Preliminary Official Statement"), and to the inclusion of the ROAC as Appendix A to the Official Statement relating to the Bonds, dated October __, 2016 (the "Official Statement").

3. The Airport Consultant has expertise in the matters addressed in the ROAC and acknowledges that the Commission and the Underwriters have relied on such expertise in connection with obtaining credit ratings on the Bonds and the offering and sale of the Bonds to the purchasers of the Bonds.

4. The Airport Consultant believes that the conclusions set forth in the ROAC were reasonable as of the date of the ROAC and continue to be reasonable as of the date hereof (subject to the assumptions and qualifications set forth in the ROAC).

5. The Airport Consultant consents to the inclusion in the Preliminary Official Statement and the Official Statement of information from the ROAC under the caption "_____" and the Airport Consultant has reviewed that information and agrees that it was accurately excerpted from the ROAC.

By: _____
DKMG Consulting LLC
Dated:

EXHIBIT F
to
PURCHASE AGREEMENT

CERTIFICATE OF THE AVIATION FORECAST CONSULTANT

$_____
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$_____
SERIES 2016A
(TAX-EXEMPT)
(AMT)

$_____
SERIES 2016B
(TAXABLE)

Campbell-Hill Aviation Group, LLC (the "Aviation Forecast Consultant") is delivering this certificates pursuant to Section _____ of the Bond Purchase Agreement relating to the above-captioned bonds (the "Bonds"), dated _____ __, 2016 (the "Bond Purchase Agreement"), between the Ontario International Airport Authority (the "Authority") and Morgan Stanley & Co. LLC (the "Underwriter"). The Aviation Forecast Consultant hereby certifies as follows:

1. The Aviation Forecast Consultant has been retained by the Authority to prepare the Passenger, Operation and Landed Weight Forecast Methodology and Results dated October __, 2016 (the "Aviation Forecast").

2. The Aviation Forecast Consultant consents to the inclusion of the Aviation Forecast as an appendix to the Preliminary Official Statement relating to the Bonds, dated October __, 2016 (the Preliminary Official Statement"), and to the inclusion of the Aviation Forecast as an appendix to the Official Statement relating to the Bonds, dated October __, 2016 (the "Official Statement").

3. The Aviation Forecast Consultant has expertise in the matters addressed in the Aviation Forecast and acknowledges that the Authority and the Underwriter have relied on such expertise in connection with obtaining credit ratings on the Bonds and the offering and sale of the Bonds to the purchasers of the Bonds.

4. The Aviation Forecast Consultant believes that the conclusions set forth in the Aviation Forecast were reasonable as of the date of the Aviation Forecast and continue to be reasonable as of the date hereof (subject to the assumptions and qualifications set forth in the Aviation Forecast).

5. The Aviation Forecast Consultant consents to the inclusion in the Preliminary Official Statement and the Official Statement of information from the Aviation Forecast under the caption "_____" and the Aviation Forecast Consultant has reviewed that information and agrees that it was accurately excerpted from the Aviation Forecast.

By: _____
Authorized Representative

Dated:

Exhibit B-1

Form of Master Trust Indenture

MASTER TRUST INDENTURE

By and Between

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

and

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

Dated as of [November 1], 2016

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[to be updated]

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MASTER TRUST INDENTURE

MASTER TRUST INDENTURE, dated as of [November 1], 2016 (this "Master Indenture"), is between the ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the "Authority"), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the "Joint Powers Agreement"), by and between the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California (the "City of Ontario"). and the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state (the "County of San Bernardino"), and THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

RECITALS

WHEREAS, pursuant to the Joint Powers Act and the Joint Powers Agreement, the City of Ontario and the County of San Bernardino formed the Authority for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport, as hereinafter defined; and

WHEREAS, pursuant to that certain Settlement Agreement dated December 15, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California and its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles shall transfer management and control of the Ontario International Airport and certain other Airport Assets to the Authority on the Transfer Date (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority shall be the sole owner, operator and sponsor of the Ontario International Airport and all related Airport Assets; and

WHEREAS, pursuant to the terms of the Settlement Agreement, the Authority is required to make certain payments and transfers to Los Angeles on and prior to the Transfer Date as set forth in the Settlement Agreement, including, among other things, the obligation to deposit into an escrow account on or prior to the Transfer Date sufficient funds so that, together with the funds available in the Ontario Bond Reserve Fund (as defined in the Airline Agreement hereinafter defined), there is adequate cash to pay and discharge LAWA's then outstanding $83,720,000 Ontario International Airport Refunding Revenue Bonds, Series 2006A and the $6,435,00 Ontario International Airport Refunding Revenue Bonds, Series 2006B (collectively, the "LAWA Bonds"), the proceeds of which were used to refinance the construction of certain improvements at the Ontario International Airport; and

WHEREAS, pursuant to the terms of the Settlement Agreement, the Authority is required make certain payments to Los Angeles following the Transfer Date, which payment obligations shall be paid in accordance with an approved Funding Plan (as defined in the Settlement

Agreement) and may be subordinated to the Initial Bonds issued by the Authority under this Master Indenture for the purpose of paying and discharging the LAWA Bonds; and

WHEREAS, in addition to receiving certain existing funds related to the Ontario International Airport as described in the Settlement Agreement, following the Transfer Date, the Authority shall be entitled to collect all fees, charges, rentals and revenue received or collected in connection with its management and operation of the Ontario International Airport and deposit such amounts into an Airport Revenue Fund (as defined herein); and

WHEREAS, the Joint Powers Agreement provides that the Authority shall have the power to borrow money and to issue bonds, refunding bonds, notes and other evidence of indebtedness of the Authority subject to any limitations in the Settlement Agreement; and

WHEREAS, pursuant to Resolution No. [_____] adopted by the Authority on [_____], 2016 (the "Resolution"), the Commission has determined that the public interest and necessity do now require and may in the future further require the issuance of bonds and other forms of indebtedness to finance the acquisition and construction of additions, betterments, extensions and improvements to Ontario International Airport or to refund indebtedness previously issued for such purposes; and

WHEREAS, pursuant to the Resolution, the Commission wishes to provide in this Master Indenture for the terms and conditions by which bonds and other forms of indebtedness or other obligations may be issued or incurred by the Authority for any purposes of the Authority relating to Ontario International Airport and secured by the Authority's pledge of the Net Pledged Revenues (as hereinafter defined), and the Trustee is willing to accept the trusts provided in this Master Indenture;

NOW, THEREFORE, the Authority and the Trustee agree as follows, each for the benefit of the other and/or the benefit of holders of the bonds secured by this Master Indenture (the "Bonds"):

GRANTING CLAUSE

To secure the payment of the interest, principal and premium, if any, on the Bonds and the performance and observance by the Authority of all the covenants, agreements and conditions expressed or implied herein or contained in the Bonds, the Authority hereby pledges and assigns to the Trustee and grants to the Trustee a lien on and security interest in all right, title and interest of the Authority in and to all of the following and provides that, except as otherwise authorized herein, such lien and security interest shall be prior in right to any other pledge, lien or security interest created by the Authority in the following: (a) the Net Pledged Revenues, subject only to the provisions of this Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, (b) all moneys and securities (excluding moneys and securities on deposit in any Rebate Fund) held from time to time by the Trustee under this Master Indenture, moneys and securities held in the Reserve Fund and any Reserve Fund Surety Policy, as defined hereinafter, provided at any time in satisfaction of all or a portion of the Required Reserve, moneys and securities held in the Debt Service Fund, as defined hereinafter, whether or not held by the Trustee and to the extent provided in any

Supplemental Indenture moneys and securities held in any Construction Fund whether or not held by the Trustee, (c) earnings on amounts included in provisions (a) and (h) of this Granting Clause (except to the extent excluded from the definition of "Net Pledged Revenues" by this Master Indenture), and (d) any and all other funds, assets, rights, property or interests therein, of every kind or description which may from time to time hereafter, by delivery or by writing of any kind, be sold, transferred, conveyed, assigned, pledged, mortgaged, granted or delivered to or deposited with the Trustee as additional security hereunder, for the equal and proportionate benefit and security of all Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall, with respect to the security provided by this Granting Clause, be of equal rank without preference, priority or distinction as to any Bond over any other Bond or Bonds, except as to the timing of payment of the Bonds. Any security or Credit Facility provided for specific Bonds or a specific Series of Bonds may, as provided by Supplemental Indenture, secure only such specific Bonds or Series of Bonds and, therefore, shall not be included as security for all Bonds under this Master Indenture and moneys and securities held in trust as provided in Section 4.07 hereof exclusively for Bonds which have become due and payable and moneys and securities which are held exclusively to pay Bonds which are deemed to have been paid under Article VII hereof shall be held solely for the payment of such specific Bonds. In addition, nothing herein shall prevent additional security being provided to specific Bonds or Series of Bonds or the creation of a bond reserve fund therefor under any Supplemental Indenture.

ARTICLE I

DEFINITIONS; INTERPRETATION

Section 1.01. Definitions. The capitalized terms used in this Master Indenture and in any Supplemental Indenture shall, for all purposes of this Master Indenture, have the meanings specified in this Article I, unless a different definition is given such term in said Supplemental Indenture or unless the context clearly requires otherwise.

"Accreted Value" shall mean (i) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in a Supplemental Indenture as the amount representing the initial principal amount of such Capital Appreciation Bond plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (ii) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of the discounted principal which has accreted since the date of issue; in each case the Accreted Value shall be determined in accordance with the provisions of the Supplemental Indenture authorizing the issuance of such Capital Appreciation Bond or Original Issue Discount Bond.

"Additional Bonds" shall mean Bonds issued pursuant to Article II hereunder with a parity claim as to the Net Pledged Revenues with the Initial Bonds.

"Aggregate Annual Debt Service" shall mean for any Fiscal Year the aggregate amount of Annual Debt Service on all Outstanding Bonds and [Unissued Program Bonds][1]. For purposes of calculating Aggregate Annual Debt Service, the following components of debt service shall be computed as follows:

(i) in determining the principal due in each year, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made on Outstanding Bonds and Unissued Program Bonds in accordance with any amortization schedule established by the governing documents setting forth the terms of such Bonds, including, as a principal payment, the Accreted Value of any Capital Appreciation Bonds or Original Issue Discount Bonds maturing or scheduled for redemption in such year; in determining the interest due in each year, interest payable at a fixed rate shall (except to the extent subsection (ii), (iii) or (iv) of this definition applies) be assumed to be made at such fixed rate and on the required payment dates; provided, however, that interest payable on the Bonds shall be excluded to the extent such payments are to be paid from Capitalized Interest for such Fiscal Year;

(ii) if all or any portion or portions of an Outstanding Series of Bonds, or Unissued Program Bonds constitute Balloon Indebtedness (excluding Program Bonds or Unissued Program Bonds to which subsection (vi) applies), then, for purposes of determining Aggregate Annual Debt Service, each maturity which constitutes Balloon Indebtedness shall, unless otherwise provided in the Supplemental Indenture pursuant to which such Balloon Indebtedness is issued or unless provision (iii) of this definition then applies to such maturity, be treated as if it were to be amortized over a term of not more than 30 years and with substantially level annual debt service payments commencing not later than the year following the year in which such Balloon Indebtedness matured, and extending not later than 30 years from the date such Balloon Indebtedness was originally issued; the interest rate used for such computation shall be that rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority, or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; with respect to any Series of Bonds, Unissued Program Bonds or Program Bonds only a portion of which constitutes Balloon Indebtedness, the remaining portion shall be treated as described in (i) above or such other provision of this definition as shall be applicable and, with respect to any Series, Unissued Program Bonds or Program Bonds or that portion of a Series thereof which constitutes Balloon Indebtedness, all payments of principal and interest becoming due prior to the year of the stated maturity of the Balloon Indebtedness shall be treated as described in (i) above or such other provision of this definition as shall be applicable;

[1] Certain assumptions are made regarding the expected amortization of authorized but unissued Program Bonds (i.e., commercial paper). See clause (vi) below.

(iii) any maturity of Bonds which constitutes Balloon Indebtedness as described in provision (ii) of this definition and for which the stated maturity date occurs within 12 months from the date such calculation is made, shall be assumed to become due and payable on the stated maturity date and provision (ii) above shall not apply thereto unless there is delivered to the entity making the calculation a certificate of an Authorized Authority Representative stating that the Authority intends to refinance such maturity and stating the probable terms of such refinancing and that the debt capacity of the Authority is sufficient to successfully complete such refinancing; upon the receipt of such certificate, such Balloon Indebtedness shall be assumed to be refinanced in accordance with the probable terms set out in such certificate and such terms shall be used for purposes of calculating Aggregate Annual Debt Service, provided that such assumption shall not result in an amortization period longer than or an interest rate lower than that which would be assumed under provision (ii) above;

(iv) if any Outstanding Bonds (including Program Bonds then issued and Outstanding) or any Bonds which are then proposed to be issued constitute Tender Indebtedness but excluding Program Bonds or Bonds as to which a Qualified Swap is in effect and to which subsection (vi) or (viii) applies), then, for purposes of determining Aggregate Annual Debt Service, Tender Indebtedness shall be treated as if the principal amount of such Bonds were to be amortized over a term of not more than 30 years commencing in the year in which such Series is first subject to tender and with substantially level Annual Debt Service payments and extending not later than 30 years from the date such Tender Indebtedness was originally issued; the interest rate used for such computation shall be that rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority, or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; and with respect to all principal and interest payments becoming due prior to the year in which such Tender Indebtedness is first subject to tender, such payments shall be treated as described in (i) above unless the interest during that period is subject to fluctuation, in which case the interest becoming due prior to such first tender date shall be determined as provided in (v) or (vi) below, as appropriate;

(v) if any Outstanding Bonds constitute Variable Rate Indebtedness (except to the extent subsection (ii) or (iii) relating to Balloon Indebtedness or (iv) relating to Tender Indebtedness or subsection (viii) relating to Synthetic Fixed Rate Debt and Qualified Swaps applies), the interest rate on such Bonds shall be the average rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the 12 months preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for such Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into

consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes;

(vi) with respect to any Program Bonds or Unissued Program Bonds (a) debt service on Program Bonds then Outstanding shall be determined in accordance with such of the foregoing provisions of this definition as shall be applicable, and (b) with respect to Unissued Program Bonds, it shall be assumed that the full principal amount of such Unissued Program Bonds will be amortized over a term certified by an Authorized Authority Representative at the time the initial Program Bonds of such Program are issued to be the expected duration of such Program or, if such expectations have changed, over a term certified by an Authorized Authority Representative to be the expected duration of such Program at the time of such calculation, but not to exceed 30 years from the date the initial Program Bonds of such Program are issued and it shall be assumed that debt service shall be paid in substantially level Annual Debt Service payments over such assumed term; the interest rate used for such computation shall be that rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority, or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes;

(vii) debt service on Repayment Obligations, to the extent such obligations constitute Bonds under Section 2.13, shall be calculated as provided in Section 2.13;

(viii) (a) for purposes of computing the Annual Debt Service of Bonds which constitute Synthetic Fixed Rate Debt, the interest payable thereon shall be deemed to be the fixed rate as implied by the terms of the Swap Agreement or the net interest rate payable pursuant to offsetting indices, as applicable;

(b) for purposes of computing Annual Debt Service of the Bonds with respect to which any other Qualified Swap is in effect, interest deemed to be payable thereon shall be based on the net economic effect on the Authority expected to be produced by the terms of such Bonds and such Qualified Swap; and accordingly, the amount of interest deemed to be payable on any Bonds with respect to which a Qualified Swap is in force shall be an amount equal to the amount of interest that would be payable at the rate or rates stated in such Bonds plus the amount payable by the Authority (or the Trustee) under the Qualified Swap in accordance with the terms thereof, less any amount to be received by the Authority from the Qualified Swap Provider pursuant to the Qualified Swap; and

(ix) if moneys or Permitted Investments have been irrevocably deposited with and are held by the Trustee or another fiduciary or Capitalized Interest has been set aside exclusively to be used to pay principal and/or interest on specified Bonds, then the principal and/or interest to be paid from such moneys, Permitted Investments, or

Capitalized Interest or from the earnings thereon shall be disregarded and not included in calculating Annual Debt Service.

"Airport Revenues" shall mean, except to the extent specifically excluded herefrom, all income, receipts, earnings and revenues received by the Authority from the [Ontario International Airport], for any given period, as determined in accordance with generally accepted accounting principles, as modified from time to time, including, but not limited to: (1) all rates, tolls, fees, rentals, charges and other payments made to or owed to the Authority for the use or availability of property or facilities at Ontario International Airport; (2) all amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Authority at Ontario International Airport; (3) all rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the Authority or any successor thereto from the possession, management, charge, superintendence and control of Ontario International Airport (or any [Ontario Airport Facilities] or activities and undertakings related thereto) or from any other facilities wherever located with respect to which the Authority receives payments which are attributable to [Ontario Airport Facilities] or activities or undertakings related thereto, all of which is required to be deposited in the Airport Revenue Fund pursuant to Section 4.04 hereof. "Airport Revenues" includes all income, receipts and earnings from the investment of amounts held in the Airport Revenue Fund, any Construction Fund allowed to be pledged by the terms of a Supplemental Indenture, the Reserve Fund and earnings on the Maintenance and Operation Reserve Fund established and the amount, if any, related to coverage paid in a prior Fiscal Year that is available to be spent in the current Fiscal Year and that is credited by the Authority against requirements in calculating for the given Fiscal Year terminal rentals and landing fees charged to airline users of Ontario International Airport pursuant to any residual methodology employed by the Authority in calculating such rentals and fees; provided, however, that for purposes of calculating Airport Revenues for a given Fiscal Year, such amount may not exceed 25% of Debt Service for the Fiscal Year for which such determination is being made..

"Airport Revenue Fund" shall mean the fund created by Section 4.03(a)(1) hereof and further described in Section 4.04 hereof.

"Annual Debt Service" shall mean, with respect to any Bond, the aggregate amount of principal and interest becoming due and payable during any Fiscal Year, calculated using the principles and assumptions set forth in the definition of Aggregate Annual Debt Service.

"Authority" shall mean the Ontario International Airport Authority, or any successor thereto performing the activities and functions under the Joint Powers Agreement.

"Authorized Amount" shall mean, when used with respect to Bonds, including Program Bonds, the maximum Principal Amount of Bonds which is then authorized by a resolution or Supplemental Indenture adopted by the Authority pursuant to Section 2.09 hereof to be Outstanding at any one time under the terms of such Program or Supplemental Indenture. If the maximum Principal Amount of Bonds or Program Bonds authorized by a preliminary resolution or form of Supplemental Indenture approved by the Authority pursuant to Section 2.09 hereof exceeds the maximum Principal Amount of Bonds set forth in the final resolution of sale adopted by the Authority or in the definitive Supplemental Indenture executed and delivered by the

Authority pursuant to which such Bonds are issued or such Program is established, the Principal Amount of such Bonds or Program Bonds as is set forth in said final resolution of sale or in the definitive Supplemental Indenture as executed and delivered by the Authority shall be deemed to be the "Authorized Amount."

"Authorized Authority Representative" shall mean the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of the Authority or such other official or employee of the Authority designated by the Authority as an Authorized Authority Representative by written notice to the Trustee signed by the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of the Authority. Any action required or authorized to be taken by the Authority or the Authority in this Master Indenture or any Supplemental Indenture may be taken by an Authorized Authority Representative.

"Balloon Indebtedness" shall mean, with respect to any Series of Bonds, twenty-five percent (25%) or more of the principal amount of which matures on the same date or within a Fiscal Year, that portion of such Series which matures on such date or within such Fiscal Year; provided, however, that to constitute Balloon Indebtedness the amount of Bonds of a Series maturing on a single date or within a Fiscal Year must equal or exceed 150% of the amount of such Series which matures during any preceding Fiscal Year. For purposes of this definition, the principal amount maturing on any date shall be reduced by the amount of such Bonds, scheduled to be amortized by prepayment or redemption prior to their stated maturity date. A Commercial Paper Program and the Commercial Paper constituting part of such Program shall not be Balloon Indebtedness.

"Bond" or "Bonds" shall mean any debt obligation of the Authority issued under and in accordance with the provisions of Article II hereof, including, but not limited to, bonds, notes, bond anticipation notes, commercial paper and other instruments creating an indebtedness of the Authority, and obligations incurred through lease or installment purchase agreements or other agreements or certificates of participation therein and Repayment Obligations to the extent provided in Section 2.13 hereof. The term "Bond" or "Bonds" herein does not include any Subordinated Obligation; provided, however, that the Authority may provide in a Supplemental Indenture to this Master Indenture that Subordinated Obligations may be thenceforth issued pursuant to this Master Indenture having the terms applicable to the Bonds, except that such Subordinated Obligations shall be junior and subordinate in payment of such Subordinated Obligations from the Net Pledged Revenues. The term "Bond" and "Bonds" includes Program Bonds.

"Bond Counsel" shall mean a firm or firms of attorneys which are nationally recognized as experts in the area of municipal finance and which are familiar with the transactions contemplated hereunder.

"Bondholder," "holder," "owner" or "registered owner" shall mean the person in whose name any Bond or Bonds are registered on the books maintained by the Registrar and shall include any Credit Provider or Liquidity Provider to which a Repayment Obligation is then owed, to the extent that such Repayment Obligation is deemed to be a Bond under the provisions of Section 2.13 hereof.

"Business Day" shall mean a day on which banks located in New York, New York, in Los Angeles, California and in the city in which the principal corporate trust office of the Trustee is located are open, provided that such term may have a different meaning for any specified Series of Bonds if so provided by Supplemental Indenture.

"Capital Appreciation Bonds" shall mean Bonds all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth in a Supplemental Indenture and is payable only upon redemption or on the maturity date of such Bonds. Bonds which are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically shall be Capital Appreciation Bonds until the conversion date and from and after such conversion date shall no longer be Capital Appreciation Bonds, but shall be treated as having a principal amount equal to their Accreted Value on the conversion date.

"Capitalized Interest" shall mean the amount of interest on Bonds, if any, funded from the proceeds of the Bonds or other monies that are deposited with the Trustee upon issuance of Bonds to be used to pay interest on the Bonds.

"City of Ontario" shall mean the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, or any successor thereto.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations applicable with respect thereto.

"Commercial Paper" shall mean notes of the Authority with a maturity of not more than 270 days from the date of issuance and which are issued and reissued from time to time pursuant to a Program adopted by the Authority.

"Commercial Paper Program" shall mean a Program authorized by the Authority pursuant to which Commercial Paper shall be issued and reissued from time to time, up to the Authorized Amount of such Program.

"Commission" shall mean the commission governing the Authority, created under the provisions of the Joint Powers Agreement, and any successor to its function.

"Construction Fund" shall mean any of the Construction Funds authorized to be created by Section 4.03(b)(4) hereof and described in Section 4.06 hereof.

"Consultant" shall mean any independent consultant, consulting firm, engineer, architect, engineering firm, architectural firm, financial advisor, accountant or accounting firm, or other expert recognized to be well-qualified for work of the character required and retained by the Authority to perform acts and carry out the duties provided for such consultant herein.

"Costs" or "Costs of a Project" shall mean all costs of planning, developing, financing, constructing, installing, equipping, furnishing, improving, acquiring, enlarging and/or renovating a Project and placing the same in service, all as more particularly described in an applicable Supplemental Indenture.

"County of San Bernardino" shall mean the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state, or any successor thereto.

"Credit Facility" shall mean a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, standby purchase agreement, reserve fund surety policy or other financial instrument which obligates a third party to make payment of or provide funds to the Trustee for the payment of the principal of and/or interest on Bonds.

"Credit Provider" shall mean the party obligated to make payment of principal of and interest on the Bonds under a Credit Facility.

"Customer Facility Charges" shall mean a customer facility charge authorized to be imposed by the Authority in accordance with §1936 of the California Civil Code.

"Debt Service Fund" shall mean the Debt Service Fund created by Section 4.03(b)(2) hereof and further described in Section 4.05 hereof.

"Department" shall mean the Department of Airports, acting by and through the Board of Airport Commissioners of the City of Los Angeles.

"Department of Airports Indenture" shall mean the Master Indenture dated as of May 15, 1996, by and between the Department and BNY Western Trust Company.

"Depository" or "DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds, and its successors and assigns.

"Deputy Executive Director, Finance" shall mean the employee of the Authority designated by such title authorized from time to time to act.

"Designated Debt" shall mean a specific indebtedness designated by the Authority with the intent that the risks associated with such debt be offset with a Swap, such specific indebtedness to include all or any part of a Series of Bonds.

"Estimated Completion Date" shall mean the estimated date upon which a Specified Ontario Project will have been substantially completed in accordance with the plans and specifications applicable thereto or the estimated date upon which a Specified Ontario Project is expected to have been acquired and payment therefor made, in each case, as that date shall be set forth in a certificate of an Authorized Authority Representative delivered to the Trustee at or prior to the time of issuance of the Bonds which are issued to finance such Project.

"Event of Default" shall mean any occurrence or event specified in Section 8.01 hereof.

"Facility Construction Credits" shall mean the amounts further described herein resulting from an arrangement embodied in a written agreement of the Authority and another person or entity pursuant to which the Authority permits such person or entity to make a payment or payments to the Authority which is reduced by the amount owed by the Authority to such person

or entity under such agreement, resulting in a net payment to the Authority by such person or entity. The "Facilities Construction Credit" shall be deemed to be the amount owed by the Authority under such agreement which is "netted" against the payment of such person or entity to the Authority. "Facilities Construction Credits" shall include any credits extended to airlines or other users of Ontario Airport Facilities.

"Fiscal Year" shall mean the period of time beginning on July 1 of each given year and ending on June 30 of the immediately subsequent year, or such other similar period as the Authority designates as its fiscal year.

"Fitch" shall mean Fitch Ratings, a corporation organized and existing under the laws of the State of New York, its successors and their assigns.

"General Account" means the General Account within the Reserve Fund established in Section 4.03(b)(3).

"Government Obligations" shall mean (1) United States Obligations (including obligations issued or held in book-entry from) and (2) prerefunded municipal obligations meeting the following conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the trustee has been given irrevocable instructions concerning their calling and redemption and the issuer has covenanted not to redeem such obligations other than as set forth in such instructions; (b) the municipal obligations are secured by cash and/or United States Obligations, which United States Obligations may be applied only to interest, principal and premium payments of such municipal obligations; (c) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the municipal obligations; (d) the United States Obligations serving as security for the municipal obligations are held by an escrow agent or trustee; (e) the United States Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and (f) the municipal obligations are rated in the highest two (2) Rating Categories of any Rating Agency which then maintains a rating on any of the Bonds.

"Independent" shall mean, when used with respect to any specified firm or individual, such a firm or individual who (i) does not have any direct financial interest or any material indirect financial interest in the operations of the Authority, the City of Ontario or the County of San Bernardino, other than the payment to be received under a contract for services to be performed, and (ii) is not connected with the Authority, the City of Ontario or the County of San Bernardino as an official, officer or employee.

"Interest Account" means the Interest Account within the Debt Service Fund established in Section 4.03(b)(2) and further described in Section 4.04(b)(2).

"Initial Bonds" shall mean the Ontario International Airport Authority Revenue Bonds, Series 2016A (Tax-Exempt) (AMT) and the Ontario International Airport Authority Revenue Bonds, Series 2016B (Taxable) authorized pursuant to a Supplemental Indenture dated the date hereof.

"Investment Agreement" shall mean an investment agreement or guaranteed investment contract (i) with or guaranteed by a national or state chartered bank or savings and loan, an

insurance company or other financial institution whose unsecured debt is rated in the highest short-term Rating Category (if the term of the Investment Agreement is less than three years) or in either of the two highest long-term Rating Categories (if the term of the Investment Agreement is three years or longer) by any of the Rating Agency which then maintains a rating on any of the Bonds or (ii) which investment agreement or guaranteed investment contract is fully secured by obligations described in item (1) or (2) of the definition of Permitted Investments which are (A) valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at all times at least equal to 105% of the principal amount of the investment, together with the interest accrued and unpaid thereon, (B) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository acceptable to the Trustee, (C) subject to a perfected first lien on behalf of the Trustee, and (D) free and clear from all third-party liens.

"Joint Powers Act" shall mean Article 1, Chapter 5, Division 7, of Title 1 of the California Government Code (commencing with Section 6500), as the same shall be amended from time to time.

"Joint Powers Agreement" shall mean that certain Joint Exercise of Powers Agreement dated as of August 21, 2012, by and between the City of Ontario and the County of San Bernardino.

"LAWA" shall mean the Los Angeles World Airport.

"LAWA Bonds" shall mean LAWA's outstanding $83,720,000 Ontario International Airport Refunding Revenue Bonds, Series 2006A and the $6,435,00 Ontario International Airport Refunding Revenue Bonds, Series 2006B, the proceeds of which were used to refinance the construction of certain improvements at the Ontario International Airport.

"Liquidity Facility" shall mean a letter of credit, line of credit, standby purchase agreement or other financial instrument, including a Credit Facility, which is available to provide funds with which to purchase Bonds tendered for purchase pursuant to the terms of such Bonds.

"Liquidity Provider" shall mean the entity, including a Credit Provider, which is obligated to provide funds to purchase Bonds under the terms of a Liquidity Facility.

"Maintenance and Operation Expenses" shall mean, for any given period, the total operation and maintenance expenses of Ontario International Airport as determined in accordance with generally accepted accounting principles as in effect from time to time, excluding depreciation expense and any operation and maintenance expenses of Ontario International Airport payable from moneys other than Pledged Revenues.

"Maintenance and Operation Reserve Fund" shall mean the fund established pursuant to Section 4.03(a)(2) hereof and further described in Section 4.04(b)(5).

"Maintenance and Operation Reserve Fund Requirement" shall mean twenty-five percent (25%) of the amount budgeted by the Authority in the original or a revised budget for Ontario Maintenance and Operation Expenses for the then-current Fiscal Year.

"Master Indenture" shall mean this Master Indenture dated as of [November 1], 2016 between the Authority and the Trustee, together with all Supplemental Indentures.

"Maximum Aggregate Annual Debt Services' shall mean the maximum amount of Aggregate Annual Debt Service with respect to all Bonds, Unissued Program Bonds and the Authorized Amount of all Bonds then proposed to be issued in the then current or any future Fiscal Year.

"Moody's" shall mean Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and its assigns.

"Net Pledged Revenues" shall mean, for any given period, the Pledged Revenues for such period less, for such period, the Ontario Maintenance and Operation Expenses.

"Net Proceeds" shall mean insurance proceeds received as a result of damage to or destruction of Ontario Airport Facilities or any condemnation award or amounts received by the Authority from the sale of Ontario Airport Facilities under the threat of condemnation less expenses (including attorneys' fees and expenses and any fees and expenses of the Trustee) incurred in the collection of such proceeds or award.

"Nominee" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.08 hereof.

"Non-Qualified Swap" shall mean any Swap which is not a Qualified Swap.

"Notes" shall mean Bonds issued under the provisions of Article II hereof which have a maturity of one year or less from their date of original issuance and which are not part of a Commercial Paper Program.

["Ontario Airport Facilities" or "Ontario Airport Facility" shall mean a facility or group of facilities or category of facilities which constitute or are part of Ontario International Airport (excluding privately owned or leased property, except for any portion thereof which is governmentally owned or leased and which is a source of Pledged Revenues).]

"Ontario International Airport" shall mean the airport commonly known by such name, including [all airport sites, and all equipment, accommodations and facilities for aerial navigation, flight, instruction and commerce belonging to or pertaining to the Authority and under the jurisdiction and control of the Authority and any successor entity thereto, including or excluding, as the case may be, such property as the Authority may either acquire or which shall be placed under its control, or divest or have removed from its control.] [*Discuss inclusion of Surrounding Parcels*]

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"Ontario Special Facilities" or "Ontario Special Facility" shall mean, with respect to Ontario International Airport, a facility or group of facilities or category of facilities which are designated as an Ontario Special Facility or Ontario Special Facilities pursuant to the provisions of Section 5.07 hereof.

"Ontario Special Facilities Revenue" shall mean the contractual payments and all other revenues derived by or available to the Authority from an Ontario Special Facility, which are pledged to secure Ontario Special Facility Obligations.

"Ontario Special Facility Obligations" shall mean bonds or other debt instruments issued pursuant to an indenture other than this Master Indenture to finance Ontario Special Facilities and which are not secured by nor payable from a lien on and pledge of the Net Pledged Revenues but which are secured by revenues derived from Ontario Special Facilities located at Ontario International Airport.

"Original Issue Discount Bonds" shall mean Bonds which are sold at an initial public offering price of less than 95% of their face value and which are specifically designated as Original Issue Discount Bonds by the Supplemental Indenture under which such Bonds are issued.

"Outstanding" when used with respect to Bonds shall mean all Bonds which have been authenticated and delivered hereunder, except:

(a) Bonds cancelled or purchased by the Trustee for cancellation or delivered to or acquired by the Trustee for cancellation and, in all cases, with the intent to extinguish the debt represented thereby;

(b) Bonds deemed to be paid in accordance with Article VII;

(c) Bonds in lieu of which other Bonds have been authenticated under Sections 2.04, 2.05 or 2.07;

(d) Bonds that have become due (at maturity or on redemption or otherwise) and for the payment of which sufficient moneys, including interest accrued to the due date, are held by the Trustee or a Paying Agent;

(e) Bonds which, under the terms of the Supplemental Indenture pursuant to which they were issued, are deemed to be no longer Outstanding;

(f) Repayment Obligations deemed to be Bonds under Section 2.13 hereof to the extent such Repayment Obligation arose under the terms of a Liquidity Facility and are secured by a pledge of Outstanding Bonds acquired by the Liquidity Provider; and

(g) for purposes of any consent or other action to be taken by the holders of a specified percentage of Bonds hereunder, Bonds held by or for the account of the Authority or by any person controlling, controlled by or under common control with the Authority, unless such Bonds are pledged to secure a debt to an unrelated party.

"Passenger Facility Charges" shall mean charges collected by the Authority pursuant to the authority granted by the [Aviation Safety and Capacity Expansion Act of 1990 and the FAA Extension, Safety and Security Act of 2016] in respect of any component of Ontario International Airport and interest earnings thereon.

"Paying Agent" or "Paying Agents" shall mean, with respect to the Bonds or any Series of Bonds, the banks, trust companies or other financial institutions or other entities designated in a Supplemental Indenture or a resolution of the Authority as the place where such Bonds shall be payable.

"Payment Date" shall mean, with respect to any Bonds, each date on which interest is due and payable thereon and each date on which principal is due and payable thereon whether by maturity or redemption thereof.

"Permitted Investments" shall mean, to the extent permitted to be invested by the Authority by applicable law, the Joint Powers Agreement and any then-current investment policy of the Authority, any of the following:

(1) Government Obligations,

(2) Obligations, debentures, notes or other evidences of indebtedness issued or guaranteed by any of the following instrumentalities or agencies of the United States of America: Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Financing Bank; Government National Mortgage Association; Federal National. Mortgage Association; Student Loan Marketing Association; Federal Farm Credit System; Farmers Home Administration; Federal Home Loan Mortgage Corporation; and Federal Housing Administration;

(3) Direct and general long-term obligations of any state, which obligations are rated in either of the two highest Rating Categories by any Rating Agency which then maintains a rating on any of the Bonds;

(4) Direct and general short-term obligations of any state which obligations are rated in the highest Rating Category by any two of the Rating Agencies which then maintains a rating on any of the Bonds;

(5) Interest-bearing demand or time deposits (including certificates of deposit) or interests in money market portfolios issued by state banks or trust companies or national banking associations that are members of the Federal Deposit Insurance Corporation ("FDIC") or by savings and loan associations that are members of the FDIC, which deposits or interests must either be (a) continuously and fully insured by FDIC and with banks that are rated at least "P-1" or "Aa" by Moody's if any of the Bonds are then rated by Moody's, "F1" or "AA" by Fitch if any of the Bonds are then rated by Fitch and "A-1" or "AA" by S&P if any of the Bonds are then rated by S&P or (b) fully secured by obligations described in item (1) or (2) of this definition of Permitted Investments (i) which are valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at all times at least equal to the principal amount of the investment, (ii) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository acceptable to the Trustee, (iii) subject to a perfected first lien in favor of the Trustee, and (iv) free and clear from all third-party liens;

(6) Long-term or medium-term corporate debt guaranteed by any corporation that is rated by any two of the Rating Agencies in either of their two highest Rating Categories;

(7) Repurchase agreements which are (a) entered into with banks or trust companies organized under state law, national banking associations, insurance companies or government bond dealers reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York and which either are members of the Security Investors Protection Corporation or with a dealer or parent holding company that has an investment grade rating from any Rating Agency which then maintains a rating on any of the Bonds and (b) fully secured by investments specified in Section (1) or (2) of this definition of Permitted Investments (i) which are valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at least equal to the amount invested in the repurchase agreements, (ii) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository acceptable to the Trustee, (iii) subject to a perfected first lien in favor of the Trustee and (iv) free and clear from all third-party liens;

(8) Prime commercial paper of a United States corporation, finance company or banking institution rated at least "P-1" by Moody's if Moody's then maintains a rating on any of the Bonds, "F1" by Fitch if Fitch then maintains a rating on any of the Bonds and "A-1" by S&P if S&P then maintains a rating on any of the Bonds;

(9) Shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940, as amended) or shares in a regulated investment company (as defined in Section 851(a) of the Code) that is (a) a money market fund that has been rated in one of the two highest Rating Categories by Moody's or S&P or (b) a money market fund or account of the Trustee or any funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee provide investment advisory or management services or any state or federal bank that is rated at least "P-1" or "Aa" by Moody's if Moody's then maintains a rating on any of the Bonds; "F1" or "AA" by Fitch if Fitch then maintains a rating on any of the Bonds and at least "A-1" or "AA" by S&P if S&P then maintains a rating on any of the Bonds or whose one bank holding company parent is rated at least "P-1" or "Aa" by Moody's if Moody's then maintains a rating on any of the Bonds, "F1" or "AA" by Fitch if Fitch then maintains a rating on any of the Bonds and "A-1" or "AA" by S&P if S&P then maintains a rating on any of the Bonds or that has a combined capital and surplus of not less than $50,000,000;

(10) Investment Agreements with one or more providers (a) whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating or claims paying ability [are rated in either of the two highest Rating Categories by at least two of the Rating Agencies] [*Same as rating requirements for Swaps - see below; to be confirmed*], or the equivalent thereto in the case of any successor thereto, and (b) that are acceptable to the Credit Provider, if any, for the applicable Series of Bonds; and

(11) Any other type of investment consistent with Authority policy in which the Authority directs the Trustee to invest provided that there is delivered to the Trustee a certificate of an Authorized Authority Representative stating that each of the rating agencies then maintaining a rating on the Bonds has been informed of the proposal to invest in such investment and each of such rating agencies has confirmed that such investment will not adversely affect the rating then assigned by such rating agency to any of the Bonds.

"Pledged Revenues" shall mean, except to the extent specifically excluded herein or under the terms of any Supplemental Indenture, Airport Revenues. "Pledged Revenues" shall also include such additional revenues, if any, as are designated as "Pledged Revenues" under the terms of any Supplemental Indenture. The following, including any investment earnings thereon, are specifically excluded from Pledged Revenues: (i) any amounts received by the Authority from the imposition of ad valorem taxes, (ii) gifts, grants and other income (including any investment earnings thereon) otherwise included in the definition of "Airport Revenues" which are restricted by their terms to purposes inconsistent with the payment of debt service on the Bonds, (iii) Net Proceeds and other insurance proceeds to the extent the use of such Net Proceeds or other proceeds is restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of debt service on the Bonds, and (iv) Ontario Airport Special Facilities Revenue. In addition, the following, including any investment earnings thereon, are specifically excluded from "Pledged Revenues," unless designated as "Pledged Revenues" under the terms of a Supplemental Indenture: (a) any Swap Termination Payments paid to the Authority pursuant to a Qualified Swap, (b) Facilities Construction Credits, and (c) Passenger Facility Charges and Customer Facility Charges unless otherwise so pledged under the terms of any Supplemental Indenture. Further, interest earnings or other investment earnings on any Construction Fund established by any Supplemental Indenture are specifically excluded from "Pledged Revenues," unless otherwise provided for in such Supplemental Indenture.

"Principal Account" means the Principal Account within the Debt Service Fund established in Section 4.03(b)(2) and further described in Section 4.04(b)(3).

"Principal Amount" or "principal amount" shall mean, as of any date of calculation, (i) with respect to any Capital Appreciation Bond, the Accreted Value thereof (the difference between the stated amount to be paid at maturity and the Accreted Value being deemed unearned interest), (ii) with respect to any Original Issue Discount Bond, the Accreted Value thereof, unless the Supplemental Indenture under which such Bond was issued shall specify a different amount, in which case, the terms of the Supplemental Indenture shall control, and (iii) with respect to any other Bonds, the principal amount of such Bond payable at maturity.

"Program" shall mean a financing program, including but not limited to a Commercial Paper Program, (i) which is authorized and the terms thereof approved by a resolution adopted by the Authority and the items described in Section 2.09(a) through (g) have been filed with the Trustee, (ii) wherein the Authority has authorized the issuance, from time to time, of notes, commercial paper or other indebtedness in an Authorized Amount, and (iii) the Authorized Amount of which has met the additional bonds test set forth in Section 2.11 hereof and the Outstanding amount of which may vary from time to time, but not exceed the Authorized Amount.

"Program Bonds" shall mean Bonds issued and Outstanding pursuant to a Program, other than Unissued Program Bonds.

"Project" shall mean any and all facilities financed in whole or in part with proceeds of Bonds.

"Qualified Self-Insurance" is defined in Section 5.10 hereof.

"Qualified Swap" shall mean any Swap (a) whose Designated Debt is all or part of a particular Series of Bonds; (b) which has been approved in writing by any Credit Provider securing payment of principal of and interest on such Series of Bonds (including any bond insurer); (c) for purpose of any calculation of Aggregate Annual Debt Service or average Aggregate Annual Debt Service required hereunder only, whose Swap Provider is a Qualified Swap Provider or has been a Qualified Swap Provider within the 60 day period preceding the date on which the calculation of Aggregate Annual Debt Service or average Aggregate Annual Debt Service is being made; (d) which has a term not greater than the term of the Designated Debt or to a specified mandatory tender or redemption of such Designated Debt; (e) which has been designated in writing to the Trustee by the Authority as a Qualified Swap with respect to such Bonds; and (f) which has been approved by S&P, if S&P has an outstanding rating on such Bonds, Fitch, if Fitch has an outstanding rating on such Bonds, and Moody's, if Moody's has an outstanding rating on such Bonds.

"Qualified Swap Provider" shall mean an entity (a) whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating or claims paying ability or whose payment obligations under any Qualified Swap are enhanced by an entity whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating or claims paying ability [are rated in either of the two highest Rating Categories by at least two of the Rating Agencies] [*Confirm rating requirements*], or the equivalent thereto in the case of any successor thereto, and (b) acceptable to the Credit Provider, if any, for the Designated Debt.

["Rating Agencies" shall mean Fitch, Moody's and S&P.]

"Rating Agency" means any nationally recognized rating agency then providing a rating on the Bonds.

"Rating Category" and "Rating Categories" shall mean (i) with respect to any long-term Rating Category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier, and (ii) with respect to any short-term or commercial paper Rating Category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

"Rebate Fund" shall mean any fund created by the Commission pursuant to a Supplemental Indenture in connection with the issuance of the Bonds or any Series of Bonds for the purpose of complying with the Code and providing for the collection and holding for and payment of amounts to the United States of America.

"Record Date" shall mean, with respect to any Series of Bonds, the record date as specified in the Supplemental Indenture which provides for the issuance of such Series.

"Refunding Bonds" shall mean any Bonds issued pursuant to Section 2.10 hereof to refund or defease all or a portion of any series of Outstanding Bonds or any Subordinated Obligation.

"Registrar" shall mean, with respect to the Bonds or any Series of Bonds, the bank, trust company or other entity designated in a Supplemental Indenture or a resolution of the Authority to perform the function of Registrar hereunder or any Supplemental Indenture, and which bank, trust company or other entity has accepted the position in accordance with Section 9.12.

"Regularly Scheduled Swap Payments" shall mean the regularly scheduled payments under the terms of a Swap which are due absent any termination, default or dispute in connection with such Swap.

"Repayment Obligations" shall mean an obligation arising under a written agreement of the Authority and a Credit Provider pursuant to which the Authority agrees to reimburse the Credit Provider for amounts paid through a Credit Facility to be used to pay debt service on any Bonds or an obligation arising under a written agreement of the Authority and a Liquidity Provider pursuant to which the Authority agrees to reimburse the Liquidity Provider for amounts paid through a Liquidity Facility to be used to purchase Bonds.

"Required Reserve" shall mean, with respect to any series of Bonds, the amount required to be maintained in the Reserve Fund, if any, for such series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such series of Bonds. The Required Reserve for the Initial Bonds (and any Additional Bonds secured by the General Account within the Reserve Fund pursuant to Section 4.04(b)(4)) shall be the lesser of (i) the Maximum Aggregate Annual Debt Service on all Initial Bonds and such Additional Bonds, or (ii) the amount permitted to be held in the General Account within the Reserve Fund by the arbitrage bond regulations issued by the United States Department of the Treasury under Section 148 of the Code, as such regulations are, at the time, applicable and in effect; provided, however, that any Required Reserve may be provided in whole or in part by one or more Reserve Fund Surety Policies.

"Reserve Fund" shall mean the trust fund created pursuant to Section 4.03(b)(4) hereof and that is required to be funded for the purpose of providing additional security for any applicable Outstanding Bonds issued pursuant to the terms hereof and as specified in any Supplemental Indenture.

"Reserve Fund Surety Policy" shall mean, with respect to the Initial Bonds (and any Additional Bonds secured by the General Account within the Reserve Fund pursuant to Section 4.04(b)(4)), an insurance policy or surety bond, or a letter of credit, deposited with the Trustee for the credit of the Reserve Fund or any accounts therein in lieu of or partial substitution for cash or securities on deposit therein. The entity providing such Reserve Fund Surety Policy shall be [rated in one of the two highest Rating Categories by at least one of the Rating Agencies] [*rating requirement to be confirmed*] which is then maintaining a rating on the Bonds at the time

such instrument is provided. With respect to any Additional Bonds which are not secured by the General Account within the Reserve Fund pursuant to Section 4.04(b)(4), the Reserve Fund Surety Policy shall be as defined in the Supplemental Indenture authorizing the issuance of such series of Bonds.

"Resolution" shall mean Resolution No. [_____] adopted by the Authority on [_____], 2016, as amended or supplemented.

"Responsible Officer" shall mean an officer or assistant officer of the Trustee assigned by the Trustee to administer this Master Indenture.

"Serial Bonds" shall mean Bonds for which no sinking installment payments are provided.

"Series" shall mean Bonds designated as a separate Series by a Supplemental Indenture and, with respect to a Commercial Paper Program, shall mean the full Authorized Amount of such program, regardless of when or whether issued, unless portions thereof are, by Supplemental Indenture, designated as separate Series.

"Settlement Agreement" shall mean that certain Settlement Agreement dated December 15, 2015, by and among the Authority, the City of Ontario and the City of Los Angeles, California and its Board of Airport Commissioners and the Los Angeles World Airports (collectively, "Los Angeles"), pursuant to which Los Angeles shall transfer management and control of the Ontario International Airport to the Authority and certain other Airport Assets on the Transfer Date (each as defined therein) subject to the terms and conditions set forth therein.

"Settlement Payments" shall mean, each payment required to be paid by the Authority to Los Angeles following the Transfer Date pursuant to the Settlement Agreement.

["Significant Portion" shall mean, for purposes of Section 5.12 and Section 5.13 hereof, any Ontario Airport Facilities or portions thereof which, if such facilities had been sold or disposed of by the Authority at the beginning of an annual period which includes the month of commencement of the 12-month period ending on the day of such disposition would have resulted in a reduction in Net Pledged Revenues for such annual period of more than [5]% when the actual Net Pledged Revenues for such annual period are decreased by the Pledged Revenues directly attributable to such Ontario Airport Facilities and increased by the expenses of the Authority directly attributable to such Ontario Airport Facilities.] [*To be discussed*]

"S&P" shall mean Standard & Poor's Ratings Group, a corporation organized and existing under the laws of the State of New York, its successors and their assigns.

"Specified Ontario Project" shall mean a Project at Ontario International Airport or a group of alternative Projects which are described in a certificate of an Authorized Authority Representative delivered to the Consultant preparing the certificate described in Section 2.11(b) hereof, the revenues and expenses of which Project or of the alternative Projects are to be taken into account by such Consultant in preparing the certificate under Section 2.11(b).

"State" shall mean the State of California.

"Subordinated Obligation" shall mean any bond, note or other debt instrument issued or otherwise entered into by the Authority which ranks junior and subordinate to the Bonds and which may be paid from moneys constituting Net Pledged Revenues only if all amounts of principal and interest which have become due and payable on the Bonds whether by maturity or redemption have been paid in full and the Authority is current on all payments, if any, required to be made to replenish any bond reserve fund created for any Bonds. The Commission may henceforth by Supplemental Indenture elect to have the provisions of this Master Indenture applicable to the Bonds apply to other Subordinated Obligations issued thereunder, including any obligations to pay remaining Settlement Payments, except that such Subordinated Obligations shall be secured on a junior and subordinate basis to the Bonds from the Net Pledged Revenues as provided in Section 5.06 hereof. No bond, note or other instrument of indebtedness shall be deemed to be a "Subordinated Obligation" for purposes of this Master Indenture and payable on a subordinated basis from Net Pledged Revenues unless specifically designated by the Commission as a "Subordinated Obligation" in a Supplemental Indenture or other written instrument. In connection with any Subordinated Obligation with respect to which a Swap is in effect or proposes to be in effect, the term "Subordinated Obligation" includes, collectively, both such Subordinated Obligation and either such Swap or the obligations of the Authority under each such Swap, as the context requires. The term "Subordinated Obligations" also includes a Swap or the obligations of the Authority under such Swap which has been entered into in connection with a Subordinated Obligation, as the context requires, although none of the Subordinated Obligations with respect to which such Swap was entered into remain outstanding. In connection with any Bonds with respect to which a Qualified Swap is in effect or proposed to be in effect, the term "Subordinated Obligation" includes any Swap Termination Payment payable by the Authority.

"Supplemental Indenture" shall mean any document supplementing or amending this Master Indenture or providing for the issuance of Bonds and entered into as provided in Article X hereof.

"Surplus Revenue Fund" shall mean the fund created pursuant to Section 4.03(a)(3) and further described in Section 4.04(b)(6).

"Swap" shall mean any financial arrangement between the Authority and a Swap Provider which provides that (a) each of the parties shall pay to the other an amount or amounts calculated as if such amount were interest accruing during the term of the arrangement at a specified rate (whether fixed or a variable rate or measured against some other rate) on a Designated Debt, and payable from time to time or at a designated time or times (whether before, during or after the term of the arrangement); (b) if such amount is to be paid before it is deemed to have accrued, the amount paid shall reflect the present value of such future amount (i.e., an upfront premium), while an amount to be paid after it is deemed to have accrued shall reflect the time value of such funds; (c) payment dates and calculated accrual rates need not be the same for each payor, but to the extent payment dates coincide, the arrangement may (but need not) provide that one shall pay to the other any net amount due under such arrangement.

"Swap Agreement" shall mean an agreement between the Authority and a Swap Provider for a Swap.

"Swap Policy" means any insurance policy or similar agreement insuring payment of the Authority's obligations under a particular Qualified Swap.

"Swap Provider" shall mean a party to a Swap with the Authority.

"Swap Termination Payment" shall mean any amounts due and payable by the Authority or a Qualified Swap Provider, in connection with the termination of a Qualified Swap.

"Synthetic Fixed Rate Debt" means indebtedness issued by the Authority which: (i) is combined, as Designated Debt, with a Qualified Swap and creates, in the opinion of a Consultant, a substantially fixed-rate maturity or maturities for a term not exceeding such maturity or maturities, or (ii) consisting of an arrangement in which two inversely related variable-rate securities are issued in equal principal amounts with interest based on off-setting indices resulting in a combined payment which is economically equivalent to a fixed rate.

"Tax Certificate" shall mean the agreement or certificate of the Authority prepared by Bond Counsel and delivered by the Authority at the time of issuance and delivery of any Series of Bonds, the interest on which is excluded from gross income for federal income tax purposes pursuant to a favorable opinion of such Bond Counsel, making certifications and representations of the Authority as to the status of such Bonds under the Code.

"Tender Indebtedness" shall mean any Bonds or portions of Bonds a feature of which is an obligation on the part of the Bondholders, under the terms of such Bonds, to tender all or a portion of such Bonds to the Authority, the Trustee, the Paying Agent or other fiduciary or agent or Credit Provider for payment or purchase and requiring that such Bonds or portions of Bonds be purchased if properly presented.

"Term Bonds" shall mean Bonds of a series which are payable on or before their specified maturity dates from sinking installment payments established pursuant to the Supplemental Indenture for such series for that purpose and calculated to retire the Bonds on or before their specified maturity dates.

"Treasurer" shall mean the Treasurer of the Authority as set forth in the Joint Powers Agreement.

"Transfer Date" shall have the meaning set forth in the Settlement Agreement.

"Trustee" shall mean the entity named as such in the heading hereof until a successor replaces it and, thereafter, shall mean such successor.

"Unissued Program Bonds" shall mean the bonds, notes or other indebtedness authorized to be issued pursuant to a Program and payable from Net Pledged Revenues, issuable in an amount up to the Authorized Amount relating to such Program, which have been approved for issuance by the Commission pursuant to a resolution or supplemental indenture adopted by the Commission and with respect to which Program the items described in Section 2.09(a) through (g) have been filed with the Trustee but which have not yet been authenticated and delivered pursuant to the Program documents.

"United States Obligations" shall mean direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including, with respect only to direct and general obligations and not to guaranteed obligations, evidences of ownership of proportionate interests in future interest and/or principal payments of such obligations, provided that investments in such proportionate interests must be limited to circumstances wherein: (1) a bank or trust company acts as custodian and holds the underlying United States Obligations; (2) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States Obligations; and (3) the underlying United States Obligations are held in a special account separate from the custodian's general assets and are not available to satisfy any claim of the custodian, any person claiming through the custodian or any person to whom the custodian may be obligated. "United States Obligations" shall include any stripped interest or principal portion of United States Treasury securities and any stripped interest portion of Resolution Funding Corporation securities.

"Variable Rate Indebtedness" shall mean any Bond or Bonds the interest rate on which is not, at the time in question, fixed to maturity, excluding any Commercial Paper Program.

Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Master Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Master Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

FORM, EXECUTION, DELIVERY AND REGISTRATION OF BONDS

Section 2.01. Issuance of Bonds; Bonds Limited Obligations. Bonds may be issued by the Authority under the terms hereof for any purpose for which the Authority, at the time of such issuance, may incur debt which may include issuing Bonds and loaning the proceeds to other entities (if it is determined to be legally permissible for the Authority to do so at such time), provided that if the proceeds of the Bonds are loaned to other entities, the loan repayments and interest thereon shall be included as Pledged Revenues. Bonds may be issued hereunder only if the provisions of Section 2.09 are satisfied.

The Bonds shall be limited obligations of the Authority, payable solely from and secured by Net Pledged Revenues. All Bonds shall state that they are issued under and secured by this Master Indenture and shall further contain a statement to the following effect:

> Neither the faith and the credit nor the taxing power of the City of Ontario, the County of San Bernardino, the State of California or any public agency, other than the Ontario International Airport Authority to the extent of the Net Pledged Revenues, is pledged to the payment of the principal of, premium, if any, or interest on, this Bond. The Authority has no power of taxation.

Section 2.02. Terms, Medium and Place of Payment. The Bonds shall be issued in the principal amount, in such authorized denominations and dated the date, all as set forth in a Supplemental Indenture. Each Bond shall bear interest at a rate or rates as the Authority may from time to time determine, and such interest may be payable periodically, in whole or in part, or may be accumulated and paid at maturity or at such other time or times as the Authority shall determine, all as set forth in the Supplemental Indenture. Bonds shall mature and shall be subject to redemption prior to their respective maturities, all as shall be set forth in a Supplemental Indenture.

Payments with respect to the Bonds shall be made as provided in the Supplemental Indenture providing for the issuance of such Bonds or as provided in the Bonds, which provisions shall include the designation of the currency in which such payments shall be made. In addition, each such Supplemental Indenture may provide for the appointment of a Registrar or Registrars and a Paying Agent or Paying Agents and such other agents as the Authority shall determine to be necessary in addition to or in place of the Trustee.

Section 2.03. Execution; Authentication; Forms of Bonds. The Bonds shall be signed for the Authority as provided in the Supplemental Indenture or in the resolution authorizing such Bonds. In case any officer whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the authentication of such Bonds, such manual or facsimile signature thereof shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until authentication. Also, if a person signing a Bond is the proper officer on the actual date of execution, the Bond will be valid even if that person is not the proper officer on the nominal date of action and even though, at the date hereof, such person was not such officer.

The Bonds shall bear a certificate of authentication, substantially in the form as set forth in the applicable Supplemental Indenture, duly executed by the manual signature of the Trustee or its agent or an authenticating agent designated by the Authority. Such certificate on any Bond issued hereunder shall be conclusive evidence that the Bond has been duly issued and authenticated hereunder. The Authority may appoint an authenticating agent or the Trustee may appoint an authenticating agent acceptable to the Authority to authenticate Bonds or different authenticating agents may be appointed for different Series of Bonds. An authenticating agent may authenticate Bonds whenever the Trustee may do so. Each reference herein to authentication by the Trustee includes authentication by such agent.

The Bonds shall be substantially in the form as set forth in the applicable Supplemental Indenture, with such appropriate variations, legends, endorsements, omissions and insertions as permitted or required by law or usage and shall be numbered and dated as provided in the applicable Supplemental Indenture.

Section 2.04. Bond Register; Registration and Transfer or Exchange of Bonds; Persons Treated as Owners. Bonds of each Series may be presented at the principal corporate trust office of the Trustee or such other Registrar, unless a different office has been designated for such purpose, for registration, transfer and exchange. The Trustee or a Registrar will keep a register of each Series of Bonds and of their transfer and exchange.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee or Registrar, the Trustee or Registrar shall deliver in the name of the transferee or transferees a new fully authenticated and registered Bond or Bonds of Authorized Denominations of the same Series and same maturity for the same aggregate principal amount. Bondholders may present Bonds at the principal corporate trust office of the Registrar for exchange for Bonds of different Authorized Denominations and, upon such presentation, the Trustee or Registrar shall deliver to the Bondholder a new fully authenticated and registered Bond or Bonds of the same Series and same maturity for the same aggregate principal amount. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Trustee or Registrar, duly executed by the Bondholder or by his duly authorized attorney. Except as limited by any Supplemental Indenture, the Trustee or Registrar also may require payment from the Bondholder of a sum sufficient to cover any tax, or other governmental fee or charge that may be imposed in relation thereto, Such taxes, fees and charges shall be paid before any such new Bond shall be delivered. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer or exchange shall be paid by the Authority. Supplemental Indentures may designate certain limited periods during which Bonds will not be exchanged or transferred.

Bonds delivered upon any exchange or transfer as provided herein, or as provided in Section 2.05, shall be valid limited obligations of the Authority, evidencing the same debt as the Bond or Bonds surrendered, shall be secured by this Master Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond or Bonds surrendered.

The Authority, the Trustee, the Registrar and the Paying Agent shall treat the Bondholder of a Bond, as shown on the registration books kept by the Registrar, as the person exclusively entitled to payment of principal, premium, if any, and interest on such Bond and as the party entitled to the exercise of all other rights and powers of the Bondholder, except that all interest payments will be made to the party who, as of the Record Date, is the Bondholder.

Section 2.05. Mutilated, Lost, Stolen or Destroyed Bonds.

(a) In the event any Bond is mutilated or defaced but identifiable by number and description, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of like Series, date, maturity and denomination as such Bond, upon surrender thereof to the Trustee; provided that there shall first be furnished to the Trustee clear and

unequivocal proof satisfactory to the Trustee that the Bond is mutilated or defaced. The Bondholder shall accompany the above with a deposit of money required by the Trustee for the cost of preparing the substitute Bond and all other expenses connected with the issuance of such substitute. The Trustee shall then cause proper record to be made of the cancellation of the original, and thereafter the substitute shall have the validity of the original.

(b) In the event any Bond is lost, stolen or destroyed, the Authority may execute and the Trustee may authenticate and deliver a new Bond of like Series, date, maturity and denomination as that Bond lost, stolen or destroyed, provided that there shall first be furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to it.

(c) Except as limited by any Supplemental Indenture, the Trustee may charge the holder of any such Bond all governmental charges and transfer taxes, if any, and its reasonable fees and expenses in this connection. All substitute Bonds issued and authenticated pursuant to this Section shall be issued as a substitute and numbered, if. numbering is provided for by the Supplemental Indenture or the Trustee, as determined by the Trustee. In the event any such Bond has matured or been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same at its maturity or redemption without surrender thereof upon receipt of indemnity satisfactory to the Trustee.

Section 2.06. Destruction of Bonds. Whenever any Bonds shall be delivered to the Trustee for cancellation pursuant hereto, upon payment of the principal amount and interest represented thereby or for replacement pursuant to Section 2.05 or exchange or transfer pursuant to Section 2.04, such Bond shall be cancelled and destroyed by the Trustee or the Registrar and counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Trustee to the Authority.

Section 2.07. Temporary Bonds. Pending preparation of definitive Bonds of any Series, the Authority may execute and the Trustee shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary bonds or certificates which shall be exchanged for the Bonds.

If temporary Bonds shall be issued, the Authority shall cause the definitive Bonds to be prepared and to be executed, authenticated and delivered to the Trustee, and the Trustee, upon presentation to it of any temporary bond, shall cancel the same and deliver in exchange therefor at the place designated by the Bondholder, without charge to the Bondholder thereof, definitive Bonds of an equal aggregate principal amount of authorized denominations, of the same Series, date, maturity and bearing interest the same as the temporary Bonds surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security hereof as the definitive Bonds to be issued and authenticated hereunder.

Section 2.08. Book-Entry System. Prior to the issuance of any Series of Bonds, the Authority may provide in the applicable Supplemental Indenture that such Bonds shall be initially issued as book-entry Bonds. If the Authority shall elect to deliver any Bonds in book-

entry form, then the Authority shall cause the delivery of a separate single fully registered bond (which may be typewritten) for each maturity date of each Series of such Bonds in an authorized denomination corresponding to that total principal amount of such Series of Bonds designated to mature on such date. Upon initial issuance, the ownership of each such Bond shall be registered in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided herein and in the applicable Supplemental Indenture.

Section 2.09. Issuance of Series of Bonds Supplemental Indenture: Application of Bond Proceeds. Bonds may be issued, from time to time, subject to the conditions of this Section 2.09.

Bonds shall be dated, shall mature, shall bear interest, shall be subject to redemption and shall be amortized and, within a Program, shall be issued and reissued from time to time, all as provided in the Supplemental Indenture relating to such Series of Bonds. In addition, each such Supplemental Indenture may provide for the appointment of a Registrar or Registrars and a Paying Agent or Paying Agents and such other agents as the Authority shall determine to be necessary in addition to or in place of the Trustee.

If the Supplemental Indenture providing for the issuance of Additional Bonds provides that such Additional Bonds shall be secured by the General Account of the Reserve Fund, such Supplemental Indenture shall require that the General Account be increased, if and to the extent necessary, forthwith upon the receipt of the proceeds of the sale of such Additional Bonds to an amount at least equal to the Required Reserve for such General Account. Said deposit may be satisfied from such proceeds or any other source, as provided in said Supplemental Indenture.

Each Series of the Bonds, upon execution by the Authority, shall be deposited with the Trustee or an agent for authentication and delivery, but prior to or simultaneously with the original delivery of such Series of Bonds or delivery of the first Bonds of a Program, there shall be filed with the Trustee the following:

(a) an original executed counterpart or a copy, certified by the Secretary to the Commission, of this Master Indenture, together with all Supplemental Indentures;

(b) an original executed counterpart or a copy, certified by the Secretary to the Commission, of the Supplemental Indenture or Supplemental Indentures providing for the issuance of such Series of Bonds or creating a Program and setting forth the terms of such Series of Bonds or Program;

(c) except with respect to the issuance of any Refunding Bonds and the Initial Bonds, a certificate of an Authorized Authority Representative listing those facilities or undertakings which the Authority expects to finance with proceeds of the sale of such Series of Bonds or Program or from which the Authority expects to select those Projects which will be financed with proceeds of the sale of such Series of Bonds or Program and such certificate shall, with respect to each item on the list include an estimated cost of such facility or undertaking;

(d) the certificate of the Authorized Authority Representative or the Consultant or Consultants, as the case may be, required by Section 2.11;

(e) a certificate of the Authorized Authority Representative stating that none of the Events of Default set forth in Section 8.01 hereof have occurred and remain uncured and that the Authority is in full compliance with the terms of Section 5.04 herein;

(f) an opinion of Bond Counsel to the effect that the issuance of such Bonds has been duly authorized, that all legal conditions precedent to the delivery of such Bonds have been fulfilled, that the Bonds are valid and binding obligations of the Authority in accordance with their terms; and

(g) written instructions from the Authority to authenticate the Bonds and, upon receipt of the purchase price, to deliver the Bonds to or upon the order of the purchasers named in such instructions.

When the documents mentioned in clauses (a) to (g), inclusive, of the immediately preceding paragraph shall have been filed with the Trustee and when such Bonds shall have been executed and authenticated, the Trustee or authenticating agent shall deliver such Bonds to or upon the order of the purchasers thereof, but only upon payment by the purchasers of the purchase price of such Bonds.

Section 2.10. Refunding Bonds. Refunding Bonds may be issued under and secured by this Master Indenture. Such Refunding Bonds shall be issued in accordance with the provisions of Sections 2.09 and 2.11 hereof.

Section 2.11. Tests for Issuance of Bonds. Subject to the provisions under subsection (i) or (ii) of the last paragraph of this Section 2.11 and excepting the Initial Bonds, and in addition to the requirements of Section 4.04(b)(4) hereof, as a condition to the issuance of any Series of Bonds, there shall also be delivered to the Trustee either:

(a) a certificate prepared by an Authorized Authority Representative showing that the Net Pledged Revenues, as calculated by the Authority, for any 12 consecutive months out of the 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds or preceding the first issuance of the proposed Program Bonds were at least equal to 125% of Maximum Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (as applicable) were then Outstanding; or

(b) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds, prepared by a Consultant showing that:

(i) the Net Pledged Revenues (as calculated by said Consultant) for any 12 consecutive months out of the 24 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds or the establishment of a Program were at least equal to 125% of Maximum Aggregate Annual Debt Service;

(ii) for each Fiscal Year during the period from the date of delivery of such certificate until the last Estimated Completion Date, as certified to the Consultant by an Authorized Authority Representative, the Consultant estimates that the Authority will be in compliance with Section 5.04(a) and (b) hereof; and

(iii) the estimated Net Pledged Revenues for each of the first three complete Fiscal Years immediately following the last Estimated Completion Date, as certified to the Consultant by an Authorized Authority Representative, will be at least equal to 125% of Maximum Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (as applicable) were then Outstanding.

For purposes of subsections (b)(ii) and (iii) above, in estimating Net Pledged Revenues, the Consultant may take into account (1) Net Pledged Revenues from Specified Ontario Projects being financed or Ontario Airport Facilities reasonably expected to become available during the period for which the estimates are provided, (2) any increase in fees, rates, charges, rentals or other sources of Pledged Revenues which have been approved by the Authority and will be in effect during the period for which the estimates are provided, (3) any other increases in Pledged Revenues which the Consultant believes to be a reasonable assumption for such period. With respect to Ontario Maintenance and Operation Expenses, the Consultant shall use such assumptions as the Consultant believes to be reasonable, taking into account: (1) historical Ontario Maintenance and Operation Expenses, (ii) Ontario Maintenance and Operation Expenses associated with Specified Ontario Projects and any other new Ontario Airport Facilities, and (iii) such other factors, including inflation and changing operations or policies of the Authority, as the Consultant believes to be appropriate. The Consultant shall include in the certificate or in a separate accompanying report a description of the assumptions used and the calculations made in determining the estimated Net Pledged Revenues and shall also set forth the calculations of Maximum Aggregate Annual Debt Service, which calculations may be based upon information provided by another Consultant.

For purposes of preparing the certificate or certificates described above, the Consultant or Consultants may rely upon financial statements prepared by the Authority which have not been subject to audit by an independent certified public accountant if audited financial statements for the Fiscal Year or period are not available; provided, however, that an Authorized Authority Representative shall certify as to their accuracy and that such financial statements were prepared substantially in accordance with generally accepted accounting principles, subject to year-end adjustments.

Neither of the certificates described above under Section 2.11 (a) or (b) shall be required for the Initial Bonds or:

(i) if the Bonds being issued are for the purpose of refunding then Outstanding Bonds and there is delivered to the Trustee, instead, a certificate of the Authorized Authority Representative showing that Maximum Aggregate Annual Debt Service after the issuance of such Refunding Bonds will not exceed Maximum Aggregate Annual Debt Service prior to the issuance of such Refunding Bonds; or

(ii) if the Bonds being issued constitute Notes and there is delivered to the Trustee, instead, a certificate prepared by an Authorized Authority Representative showing that the principal amount of the proposed Notes being issued, together with the principal amount of any Notes then Outstanding, does not exceed 10% of the Pledged Revenues for any 12 consecutive months out of the 18 months immediately preceding the issuance of the proposed Notes and there is delivered to the Trustee a Certificate of an Authorized Authority Representative setting forth calculations showing that for each of the Fiscal Years during which the Notes will be Outstanding, and taking into account the debt service becoming due on such Notes, the Authority will be in compliance with Section 5.04 (a) and (b) hereof; or

(iii) if the Bonds being issued are for the purpose of providing funds to complete the acquisition, construction or installation of a Specified Ontario Project for which Bonds have previously been issued and the proposed new issuance of Bonds does not exceed 10% of the aggregate principal amount of such previously issued Bonds; provided that only one Series of completion Bonds may be issued in respect of any Project pursuant to this sub-paragraph (iii).

Section 2.12. Plan of Financing Involving Issuance of Initial Bonds. The Initial Bonds shall be issued in two series pursuant to a First Supplemental Trust Indenture dated the date hereof and shall be denominated "Ontario International Airport Authority Revenue Bonds, Series 2016A (Tax-Exempt) (AMT)" and "Ontario International Airport Authority Revenue Bonds, Series 2016B (Taxable)." The Initial Bonds shall be issued on or prior to the Transfer Date for the purpose of paying and discharging the then outstanding LAWA Bonds in accordance with the terms set forth in the First Supplemental Trust Indenture.

Section 2.13. Repayment Obligations Afforded Status of Bonds. If a Credit Provider or Liquidity Provider makes payment of principal of a Bond or advances funds to purchase or provide for the purchase of Bonds and is entitled to reimbursement thereof, pursuant to a separate written agreement with the Authority, but is not reimbursed, the Authority's Repayment Obligation under such written agreement may, if so provided in the written agreement and to the extent provided in such agreement and the applicable Supplemental Indenture, be afforded the status of a Bond issued under this Article II, and, if afforded such status, the Credit Provider or Liquidity Provider shall be the Bondholder and such Bond shall be deemed to have been issued at the time of the original Bond for which the Credit Facility or Liquidity Facility was provided and will not be subject to the provisions of Sections 2.09 through 2.11 of this Article; provided, however, notwithstanding the stated terms of the Repayment Obligation, the payment terms of the Bond held by the Credit Provider or Liquidity Provider hereunder shall be calculated as a Bond issued hereunder.

Section 2.14. Obligations Under Qualified Swap; Non qualified Swap.

(a) The obligation of the Authority to make Regularly Scheduled Swap Payments under a Qualified Swap with respect to a Series of Bonds or to reimburse a provider of a Swap Policy with respect to such Qualified Swap may be on a parity with the obligation of the Authority to make payments with respect to such Series of Bonds

and other Bonds hereunder. The Authority may provide in any Supplemental Indenture that interest rate swap payment, obligations under a Qualified Swap shall be secured by a pledge of or lien on the Net Pledged Revenues on a parity with the Bonds of such Series and all other Bonds, regardless of the principal amount, if any, of the Bonds of such Series remaining Outstanding. The Trustee shall take all action consistent with the other provisions hereof as shall be requested in writing by the Qualified Swap Provider necessary to preserve and protect such pledge, lien and assignment and to enforce the obligations of the Authority with respect thereto. In the event the action requested to be taken pursuant to the preceding sentence shall require the Trustee either to exercise the remedies granted in the Indenture or to institute any action, suit or proceeding in its own name, the Qualified Swap Provider shall provide to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred in connection therewith.

(b) In the event that a Swap Termination Payment or any other amounts other than as described in clause (a) above are due and payable by the Authority under a Qualified Swap, such Swap Termination Payment and any such other amounts shall constitute a Subordinated Obligation hereunder.

(c) Obligations of the Authority to make payments, including termination payments, under a Nonqualified Swap shall constitute Subordinate Obligations hereunder.

ARTICLE III

REDEMPTION OF BONDS

Bonds may be made subject to redemption either in whole or in part and at such times, prices and in such order and under such terms as may be provided by the Supplemental Indenture providing for the issuance of such Bonds. The Authority may provide for the redemption of Bonds from any funds available to the Authority and not obligated for other purposes.

In connection with the partial early redemption of any Term Bonds of a Series, the Authority may, in any Supplemental Indenture, provide that the principal amount of Bonds of such Series being redeemed shall be allocated against its scheduled sinking fund redemption and modify its scheduled sinking fund installments payable thereafter as to the Outstanding Term Bonds of such Series in any manner the Authority may determine. The Authority may provide in any Supplemental Indenture that, prior to notice of redemption for any Bonds of a Series, moneys in the Debt Service Fund relating to such Series of Bonds may be applied at the direction of the Authority to the purchase of Bonds of such Series and, if any such purchased Bonds are Term Bonds, the Authority may allocate the principal amount of Bonds of such Series being redeemed against its scheduled sinking fund redemption for such Bonds and may modify its scheduled sinking fund installments thereafter payable with respect to Bonds of such Series in any manner the Authority may determine.

ARTICLE IV

REVENUES AND FUNDS

Section 4.01. Bonds Secured by Lien on Net Pledged Revenues. The Bonds authorized and issued under the provisions hereof shall be secured as provided in the Granting Clauses hereof. The Authority hereby represents and states that it has not previously created any charge or lien on or any security interest in the Net Pledged Revenues and the Authority covenants that, until all the Bonds authorized and issued under the provisions hereof and the interest thereon shall have been paid or are deemed to have been paid, it will not, except as specifically provided herein, grant any prior or parity pledge of or any security interest in the Net Pledged Revenues or any of the other security which is pledged pursuant to the Granting Clauses hereof, or create or permit to be created any charge or lien thereon or any security interest therein ranking prior to or on a parity with the charge or lien of the Bonds from time to time Outstanding hereunder. The Authority may, as provided in Section 5.06 hereof, grant a lien on or security interest in the Net Pledged Revenues to secure Subordinated Obligations.

Section 4.02. Appropriations and Transfer of Pledged Revenues. The Authority covenants to cause the appropriations and transfers of Pledged Revenues required by this Master Indenture to be made only in accordance with the terms hereof.

Section 4.03. Establishment and Maintenance of Funds for Pledged Revenues.

(a) The Commission hereby establishes the following funds and accounts to be held by the Treasurer of the Authority:

(1) Airport Revenue Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Airport Revenue Fund" (the "Airport Revenue Fund"). The Airport Revenue Fund shall be held by the Treasurer of the Authority and all moneys, income and investment earnings derived from the Ontario International Airport shall be deposited in the Airport Revenue Fund. All amounts in the Airport Revenue Fund shall be held, disbursed and accounted for in accordance with the provisions of Section 4.04(a) hereof.

(2) Maintenance and Operation Reserve Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Maintenance and Operation Reserve Fund" (the "Maintenance and Operation Reserve Fund"). The Maintenance and Operation Reserve Fund shall be held by the Treasurer of the Authority and amounts held therein shall be available for the payment of Ontario Maintenance and Operation Expenses in accordance with Section 4.04(b)(5) hereof.

(3) Surplus Revenue Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Surplus Revenue Fund" (the "Surplus Revenue Fund"). The Surplus Revenue Fund shall be held by the

Treasurer of the Authority and amounts held therein shall be held, disbursed and accounted for in accordance with Section 4.04(b)(6) hereof.

(b) The Commission hereby establishes or authorizes the establishment of the following special trust funds and accounts:

(1) Maintenance and Operation Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Maintenance and Operation Fund" (the "Maintenance and Operation Fund"). The Maintenance and Operation Fund shall be held by the Authority, and amounts therein shall be held, disbursed and accounted for in accordance with the provisions of Section 4.04(b)(1) hereof.

(2) Debt Service Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Debt Service Fund" (the "Debt Service Fund"), and within the Debt Service Fund, an "Interest Account" and a "Principal Account." The Commission, at the time of issuance of each Series of Bonds, may establish a separate subaccount or subaccounts within the Interest Account and the Principal Account as provided in any Supplemental Indenture. The Debt Service Fund shall be held by the Authority, and amounts therein shall be held, maintained, disbursed and accounted for in accordance with the provisions of Section 4.05 hereof and any Supplemental Indenture with respect to any Series of Bonds.

(3) Reserve Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Bond Reserve Fund" (the "Reserve Fund") and within the Reserve Fund an account to be designated the "General Account" (the "General Account"). The Reserve Fund shall be held by the Trustee or any agent of the Trustee, and amounts therein shall be held, disbursed and accounted for in accordance with the provisions of Section 4.04(b)(4) hereof. The Commission shall, at the time of issuance of each Series of Bonds, may establish a separate subaccount or subaccounts within the Reserve Fund as provided in any Supplemental Indenture with respect to such Series.

(4) Construction Fund. Proceeds of each Series of Bonds which are to be used to pay Costs of a Project shall be deposited into a fund created for such Series of Bonds which shall be designated the "Construction Fund, Series ___" (each, respectively, a "Construction Fund") which shall be held, maintained, disbursed and accounted for in accordance with the provisions of Section 4.06 hereof and as provided in any Supplemental Indenture..

(5) Additional Funds, Accounts and Subaccounts. The Commission or the Trustee may, in its discretion, create or authorize the creation of additional funds, accounts or subaccounts, including any principal account or interest account, bond reserve fund or account for a particular Series of Bonds pursuant to the terms of a Supplemental Indenture, which funds or accounts may be held by it or the Trustee.

(c) If an Event of Default described in Section 8.01(a) or 8.01(b) shall have occurred, the Treasurer shall, within five days of receipt of the written request of the Trustee or of the Owners of ten percent (10%) of the aggregate principal amount of Bonds Outstanding, transfer to the Trustee all moneys held in all funds maintained by the Authority hereunder, and shall thereafter, at least monthly, transfer all Net Pledged Revenues received by the Authority to the Trustee until such Event of Default is cured.

Section 4.04. Receipt and Deposit of Airport Revenues.

(a) The Authority covenants and agrees that all Airport Revenues, when and as received by or on behalf of the Authority, will be deposited by the Authority pursuant to this Section 4.04 in the Airport Revenue Fund. The Net Pledged Revenues shall, immediately upon receipt thereof; become subject to the lien thereon and pledge of this Master Indenture.

(b) All Pledged Revenues deposited into the Airport Revenue Fund shall be transferred to and deposited in the following respective funds in the following order of priority, the requirements of each such fund at the time of deposit to be satisfied before any transfer is made to any fund subsequent in priority:

(1) Maintenance and Operation Fund. On or before the first day of each month, the Treasurer shall set aside out of the Airport Revenue Fund and deposit in the Maintenance and Operation Fund an amount equal to: (A) one-twelfth of the amount budgeted by the Authority in the original or a revised budget for Maintenance and Operation Expenses for the then-current Fiscal Year, or (B) such other amount as the Authority determines is necessary to pay the Maintenance and Operation Expenses in excess of the amount budgeted in such month. Moneys in the Maintenance and Operation Fund shall be used to pay the Maintenance and Operation Expenses as they become due and payable.

(2) Interest Account. After making the deposit required by subsection (1) above, on or before the first day of each month, the Treasurer shall deposit into the Interest Account of the Debt Service Fund an amount equal to at least: (A) one-sixth of the aggregate amount of interest becoming due and payable on the Initial Bonds during the next ensuing six months (excluding any moneys deposited in the Interest Account from the proceeds of any series of such Bonds to pay interest during said next ensuing six months), until the requisite half-yearly amount of interest on all such Initial Bonds is on deposit in such fund, and (B) the amounts required to be deposited in the Interest Account with respect to any Additional Bonds pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds. No deposit need be made into the Interest Account if the amount contained therein is at least equal to the interest to become due on the next interest payment date upon all of the Bonds issued hereunder and then Outstanding (but excluding any moneys on deposit in the Interest Account from the proceeds of any series of such Bonds to pay interest on any future interest payment dates following said next interest payment date). The Authority shall establish a separate subaccount within the Interest Account for the Initial

Bonds and for each series of Additional Bonds and deposits to the Interest Account hereunder shall be maintained in such accounts. Moneys in each subaccount of the Interest Account shall be used and withdrawn by the Authority and transferred to the Trustee solely for the purpose of paying the interest on the applicable series of Bonds as it shall become due and payable (including accrued interest on any such Bonds purchased or redeemed prior to maturity pursuant to the Master Indenture), as provided in Section 4.05 hereof and in any Supplemental Indenture relating to any Series of Bonds. In the event that the Pledged Revenues, after making the deposit required by subsection (1), are insufficient to make the full deposit to the Interest Account required by this subsection (2), the Authority shall apply the amount, if any, available to make the deposit to the Interest Account pro rata to each subaccount within the Interest Account in proportion to the total monthly deposit amount required for each such subaccount (or, if the Supplemental Indenture for any Bonds requires deposits on a basis other than monthly, the amount which would be required to be deposited if such deposit requirement was divided into equal monthly amounts).

(3) Principal Account. After making the deposits required by subsections (1) and (2) above, on or before the first day of each month, the Treasurer shall deposit in the Principal Account of the Debt Service Fund an amount equal to at least: (A) one-twelfth of the aggregate Principal Amounts becoming due and payable on the Initial Bonds on the next succeeding [May 15], and (B) the amounts required to be deposited in the Principal Account with respect to the Principal Amount for any Additional Bonds pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds. The Authority shall establish a separate subaccount within the Principal Account for the Initial Bonds and for each series of Additional Bonds and deposits to the Principal Account hereunder shall be maintained in such accounts. Moneys in each subaccount of the Principal Account shall be used and withdrawn by the Authority and transferred to the Trustee solely for the purpose of paying the Principal Amounts on the applicable series of Bonds as they shall become due and payable and the purchase price of Bonds purchased pursuant to Article III, as provided in Section 4.05 hereof and in any Supplemental Indenture relating to any Series of Bonds. In the event that the Pledged Revenues, after making the deposit required by subsections (1) and (2), are insufficient to make the full deposit to the Principal Account required by this subsection (3), the Authority shall apply the amount, if any, available to make the deposit to the Principal Account pro rata to each subaccount within the Principal Account in proportion to the total monthly deposit amount required for each such subaccount (or, if the Supplemental Indenture for any Bonds requires deposits on a basis other than monthly, the amount which would be required to be deposited if such deposit requirement was divided into equal monthly amounts), after first deducting for such purposes from any of said Principal Amounts the amount of the applicable series of Bonds that shall have been redeemed or purchased during the period from the most recent Payment Date. No amount need be deposited in the Principal Account on any date to the extent that the amount already on deposit therein as of such date is sufficient to meet the requirements of this section.

(4) Reserve Fund. After making the deposits required by Sections 4.04(b)(1), (2), and (3) above, on or before the first day of each month, the Treasurer shall transfer to the Trustee for deposit in the Reserve Fund such amount as shall be required to maintain in each account in the Reserve Fund a balance equal to the applicable Required Reserve for such account; provided that the amount to be replenished to any account within the Reserve Fund after a draw on such account to pay debt service on any Bonds may be divided into no more than 12 equal monthly installments. No deposit need be made into any account in the Reserve Fund so long as there shall be in each such account within the Reserve Fund an amount equal to the Required Reserve therefor. Moneys in each account within the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of paying first, the interest on, and second, the principal of, the Bonds for which such account within the Reserve Fund is available as provided herein, or in any Supplemental Indenture relating to any Series of Bonds, in the event that no other moneys are available therefor, as required by Section 4.04(b)(2) and Section 4.04(b)(3).

The Trustee shall annually, prior to March 1 of each year and at such other times as the Authority shall request, value the Reserve Fund on the basis of the market value thereof and on the basis of the cost thereof, adjusted for any amortization of premium or discount on the investment thereof. For purposes of determining the amount on deposit in the Reserve Fund, any Reserve Fund Surety Policy held by, or the benefit of which is available to, the Trustee as security for the Bonds shall be deemed to be a deposit in the face amount of the Reserve Fund Surety Policy or the stated amount of the Reserve Fund Surety Policy provided, except that, if the amount available under a Reserve Fund Surety Policy has been reduced as a result of a payment having been made thereunder or as a result of the termination, cancellation or failure of such Reserve Fund Surety Policy and not reinstated or another Reserve Fund Surety Policy provided, then, in valuing the Reserve Fund, the value of such Reserve Fund Surety Policy shall be reduced accordingly. Upon each such valuation, the Trustee shall prepare a written certificate setting forth the Required Reserve as of such valuation date and the lower of cost or market value of the Reserve Fund and deliver a copy thereof to the Treasurer. So long as the Treasurer is not in default hereunder, unless otherwise required by the terms of a Supplemental Indenture, any amount in any account within the Reserve Fund in excess of the Required Reserve therefor may be withdrawn from the Reserve Fund and transferred to the related Interest Account and applied as a credit against the deposits required to be transferred to such Account pursuant to Section 4.04(b)(2).

Amounts in the General Account shall be available only to pay the Initial Bonds and any Additional Bonds for which the General Account is made available pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds. Any Supplemental Indenture providing for the issuance of such Additional Bonds for which the General Account is made available shall require as a condition of issuance that an amount be deposited into the General Account for such Additional Bonds so that, together with any Reserve Fund

Surety Policy, the amount on deposit in the General Account will be equal to the Required Reserve.

Pursuant to any Supplemental Indenture providing for the issuance of Additional Bonds, the Trustee may establish a separate account within the Reserve Fund available only for the payment of such series of Additional Bonds and which account shall have its own Required Reserve. If such a separate account is created, said Additional Bonds shall not have any claim on the General Account of the Reserve Fund.

The Required Reserve with respect to any account within the Reserve Fund may be satisfied by the deposit of a Reserve Fund Surety Policy therein and in such event the amounts available for deposit to said account pursuant to the first paragraph of this Section 4.04(b)(4) shall be available for reimbursement to the provider of said Reserve Fund Surety Policy in the event of a draw thereon; provided that the amount available to be drawn on said Reserve Fund Surety Policy is by its terms reinstated in the full amount of said reimbursement.

(5) Maintenance and Operation Reserve Fund. After making the deposits required by Sections 4.04(b)(1), (2), (3) and (4) above, on or before the first day of each Fiscal Year, the Treasurer shall transfer and deposit into the Maintenance and Operation Reserve Fund, an amount, if any, required to be deposited therein such that the total amount on deposit therein shall be equal to the Maintenance and Operation Reserve Fund Requirement.

(6) Surplus Revenue Fund. The Treasurer may determine the Pledged Revenues remaining in the Airport Revenue Fund attributable to a prior calendar month which are available for transfer to the Surplus Revenue Fund after having set aside and transferred all amounts required to be set aside or transferred by the Trustee or the Authority, as provided in Sections 4.04(b)(1), (2), (3), (4), and (5) hereof, and the Treasurer may transfer and deposit into the Surplus Revenue Fund an amount equal to the amount remaining in the Airport Revenue Fund.

Moneys in the Surplus Revenue Fund may be transferred by the Treasurer to any other fund or account of the Authority, free and clear of the lien of this Indenture, to be used as directed by the Commission for the payment of Subordinated Obligations or for any discretionary purposes as authorized by Commission and the Joint Powers Agreement; provided, however, the Treasurer shall not permit the Authority to withdraw any moneys held by the Authority in the Surplus Revenue Fund if and when the Authority is in default hereunder.

(c) Earnings on the various funds and accounts created hereunder shall be transferred to the Airport Revenue Fund, provided that earnings on any accounts created under any Supplemental Indenture with respect to any Series of Bonds shall be deposited as provided in such Supplemental Indenture, except that (i) during the continuation of an Event of Default earnings on such funds and accounts shall be deposited into the Interest Subaccount or Principal Subaccount created under the respective Supplemental

Indentures, (ii) earnings on any Construction Fund may, if so provided by a Supplemental Indenture, be retained in such Construction Fund, and (iii) pursuant to Section 4.04(b)(4) hereof, earnings on any account in the Reserve Fund may, if so provided by a Supplemental Indenture, be retained in such account under the conditions therein described.

Section 4.05. Disbursements from the Debt Service Fund. Subject to any more restrictive requirements for a Series of Bonds as set forth in the Supplemental Indenture relating to such Series, so long as any of the Bonds are Outstanding, the Trustee shall deliver to the Treasurer, as to each Series of Bonds Outstanding, a written demand requesting that the Treasurer, not later than the first Business Day prior to the payment date therefore, transfer from (A) each account in the Interest Account to the Trustee or the applicable Paying Agent the full amount required to pay the interest on Bonds of that Series as it becomes due on such payment date, provided that such deposits shall not be required to the extent the Trustee or a Paying Agent holds sufficient funds payable as capitalized interest in respect of such Bonds to pay the interest due on such Bonds on such payment date and (B) each account in the Principal Account to the Trustee or the applicable Paying Agent the full amount required to pay the principal amount of Bonds of that Series as such principal amount becomes due on such payment date and the full amount required to pay the sinking installment payment, if any, due with respect to Term Bonds of such Series as such sinking installment payment becomes due on such payment date. Each such transfer shall be accompanied by written instructions from the Treasurer directing the Trustee to pay the Owners of the Bonds of a given Series from the amounts so transferred the interest and principal to be paid and, if any, the Term Bonds to be redeemed. The Authority shall not give (or instruct the Trustee to give) notice of the redemption of any Bonds unless either (1) moneys are on deposit in the Principal Account (or any subaccount, as applicable) to provide for payment of such Bonds, or (2) such notice states that the redemption of such Bonds is conditioned upon the deposit with the Trustee of such moneys.

The Trustee shall pay the principal of, redemption premium, if any, and interest on each Series of Bonds on the payment dates therefor as established under the applicable Supplemental Indenture with the moneys transferred to it by the Authority in accordance with the foregoing provisions, whether or not the Authority submits to it any of the foregoing written instructions. All money remaining on the final payment or maturity date for a Series of Bonds, in excess of the amount required to make provisions for the payment in full or principal of, redemption premium, if any, and interest payable on such Bonds or the payment of amounts required to be rebated, pursuant to the Code, to the United States of America with respect to such Bonds, shall be returned to the Authority and deposited by the Authority in the Airport Revenue Fund.

On any day on which the Trustee receives funds from the Treasurer to be used to pay the interest on or principal of the Bonds, the Trustee shall, if the amount received is fully sufficient to pay all amounts of principal and interest then due or becoming due on the next Payment Date, set such money aside for the Series of Bonds for which such payments were made. If, on any Payment Date, the Trustee does not have sufficient amounts (without regard to any amounts which may be available in the Reserve Fund) to pay in full with respect to Bonds of any Series all amounts of principal (including mandatory sinking fund payments) and/or interest due on such date, the Trustee shall draw on the General Account, if applicable to such Series of Bonds,

or on any separate account in the Reserve Fund applicable to such Series of Bonds in accordance with Section 4.04(b)(4).

Money held by the Trustee for any Series of Bonds may be temporarily invested as provided in Article VI hereof or as provided in any Supplemental Indenture with respect to any Series of Bonds, but such investment shall not affect the obligation of the Authority to cause the full amount required by the terms of this Section to be available at the time required to meet payments of principal of and interest on Bonds of the Series for which it is accumulated.

Section 4.06. Construction Fund. Each Construction Fund established to pay the Costs of a Project may be held either by the Treasurer or by the Trustee or any agent of the Trustee or in part by the Treasurer and in part by the Trustee or any agent of the Trustee, all as provided by this Master Indenture, a Supplemental Indenture or Supplemental Indentures. All moneys in each Construction Fund shall be held and disbursed as provided in the Supplemental Indenture or Supplemental Indentures under which such fund or funds are created. Notwithstanding this provision, no Construction Fund shall be required for a given Series of Bonds if all of the proceeds thereof (except those deposited into a bond reserve fund or a Debt Service Fund) are spent at the time of issuance of such Series or are used to refund Bonds or otherwise the Authority determines that there is no need to create a Construction Fund for such Series.

Section 4.07. Moneys Held in Trust for Matured Bonds; Unclaimed Moneys. All moneys which shall have been withdrawn from a Debt Service Fund and set aside or deposited with a Paying Agent for the purpose of paying any of the Bonds, either at the maturity thereof or upon call for redemption, or which are set aside by the Trustee for such purposes and for which Bonds the maturity date or redemption date shall have occurred, shall be held in trust for the respective holders of such Bonds. But any moneys which shall be so set aside or deposited and which shall remain unclaimed by the holders of such Bonds for a period of one (1) year after the date on which such Bonds shall have become due and payable (or such longer period as shall be required by State law) shall be paid to the Authority, and thereafter the holders of such Bonds shall look only to the Authority for payment and the Authority shall be obligated to make such payment, but only to the extent of the amounts so received without any interest thereon, and neither the Trustee nor any Paying Agent shall have any responsibility with respect to any of such moneys.

Section 4.08. Additional Security. The pledge of Net Pledged Revenues and the other security provided in the Granting Clauses hereof, secure all Bonds issued under the terms hereof on an equal and ratable basis, except as to the timing of such payments. The Authority may, however, in its discretion, provide additional security or credit enhancement for specified Bonds or Series of Bonds with no obligation to provide such additional security or credit enhancement to other Bonds.

Section 4.09. Additional Funds and Accounts. The Commission or the Trustee may, in its discretion, create additional funds and accounts for a particular Series of Bonds pursuant to the terms of a Supplemental Indenture.

ARTICLE V

COVENANTS OF THE AUTHORITY

Section 5.01. Payment of Principal and Interest. The Authority covenants and agrees that it will duly and punctually pay or cause to be paid from the Net Pledged Revenues and to the extent thereof the principal of, premium, if any, and interest on every Bond at the place and on the dates and in the manner herein, in the Supplemental Indentures and in the Bonds specified, according to the true intent and meaning thereof, and that it will faithfully do and perform all covenants and agreements herein and in the Bonds contained, provided that the Authority's obligation to make payment of the principal of, premium, if any, and interest on the Bonds shall be limited to payment from the Net Pledged Revenues, the funds and accounts pledged therefor in the Granting Clauses hereof and any other source which the Authority may specifically provide for such purpose and no Bondholder shall have any right to enforce payment from any other funds of the Authority, or from the City of Ontario or the County of San Bernardino.

Section 5.02. Performance of Covenants by Authority; Authority; Due Execution. The Authority covenants that it will faithfully perform at all times any and all covenants and agreements contained herein, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Authority covenants that it is duly authorized under the Constitution and laws of the State and the Joint Powers Agreement to issue the Bonds and pledge and grant a security interest in the Net Pledged Revenues and other security pledged thereto or in which a security interest is granted and that, the Authority has not previously pledged such Net Pledged Revenues or other assets to secure other obligations.

Section 5.03. Senior Lien Obligations Prohibited. The Authority hereby agrees that so long as any Bonds are Outstanding hereunder, it will not issue any additional bonds or other obligations with a lien on or security interest granted in Net Pledged Revenues which is senior to the Bonds.

Section 5.04. Rate Covenant. The Authority covenants to fulfill the following requirements:

(a) The Authority shall while any of the Bonds remain Outstanding establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with Ontario International Airport and for services rendered in connection therewith, so that Pledged Revenues in each Fiscal Year will be at least equal to deposits required in Sections 4.04(b)(1), (2), (3), (4), and (5) hereof.

(b) The Authority further agrees that it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with Ontario International Airport and for services rendered in connection therewith, so that during each Fiscal Year the Net Pledged Revenues will be equal to at least 125% of Aggregate Annual Debt Service for such Fiscal Year.

(c) If the Authority violates either covenant set forth in subsection (a) or (b) above, such violation shall not be a default hereunder and shall not give rise to a

declaration of an Event of Default if, within 120 days after the date such violation is discovered, the Authority revises the schedule of rates, tolls, fees, rentals and charges insofar as practicable and revises any Ontario Maintenance and Operation Expenses insofar as practicable and takes such other actions as are necessary so as to produce Net Pledged Revenues to cure such violation for future compliance; provided, however, that if the Authority does not cure such violation by the end of the second subsequent fiscal year succeeding the date such violation is discovered, an Event of Default may be declared under Section 8.01(d).

Section 5.05. No Inconsistent Contract Provisions. The Authority covenants that no contract or contracts will be entered into or any action taken by the Authority which shall be inconsistent with the provisions hereof. The Authority covenants that it will not take any action which, in the Authority's judgment at the time of such action, will substantially impair or materially adversely affect the Net Pledged Revenues, or will substantially impair or materially adversely affect in any manner the pledge of, lien on or security interest granted in the Net Pledged Revenues herein or the rights of the holders of the Bonds. The Authority shall be unconditionally and irrevocably obligated, so long as any of the Bonds are Outstanding and unpaid, to take all lawful action necessary or required to pay from the Net Pledged Revenues the principal of and interest on the Bonds and to make the other payments provided for herein.

Section 5.06. Subordinated Obligations. The Authority may, from time to time, incur indebtedness which is subordinate to the Bonds and which indebtedness is, in this Master Indenture, referred to as Subordinated Obligations. Such indebtedness shall be incurred at such times and upon such terms as the Authority shall determine, provided that:

(a) Any Supplemental Indenture authorizing the issuance of any Subordinate Obligations shall specifically state that such lien on or security interest granted in the Net Pledged Revenues is junior and subordinate to the lien on and security interest in such Net Pledged Revenues and other assets granted to secure the Bonds which are Outstanding hereunder; and

(b) Payment of principal of and interest on such Subordinated Obligations shall be permitted, provided that all deposits required to be made to the Trustee to be used to pay debt service on the Bonds or to replenish a bond reserve fund are then current in accordance with Section 4.04 hereof.

Section 5.07. Ontario Special Facilities and Ontario Special Facility Obligations. The Authority shall be permitted to designate new or existing Ontario Airport Facilities as Ontario Special Facilities as permitted in this Section 5.07. The Authority may, from time to time, and subject to the terms and conditions of this Section 5.07, (1) designate a separately identifiable existing facility or planned facility as an "Ontario Special Facility," (2) pursuant to an indenture other than this Master Indenture and without a pledge of any Net Pledged Revenues, incur debt primarily for the purpose of acquiring, constructing, renovating or improving or providing financing or refinancing to a third party to acquire, construct, renovate or improve, such facility, (3) provide that the contractual payments derived from such Ontario Special Facility, together with other income and revenues available to the Authority from such Ontario Special Facility to the extent necessary to make the payments required by clause (a) of the second succeeding

paragraph, be "Ontario Special Facilities Revenue" and not included as Net Pledged Revenues unless on terms provided in any supplemental indenture, and (4) provide that the debt so incurred shall be an "Ontario Special Facility Obligation" and the principal of and interest thereon shall be payable solely from the Ontario Special Facilities Revenue. The Authority may from time to time refinance any such Ontario Special Facility Obligations with other Ontario Special Facility Obligations.

Ontario Special Facility Obligations shall be payable as to principal, redemption premium, if any, and interest solely from Ontario Special Facilities Revenue, which shall include contractual payments derived by the Authority under and pursuant to a contract (which may be in the form of a lease) relating to an Ontario Special Facility by and between the Authority and another person, firm or corporation, either public or private, as shall undertake the operation of an Ontario Special Facility.

No Ontario Special Facility Obligations shall be issued by the Authority unless there shall have been filed with the Trustee a certificate of an Authorized Authority Representative stating that:

(a) The estimated Ontario Special Facilities Revenue pledged to the payment of obligations relating to the Ontario Special Facility will be at least sufficient to pay the principal of and interest on such Ontario Special Facility Obligations as and when the same become due and payable, all costs of operating and maintaining such Ontario Special Facility not paid for by the operator thereof or by a party other than the Authority and all sinking fund, reserve or other payments required by the indenture or resolution authorizing the Ontario Special Facility Obligations as the same become due; and

(b) With respect to the designation of any separately identifiable existing Ontario Airport Facilities or Ontario Airport Facility as an "Ontario Special Facility" or "Ontario Special Facilities," the estimated Pledged Revenues and Net Pledged Revenues, calculated without including the new Ontario Special Facilities Revenue and without including any operation and maintenance expenses of the Ontario Special Facility as Ontario Maintenance and Operation Expenses, will be sufficient so that the Authority will be in compliance with Section 5.04(a) and (b) hereof during each of the first five complete Fiscal Years immediately following the anticipated closing date of such transaction or financing; and

(c) No Event of Default then exists under Article VIII hereof.

To the extent Ontario Special Facilities Revenue received by the Authority during any Fiscal Year shall exceed the amounts required to be paid pursuant to clause (a) of the immediately preceding paragraph for such Fiscal Year, such excess Ontario Special Facilities Revenue, to the extent not otherwise encumbered or restricted, may constitute Pledged Revenues as determined by the Authority.

Notwithstanding any other provision of this Section 5.07, at such time as the Ontario Special Facility Obligations issued for an Ontario Special Facility including Ontario Special Facility Obligations issued to refinance Ontario Special Facility Obligations are fully paid or

otherwise discharged, all revenues of the Authority from such facility shall be included as Pledged Revenues.

Section 5.08. Maintenance of Powers. The Authority covenants that it will at all times use its best efforts to maintain the powers, functions, duties and obligations now reposed in it pursuant to the Joint Powers Agreement and all other laws applicable to it and that it will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to delay either the payment of the indebtedness evidenced by any of the Bonds or the performance or observance of any of the covenants herein contained.

Section 5.09. Maintenance and Operation of Ontario Airport Facilities. Subject to the transfer of any Ontario Airport Facilities pursuant to Section 5.12, the Authority covenants that the Ontario Airport Facilities shall at all times be operated and maintained in good working order and condition and that all lawful orders of any governmental agency or authority having jurisdiction in the premises shall be complied with (provided the Authority shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith), and that all licenses and permits necessary to construct or operate any of the Ontario Airport Facilities shall be obtained and maintained and that all necessary repairs, improvements and replacements of the Ontario Airport Facilities shall be made, subject to sound business judgment. Subject to the transfer of any Ontario Airport Facilities pursuant to Section 5.12, the Authority will, from time to time, duly pay and discharge, or cause to be paid and discharged, except to the extent the imposition or payment thereof is being contested in good faith by the Authority, all taxes (if any), assessments or other governmental charges lawfully imposed upon the Ontario Airport Facilities or upon any part thereof, or upon the Pledged Revenues, when the same shall become due, as well as any lawful claim for labor, materials or supplies or other charges which, if unpaid, might by law become a lien or charge upon the Pledged Revenues or Ontario Airport Facilities or any part thereof constituting part of Ontario International Airport.

Section 5.10. Insurance; Application of Insurance Proceeds. [To be confirmed by *Authority risk manager/consultant.*]

(a) Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions:

(i) the Authority will procure and maintain or cause to be procured and maintained commercial insurance or provide Qualified Self Insurance with respect to the facilities constituting Ontario International Airport and public liability insurance in the form of commercial insurance or Qualified Self Insurance and, in each case, in such amounts and against such risks as are, in the judgment of the Authority, prudent and reasonable taking into account, but not being controlled by, the amounts and types of insurance or self-insured programs provided by similar airports;

(ii) the Authority will procure and maintain reasonable fidelity insurance or bonds on the position of President, Vice President, Secretary, Assistant Secretary and Treasurer and on any other employees of the Authority who handle or are responsible for funds of the Authority; and

(iii) the Authority will place on file with the Trustee annually within [120 days] after the close of each Fiscal Year a certificate of an Authorized Authority Representative containing a summary of all insurance policies and self-insured programs then in effect with respect to Ontario International Airport and the operations of the Authority and a certification to the effect that the Authority is in compliance with the requirements of this Section 5.10. The Trustee may conclusively rely upon such certificate and shall not be responsible for the sufficiency or adequacy of any insurance required herein or obtained by the Authority.

(b) "Qualified Self Insurance" shall mean insurance maintained through a program of self insurance or insurance maintained with a fund, company or association in which the Authority may have a material interest and of which the Authority may have control, either singly or with others. Each plan of Qualified Self Insurance shall be established in accordance with law, shall provide that reserves be established or insurance acquired in amounts adequate to provide coverage which the Authority determines to be reasonable to protect against risks assumed under the Qualified Self Insurance plan, including any potential retained liability in the event of the termination of such plan of Qualified Self Insurance, and such self-insurance program shall be reviewed at least once every 12 months by a Consultant who shall deliver to the Authority a report on the adequacy of the reserves established thereunder. If the Consultant determines that such reserves are inadequate, he shall make a recommendation as to the amount of reserves that should be established and maintained, and the Authority shall comply with such recommendation unless it can establish to the satisfaction of and receive a certification from a Consultant that a lower amount is reasonable to provide adequate protection to the Authority.

(c) If, as a result of any event, any part of an Ontario Airport Facility or any Ontario Airport Facilities is destroyed or severely damaged, the Authority shall create within the Airport Revenue Fund a special subaccount and shall credit the Net Proceeds received as a result of such event of damage or destruction to such subaccount and such Net Proceeds shall, within a reasonable period of time taking into account any terms under which insurance proceeds are paid and any insurance restrictions upon the use or timing of the use of insurance proceeds, be used to: (1) repair or replace the Ontario Airport Facilities, or portion thereof, which were damaged or destroyed, (2) provide additional revenue-producing Ontario Airport Facilities, (3) redeem Bonds, or (4) create an escrow fund pledged to pay specified Bonds and thereby cause such Bonds to be deemed to be paid as provided in Article VII hereof; provided, however, that the Authority shall first deliver to the Trustee a certificate of a Consultant showing that, after taking into account the use of the Net Proceeds for the redemption of such specified Bonds, the test set forth in Section 5.04(a) and (b) would, nevertheless, be met.

Section 5.11. Accounts. The Authority covenants that it will keep and provide accurate books and records of account showing all Pledged Revenues received and all expenditures of the Authority and that it will keep or cause to be kept accurate books and records of account showing all moneys, Net Pledged Revenues, accounts and funds (including the Airport Revenue Fund and all accounts provided for herein) which are or shall be in the control or custody of the

Authority; and that all such books and records pertaining to Ontario International Airport shall be open upon reasonable notice during business hours to the Trustee and to the Owners of not less than ten percent (10%) of the Principal Amount of Bonds then Outstanding, or their representatives duly authorized in writing. Within 180 days after the close of each Fiscal Year, so long as any of the Bonds remain Outstanding, the Authority will prepare and file with the Trustee audited financial statements including a statement of the income and expenses for such Fiscal Year and a balance sheet prepared as of the close of such Fiscal Year for the Authority all accompanied by a certificate or opinion in writing of an independent certified public accountant of recognized standing, selected by the Authority, which opinion shall include a statement that said financial statements present fairly in all material respects the financial position of the Authority and are prepared in accordance with generally accepted accounting principles, provided, however, the Trustee shall hold such financial statements solely as an accommodation to the holders of the Bonds and shall have no duty or obligation to review such financial statements.

Section 5.12. Transfer of Ontario Airport Facility or Ontario Airport Facilities. The Authority shall not, except as permitted below, transfer, sell or otherwise dispose of an Ontario Airport Facility or Ontario Airport Facilities. For purposes of this Section 5.12, any transfer of an asset over which the Authority retains substantial control in accordance with the terms of such transfer shall not, for so long as the Authority has such control, be deemed a disposition of an Ontario Airport Facility or Ontario Airport Facilities.

The Authority may transfer, sell or otherwise dispose of Ontario Airport Facilities only if such transfer, sale or disposition complies with one or more of the following provisions:

(a) The property being disposed of is inadequate, obsolete or worn out; or

(b) The property proposed to be disposed of and all other Ontario Airport Facilities disposed of during the 12-month period ending on the day of such transfer (but excluding property disposed of under (a) above), will not, in the aggregate, constitute a Significant Portion, the proceeds are deposited into the Airport Revenue Fund to be used as described below and the Authority believes that such disposal will not prevent it from fulfilling its obligations under the Indenture; or

(c) Prior to the disposition of such property, there is delivered to the Trustee a certificate of a Consultant to the effect that notwithstanding such disposition, but taking into account the use of such proceeds in accordance with the expectations of the Authority as evidenced by a certificate of an Authorized Authority Representative, the Consultant estimates that Authority will be in compliance with Section 5.04(a) and (b) hereof during each of the five Fiscal Years immediately following such disposition.

Ontario Airport Facilities which were financed with the proceeds of obligations the interest on which is then excluded from gross income for federal income tax purposes shall not be disposed of, except under the terms of provision (a) above, unless the Authority has first received a written opinion of Bond Counsel to the effect that such disposition will not cause the interest on such obligations to become includable in gross income for federal income tax purposes.

No such disposition shall be made which would cause the Authority to be in default of any other covenant contained herein.

Section 5.13. Eminent Domain. If a Significant Portion of any Ontario Airport Facility or Ontario Airport Facilities are taken by eminent domain proceedings or conveyance in lieu thereof, the Authority shall create within the Airport Revenue Fund special account and credit the Net Proceeds received as a result of such taking or conveyance to such account and shall within a reasonable period of time, after the receipt of such amounts, use such proceeds to (1) replace the Ontario Airport Facility or Ontario Airport Facilities which were taken or conveyed, (2) provide an additional revenue-producing Ontario Airport Facility or Ontario Airport Facilities, (3) redeem Bonds, or (4) create an escrow fund pledged to pay specified Bonds and thereby cause such Bonds to be deemed to be paid as provided in Article VII hereof.

Section 5.14. Completion of Specified Ontario Project; Substitution of Specified Ontario Project. The Authority will, upon the issuance of a Series of Bonds the proceeds of which are to be used for a Specified Ontario Project, proceed with due diligence to construct or acquire such Specified Ontario Project; provided, however, that the Authority may, if the conditions set forth in this Section 5.14 are met, substitute another Project therefor and shall proceed with due diligence to construct or acquire such substituted Project. The Authority may determine not to proceed with any of the Specified Ontario Projects or may determine to substitute another Project or Projects for a Specified Ontario Project if, as a condition to discontinuing the acquisition or construction of a Specified Ontario Project or to the substitution of another Project or Projects therefor, the Authority (a) first delivers to the Trustee a certificate of a Consultant showing that after taking into account the discontinuation of such Specified Ontario Project or the substitution of Project or Projects therefor, the test set forth in Section 5.04(a) and (b) would, nevertheless, be met and (b) second, there is delivered an opinion of Bond Counsel to the effect that the substitution of one Project for another Project will not cause interest on the Series of Bonds with respect to which the original Project was to be financed to be included in gross income of the recipients thereof for federal income tax purposes. If the Authority determines not to proceed with a Specified Ontario Project and fails to deliver the Consultant's certificate and to undertake a substitute Project or Projects, then Bond proceeds which would have been used to acquire or construct such specified Ontario Project shall be used to redeem Bonds, or used as otherwise provided in the Supplemental Indenture pursuant to which they were issued.

Section 5.15. Covenants of Authority Binding on Authority and Successors. All covenants, stipulations, obligations and agreements of the Authority contained herein shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized or permitted by law. If the powers or duties of the Authority shall hereafter be transferred by amendment of any provision of the Constitution or any other law of the State or in any other manner there shall be a successor to the Authority, and if such transfer shall relate to any matter or thing permitted or required to be done hereunder by the Authority, then the entity that shall succeed to such powers or duties of the Authority shall act and be obligated in the place and stead of the Authority as in this Master Indenture provided, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreement shall be transferred by or in accordance with law.

Section 5.16. Instruments of Further Assurance. The Authority covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures, and such further acts, instruments and transfers as the Trustee may reasonably request for the better assuring and confirming to the Trustee all and singular the rights and obligations of the Authority under and pursuant hereto and the security intended to be conferred hereby to secure the Bonds.

Section 5.17. Indenture To Constitute a Contract. This Indenture, including all Supplemental Indentures, is executed by the Authority for the benefit of the Bondholders and constitutes a contract with the Trustee for the benefit of the Bondholders.

ARTICLE VI

INVESTMENTS

Moneys held by the Trustee in the funds and accounts created herein and under any Supplemental Indenture shall be invested and reinvested as directed by the Authority, in Permitted Investments subject to the restrictions set forth herein and such Supplemental Indenture and subject to the investment restrictions imposed upon the Authority by the Joint Powers Agreement and the laws of the State. The Authority shall direct such investments by written certificate (upon which the Trustee may conclusively rely) of an Authorized Authority Representative in the absence of any such instructions, the Trustee shall, to the extent practicable, invest in Permitted Investments specified in clause (5) of the definition thereof. Investments shall mature not later than such times as shall be necessary to provide moneys when needed for payment to be made from such funds and accounts. The Trustee shall sell and reduce to cash a sufficient amount of any such investments whenever the cash balance in any such funds is insufficient to pay the amounts due therefrom.

The Trustee shall not be liable for any loss resulting from following the written directions of the Authority or as a result of liquidating investments to provide funds for any required payment, transfer, withdrawal or disbursement from any fund or account in which such Permitted Investment is held. The Trustee may buy or sell any Permitted Investment through its own (or any of its affiliates) investment department.

Earnings on the various funds and accounts created under any Supplemental Indenture shall be deposited as provided in such Supplemental Indenture, except that (i) during the continuation of an Event of Default earnings on such funds and accounts (to the extent not required to be deposited in any Rebate Fund) shall be deposited into the respective Debt Service Funds created under the respective Supplemental Indentures, and (ii) earnings on a bond reserve fund (to the extent not required to be deposited in a Rebate Fund) shall be applied as required by the Supplemental Indenture creating such bond reserve fund.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grants the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority

periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

ARTICLE VII

DEFEASANCE

Section 7.01. Discharge of Master Indenture. The Authority may pay and discharge the entire indebtedness on all Bonds Outstanding in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal of (including redemption premiums, if any) and interest on all such Bonds Outstanding, as and when the same become due and payable (but this clause shall not include Bonds the principal of or interest on which has been paid by a Credit Provider until said principal and interest shall have been paid by the Authority); or

(b) by depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit with the Trustee hereunder for the payment of debt service on such Bonds, including any reserve funds, is fully sufficient to pay or redeem all such Bonds Outstanding, including all principal, interest and redemption premiums, if any; or

(c) by delivering to the Trustee, for cancellation by it, all such Bonds Outstanding; or

(d) by depositing with the Trustee, in trust, Government Obligations in such amount which, in the determination of an Independent Certified Public Accountant, who shall certify such determination to the Trustee, shall, together with the income or increment to accrue thereon and any other moneys of the Authority made available for such purpose, be fully sufficient to pay and discharge the indebtedness on all such Bonds (including all principal, interest and redemption premiums, if any) at or before their respective maturity dates; and if the Authority shall also pay or cause to be paid all other sums payable hereunder by the Authority, then and in that case, at the election of the Authority (evidenced by a Certificate of the Authority signifying its intention to pay and discharge all such indebtedness and that the Master Indenture and all other obligations of the Authority under the Master Indenture with respect to such Bonds shall cease and terminate, which shall be filed with the Trustee), and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Airport Revenues and other funds provided for in the Master Indenture and all other obligations of the Authority under the Master Indenture with respect to such Bonds shall cease, terminate and be completely discharged, and the Owners of such Bonds not so surrendered and paid shall thereafter be, entitled to payment only out of the money or Government Obligations deposited with the Trustee as aforesaid for their payment; subject, however, to the provisions of Section 7.03. The discharge of the obligations of the Authority under the Master Indenture shall be without prejudice to the rights of the Trustee to charge for and be reimbursed by the Authority for any expenditure which it may thereafter incur in connection herewith.

The Authority may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the Authority may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 7.02. Discharge of Liability on Bonds. If the Authority shall pay and discharge any of the Bonds Outstanding in any one or more of the ways set forth in Section 7.01 (a) – (d) (whether upon or prior to their maturity or the redemption date of such Bonds), and provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in the Supplemental Indenture related to such Bonds or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Authority in respect of such Bonds shall cease, determine and be completely discharged and the Owners thereof shall thereafter be entitled only to payment out of the money or Government Obligations deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 7.03.

Section 7.03. Payment of Bonds after Discharge of Master Indenture. Notwithstanding any provisions of the Master Indenture, any moneys deposited with the Trustee in trust for the payment of the principal of, or interest or premium on, any Bonds and remaining unclaimed for two (2) years after the principal of all the Outstanding Bonds has become due and payable (whether at maturity or upon call for redemption or by declaration as provided in the Master Indenture) shall then be repaid to the Authority, and the Owners of such Bonds shall thereafter be entitled to look only to the Authority for payment thereof, and all liability of the Trustee with respect to such moneys shall thereupon cease. In the event of the repayment of any such moneys to the Authority as aforesaid, the Owners of the Bonds in respect of which such moneys were deposited shall thereafter be deemed to be general creditors of the Authority for amounts equivalent to the respective amounts deposited for the payment of such Bonds and so repaid to the Authority (without interest thereon).

ARTICLE VIII

DEFAULTS AND REMEDIES

Section 8.01. Events of Default. Each of the following events shall constitute and is referred to herein as an "Event of Default":

(a) a failure to pay the principal of or premium, if any, on any of the Bonds, when the same shall become due and payable at maturity or upon redemption;

(b) a failure to pay any installment of interest on any of the Bonds when such interest shall become due and payable;

(c) failure to pay the purchase price of any Bond when such purchase price shall be due and payable upon an optional or mandatory tender date as provided in the Supplemental Indenture;

(d) a failure by the Authority to observe and perform any covenant, condition, agreement or provision (other than as specified in paragraphs (a), (b) and (c) of this

Section 8.01) that are to be observed or performed by the Authority and which are contained herein or a Supplemental Indenture, which failure, except for a violation under Section 5.04 which shall be controlled by the provisions set forth therein, shall continue for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Authority by the Trustee, which notice may be given at the discretion of the Trustee and shall be given at the written request of holders of 25% or more of the Principal Amount of the Bonds then Outstanding, unless the Trustee, or the Trustee and holders of Bonds in a Principal Amount not less than the Principal Amount of Bonds the holders of which requested such notice, shall agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee or the Trustee and the holders of such principal amount of Bonds shall be deemed to have agreed to an extension of such period if corrective action is initiated by the Authority within such period and is being diligently pursued until such failure is corrected;

(e) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Chapter 9 of 11 United States Code (as the same may from time to time be hereafter amended), or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the Authority and, if instituted against the Authority, said proceedings are consented to or are not dismissed within 60 days after such institution; or the occurrence of any other Event of Default as is provided in a Supplemental Indenture; or

(f) with respect to any Series of Bonds, the occurrence of any other Event of Default as is provided in a Supplemental Indenture authorizing the issuance of such Series.

If, on any date on which payment of principal of or interest on the Bonds is due and sufficient moneys are not on deposit with the Trustee or Paying Agent to make such payment, the Trustee shall give telephone notice of such insufficiency to the Authority.

Section 8.02. Remedies.

(a) Upon the occurrence and continuance of any Event of Default, the Trustee in its discretion, may and upon the written direction of the holders of 25% or more of the Principal Amount of the Bonds then Outstanding and receipt of indemnity to its satisfaction, shall, in its own name and as the Trustee of an express trust:

(i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, and require the Authority to carry out any agreements with or for the benefit of the Bondholders and to perform its or duties under the Joint Powers Agreement or any other law to which it is subject and this Master Indenture, provided that any such remedy may be taken only to the extent permitted under the applicable provisions hereof;

(ii) bring suit upon the Bonds;

(iii) commence an action or suit in equity to require the Authority to account as if it were the trustee of an express trust for the Bondholders; or

(iv) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

(b) The Trustee shall be under no obligation to take any action with respect to any Event of Default unless the Trustee has actual knowledge of the occurrence of such Event of Default.

Section 8.03. Restoration to Former Position. In the event that any proceeding taken by the Trustee to enforce any right hereunder shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the Authority, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 8.04. Bondholders' Right To Direct Proceedings. Anything herein to the contrary notwithstanding, holders of a majority in Principal Amount of the Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee hereunder to be taken in connection with the enforcement of the terms hereof or exercising any trust or power conferred on the Trustee by this Master Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of the law and the Indenture and that there shall have been provided to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred as a result thereof by the Trustee.

Section 8.05. Limitation on Right To Institute Proceedings. No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust or power hereunder, or any other remedy hereunder or on such Bonds, unless such Bondholder or Bondholders previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided and unless also holders of 25% or more of the Principal Amount of the Bonds then Outstanding shall have made written request of the Trustee to do so, after the right to institute such suit, action or proceeding under Section 8.02 hereof shall have accrued, and shall have afforded the Trustee a reasonable opportunity to proceed to institute the same in either its or their name, and unless there also shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the institution of such suit, action or proceeding; it being understood and intended that no one or more of the Bondholders shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security hereof, or to enforce any right hereunder or under the Bonds, except in the manner herein provided, and that all suits, actions and proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Bondholders.

Section 8.06. No Impairment of Right To Enforce Payment. Notwithstanding any other provision herein, the right of any Bondholder to receive payment of the principal of and interest on such Bond or the purchase price thereof, on or after the respective due dates expressed therein and to the extent of the Net Pledged Revenues and other security provided for the Bonds, or to institute suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of such Bondholder.

Section 8.07. Proceedings by Trustee Without Possession of Bonds. All rights of action hereunder or under any of the Bonds secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Bondholders, subject to the provisions hereof.

Section 8.08. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; provided, however, that any conditions set forth herein to the taking of any remedy to enforce the provisions hereof or the Bonds shall also be conditions to seeking any remedies under any of the foregoing pursuant to this Section 8.08.

Section 8.09. No Waiver of Remedies. No delay or omission of the Trustee or of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Article VIII to the Trustee and to the Bondholders, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 8.10. Application of Moneys. If an Event of Default shall occur and be continuing, all amounts then held or any moneys received by the Trustee, by any receiver or by any Bondholder pursuant to any right given or action taken under the provisions of this Article VIII (which shall not include moneys provided through a Credit Facility, which moneys shall be restricted to the specific use for which such moneys were provided), after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee (including attorneys' fees and disbursements), shall be applied as follows:

(a) All such moneys shall be applied (i) first, to the payment to the persons entitled thereto of all installments of interest then due on the Bonds, with interest on overdue installments, if lawful, at the rate per annum as provided in any Supplemental Indenture, as the case may be, in the order of maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, and (ii) second, to the payment to the persons entitled thereto of the unpaid principal amount of any of the Bonds which shall have become due with interest on such Bonds at such rate as provided in a Supplemental Indenture from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in

full Bonds on any particular date determined to be the payment date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege.

(b) If the principal of all the Bonds subject to acceleration shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, with interest on overdue interest and principal, as aforesaid, without preference or priority of principal over interest or interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds subject to acceleration shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 8.02(b) and Section 8.03 hereof, then, subject to the provisions of clause (b) of this Section 8.10 which shall be applicable in the event that the principal of all the Bonds shall later become due and payable, the moneys shall be applied in accordance with the provisions of clause (a) of this Section 8.10.

Whenever moneys are to be applied pursuant to the provisions of this Section 8.10, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date by first-class United States mail, postage prepaid, to all Bondholders and shall not be required to make payment to any Bondholder until such Bonds shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.11. Severability of Remedies. It is the purpose and intention of this Article VIII to provide rights and remedies to the Trustee and the Bondholders, which may be lawfully granted under the provisions of the Joint Powers Act and other applicable law, but should any right or remedy herein granted be held to be unlawful, the Trustee and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided herein or by applicable law.

Section 8.12. Additional Events of Default and Remedies. So long as any particular Series of Bonds is Outstanding, the remedies as set forth in this Article VIII may be supplemented with additional remedies as set forth in the Supplemental Indenture under which such Series of Bonds is issued.

ARTICLE IX

TRUSTEE, PAYING AGENT AND REGISTRAR

Section 9.01. Acceptance of Trusts. The Trustee hereby accepts and agrees to execute the trusts specifically imposed upon it by this Master Indenture, but only upon the additional terms set forth in this Article IX, to all of which the Authority agrees and the respective Bondholders agree by their acceptance of delivery of any of the Bonds.

Section 9.02. Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs,

(b) The Trustee shall perform the duties set forth herein and no implied duties or obligations shall be read into this Master Indenture against the Trustee.

(c) Except during the continuance of an Event of Default, in the absence of any negligence on its part or any knowledge to the contrary, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates or opinions furnished to the Trustee and conforming to the requirements hereof. However, the Trustee shall examine the certificates and opinions to determine whether they conform to the requirements hereof.

(d) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer unless the Trustee was negligent in ascertaining the pertinent facts; and

(ii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it from Bondholders or the Authority in the manner provided herein.

(e) The Trustee shall not, by any provision hereof, be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Indenture at the request or direction of any of the holders of the Bonds, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) Every provision hereof that in any way relates to the Trustee is subject to all the paragraphs of this Section.

Section 9.03. Rights of Trustee. Subject to the foregoing Section, the Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, direction, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements.

The Trustee may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in good faith in accordance therewith.

Whenever in the administration of the trusts or duties imposed upon it by this Master Indenture the Trustee shall deem it necessary that a matter be proved or established prior to taking or not taking any action hereunder; such matter may be deemed to be conclusively proved and established by a certificate of the Authority, and such certificate shall be full warrant to the Trustee for any action taken or not taken by it in good faith under the provisions hereof in reliance on such certificate.

The Trustee makes no representation as to the sufficiency or validity hereof or of any Bonds, or in respect of the security afforded by this Master Indenture.

The Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it hereunder.

In the performance of its duties hereunder, the Trustee may employ attorneys, agents and receivers and shall not be liable for any actions of such attorneys, agents and receivers to the extent selected by it with reasonable care.

The Trustee shall have no responsibility with respect to any information, statement or recital whatsoever in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Indenture provided, however, that: (a) subsequent to such facsimile transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (b) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

The Trustee shall not be deemed to have knowledge of any Event of Default unless and until it shall have actual knowledge thereof by receipt of written notice thereof at its corporate trust office.

Section 9.04. Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Bonds and may otherwise deal with the Authority with the same rights it would have if it were not Trustee. Any Paying Agent or other agent may do the same with like rights.

Section 9.05. Trustee's Disclaimer. The Trustee shall not be accountable for the Authority's use of the proceeds from the Bonds paid to the Authority and it shall not be responsible for any statement in the Bonds other than its certificate of authentication.

Section 9.06. Notice of Defaults. If (i) an Event of Default has occurred or (ii) an event has occurred which with the giving of notice and/or the lapse of time would be an Event of Default and, with respect to such events for which notice to the Authority is required before such events will become Events of Default, such notice has been given, then the Trustee shall promptly, after obtaining actual notice of such Event of Default or event described in (ii) of the first sentence of this Section, give notice thereof to each Bondholder. Except in the case of a default in payment or purchase on any Bonds, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Bondholders.

Section 9.07. Compensation of Trustee. For acting hereunder, the Trustee shall be entitled to payment of fees for its services and reimbursement of advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with its services hereunder, in accordance with a separate fee schedule setting forth such terms and conditions which has been approved by the Authority. The Authority agrees to indemnify and hold the Trustee and its officers, agents and directors harmless against any liabilities, costs, claims or expenses not arising from the Trustee's own negligence, misconduct or breach of duty, which the Trustee may incur in the exercise and performance of its rights and obligations

hereunder including the enforcement of any remedies and the defense of any suit. Such obligation shall survive the discharge hereof or the resignation or removal of the Trustee,

Section 9.08. Eligibility of Trustee. This Indenture shall always have a Trustee that is a trust company, banking association or a bank having the powers of a trust company and is organized and doing business under the laws of the United States or any state or the District of Columbia, is authorized to conduct trust business under the laws of the State, is subject to supervision or examination by United States, state or District of Columbia authority and has (together with its corporate parent) a combined capital and surplus of at least $50,000,000 as set forth in its most recent published annual report of condition.

Section 9.09. Replacement of Trustee. The Trustee may resign by notifying the Authority in writing prior to the proposed effective date of the resignation. The holders of a majority in Principal Amount of the Bonds may remove the Trustee by notifying the removed Trustee and may appoint a successor Trustee with the Authority's consent. The Authority may remove the Trustee, by notice in writing delivered to the Trustee at least 60 days prior to the proposed removal date; provided, however, that the Authority shall have no right to remove the Trustee during any time when an Event of Default has occurred and is continuing or when an event has occurred and is continuing or condition exists which with the giving of notice or the passage of time or both would be an Event of Default.

No resignation or removal of the Trustee under this Section shall be effective until a new Trustee has taken office and delivered a written acceptance of its appointment to the retiring Trustee and to the Authority. If no successor Trustee shall have been appointed and have accepted appointment within 45 days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Bondholder (on behalf of itself and all other Bondholders) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Immediately thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee, the resignation or removal of the retiring Trustee shall then (but only then) become effective and the successor Trustee shall have all the rights, powers and duties of the Trustee hereunder.

If the Trustee resigns or is removed or for any reason is unable or unwilling to perform its duties hereunder, the Authority shall promptly appoint a successor Trustee.

If a Trustee is not performing its duties hereunder and a successor Trustee does not take office within 60 days after the retiring Trustee delivers notice of resignation or the Authority delivers notice of removal, the retiring Trustee, the Authority or the holders of a majority in Principal Amount of the Bonds may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 9.10. Successor Trustee or Agent by Merger. If the Trustee, any Paying Agent or Registrar consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the ease of a bank or trust company, its corporate trust assets) to, another corporation and meets the qualifications set forth herein, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee, Paying Agent or Registrar.

Section 9.11. Paying Agent. The Authority may upon notice to the Trustee at any time or from time to time appoint a Paying Agent or Paying Agents for the Bonds or for any Series of Bonds, and each Paying Agent, if other than the Trustee, shall designate to the Authority and the Trustee its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder or under a Supplemental Indenture by a written instrument of acceptance delivered to the Authority and the Trustee under which each such Paying Agent will agree, particularly:

(a) to hold all sums held by it for the payment of the principal of, premium or interest on Bonds in trust for the benefit of the Bondholders until such sums shall be paid to such Bondholders or otherwise disposed of as herein provided;

(b) to keep such books and records as shall be consistent with prudent industry practice, to make such books and records available for inspection by the Authority and the Trustee on each Business Day during reasonable business hours; and

(c) upon the request of the Trustee, to forthwith deliver to the Trustee all sums so held in trust by such Paying Agent.

Section 9.12. Registrar. The Authority shall appoint the Registrar for the Bonds or a Registrar or Registrars for any Series of Bonds and may from time to time remove a Registrar and name a replacement. Each Registrar, if other than the Trustee, shall designate to the Trustee, the Paying Agent, and the Authority its principal office and signify its acceptance of the duties imposed upon it hereunder or under a Supplemental Indenture by a written instrument of acceptance delivered to the Authority and the Trustee under which such Registrar will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Authority, the Trustee, and the Paying Agent on each Business Day during reasonable business hours.

Section 9.13. Other Agents. The Authority, or the Trustee with the consent of the Authority, may from time to time appoint other agents as may be appropriate at the time to perform duties and obligations hereunder or under a Supplemental Indenture all as provided by Supplemental Indenture or resolution of the Authority.

Section 9.14. Several Capacities. Anything herein to the contrary notwithstanding, with the consent of the Authority, the same entity may serve hereunder as the Trustee, Paying Agent, Registrar and any other agent as appointed to perform duties or obligations hereunder, under a Supplemental Indenture or an escrow agreement, or in any combination of such capacities, to the extent permitted by law. The Paying Agent and the Registrar shall be entitled to the same protections, limitations from liability and indemnities afforded to the Trustee hereunder.

Section 9.15. Accounting Records and Reports of the Trustee.

(a) The Trustee shall at all times keep, or cause to be kept, proper records in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Bonds and all funds and accounts established by it pursuant hereto. Such records shall be available for inspection with reasonable prior notice by the Authority on each Business Day during reasonable business hours and by any

Bondholder, or his agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances.

(b) The Trustee shall provide to the Authority each month a report of any Bond proceeds received during that month, if any, and the amounts deposited into each fund and account held by it hereunder and the amount disbursed from such funds and accounts, the earnings thereon, the ending balance in each of such funds and accounts and the investments of each such fund and account.

(c) The Trustee shall annually, within 30 days after the end of the Fiscal Year, furnish to the Authority and to each Bondholder who shall have filed his name and address with the Trustee for such purpose (at such Bondholder's cost) a statement (which need not be audited) covering receipts, disbursements, allocation and application of Bond proceeds, Pledged Revenues and any other moneys in any of the funds and accounts established by it pursuant hereto or any Supplemental Indenture for the preceding year.

ARTICLE X

MODIFICATION OF THIS MASTER INDENTURE

Section 10.01. Limitations. This Indenture shall not be modified or amended in any respect subsequent to the first delivery of fully executed and authenticated Bonds except as provided in and in accordance with and subject to the provisions of this Article X.

Section 10.02. Supplemental Indentures Not Requiring Consent of Bondholders. The Authority may, from time to time and at any time, without the consent of or notice to the Bondholders, execute and deliver Supplemental Indentures supplementing and/or amending this Master Indenture or any Supplemental Indenture as follows:

(a) to provide for the issuance of a Series or multiple Series of Bonds under the provisions of Section 2.09 hereof and to set forth the terms of such Bonds and the special provisions which shall apply to such Bonds;

(b) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Master Indenture or any Supplemental Indenture, provided such supplement or amendment is not materially adverse to the Bondholders;

(c) to add to the covenants and agreements of the Authority herein or any Supplemental Indenture other covenants and agreements, or to surrender any right or power reserved or conferred upon the Authority, provided such supplement or amendment shall not adversely affect the interests of the Bondholders;

(d) to confirm, as further assurance, any interest of the Trustee in and to the Net Pledged Revenues or in and to the funds and accounts held by the Trustee or in and to any other moneys, securities or funds of the Authority provided pursuant hereto or to otherwise add additional security for the Bondholders;

(e) to evidence any change made in the terms of any Series of Bonds if such changes are authorized by the Supplemental Indenture at the time the Series of Bonds is issued and such change is made in accordance with the terms of such Supplemental Indenture;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(g) to modify, alter, amend or supplement this Master Indenture or any Supplemental Indenture in any other respect which is not materially adverse to the Bondholders;

(h) to qualify the Bonds or a Series of Bonds for a rating or ratings by any of the Rating Agencies;

(i) to accommodate the technical, operational and structural features of Bonds which are issued or are proposed to be issued or of a Program which has been authorized or is proposed to be authorized, including, but not limited to, changes needed to accommodate commercial paper, auction bonds, variable rate or adjustable rate bonds, discounted or compound interest bonds or other forms of indebtedness which the Authority from time to time deems appropriate to incur;

(j) to accommodate the use of a Credit Facility or Liquidity Facility for specific Bonds or a specific Series of Bonds;

(k) to comply with the requirements of the Code as are necessary, in the opinion of Bond Counsel, to prevent the federal income taxation of the interest on the Bonds, including, without limitation, the segregation of Pledged Revenues into different funds.

Before the Authority shall, pursuant to this Section 10.02, execute any Supplemental Indenture, there shall have been delivered to the Authority and Trustee an opinion of Bond Counsel to the effect that such Supplemental Indenture is authorized or permitted by this Master Indenture, the Joint Powers Agreement and other applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not cause interest on any of the Bonds which is then excluded from gross income of the recipient thereof for federal income tax purposes to be included in gross income for federal income tax purposes.

Section 10.03. Supplemental Indenture Requiring Consent of Bondholders.

(a) Except for any Supplemental Indenture entered into pursuant to Section 10.02 and any Supplemental Indenture entered into pursuant to Section 10.03(b) below, subject to the terms and provisions contained in this Section 10.03 and not otherwise, the holders of not less than a majority in aggregate Principal Amount of the Bonds then Outstanding shall have the right from time to time to consent to and approve the execution by the Authority of any Supplemental Indenture deemed necessary or desirable by the Authority for the purposes of modifying, altering, amending, supplementing or

rescinding, in any particular, any of the terms or provisions contained herein or in a Supplemental Indenture; provided, however, that, unless approved in writing by the holders of all the Bonds then Outstanding or unless such change affects less than all Series of Bonds and the following subsection (b) is applicable, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of, interest on or Accreted Value of any Outstanding Bonds or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds or the rate of interest thereon; and provided that nothing herein contained, including the provisions of Section 10.03(b) below, shall, unless approved in writing by the holders of all the Bonds then Outstanding, permit or be construed as permitting (iii) the creation of a lien (except as expressly permitted by this Master Indenture) upon or pledge of the Net Pledged Revenues created hereby, ranking prior to or on a parity with the claim created hereby, (iv) except with respect to additional security which may be provided for a particular Series of Bonds, a preference or priority of any Bond or Bonds over any other Bond or Bonds with respect to the security granted therefor under the Granting Clauses hereof, or (v) a reduction in the aggregate Principal Amount of Bonds the consent of the Bondholders of which is required for any such Supplemental Indenture. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any Supplemental Indenture as authorized in Section 10.02, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Net Pledged Revenues.

(b) The Authority may, from time to time and at any time, execute a Supplemental Indenture which amends the provisions of an earlier Supplemental Indenture under which a Series or multiple Series of Bonds were issued. If such Supplemental Indenture is executed for one of the purposes set forth in Section 10.02, no notice to or consent of the Bondholders shall be required. If such Supplemental Indenture contains provisions which affect the rights and interests of less than all Series of Bonds Outstanding and Section 10.02 is not applicable, then this subsection (b) rather than subsection (a) above shall control and, subject to the terms and provisions contained in this Section 10.03(b) and not otherwise, the holders of not less than 51% in aggregate Principal Amount of the Bonds of all Series which are affected by such changes shall have the right from time to time to consent to any Supplemental Indenture deemed necessary or desirable by the Authority for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in such Supplemental Indenture and affecting only the Bonds of such Series; provided, however, that, unless approved in writing by the holders of all the Bonds of all the affected Series then Outstanding, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of, interest on or Accreted Value of any Outstanding Bonds of such Series or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds of such Series or the rate of interest thereon. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the adoption of any Supplemental Indenture as authorized in Section 10.02, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Net Pledged Revenues.

(c) If at any time the Authority shall desire to enter into any Supplemental Indenture for any of the purposes of this Section 10.03, the Authority shall cause notice of the proposed execution of the Supplemental Indenture to be given by first-class United States mail, postage prepaid, to all Bondholders or, under Section 10.03(b), all Bondholders of the affected Series. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the office of the Authority for inspection by all Bondholders and it shall not be required that the Bondholders approve the final form of such Supplemental Indenture but it shall be sufficient if such Bondholders approve the substance thereof.

(d) The Authority may execute and deliver such Supplemental Indenture in substantially the form described in such notice, but only if there shall have first been delivered to the Authority (i) the required consents, in writing, of Bondholders and (ii) the opinion of Bond Counsel required by the last paragraph of Section 10.02.

(e) If Bondholders of not less than the percentage of Bonds required by this shall have consented to and approved the execution and delivery thereof as herein provided, no Bondholders shall have any right to object to the adoption of such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution and delivery thereof, or to enjoin or restrain the Authority from executing the same or from taking any action pursuant to the provisions thereof.

Section 10.04. Effect of Supplemental Indenture. Upon execution and delivery of any Supplemental Indenture pursuant to the provisions of this Article X, this Master Indenture or the Supplemental Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations hereunder and the Supplemental Indenture of the Authority, the Trustee, the Paying Agent, the Registrar and all Bondholders shall thereafter be determined, exercised and enforced hereunder and the Supplemental Indenture, if applicable, subject in all respects to such modifications and amendments. No Supplemental Indenture shall modify the duties, rights or obligations of the Trustee, Paying Agent or Registrar without the consent of such party thereto.

Section 10.05. Supplemental Indentures To Be Part of This Indenture. Any Supplemental Indenture adopted in accordance with the provisions of this Article X shall thereafter form a part of this Master Indenture or the Supplemental Indenture which they supplement or amend, and all of the terms and conditions contained in any such Supplemental Indenture as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions hereof or the Supplemental Indenture which they supplement or amend for any and all purposes.

ARTICLE XI

CREDIT PROVIDERS

If a Credit Facility is provided for a Series of Bonds or for specific Bonds, unless otherwise provided by the Authority in the Supplemental Indenture under which such Bonds are issued, the Credit Provider shall have the following rights:

(a) the right to make requests of, direct or provide consent to actions hereunder or to otherwise direct proceedings all as provided in Article VIII hereof to the same extent and in place of the owners of the Bonds, when such request, direction or consent is required from owners of Bonds, which are secured by the Credit Facility and for such purposes the Credit Provider shall be deemed to be the Bondholder of such Bonds; and

(b) the right to act in place of the owners of the Bonds which are secured by the Credit Facility for purposes of removing a Trustee or appointing a Trustee under Article IX hereof.

The rights granted to any such Credit Provider, with respect to the provisions of Articles VIII and IX hereof shall be disregarded and be of no effect if the Credit Provider is in default of its payment obligations under its Credit Facility.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.01. Parties in Interest. Except as herein otherwise specifically provided, nothing herein expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Trustee, the Paying Agent, other agents from time to time hereunder, the Bondholders and, to the limited extent provided by Supplemental Indenture, the Credit Providers any right, remedy or claim under or by reason hereof, this Master Indenture being intended to be for the sole and exclusive benefit of the Authority, the Trustee, the Paying Agent, such other agents, the Bondholders and, to the limited extent provided in the applicable Supplemental Indenture, the Credit Providers.

Section 12.02. References to Department of Airports Indenture. References to Sections 4.04 and 4.07 of the Department of Airports Indenture in certain operating use and terminal lease agreements between the Authority, as assignee of the Department, and certain signatory airlines for the Ontario Airport Facilities, shall mean Sections 5.04 and 5.07, respectively, of this Master Indenture.

Section 12.03. Severability. In case any one or more of the provisions hereof, or of any Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof or of Bonds, and this Master Indenture and any Bonds issued hereunder shall be construed and enforced as if such illegal or invalid provisions had not been contained herein or therein.

Section 12.04. No Personal Liability of Commission Members and Authority Officials; Limited Liability of Authority to Bondholders. No covenant or agreement contained in the Bonds or herein shall be deemed to be the covenant or agreement of any present or future Commission member, official, officer, agent or employee of the Authority or the Airport, in his individual capacity, and neither the members of the Commission, the officers and employees of the Authority, nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 12.05. Execution of Instruments; Proof of Ownership. Any request, direction, consent or other instrument in writing required or permitted by this Master Indenture to be signed or executed by Bondholders or on their behalf by an attorney-in-fact may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by an agent or, attorney-in-fact appointed by an instrument in writing or as provided in the Bonds. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose hereof and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions of Section 2.04 hereof.

Nothing contained in this Section 12.04 shall be construed as limiting the Trustee to such proof. The Trustee may accept any other evidence of matters herein stated which it may deem sufficient. Any request, consent of, or assignment by any Bondholder shall bind every future Bondholder of the same Bonds or any Bonds issued in lieu thereof in respect of anything done by the Trustee or the Authority in pursuance of such request or consent.

Section 12.06. Governing Law. The laws of the State shall govern the construction and enforcement hereof and of all Bonds issued hereunder; provided, however, that the administration of the trusts imposed upon the Trustee by this Master Indenture and the rights and duties of the Trustee hereunder shall be governed by, and construed in accordance with, the laws of the jurisdiction in which the Trustee has its principal corporate trust office.

Section 12.07. Notices. Except as otherwise provided herein, all notices, certificates, requests, requisitions or other communications by the Authority, the Trustee, the Paying Agent, the Registrar, other agents or a Credit Provider, pursuant hereto shall be in writing and shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows: if the Authority, to the Ontario International Airport Authority, Attention: [_____], [_____], with a copy to the [_____] at the same address; if to the Trustee, to The Bank of New York, National Association, Attention: Corporate Trust Department; [_____]; if to a Paying Agent, or another

agent, to such address as is designated in writing by it to the Trustee and the Authority. Any of the foregoing may, by notice given hereunder to each of the others, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 12.08. Repeal of Inconsistent Resolutions. All resolutions of the Authority or parts of resolutions inconsistent with any Supplemental Indenture or this Master Indenture are hereby repealed to the extent of such inconsistency.

Section 12.09. Counterparts. This Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Master Indenture to be duly executed, all as of the date first above written.

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By: _____
Authorized Authority Representative

Attest:

By: _____
Secretary to the Commission

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

By: _____
Authorized Officer

Exhibit B-2

Form of First Supplemental Trust Indenture

FIRST SUPPLEMENTAL TRUST INDENTURE

By and Between

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

and

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

Dated as of [November 1], 2016

Relating to

$[_____]
Ontario International Airport Authority
Revenue Bonds,
Series 2016A (Tax-Exempt)(AMT) and 2016B (Taxable)

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(This table of contents is not part of the First Supplemental Indenture and is only for convenience of reference. The captions herein are of no legal effect and do not vary the meaning or legal effect of any part of this First Supplemental Indenture.)

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FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE (this "First Supplemental Indenture") dated as of [November 1], 2016 is between the ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the "Authority"), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the "Joint Powers Agreement"), by and between the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California and the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state, and THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee"), and supplements that Master Trust Indenture dated as of [November 1], 2016, which is also by and between the Authority and the Trustee (the "Indenture").

WHEREAS, the Indenture provides, in Section 2.09 thereof, for the issuance of Bonds in multiple series and, in Section 10.02 thereof, for the execution and delivery of Supplemental Indentures setting forth the terms of such Bonds; and

WHEREAS, the Authority now, for the purpose of paying and discharging the Department of Airports of the City of Los Angeles, California's (the "Department") outstanding $83,720,000 Ontario International Airport Refunding Revenue Bonds, Series 2006A (Tax Exempt) (AMT) (the "2006A LAWA Bonds") and its $6,435,000 Ontario International Airport Refunding Revenue Bonds (Taxable) (the "2006B LAWA Bonds" and, together with the 2006A LAWA Bonds, the "2006 LAWA Bonds") in accordance with the Settlement Agreement (as defined in the Indenture), by execution and delivery of this First Supplemental Indenture and in compliance with the provisions of the Indenture, sets forth the terms of its $[_____] Ontario International Airport Authority Revenue Bonds, Series 20166A (Tax-Exempt) (AMT) (the "2016A Bonds") and its $[_____] Ontario International Airport Authority Revenue Bonds, Series 2016B (Taxable) (the "2016B Bonds" together with the 2016A Bonds, collectively, the "2016 Bonds"), provides for the deposit and use of the proceeds of the 2016 Bonds and makes other provisions relating to the 2016 Bonds.

ARTICLE I

DEFINITIONS; INTERPRETATIONS

Section 1.01. Definitions. The following definitions shall apply to terms used in this First Supplemental Indenture unless the context clearly requires otherwise:

"2006 LAWA Bonds" means, collectively, the 2006A LAWA Bonds and the 2006B LAWA Bonds.

"2006A LAWA Bonds" means the Department of Airports of the City of Los Angeles, California's Ontario International Airport Revenue Bonds, Series 2006A (Tax Exempt; Alternative Minimum Tax), issued pursuant to the 2006 LAWA Indenture.

"2006B LAWA Bonds" means the Department of Airports of the City of Los Angeles, California's Ontario International Airport Refunding Revenue Bonds, Series. 2006B (Taxable), issued pursuant to the 2006 LAWA Indenture.

"2006 LAWA Escrow Fund" means the fund held by the Escrow Agent under the terms of the Escrow Agreement, which fund is established and held for the purpose of paying the redemption price of the 2006 LAWA Bonds.

"2006 LAWA Indenture" means the Amended and Restated Master Trust Indenture dated as of October 1, 2006, by and between the Department and the Trustee, as amended and supplemented, including as amended and supplemented by the First Supplemental Trust Indenture dated as of October 1, 2006, pursuant to which the 2006 LAWA Bonds were issued.

"2016 Paying Agent" means The Bank of New York Trust Company, N.A., as paying agent for the 2006 LAWA Bonds.

["2016 Bond Insurer" means [_____], its successors and assigns.]

"2016 Bonds" means, collectively, the 2016A Bonds and the 2016B Bonds issued under the Indenture and this First Supplemental Indenture.

"2016 Costs of Issuance Fund" means the costs of issuance fund created in Section 4.01 of this First Supplemental Indenture and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the 2016 Bonds and the redemption of the 2006 LAWA Bonds.

"2016 Interest Subaccounts" shall mean the 2016A Interest Subaccount and the 2016B Interest Subaccount established within the Interest Account of the Debt Service Fund pursuant to section 4.01(b)(i) hereof.

["2016 Municipal Bond Insurance Policy" means the respective 2016A Municipal Bond Insurance Policy and/or 2016B Municipal Bond Insurance Policy with respect to the related Series of 2016 Bonds.]

"2016 Principal Subaccounts" shall mean the 2016A Principal Subaccount and the 2016B Principal Subaccount established within the Principal Account of the Debt Service Fund pursuant to section 4.01(b)(ii) hereof.

"2016A Bonds" means the $[_____] principal amount of Bonds issued under the Indenture and this First Supplemental Indenture and designated as "Ontario International Airport Authority Revenue Bonds, Series 2016A (Tax Exempt) (AMT).

["2016A Municipal Bond Insurance Policy" means the financial guaranty insurance policy issued by the 2016 Bond Insurer guaranteeing the scheduled payment of principal of and interest on the 2016A Bonds when due.]

"2016A Reserve Subaccount" shall mean the Bond Reserve Subaccount, Series 2016A established within the General Account of the Reserve Fund pursuant to Section 4.01(a)(i) hereof.

["2016A Bond Reserve Surety Bond" means the surety bond issued by the 2016 Bond Insurer guaranteeing certain payments into the 2016A Bond Reserve Fund with respect to the 2016A Bonds as provided therein and subject to the limitations set forth therein.]

["2016B Bond Reserve Surety Bond" means the surety bond issued by the 2016 Bond Insurer guaranteeing certain payments into the 2016B Bond Reserve Fund with respect to the 2016B Bonds as provided therein and subject to the limitations set forth therein.]

"2016B Bonds" means the $[_____] principal amount of Bonds issued under the Indenture and this First Supplemental Indenture and designated as "Ontario International Airport Authority Revenue Bonds, Series 2016B (Taxable).

["2016B Municipal Bond Insurance Policy" means the financial guaranty insurance policy issued by the 2016 Bond Issuer guaranteeing the scheduled payment of principal of and interest on the 2016B Bonds when due.]

"2016B Reserve Subaccount" shall mean the Bond Reserve Subaccount, Series 2006B established within the General Account of the Reserve Fund pursuant to Section 4.01(a)(ii) hereof.

"Authorized Denominations" means $5,000 principal amount and integral multiples thereof.

"Bond Year" means a "Bond Year" as defined in the Tax Certificate.

"Book-Entry Bonds" shall mean the 2016 Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of Section 2.05 hereof.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Comparable Treasury Issue" means, with respect to any redemption date for a particular 2016B Bond, the United States Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life of the 2016B Bond to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of the 2016B Bonds to be redeemed.

"Comparable Treasury Price" means, with respect to any redemption date for a particular 2016B Bond, the average of four Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Designated Investment Banker.

"Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate executed by the Authority with respect to the 2016 Bonds.

"Costs of Issuance" means all costs and expenses incurred by the Authority in connection with the issuance of the 2016 Bonds associated with the redemption of the 2006 LAWA Bonds, including, but not limited to, costs and expenses of printing and copying documents, the official statement, and the 2016 Bonds and the fees, costs and expenses of rating agencies, the Trustee, the Escrow Agent, legal counsel, accountants, financial advisors, feasibility consultants and other consultants.

"Debt Service Fund" means the Debt Service Fund created in Section 4.03 of the Indenture and into which money is to be deposited to pay debt service on the Bonds.

"Designated Investment Banker" means one of the Reference Treasury Dealers appointed by the Authority.

"DTC" shall mean The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Escrow Agent" means The Bank of New York Trust Company, N.A., or any .successor Escrow Agent appointed under the Escrow Agreement.

"Escrow Agreement" means that Escrow Agreement dated as of [November 1], 2016, by and among the Authority, the Department, the 2006 Paying Agent and the Escrow Agent, under which a portion of the proceeds of the 2016 Bonds, along with other moneys, are to be deposited and used to pay the redemption price of the 2006 LAWA Bonds on the redemption date therefor.

"First Supplemental Indenture" means this First Supplemental Trust Indenture dated as of [November 1], 2016, between the Authority and the Trustee and which sets forth the terms of the 2016 Bonds.

"Holder" or "Bondholder" shall mean the registered owner of any 2016 Bond including DTC or its nominee as the sole registered owner of Book-Entry Bonds.

"Indenture" means the Master Trust Indenture dated as of [November 1], 2016, as amended and supplemented from time to time, between the Authority and the Trustee under which the 2016 Bonds are authorized and secured.

"Interest Payment Date" means each May 15 and November 15, commencing May 15, 2017, the dates upon which interest on the Bonds becomes due and payable.

"Make-Whole Redemption Price" means the greater of (i) 100% of the principal amount of the 2016B Bonds to be redeemed or (ii) the sum of the present value of the remaining scheduled payments of principal and interest on the 2016B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date fixed for redemption of such 2016B Bonds to be redeemed, the present value of which will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a

semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate plus [__] basis points, plus, in each case, accrued and unpaid interest on the 2016B Bonds to be redeemed to the redemption date

"Opinion of Bond Counsel" means a written opinion of counsel, acceptable to the Authority, nationally recognized for its experience in matters relating to the tax exemption of interest on obligations issued by states and their political subdivisions.

"Participants" mean the participants of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

"Paying Agent" for purposes of this First Supplemental Indenture, shall mean the Trustee.

"Record Date" means for a May 15 Interest Payment Date the preceding [_____] and for a November 15 Interest Payment Date the preceding [_____].

"Redemption Date" means any date fixed for redemption prior to maturity of Bonds.

"Redemption Price" means, with respect to any Bond (or portion thereof), the principal amount with respect to such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and the Indenture.

"Reference Treasury Dealer" means each of the four firms, specified by the Authority from time to time, that are primary United States Government securities dealers in the City of New York (each a "Primary Treasury Dealer"); provided, however, that if any of them ceases to be a Primary Treasury Dealer, the Authority will substitute another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date for a particular 2016B Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 P.M., New York City time, on the third Business Day preceding that redemption date.

"Registrar" for purposes of this First Supplemental Indenture, shall mean the Trustee.

"Representation Letter" means the Letter of Representations from the Authority and the Trustee to DTC with respect to the Bonds.

"Tax Certificate" means the Tax Certificate concerning certain matters pertaining to the use and investment of proceeds of the 2016A Bonds, executed by the Authority on the date of issuance of the 2016A Bonds, including any and all exhibits attached thereto, as such Tax Certificate may be amended or supplemented in connection with the issuance of the 2016A Bonds or otherwise.

"Treasury Rate" means, with respect to any redemption date for a particular 2016B Bond, (i) the yield to maturity of U.S. Treasury securities with a constant maturity (as compiled and

published in the most recent Federal Reserve Statistical Release H.15 (519)) that has become publicly available as of the most recent date that is not more than forty-five (45) calendar days prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data reasonably selected by the Fiscal Agent, most nearly equal to the remaining average life of such 2016B Bond, or if the remaining average life is less than one year, the weekly average yield on actually traded U.S. Treasury securities adjusted to a constant maturity of one year, (ii) if the yield described in (i) above is not reported as of such time or the yield reported as of such time is not ascertainable, the rate per annum truncated to the fifth decimal, equal to the semiannual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, computed as of the second business day immediately preceding that redemption date, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount), equal to the Comparable Treasury Price for that redemption date as calculated by the Designated Investment Banker.

Section 1.02. Incorporation of Definitions Contained in the Indenture. Except as otherwise provided in Section 1.01 of this First Supplemental Indenture, all words, terms and phrases defined in the Indenture shall have the same meanings herein as in the Indenture.

Section 1.03. Article and Section References. Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this First Supplemental Indenture.

ARTICLE II

THE 2016 BONDS

Section 2.01. Designation of the 2016 Bonds; Principal Amount. The 2016 Bonds authorized to be issued under the Indenture and this First Supplemental Indenture shall be designated as Ontario International Airport Authority Revenue Bonds, Series 2016A (Tax-Exempt) (AMT), which shall be issued in the original principal amount of $[_____] and the Ontario International Airport Authority Revenue Bonds, Series 2016B (Taxable), which shall be issued in the original principal amount of $[_____].

Section 2.02. Bonds Under the Indenture; Security; Parity. The 2016 Bonds are issued under and subject to the terms of the Indenture and are secured by and payable from the Net Pledged Revenues and other security provided in the Granting Clause of the Indenture and in accordance with the terms of the Indenture.

Section 2.03. General Terms of the 2016 Bonds. The 2016 Bonds shall, upon initial issuance, be dated November 1, 2016. Each 2016 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless such date of authentication is an Interest Payment Date, in which event such 2016 Bond shall bear interest from such date of authentication, or unless such date of authentication is after a Record Date and before the next succeeding Interest Payment Date, in which event such 2016 Bond shall bear interest from such succeeding Interest Payment Date, or unless such date of authentication is prior to November 1, 2016, in which event such 2016 Bond shall bear interest from its date of delivery. If interest on the 2016 Bonds shall be in default, Bonds issued in exchange for 2016 Bonds surrendered for transfer or exchange shall bear interest from the Interest Payment Date to

which interest has been paid in full on the 2016 Bonds surrendered. The 2016 Bonds shall be issued in denominations of $5,000 original principal amount or integral multiples thereof.

Interest on the 2016 Bonds shall be paid on May 15, 2017 and semiannually thereafter on November 15 and May 15.

Interest on the 2006 Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months.

The 2016A Bonds shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

May 15 of the Year	Principal Amount	Interest Rate
	$	%

The 2016B Bonds shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

May 15 of the Year	Principal Amount	Interest Rate
	$	%

Payment of principal of the 2016 Bonds shall be made upon surrender of the 2016 Bonds to the Trustee or its agent; provided that with respect to the 2016 Bonds which are Book-Entry Bonds, the Trustee may make other arrangements for payment of principal as provided in the Representation Letter. Payment of interest on the 2016 Bonds which are not Book-Entry Bonds shall be paid by check or draft of the Trustee mailed on the applicable Interest Payment Date by first-class mail to the person who is the registered Owner thereof on the Record Date, and such payment shall be mailed to such Owner at his address as it appears on the registration books of the Registrar. The payment of interest on Book-Entry Bonds shall be made as provided in

Section 2.05 hereof. With respect to all 2016 Bonds, interest due and payable on any Interest Payment Date shall be paid to the person who is the registered owner as of the Record Date. The 2016 Bonds shall be substantially in the form of Exhibit A, which is part of this First Supplemental Indenture.

If the principal of a 2016 Bond becomes due and payable, but shall not have been paid as a result of a default hereunder, and no provision is made for its payment, then such 2016 Bond shall bear interest at the same rate after such default as on the day before the default occurred.

Section 2.04. Exchange of 2016 Bonds. The 2016 Bonds which are delivered to the Registrar for exchange may be exchanged for an equal total principal amount of Bonds of the same Series, interest rate and maturity date. The Registrar will not, however, be required to transfer or exchange any such 2016 Bond during the period established by the Registrar for selection of the 2016 Bonds for redemption or any 2016 Bond which has been selected for redemption.

Section 2.05. Book-Entry Bonds.

(a) Except as provided in subparagraph (c) of this Section 2.05, the registered owner of all of the 2016 Bonds shall be DTC and the 2016 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of principal or interest for any 2016 Bond registered in the name of Cede & Co. shall be made by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of Cede & Co. at the address indicated on the Record Date or special record date for Cede & Co. in the registration books of the Registrar.

(b) The 2016 Bonds shall be initially issued in the form of separate single authenticated fully registered Bonds for each separate stated maturity of the 2016 Bonds of each Series. Upon initial issuance, the ownership of such 2016 Bonds shall be registered in the registration books of the Registrar in the name of Cede & Co., as nominee of DTC. The Trustee, the Registrar, and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the 2016 Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the 2016 Bonds, selecting the 2016 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Indenture or this First Supplemental Indenture, registering the transfer of 2016 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and neither the Trustee, the Registrar nor the Authority shall be affected by any notice to the contrary. Neither the Trustee, the Registrar nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the 2016 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal of, redemption price of or interest on the 2016 Bonds; any notice which is permitted or required to be given to Bondholders under the Indenture; the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the 2016 Bonds; any consent given or other action taken by DTC as Bondholder; or any other purpose. The Trustee shall pay all principal of and premium, if any, and interest on the

2016 Bonds only to or "upon the order of (as that term is used in the Uniform Commercial Code as adopted in the State of California) DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal of and premium, if any, and interest on the 2016 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated 2016 Bond evidencing the obligation of the Authority to make payments of principal of and premium, if any, and interest pursuant to the Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word "Cede & Co." in this First Supplemental Indenture shall refer to such new nominee of DTC.

(c) In the event the Authority determines that it is in the best interest of the beneficial owners that they be able to obtain 2016 Bond certificates, and notifies DTC, the Trustee and the Registrar of such determination, then DTC will notify the Participants of the availability through DTC of 2016 Bond certificates. In such event, the Trustee shall authenticate and the Registrar shall transfer and exchange 2016 Bond certificates as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the 2016 Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Authority and the Trustee shall be obligated to deliver 2016 Bond certificates as described in this First Supplemental Indenture. In the event 2016 Bond certificates are issued, the provisions of the Indenture and this First Supplemental Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice (a) to make available one or more separate certificates evidencing the Bonds to any DTC Participant having 2016 Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of certificates evidencing the 2016 Bonds.

(d) Notwithstanding any other provision of the Indenture and this First Supplemental Indenture to the contrary, so long as any 2016 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such 2016 Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to the Indenture and this First Supplemental Indenture by the Authority, the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is the sole Bondholder.

(f) NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO: THE PAYMENT BY

DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF THE PRINCIPAL OF OR INTEREST ON THE 2016 BONDS; THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS; THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE 2016 BONDS.

ARTICLE III

REDEMPTION OF BONDS

Section 3.01. Terms of Redemption.

(a) Optional Redemption of 2016A Bonds. The 2016A Bonds with stated maturities on or after May 15, 20__, shall be subject to redemption at the option of the Authority prior to their respective stated maturities, as a whole or in part on any date on or after May 15, 20__, as directed by the Authority and by lot within each maturity in integral multiples of $5,000, at par plus accrued interest thereon to the date fixed for redemption.

[*to come*]

(b) Optional Redemption of 2016B Bonds. The 2016B Bonds shall be subject to redemption at the option of the Authority prior to their respective maturity dates, as a whole or in part, on any date as directed by the Authority, at the Make-Whole Redemption Price.

(c) [Mandatory Sinking Fund Redemption of 2016A Bonds. The 2016A Bonds maturing May 15, 20__ are subject to mandatory redemption or purchase in lieu thereof, from sinking fund payments made by the Authority in part (by lot) on May 15, 20__, and May 15 in each year thereafter at a prepayment price of the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium; provided, however, that if some but not all of the 2016A Bonds have been optionally redeemed or purchased, the total amount of sinking fund payments to be made subsequent to such optional or mandatory redemption shall be reduced in an amount equal to the principal amount of such 2016A Bonds so prepaid by reducing future sinking fund payments in such order as shall be designated pursuant to written notice filed by the Authority with the Trustee. The 2016A Bonds maturing May 15, 20__ are required to be prepaid on the following dates and in the following amounts:

May 15 of the Year	Principal Amount
20__	$
20__	
20__	
20__	
20__*	

*Final maturity

]

(d) [Mandatory Sinking Fund Redemption of 2016B Bonds. The 2016B Bonds maturing May 15, 20__ are subject to mandatory redemption or purchase in lieu thereof, from sinking fund payments made by the Authority in part (by lot) on May 15, 20__, and May 15 in each year thereafter at a prepayment price of the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium; provided, however, that if some but not all of the 2016B Bonds have been optionally redeemed or purchased, the total amount of sinking fund payments to be made subsequent to such optional or mandatory redemption shall be reduced in an amount equal to the principal amount of such 2016B Bonds so prepaid by reducing future sinking fund payments in such order as shall be designated pursuant to written notice filed by the Authority with the Trustee. The 2016B Bonds maturing May 15, 20_ are required to be prepaid on the following dates and in the following amounts:

May 15 of the Year	Principal Amount
20__	$
20__	
20__	
20__	
20__*	

*Final maturity

Section 3.02. Selection of Bonds for Redemption. Whenever provision is made in this First Supplemental Indenture for the redemption of less than all of the 2016 Bonds of a maturity of any Series, the Trustee shall select such 2016 Bonds for redemption by lot, in any manner which the Trustee in its sole discretion shall deem appropriate and fair, in accordance with Section 3.01 hereof, the Trustee shall promptly notify the Authority in writing of the numbers of the 2016 Bonds or portions thereof so selected for redemption by mailing it a copy of the notice of redemption.

Section 3.03. Notice of Redemption. Notice of redemption shall be mailed by first-class mail not less than thirty (30) days before any Redemption Date, to the respective Owners of any 2016 Bonds designated for redemption at their addresses appearing on the registration books, and shall be submitted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. Each notice of redemption shall state the Redemption Date, the place or places of redemption, whether less than all of the 2016 Bonds are to be redeemed, the distinctive numbers of the Bonds to be redeemed, and in the case of 2016 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the Redemption Date there will become due and payable on each of said 2016 Bonds or parts thereof designated for redemption the Redemption Price thereof, plus accrued interest thereon, and that from and after such Redemption Date interest thereon shall cease to accrue, and shall require that such 2016 Bonds be surrendered. Neither the failure to receive any notice nor any defect therein shall affect the validity of the proceedings for such redemption or the cessation of accrual of interest from and after the Redemption Date. Notice of redemption of 2016 Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

With respect to any notice of redemption of 2016 Bonds hereunder, unless upon the giving of such notice such 2016 Bonds shall be deemed to have been paid within the meaning of Article VII of the Indenture or the Trustee has received amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, and that if such amounts shall not have been so received said notice shall be of no force and effect and such 2016 Bonds shall not be subject to redemption on such date. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such amounts were not so received and the redemption was not made.

Section 3.04. Partial Redemption of 2016 Bonds. Upon surrender of any 2016 Bond redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new 2016 Bond or 2016 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2016 Bonds surrendered and of the same interest rate, maturity and Series.

Section 3.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to

the date fixed for redemption on, the 2016 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the Redemption Date designated in such notice, the 2016 Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the 2016 Bonds so called for redemption shall cease to accrue, said 2016 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of said 2016 Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof. The Trustee shall, upon surrender for payment of any of the 2016 Bonds to be redeemed on their Redemption Dates, pay such 2016 Bonds at the Redemption Price.

All 2016 Bonds redeemed pursuant to the provisions of this Article shall be canceled upon surrender thereof.

ARTICLE IV

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 4.01. Establishment of Funds and Accounts. (a) The following funds and accounts are hereby established to be held and administered by the Trustee in accordance with the Indenture and as set forth herein:

(i) the Bond Reserve Subaccount, Series 2016A (the "2016A Reserve Subaccount") within the General Account of the Reserve Fund;

(ii) the Bond Reserve Subaccount, Series 2016B (the "2016B Reserve Subaccount") within the General Account of the Reserve Fund;

(iii) the Rebate Fund, Series 2016 (the "Rebate Fund"); and

(iv) the Costs of Issuance Fund, Series 2016 (the "2016 Costs of Issuance Fund") and therein a 2016A Costs of Issuance Account and a 2016B Costs of Issuance Account.

(b) The following funds and accounts are hereby established to be held and administered by the Treasurer in accordance with the Master Indenture and as set forth herein:

(i) an Interest Subaccount for both the 2016A Bonds and the 2016B Bonds (respectively, the "2016A Interest Subaccount" and the "2016B Interest Subaccount" and together the "2016 Interest Subaccounts"), each within the Interest Account of the Debt Service Fund; and

(ii) a Principal Subaccount for both the 2016A Bonds and the 2016B Bonds (respectively, the "2016A Principal Subaccount" and the "2016B Principal Subaccount" and together the "2016 Principal Subaccounts"), each within the Principal Account of the Debt Service Fund.

The Treasurer shall keep and maintain records and reports in respect of the foregoing funds, accounts and subaccounts and make such records and reports available to the Authority and the Trustee, as if such records and reports were subject to Section 9.15 of the Indenture.

Upon and during an Event of Default, the Treasurer shall immediately transfer the foregoing funds, accounts and subaccounts and the deposits therein to the Trustee (together with the Treasurer's records and reports relating thereto), and such funds, accounts and subaccounts shall be held and administered by the Trustee for so long as any Event of Default continues, following which the Trustee shall, but only upon the request of the Authority, transfer such funds, accounts and subaccounts and the deposits therein back to the Treasurer (together with the Trustee's records and reports relating thereto) to hold and administer in accordance with the provisions of the Indenture.

Section 4.02. Application of Proceeds and Other Funds and Securities. (a) The net proceeds of the sale of the 2016A Bonds, being the amount of $[_____] (representing the $[_____] aggregate principal amount of the 2016A Bonds, [plus $[_____] original issue premium][less $[_____] original issue discount], less $[_____] of Underwriter's discount [and less $[_____] transferred by the Authorized Authority Representative to the 2016 Bond Insurer on behalf of the Authority as payment of the premium for the 2016A Municipal Bond Insurance Policy and the 2016A Bond Reserve Surety Bond))], [and the amount of $[_____] of funds held under the 2006 LAWA Indenture, received by the Trustee], shall be deposited or paid by the Trustee as follows:

(i) the sum of $[_____] shall be paid to the Escrow Agent for credit to the 2006 LAWA Escrow Fund; and

the sum of $[_____] shall be deposited in the 2016A Costs of Issuance Account..

[The 2016A Reserve Surety Bond in the amount of $[_____] is hereby credited to the 2016A Reserve Subaccount. The Trustee is hereby authorized to establish an account as it deems appropriate to facilitate the transfer to the Escrow Agent as described in clause (i) above.]

The Trustee is hereby authorized to establish an account as it deems appropriate to facilitate the transfer to the Escrow Agent as described in clause (i) above.

(b) The net proceeds of the sale of the 2016B Bonds, being the amount of $[_____] (representing the $[_____] aggregate principal amount of the 2016A Bonds, less $[_____] of Underwriter's discount [and less $[_____] transferred by the Authorized Authority Representative to the 2016 Bond Insurer on behalf of the Authority as payment of the premium for the 2016B Municipal Bond Insurance Policy and the 2016B Bond Reserve Surety Bond)], [and the amount of $[_____] of funds held under the 2006 LAWA Indenture, received by the Trustee], shall be deposited or paid by the Trustee as follows:

(i) the sum of $[_____] shall be paid to the Escrow Agent for credit to the 2006 LAWA Escrow Fund; and

(ii) the sum of $[_____] shall be deposited in the 2016B Costs of Issuance Account.

[The 2016B Reserve Surety Bond in the amount of $[_____] is hereby credited to the 2016B Reserve Subaccount. The Trustee is hereby authorized to establish an account as it deems appropriate to facilitate the transfer to the Escrow Agent as described in clause (i) above.]

Section 4.03. Debt Service Fund. For so long as the Treasurer holds and administers the Debt Service Fund and the accounts and subaccounts therein, the Authority shall instruct the Treasurer to transfer funds from the Airport Revenue Fund into the Debt Service Fund at the times and in the amounts required by Sections 4.04(b)(2) and (3) of the Indenture in respect to the 2016 Bonds. To the extent the Trustee holds and administers the Debt Service Fund and the accounts and subaccounts therein, the Authority shall instruct the Treasurer to withdraw funds and make payments from the Airport Revenue Fund to the Trustee for deposit into the Debt Service Fund at the times and in the amounts required by Sections 4.04(b) (2) and (3) of the Indenture in respect to the 2016 Bonds. With the funds made available to it pursuant to Sections 4.04(b) (2) and (3) of the Indenture for such purpose, the Trustee or the Treasurer, as applicable, shall make deposits or transfers into the Debt Service Fund as follows:

(a) 2016 Interest Subaccounts. The Treasurer or the Trustee, as applicable, shall deposit or transfer into the applicable 2016 Interest Subaccount amounts as instructed in writing by or as received from the Authority, as provided in the Indenture, to be used to pay interest on the applicable Series of 2016 Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into each applicable 2016 Interest Subaccount any other amounts deposited with it for deposit in such 2016 Interest Subaccount or transferred from other funds and accounts for deposit therein.

(b) 2016 Principal Subaccounts. The Treasurer or the Trustee, as applicable, shall deposit into the applicable 2016 Principal Subaccount amounts as instructed in writing by or as received from the Authority, as provided in the Indenture, to be used to pay principal of the applicable Series of 2016 Bonds at maturity or to pay the redemption price of the related Series of 2016 Bonds being redeemed as provided in Section 3.01 of this First Supplemental Indenture. The Treasurer or the Trustee, as applicable, shall also deposit into each applicable 2016 Principal Subaccount any other amounts deposited with it for deposit into such 2016 Principal Subaccount or transferred from other funds and accounts for deposit therein.

The Debt Service Fund shall be invested and reinvested as directed by an Authorized Authority Representative in Permitted Investments. Earnings on the 2016 Interest Subaccounts and the 2016 Principal Subaccounts shall be transferred into the Airport Revenue Fund unless an Event of Default exists under the Indenture, in which event the earnings shall be retained in such accounts pursuant to Section 4.04 (c) of the Indenture.

Section 4.04. Reserve Fund.

(a) (i) As a condition of issuance of the 2016 Bonds, the amounts identified in Section 4.02[(a)] and 4.02[(b)] as payable to the Bond Insurer shall be deposited in [and credited to] the 2016A Reserve Subaccount and the 2016B Reserve Subaccount (the "2016 Reserve Accounts"), respectively, so that the aggregate amount credited to the 2016 Reserve Accounts will be equal to the Required Reserve. The 2016 Reserve Accounts are established for the purpose of calculating and accounting for the amount of earnings upon the portion of the Reserve

Fund relating to the 2016A Bonds and the 2016B Bonds, in order to comply with certain tax covenants herein and in the Tax Certificate, but for all other purposes shall be held, invested and used as provided in Section 4.04(b)(4) of the Indenture.

(b) A Reserve Fund Surety Policy shall be acceptable in lieu of a deposit of cash or securities into either of the 2016 Reserve Accounts, or may be substituted for amounts on deposit in either of the 2016 Reserve Accounts, only if at the time of such deposit (i) such Reserve Fund Surety Policy extends to the maturity of the related Series of 2016 Bonds of the longest maturity then Outstanding, or the Authority has agreed, by Supplemental Indenture, that it will replace such Reserve Fund Surety Policy prior to its expiration with another Reserve Fund Surety Policy which shall have no adverse effect on the ratings, if any, then in effect on the 2016 Bonds, or with cash; (ii) the face amount of the Reserve Fund Surety Policy, together with amounts on deposit in the General Account, including the face amount of any other Reserve Fund Surety Policy, is at least equal to the Required Reserve; [and (iii) written consent from the 2016 Bond Insurer both as to the Credit Provider of such Reserve Fund Surety Policy and as to its structure].

(c) Notwithstanding anything to the contrary contained in the Indenture, at any time one or more surety bonds, including the 2016A Bond Reserve Surety Bond or the 2016B Bond Reserve Surety Bond, or insurance policies (collectively, "Reserve Fund Surety Policies") are on deposit in the General Account of the Reserve Fund, the Trustee shall: (i) withdraw and use all cash, if any, on deposit in the General Account prior to using and withdrawing any amounts derived from payments under any Reserve Fund Surety Policies; and (ii) draw on all Reserve Fund Surety Policies on a pro rata basis based on the draw limit of each such Reserve Fund Surety Policy, if there is more than one Reserve Fund Surety Policy on deposit in the General Account. Amounts received by the Trustee from the Authority pursuant to Section 4.04(d) of this First Supplemental Indenture as a replenishment of amounts withdrawn from the General Account shall be applied (i) first on a pro rata basis to reimburse draws on any Reserve Fund Surety Policy and (ii) to replenish cash withdrawn from the General Account.

(d) If moneys have been withdrawn from the General Account or a payment has been made under a Reserve Fund Surety Policy constituting all or a portion of the General Account, and deposited into an account or subaccount of the Debt Service Fund to prevent a default on the 2016 Bonds, then the Authorized Authority Representative will pay to the Trustee but only as provided in this Section 4.04, the full amount so withdrawn, together with interest, if any, required under the terms of the Reserve Fund Surety Policy, or so much as shall be required to restore the General Account to the Required Reserve and to pay such interest, if any. Such repayment shall be made in 12 substantially equal monthly installments each due on the first Business Day of the month commencing with the first month after such withdrawal occurs. If such repayment is with respect to a draw under a Reserve Fund Surety Policy, the Trustee shall pay to the provider of such Reserve Fund Surety Policy the amount received by the Trustee from the Authority which is designated to be used to reimburse the provider of such Reserve Fund Surety Policy. The Trustee shall immediately notify the paying agent for the Reserve Fund Surety Policy, if any, of such reimbursement, and the amount available to be drawn under the Reserve Fund Surety Policy shall increase by the amount of such reimbursement.

(e) Moneys in the General Account shall be invested and reinvested by the Trustee at the written direction of the Authorized Authority Representative in Permitted Investments.

Earnings on the General Account shall be paid pro rata to the related principal and interest subaccounts of the Debt Service Fund to be applied as a credit against the Authority's obligation to make its next deposit unless an amount has been withdrawn from the General Account as a result of a deficiency in a related Debt Service Fund and such withdrawal has not been repaid or, as of the most recent valuation of the Reserve Fund, the amount therein was valued at less than the Required Reserve and the deficiency has not yet been restored, in either of which events the earnings shall be retained in the Reserve Fund until the deficiency therein has been eliminated.

(f) All money remaining in the General Account related to the 2016 Bonds on the final Payment Date, in excess of the amount required to make provisions for the payment in full of the interest and/or the principal of the 2016 Bonds and the amount required to be held by any Supplemental Indenture shall be transferred to the Authority for deposit in the Airport Revenue Fund.

Section 4.05. 2016 Costs of Issuance Fund. There shall be deposited into the 2016 Costs of Issuance Fund the amounts provided in Section 4.02(a)(ii) and Section 4.02(b)(ii) above. The Trustee shall make payments or disbursements from the 2016 Costs of Issuance Fund upon receipt from the Authority of a written requisition executed by an Authorized Authority Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the 2016 Costs of Issuance Fund, (ii) the number of the requisition from such account, (iii) the amount to be paid, the name of the entity to which the payment is to be made, and (iv) a description of the Costs of Issuance represented by such payment. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On [_____], 201[_], all amounts remaining on deposit in the 2016 Costs of Issuance Fund shall be transferred to the Authority to be used for any lawful purpose.

Section 4.06. Sources of Payment of 2016 Bonds. The 2016 Bonds shall be secured by and payable from the Net Pledged Revenues as provided in the Indenture and moneys and other investments held by the Trustee in the Reserve Fund. The Authority may, but is not obligated to, provide for payment of principal and interest on the 2016 Bonds from any other source or from any other funds of the Authority.

Section 4.07. Rebate Fund.

(a) All amounts at any time on deposit in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts shall be free and clear of any lien under the Indenture and shall be governed by this Section and Article V of this First Supplemental Indenture and by the Tax Certificate. The Trustee shall be deemed conclusively to have complied with the Rebate Requirement if it follows the directions of the Authority, and shall have no independent responsibility to, or liability resulting from its failure to, enforce compliance by the Authority with the Rebate Requirement.

(b) Deposits.

(1) Within 45 days of the end of each Bond Year (as such term is defined in the Tax Certificate), (1) the Authority shall calculate or cause to be calculated with respect to the Tax Exempt Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the "computation date" for this purpose the end of such Bond Year, and (2) upon the Authority's written direction, the Trustee shall deposit to the Rebate Fund from deposits from the Authority, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated.

(2) The Trustee shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section.

(3) The Authority shall not be required to calculate the "rebate amount," and the Trustee shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the 2016A Bonds (including amounts treated as proceeds of the 2016A Bonds), (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) of the Code, or (2) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the Authority shall provide written direction to the Trustee that the Trustee shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection.

(c) Withdrawal Following Payment of 2016A Bonds. Any funds remaining in the Rebate Fund after redemption of all the 2016A Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the Trustee, including accrued interest and payment of any applicable fees and expenses to the Trustee, shall be withdrawn by the Trustee and remitted to the Authority.

(d) Withdrawal for Payment of Rebate. Upon the Authority's written direction, but subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the "rebate amount" and make deposits to the Rebate Fund, the Trustee shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the "rebate amount" calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all 2016A Bonds, an amount equal to 100% of the "rebate amount" calculated as of the date of such payment (and any income attributable to the "rebate amount"' determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) Rebate Payments. Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, [Ogden Submission Processing Center, Ogden, Utah 84201] [*Confirm address*], on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, which shall be completed by or on behalf of the Authority and provided to the Trustee.

(f) Deficiencies in the Rebate Fund. In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the Authority shall calculate the amount of such deficiency and direct the Trustee to deposit an amount received from the Authority equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(g) Withdrawals of Excess Amounts. In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the "rebate amount" calculated in accordance with said subsection, upon written instructions from the Authority, the Trustee shall withdraw the excess from the Rebate Fund and credit such excess to the Interest Fund.

(h) Record Keeping. The Authority shall retain records of all determinations made hereunder until six (6) years after the complete retirement of the 2016A Bonds.

(i) Survival of Defeasance. Notwithstanding anything in this Indenture to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the 2016A Bonds.

ARTICLE V

TAX COVENANTS

Section 5.01. Rebate Fund. The Authority hereby agrees that it will execute the Tax Certificate and will thereunder create the "Rebate Fund, Series 2016," which fund will be funded if so required under the Tax Certificate and amounts in such Rebate Fund shall be held and disbursed in accordance with the Tax Certificate.

Section 5.02. Preservation of Tax Exemption.

(a) The Authority hereby covenants with the owners of the 2016A Bonds that, notwithstanding any other provisions of this Indenture, it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the 2016A Bonds under Section 103 of the Code.

(b) The Authority shall not take any action, or fail to take any action, if any such action or failure to take action would cause the 2016A Bonds to be other than "exempt facility bonds" within the meaning of Section 142(a)(2) of the Code, and in furtherance thereof, shall not make any use of the proceeds of the 2016A Bonds or any earnings thereon, or of the portion of the facilities, property or equipment financed or refinanced with the proceeds of the 2016A Bonds, or any portion thereof, as would cause the 2016A Bonds not to qualify under Section 142(a)(2) of the Code as "exempt facility bonds." To these ends, so long as any 2016A

Bonds are Outstanding, the Authority, with respect to such proceeds, earnings thereon and property and such other funds, will comply with applicable requirements of the Code and all regulations of the United States Department of the Treasury issued thereunder and under Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"), to the extent such requirements are, at the time, applicable and in effect. The Authority shall establish reasonable procedures necessary to ensure continued compliance with the aforementioned Sections of the Code and the continued qualification of the portion of the facilities, property or equipment financed or refinanced with the proceeds of the 2016A Bonds.

(c) The Authority shall not, directly or indirectly, use or permit the use of any proceeds of any 2016A Bonds, or of any property financed or refinanced thereby, or other funds of the Authority, or take or omit to take any action, that would cause the 2016A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the Authority shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent such requirements are, at the time, in effect and applicable to the 2016A Bonds.

(d) The Authority shall not make any use of the proceeds of the 2016A Bonds or any other funds of the Authority, or take or omit to take any other action, that would cause the 2016A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(e) In furtherance of the foregoing tax covenants of this Section 5.02, the Authority covenants that it will comply with the covenants and requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein. These covenants shall survive the payment in full or defeasance of the 2016A Bonds.

ARTICLE VI

ADDITIONAL EVENTS OF DEFAULT

As permitted by Sections 8.01(f) and 8.12 of the Indenture, there are hereby provided additional Events of Default under the Indenture. The following shall be an Event of Default under Section 8.01 of the Indenture with respect to the 2016A Bonds issued pursuant to this First Supplemental Indenture:

The occurrence of any event or failure to comply with any provision of the Tax Certificate which results in interest on the 2016A Bonds being includible in gross income for federal income tax purposes.

ARTICLE VII

CONTINUING DISCLOSURE

The Authority and the Trustee hereby covenant and agree that they will comply with and carry out all of the provisions of the Continuing Disclosure Certificate applicable to such party. Notwithstanding any other provision of the Indenture, failure of the Authority to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default under the Indenture; however, the Trustee may (and, at the request of any Participating Underwriter or the

Holders of at least 25% aggregate principal amount of Outstanding Bonds, after indemnification to its satisfaction, shall) or any Bondholder or Beneficial Owner of the 2016 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Article VII. For purposes of this Article VII, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2016 Bond (including persons holding 2016 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes. Notwithstanding anything to the contrary, in no event shall the Trustee be deemed to have breached its fiduciary duty or any other duty or obligation arising hereunder or under any related document in connection with the performance of any of the terms contained in the Continuing Disclosure Certificate.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Notices.

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this First Supplemental Indenture or the 2016 Bonds must be in writing except as expressly provided otherwise in this First Supplemental Indenture or the 2016 Bonds.

(b) Any notice or other communication, unless otherwise specified, shall be sufficiently given and deemed given when mailed by first-class mail, postage prepaid, addressed to the Authority or the Trustee at the addresses provided in the Indenture or when delivered by hand and received by the Authority or the Trustee at the addresses provided in the Indenture. Any addressee may designate additional or different addresses for purposes of this Section.

Section 8.02. Modification of Indenture and this First Supplemental Indenture. The Authority may, from time to time and at any time, execute and deliver Supplemental Indentures supplementing and/or amending the Indenture and this First Supplemental Indenture in the manner set forth in Article X of the Indenture.

Section 8.03. Limitation of Rights. Nothing expressed or implied in this First Supplemental Indenture or the 2016 Bonds shall give any person other than the Trustee, the Authority and the Bondholders any right, remedy or claim under or with respect to this First Supplemental Indenture.

Section 8.04. Severability. If any provision of this First Supplemental Indenture shall be determined to be unenforceable, that shall not affect any other provision of this First Supplemental Indenture.

Section 8.05. Payments or Actions Occurring on Non-Business Days. If a payment date is not a Business Day at the place of payment or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day or such action may be taken on the next Business Day with the same effect as if payment

were made or the action taken on the stated date, and no interest shall accrue for the intervening period.

Section 8.06. Governing Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 8.07. Captions. The captions in this First Supplemental Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this First Supplemental Indenture.

Section 8.08. Counterparts. This First Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

Section 8.09. [Bond Insurance Provisions][TO BE UPDATED IF BOND INSURANCE AND/OR DEBT SERVICE RESERVE SURETY IS OBTAINED]. The payment when due of the principal of and interest on the 2016A Bonds and the 2016B Bonds shall be insured by the 2016A Municipal Bond Insurance Policy and the 2016B Municipal Bond Insurance Policy, respectively. As long as the 2016 Municipal Bond Insurance Policy shall be in full force and effect, the Authority and the Trustee agree to comply with the following provisions with respect to the 2016 Bonds:

(a) The Authority will provide written notification to the Trustee and the 2016 Bond Insurer at least three Business Days prior to the date on which the Authority is required to transfer moneys from the Airport Revenue Fund for deposit in the 2016 Interest Subaccounts or the 2016 Principal Subaccounts Fund if there will not be sufficient moneys on deposit in the Airport Revenue Fund to make such transfer on the due date therefor.

(b) If the Trustee has received notice from the Authority pursuant to Section 8.09(a) hereof, then in the event that, on the second Business Day, and again on the Business Day, prior to an interest payment date for the 2016 Bonds the Trustee has not received sufficient moneys to pay all of the principal amount of and interest on the 2016 Bonds due on the second following or following, as the case may be, Business Day, the Trustee shall promptly on such Business Day moneys are not received, notify the 2016 Bond Insurer or its designee on the same Business Day by telephone or facsimile, confirmed in writing by registered or certified mail of the amount of the deficiency.

(c) If the deficiency noted pursuant to 8.09(a) is cured in whole or in part prior to or on the interest payment date, the Trustee shall so notify the 2016 Bond Insurer or its designee.

(d) In addition, if the Trustee has written notice that any Owner of a 2016 Bond has been required to disgorge payments of principal amount or interest on the 2016 Bonds to the Authority or its trustee in bankruptcy or creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes a voidable preference to such Owner within the meaning of any applicable bankruptcy laws, then the Trustee shall notify the 2016 Bond Insurer or its designee of such fact by telephone or telegraphic notice, confirmed in writing by registered or certified mail,

(e) The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for Owners of the 2016 Bonds as follows:

(1) If and to the extent there is a deficiency in amounts required to fully pay interest on the 2016 Bonds, the Trustee shall (i) execute and deliver to U.S. Bank Trust National Association, or its successors under the 2016 Municipal Bond Insurance Policy (the "Insurance Trustee"), in form reasonably satisfactory to the Insurance Trustee, an instrument appointing the 2016 Bond Insurer as agent for such Owners in any legal proceeding related to the payment of such interest and an assignment to the 2016 Bond Insurer of the claims for interest to which such deficiency relates and which are paid by the 2016 Bond Insurer (but such assignment shall be effective only if payment from the Insurance Trustee is received), (ii) receive as designee of the respective Owners (and not as Trustee) in accordance with the tenor of the 2016 Municipal Bond Insurance Policy payment from the Insurance Trustee with respect to the claims for interest so assigned and (iii) disburse the same to such respective Owners; and

(2) If and to the extent of a deficiency in amounts required to pay the principal of the 2016 Bonds, the Trustee shall (i) execute and deliver to the Insurance Trustee, in form reasonably satisfactory to the Insurance Trustee, an instrument appointing the 2016 Bond Insurer as agent for such Owner in any legal proceeding relating to the payment of such principal and an assignment to the 2016 Bond Insurer of any of the 2016 Bonds surrendered to the Insurance Trustee of so much of the principal thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be effective only if payment from the Insurance Trustee is received), (ii) receive as designee of the respective Owners (and not as Trustee) in accordance with the tenor of the 2016 Municipal Bond Insurance Policy payment therefor from the Insurance Trustee and (iii) disburse the same to such Owners.

(f) Payments with respect to claims for interest on and the principal of the 2016 Bonds disbursed by the Trustee from proceeds of the 2016 Municipal Bond Insurance Policy shall not be considered to discharge the obligation of the Authority with respect to such 2016 Bonds, and the 2016 Bond Insurer shall become the Owner of such unpaid 2016 Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of this Section 8.09 or otherwise.

(g) Irrespective of whether any such assignment is executed and delivered, the Authority and the Trustee hereby:

(1) understand that, for the benefit of the 2016 Bond Insurer, to the extent the 2016 Bond Insurer makes payments, directly or indirectly (as by paying through the Trustee), on account of the principal of or interest on the 2016 Bonds, the 2016 Bond Insurer will be subrogated to the rights of the Owners of the 2016 Bonds to receive the amount of such principal and interest from the Authority, with interest thereon as provided and solely from the sources stated in the Indenture and the 2016 Bonds, and

(2) agree that they will accordingly pay to the 2006 Bond Insurer the amount of such principal and interest (including such principal and interest recovered under

subparagraph (ii) of the first paragraph of the 2006 Municipal Bond Insurance Policy, which principal and interest shall be deemed past due and not to have been paid), with interest thereon as provided in the Indenture and the 2006 Bonds, but only from the sources and in the manner provided herein for the payment of the principal of and interest on the 2006 Bonds to Owners, and will otherwise treat the 2006 Bond Insurer as the Owner of such rights to the amount of such principal and interest.

(h) So long as the 2016 Municipal Bond Insurance Policy shall be in full force and effect, the 2016 Bond Insurer shall be deemed to be sole owner of the 2016 Bonds it insures for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the 2016 Bondholders are entitled to take pursuant to the Indenture, including any consent to any modification, amendment or supplement to the Indenture pursuant to Section 10.03 of the Indenture. In addition, so long as the 2016 Municipal Bond Insurance Policy shall be in full force and effect the 2016 Bond Insurer shall receive notice of the execution and delivery of any Supplemental Indenture pursuant to Section 10.02 of the Indenture.

(i) In connection with the issuance of Additional Bonds, the Authority shall deliver to 2016 Bond Insurer a copy of the disclosure document, if any, circulated with respect to such Additional Bonds,

(j) Copies of any amendments made to the documents executed in connection with the issuance of the 2016 Bonds which are consented to by the 2016 Bond Insurer shall be sent to Standard & Poor's.

(k) The 2016 Bond Insurer shall receive written notice of the resignation or removal of the Trustee and any Trustee for the 2016 Bonds and the appointment of a successor thereto.

(l) The Authority shall cure any covenant default pertaining to the 2016 Bonds set forth in Section 8.01(d) of the Indenture thirty (30) days after written notice specifying such failure and requesting that it be remedied.

(m) The 2016 Bond Insurer shall receive written copies of all notices required to be delivered to Owners of 2016 Bonds or to any party of the Indenture and, on an annual basis, copies of the Authority's audited financial statements and annual budget. All notices required to be given to the 2016 Bond Insurer shall be sent by registered or certified mail addressed to [_____] Attention: [_____].

(n) The Authority agrees to reimburse 2016 Bond Insurer immediately and unconditionally upon demand, to the extent permitted by law, for all reasonable expenses, including attorneys' fees and expenses, incurred by 2016 Bond Insurer in connection with (i) the enforcement by 2016 Bond Insurer of the Authority's obligations, or the preservation or defense of any rights of 2016 Bond Insurer under this Indenture and any other document executed in connection with the issuance of the 2016 Bonds, and (ii) any consent, amendment, waiver or other action with respect to the Indenture or any related document, whether or not granted or approved, together with interest on all such expenses from and including the date incurred to the date of payment at Citibank's Prime Rate plus 3% or the maximum interest rate permitted by law, whichever is less, as calculated by 2016 Bond Insurer. In addition, 2016 Bond Insurer

reserves the right to charge a fee in connection with its review of any such consent, amendment or waiver, whether or not granted or approved.

(o) The Authority agrees not to use 2016 Bond Insurer's name in any public document including, without limitation, a press release or presentation, announcement or forum without 2016 Bond Insurer's prior consent; provided however, such prohibition on the use of 2016 Bond Insurer's name shall not relate to the use of 2016 Bond Insurer's standard approved form of disclosure in public documents issued in connection with the current 2016 Bonds to be issued in accordance with the terms of 2016 Bond Insurer's commitment to issue the applicable 2016 Municipal Bond Insurance Policy; and provided further such prohibition shall not apply to the use of 2016 Bond Insurer's name in order to comply with public notice, public meeting or public reporting requirements.

(p) The Authority shall not enter into any agreement nor shall it consent to or participate in any arrangement pursuant to which 2016 Bonds are tendered or purchased for any purpose other than the redemption and cancellation or legal defeasance of such 2016 Bonds without the prior written consent of 2016 Bond Insurer.

(q) If the Trustee receives any moneys from proceeds of the 2016 Municipal Bond Insurance Policy, the Trustee shall hold such moneys separate and apart from all other moneys held by the Trustee under the Indenture and shall apply such moneys only to the payment of the principal or redemption price of, or interest on, the 2016 Bonds for which such payments were received.

(r) Notwithstanding anything in the Indenture to the contrary so long as the 2016 Municipal Bond Insurance Policy shall be in full force and effect and the 2016 Bond Insurer shall not be in default of any of its obligations thereunder, upon the occurrence and continuance of an Event of Default, the 2016 Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners of the 2016 Bonds or the Trustee for the benefit of the Owners of the 2016 Bonds under the Indenture as if (and to the extent that) the 2016 Bond Insurer were the Owner of all of the 2016 Bonds insured by the 2016 Bond Insurer then Outstanding, including, without limitation, (i) the right to pursue any available remedy at law or in equity to enforce the payment of the principal and interest and premium, if any, on the 2006 Bonds and (ii) the right to waive any Event of Default with respect to the 2016 Bonds. Nothing herein shall be construed to grant rights to the 2006 Bond Insurer which the 2016 Bond Insurer would not have if it were not the Owner of all of the 2016 Bonds then Outstanding. Additionally, anything in the Indenture to the contrary notwithstanding, so long as the 2016 Municipal Bond Insurance Policy shall be in full force and effect and the 2016 Bond Insurer shall not be in default of any of its obligations thereunder, the 2016 Bond Insurer shall be entitled to approve all waivers of Events of Default relating to the 2016 Bonds.

(s) So long as the 2016A Debt Service Reserve Surety Bond or the2016B Debt Service Reserve Surety Bond is in full force and effect, the Authority agrees to comply with the following provisions:

(1) Provision shall have been made by the Authority for the payment to the 2016 Bond Insurer of all amounts owed to it pursuant to the terms of the Financial Guaranty Agreement prior to any termination or discharge of the Indenture.

(2) There shall be no optional redemption by the Authority of the 2016 Bonds prior to the payment to the 2016 Bond Insurer of all amounts owed to it under the terms of the Financial Guaranty Agreement.

(3) In addition to the requirements of Section 5.04 of the Indenture, provision shall have been made by the Authority for the payment of all amounts owed to the 2016 Bond Insurer pursuant to the terms of the Financial Guaranty Agreement.

(t) Section 7.02 of the Indenture is amended to incorporate the following additional requirements with respect to the deposit of monies or securities for the defeasance of the 2016 Bonds. If the 2016 Bonds are defeased with the deposit of monies or securities, the Authority shall only deposit:

(1) cash;

(2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series ;-- SLGs)

(3) direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, MRS and similar securities;

(4) the interest component of Resolution Funding Corp. (REFCORP) strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form;

(5) Pre-refunded municipal bonds rated "AAA" by Moody's and "AAA" by S&P. If however the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations or AAA rated pre-refunded municipals to satisfy this condition; or

(6) Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

(A) U.S. Export-Import Bank (Eximbank) - Direct obligations or fully guaranteed certificates of beneficial ownership

(B) Farmers Home Administration (FinHA) -Certificates of beneficial ownership

(C) Federal Financing Bank

(D) General Services Administration - Participation certificates

(E) U.S. Maritime Administration - Guaranteed Title XI financing

(F) U.S. Department of Housing and Urban Development (HUD) - Project Notes, Local Authority Bonds, New Communities Debentures - U.S. government guaranteed debentures, U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

(u) Upon a defeasance of the 2016 Bonds pursuant to Section 7.02 of the Indenture, the 2016 Bond Insurer shall be provided with an opinion of counsel acceptable to the 2006 Bond Insurer that the 2016 Bonds have been legally defeased and that the escrow agreement establishing such defeasance operates to legally defease the 2016 Bonds within the meaning of the Indenture. In addition, the 2016 Bond Insurer will be entitled to receive (x) fifteen (15) Business Days' notice of any advance refunding of the 2016 Bonds and (y) an accountant's report with respect to the sufficiency of the amounts deposited into escrow to defease the 2016 Bonds.

(v) The Trustee must be a commercial bank, a trust company or a national banking association with trust powers.

(w) The definition of "Permitted Investments" hereunder is amended to incorporate the following additional requirements with respect to the 2016 Bonds; provided, however, that in order to qualify as a Permitted Investment hereunder, an investment must be described in the definition thereof contained in Article I of the Indenture and be described in this Section 8.09(w):

(1) Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and MRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(2) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

(A) U.S. Export-Import Bank (Eximbank) Direct obligations or fully guaranteed certificates of beneficial ownership

(B) Farmers Home Administration (FmHA) - Certificates of beneficial ownership

(C) Federal Financing Bank

(D) Federal Housing Administration Debentures (FHA)

(E) General Services Administration - Participation certificates

(F) Government National Mortgage Association (GNMA or "Ginnie Mae") - GNMA - guaranteed mortgage-backed bonds, GNMA - guaranteed pass-through obligations

(G) U.S. Maritime Administration - Guaranteed Title XI financing

(H) U.S. Department of Housing and Urban Development (HUD) - Project Notes, Local Authority Bonds, New Communities Debentures — U.S. government guaranteed debentures, U.S. Public Housing Notes and Bonds — U.S. government guaranteed public housing notes and bonds

(3) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

Federal Home Loan Bank System - Senior debt obligations

Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac") - Participation Certificates, Senior debt obligations

Federal National Mortgage Association (FNMA or "Fannie Mae") - Mortgage-backed securities and senior debt obligations

Resolution Funding Corp. (REFCORP) obligations

Farm Credit System - Consolidated system-wide bonds and notes

(4) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AAAm-G; AAA-m; or AA-m and if rated by Moody's rated Aaa, Aa1 or Aa2, including funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee provide investment advisory or other management services.

(5) Certificates of deposit secured at all times by collateral described in (1) and/or (2) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks which may include the Trustee and its affiliates. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral,

(6) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF.

(7) Investment Agreements, including GIC's, Forward Purchase Agreements and Reserve Fund Put Agreements acceptable to the 2016 Bond Insurer.

(8) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" or better by S&P.

(9) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies.

(10) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P.

(11) Repurchase Agreement which exceeds 30 days must be acceptable to 2016 Bond Insurer. Repurchase Agreements for 30 days or less must follow the following criteria:

(A) Repurchase Agreement must provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Authority (buyer/lender), and the transfer of cash from the Authority to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Authority in exchange for the securities at a specified date.

(B) Repurchase Agreements must be between the Authority and a dealer bank or securities firm that is a primary dealer on the Federal Reserve reporting dealer list which are rated A or better by S&P and Moody's, or a Bank rated "A" or above by S&P and Moody's.

(C) The written Repurchase Agreement must provide that securities which are acceptable for transfer are: (1) Direct U.S. governments, or (2) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA & FHLMC)

(D) The collateral must be delivered to the Authority, the Trustee (if the Trustee is not supplying the collateral) or third party acting as agent for the Trustee (if the Trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

(E) The securities must be valued weekly, marked-to-market at current market price plus accrued interest; and

(F) The value of the collateral must be equal to 104% of the amount of cash transferred by the Authority to the dealer bank or security firm under the Repurchase Agreement plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by the Authority, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

(G) A legal opinion must be delivered to the Authority that the Repurchase Agreement meets the guidelines under State law for legal investment of public funds.

(12) Any state administered pool investment fund in which the Authority is statutorily permitted or required to invest will be deemed a Permitted Investment.

(13) Permitted Investments on deposit in the General Account should be valued at fair market value and marked to market at least once per year. Permitted Investments on deposit in the General Account may not have maturities extending beyond 5 years, except for Investment Agreements approved by the 2016 Bond Insurer with respect to the 2016 Bonds.]

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Indenture to be duly executed all as of the date first above written.

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By: _____
Authorized Officer

Attest:

By : _____
Authorized Officer

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

By: _____
Authorized Officer

Attest:

By: _____
Authorized Officer

Exhibit C

Form of Continuing Disclosure Agreement

Exhibit D

Form of Escrow Agreement

ESCROW AGREEMENT

by and among

DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES, CALIFORNIA,

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee and Escrow Agent

Dated [_____], 2016

relating to

Department of Airports of the City of Los Angeles, California
Ontario International Airport
Refunding Revenue Bonds
Series 2006A (Tax-Exempt)(AMT) and 2006B (Taxable)

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated [_____], 2016 (this "***Escrow Agreement***"), is made by and among the **DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES** (the "***Department***"), a duly constituted department of the City of Los Angeles, organized and existing pursuant to Article VI of the Charter of the City of Los Angeles, the **ONTARIO INTERNATIONAL AIRPORT AUTHORITY** ("***OIAA***"), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012, by and between the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California (the "***State***") and the County of San Bernardino, California, a political subdivision of the State duly organized and existing under the Constitution and laws of such State, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America, as trustee under the hereinafter defined Department Master Indenture and the Department First Supplemental Indenture, and as escrow agent (the "***Trustee/Escrow Agent***").

W I T N E S S E T H :

WHEREAS, the Department has previously issued its Department of Airports of the City of Los Angeles, California, Ontario International Airport, Refunding Revenue Bonds, Series 2006A (the "***Series 2006A Bonds***") and its Department of Airports of the City of Los Angeles, California, Ontario International Airport, Refunding Revenue Bonds, Series 2006B (the "***Series 2006B Bonds***," and together with the Series 2006A Bonds, the "***Series 2006 Bonds***") pursuant to the Amended and Restated Master Trust indenture, dated as of October 1, 2006, as amended (the "***Department Master Indenture***") and the First Supplemental Trust Indenture, dated as of October 1, 2006 (the "***Department First Supplemental Indenture***"), both by and between the Department and the Trustee/Escrow Agent, as trustee; and

WHEREAS, the OIAA is, simultaneously with the execution of this Escrow Agreement, issuing $[_____] aggregate principal amount of its Ontario International Airport Revenue Bonds, 2016A (the "***OIAA Series 2016A Bonds***") and $[_____] aggregate principal amount of its Ontario International Airport Revenue Bonds, Series 2016B (Taxable) (the "***OIAA Series 2016B Bonds***," and together with the OIAA Series 2016A Bonds, the "***OIAA Series 2016 Bonds***"), under the terms of the Master Trust Indenture, dated as of [November 1], 2016 (the "***OIAA Master Indenture***") and the First Supplemental Trust Indenture, dated as of [November] 1, 2016 (the "***OIAA First Supplemental Indenture***") both by and between OIAA and The Bank of New York Mellon Trust Company, N.A., as trustee (the "***OIAA Bond Trustee***"); and

WHEREAS, the OIAA Series 2016A Bonds are being issued to, among other things, to refund and defease the Series 2006A Bonds set forth in Exhibit A attached hereto (the "***Refunded Series 2006A Bonds***"); and

WHEREAS, the OIAA Series 2016B Bonds are being issued to, among other things, to refund and defease the Series 2006B Bonds set forth in Exhibit A attached hereto (the "***Refunded Series 2006B Bonds***," and together with the Refunded Series 2006A Bonds, the "***Refunded Series 2006 Bonds***"); and

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Creation of the Series 2006A Escrow Fund. There is hereby created and established with the Trustee/Escrow Agent a special and irrevocable escrow fund designated "Department of Airports of the City of Los Angeles, California, Ontario International Airport, Refunding Revenue Bonds, Series 2006 Escrow Fund" (herein referred to as the "***Series 2006 Escrow Fund***") to be held in the custody of the Trustee/Escrow Agent in trust under this Escrow Agreement for the benefit of the owners of the Refunded Series 2006 Bonds.

Within such Series 2006 Escrow Fund there is hereby created and established with the Trustee/Escrow Agent special and irrevocable escrow accounts within the Series 2006 Escrow Fund and designated (a) "Department of Airports of the City of Los Angeles, California, Ontario International Airport, Refunding Revenue Bonds, Series 2006A Escrow Account" (herein referred to as the "***Series 2006A Escrow Account***") to be held in the custody of the Trustee/Escrow Agent in trust under this Escrow Agreement for the benefit of the owners of the Refunded Series 2006A Bonds and (b) "Department of Airports of the City of Los Angeles, California, Ontario International Airport, Refunding Revenue Bonds, Series 2006B Escrow Account" (herein referred to as the "***Series 2006B Escrow Account***") to be held in the custody of the Trustee/Escrow Agent in trust under this Escrow Agreement for the benefit of the owners of the Refunded Series 2006B Bonds.

Section 2. Deposit to the Series 2006 Escrow Fund.

(a) Concurrently with the execution and delivery of this Escrow Agreement,

(i) the OIAA shall cause the sum of $[_____], to be derived from the proceeds of the sale of the OIAA Series 2016A Bonds, to be transferred to the Trustee/Escrow Agent for deposit in the Series 2006A Escrow Account,

(ii) the Department hereby directs the Trustee/Escrow Agent to, and the Trustee/Escrow Agent shall deposit the following sums to the Series 2006A Escrow Account:

(A) $[_____] to be derived from the transfer of moneys from the 2006A Interest Subaccount within the Interest Account of the Debt Service Fund (as established and maintained pursuant to the Department Master Indenture and the Department First Supplemental Indenture) maintained by the Trustee/Escrow Agent pursuant to the Department Master Indenture and the Department First Supplemental Indenture;

(B) $[_____] from the Bond Reserve Subaccount, Series 2006A within the General Account of the Reserve Fund (as established and maintained pursuant to the Department Master Indenture and the Department First Supplemental Indenture); and

(C) $[_____], representing the Additional Termination Amount allocable to the Series 2006A Bonds and provided by FSA Capital Management Services LLC (the "Provider") under the Collateralized Investment Agreement, dated as of November 2, 2006 by and between the Provider and the Trustee/Escrow Agent.

(iii) the OIAA shall cause the sum of $[_____], to be derived from the proceeds of the sale of the OIAA Series 2016B Bonds, to be transferred to the Trustee/Escrow Agent for deposit in the Series 2006B Escrow Account,

(iv) the Department hereby directs the Trustee/Escrow Agent to, and the Trustee/Escrow Agent shall deposit the following sums to the Series 2006B Escrow Account:

(A) $[_____] to be derived from the transfer of moneys from the 2006B Interest Subaccount within the Interest Account of the Debt Service Fund (as established and maintained pursuant to the Department Master Indenture and the Department First Supplemental Indenture) maintained by the Trustee/Escrow Agent pursuant to the Department Master Indenture and the Department First Supplemental Indenture;

(B) $[_____] from the Bond Reserve Subaccount, Series 2006B within the General Account of the Reserve Fund (as established and maintained pursuant to the Department Master Indenture and the Department First Supplemental Indenture); and

(C) $[_____], representing the Additional Termination Amount allocable to the Series 2006B Bonds and provided by FSA Capital Management Services LLC (the "Provider") under the Collateralized Investment Agreement, dated as of November 2, 2006 by and between the Provider and the Trustee/Escrow Agent.

(b) The Trustee/Escrow Agent hereby acknowledges receipt of $[_____] as described in clauses (a)(i) and (a)(ii) above, and that such amounts were deposited in the Series 2006A Escrow Account.

(c) The Trustee/Escrow Agent hereby acknowledges receipt of $[_____] as described in clauses (a)(iii) and (a)(iv) above, and that such amounts were deposited in the Series 2006B Escrow Account.

Section 3. No Investment of Escrow Fund. The Escrow Agent shall not invest the amounts on deposit in any of the Series 2006 Escrow Fund and shall retain such funds uninvested as a cash balance.

Section 4. Creation of Lien on the Series 2006 Escrow Fund. The deposit of the moneys in the Series 2006A Escrow Account shall constitute an irrevocable deposit in trust for the benefit of the holders of the Refunded Series 2006A Bonds. The holders of the Refunded Series 2006A Bonds are hereby granted an express lien on the Series 2006A Escrow Account and all moneys and investments from time to time held therein for the payment of amounts described in Section 5 hereof.

The deposit of the moneys in the Series 2006B Escrow Account shall constitute an irrevocable deposit in trust for the benefit of the holders of the Refunded Series 2006B Bonds. The holders of the Refunded Series 2006B Bonds are hereby granted an express lien on the Series 2006B Escrow Account and all moneys and investments from time to time held therein for the payment of amounts described in Section 5 hereof.

Section 5. Use of the Series 2006 Escrow Fund. The Trustee/Escrow Agent shall withdraw the amounts described in Schedule I attached hereto on [_____], 2016 from the Series 2006A Escrow Account and use such amounts in its capacity as trustee for the Refunded Series 2006A Bonds to pay the principal of and interest on the Refunded Series 2006A Bonds as directed pursuant to the Department Master Indenture and the Department First Supplemental Indenture.

The Trustee/Escrow Agent shall withdraw the amounts described in Schedule II attached hereto on [_____], 2016 from the Series 2006B Escrow Account and use such amounts in its capacity as Trustee for the Refunded Series 2006B Bonds to pay the principal of and interest on the Refunded Series 2006B Bonds as directed pursuant to the Department Master Indenture and the Department First Supplemental Indenture.

The Trustee/Escrow Agent shall retain all unclaimed moneys in the Series 2006 Escrow Fund and the respective accounts therein. At such time as the Department delivers to the Trustee/Escrow Agent written notice that no additional amounts from the Series 2006 Escrow Fund will be needed to redeem the Refunded Series 2006 Bonds, or on [_____], 20[__], whichever occurs first, the Trustee/Escrow Agent shall transfer all amounts then remaining in the Series 2006 Escrow Fund or the respective accounts therein to the OIAA Bond Trustee to be deposited as directed by OIAA and the Trustee/Escrow Agent shall have no responsibility or liability whatsoever with respect to any of such moneys. At such time as no amounts remain in the respective accounts within the Series 2006 Escrow Fund, such fund and respective accounts shall be closed.

Section 6. Notice of Redemption of Refunded Series 2006 Bonds. By the execution of this Escrow Agreement and delivery hereof to the Trustee/Escrow Agent, the Trustee/Escrow Agent agrees to give or cause to be given notice of such redemption at such times and in such manner as provided in the Department Master Indenture and the Department First Supplemental Indenture to the owners of the Refunded Series 2006 Bonds, including, the notice of the defeasance of the Refunded Series 2006 Bonds (a form of which is attached hereto as Exhibit B),

to be mailed to The Depository Trust Company, as required pursuant to Article VII of the Master Indenture.

Section 7. Liability of Trustee/Escrow Agent.

(a) The Trustee/Escrow Agent shall have no lien whatsoever on the Series 2006 Escrow Fund or moneys on deposit in the Series 2006 Escrow Fund for the payment of fees and expenses for services rendered by the Trustee/Escrow Agent under this Escrow Agreement or otherwise.

(b) The Trustee/Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of any moneys deposited into the Series 2006 Escrow Fund to pay the principal of and interest on the Refunded Series 2006 Bonds.

(c) No provision of this Escrow Agreement shall require the Trustee/Escrow Agent to expend or risk its own funds.

(d) The Trustee/Escrow Agent may consult with bond counsel to the Department or with such other counsel of its own choice subject to reasonable approval by the Department (which may but need not be counsel to the Department) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(e) Whenever in the administration of this Escrow Agreement the Trustee/Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or not taking any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of gross negligence or willful misconduct on the part of the Trustee/Escrow Agent, be deemed to be conclusively proved and established by a certificate of an authorized representative, and such certificate shall, in the absence of gross negligence or willful misconduct on the part of the Trustee/Escrow Agent, be full warrant to the Trustee/Escrow Agent for any action taken or not taken by it under the provisions of this Escrow Agreement in reliance thereon. The Trustee/Escrow Agent hereby represents that, as of the date hereof, it does not need any further certificate or direction from any other party in order to carry out the terms of this Escrow Agreement.

(f) The Trustee/Escrow Agent may conclusively rely, as to the truth and accuracy of the statements and correctness of the opinions and the calculations provided, and shall be protected and indemnified as set forth in Section 11 hereof, in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document or opinion furnished to the Trustee/Escrow Agent signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate or opinion.

(g) The Trustee/Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in this Escrow Agreement and no implied duties or obligations shall be read into this Escrow Agreement against the Trustee/Escrow Agent.

(h) The Trustee/Escrow Agent shall not have any liability hereunder except to the extent of its own gross negligence or willful misconduct. In no event shall the Trustee/Escrow Agent be liable for any special, indirect or consequential damages.

(i) The Trustee/Escrow Agent shall not be responsible for any of the recitals or representations contained herein.

Section 8. Successor Trustee/Escrow Agent. Any corporation into which the Trustee/Escrow Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Trustee/Escrow Agent shall be a party or any corporation succeeding to the corporate trust business of the Trustee/Escrow Agent, shall be the successor Trustee/Escrow Agent under this Escrow Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 9. Termination. This Escrow Agreement shall terminate when all transfers and payments required to be made by the Trustee/Escrow Agent under the provisions hereof shall have been made. The Department hereby directs the Trustee/Escrow Agent to, and the Trustee/Escrow Agent shall, distribute any moneys remaining in the Series 2006 Escrow Fund at the time of such termination to the OIAA Bond Trustee, as required pursuant to Section 5.

Section 10. Tax-Exempt Nature of Interest on the Refunded Series 2006A Bonds. The Department covenants and agrees for the benefit of the holders of the Refunded Series 2006A Bonds that they will not direct or permit any thing or act to be done in such manner as would cause interest on the Refunded Series 2006A Bonds to be included in the gross income of the recipients thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended.

Section 11. Compensation and Indemnity of Trustee/Escrow Agent. For acting under this Escrow Agreement, the Trustee/Escrow Agent shall be entitled to payment of fees pursuant to the schedule of fees provided to the Department for its services, including, without limitation, reasonable compensation for all services rendered in the execution, exercise and performance of any of the duties of the Trustee/Escrow Agent to be exercised or performed pursuant to the provisions of this Escrow Agreement, and all reasonable expenses, disbursements and advances incurred in accordance with any provisions of this Escrow Agreement (including the reasonable compensation and expenses and disbursements of independent counsel, agents and attorneys-at-law or other experts employed by it in the exercise and performance of its powers and duties hereunder and out-of-pocket expenses including, but not limited to, postage, insurance, wires, stationery, costs of printing forms and letters and publication of notices of redemption); however, such amount shall never be payable from or become a lien upon the Series 2006 Escrow Fund, which fund shall be held solely for the purposes and subject to the liens set forth in Sections 4 and 5, respectively, hereof. To the extent permitted by law, the Department agrees to indemnify and hold the Trustee/Escrow Agent and its officers, agents and directors harmless from and against all claims, suits and actions brought against it, or to which it is made a party, and from all costs, expenses (including reasonable attorneys' fees of counsel reasonably acceptable to the Department), losses and damages suffered by it as a result thereof, including the costs and expenses of defending against any such claims, suits or actions, where

and to the extent such claim, suit or action arises out of the performance by the Trustee/Escrow Agent of its duties under this Escrow Agreement; provided, however, that such indemnification shall not extend to claims, suits and actions brought against the Trustee/Escrow Agent which result in a judgment being entered, settlement being reached or other disposition made based upon the Trustee/Escrow Agent's gross negligence or willful misconduct. The indemnification provided for in this Escrow Agreement shall never be payable from or become a lien upon the Series 2006 Escrow Fund, which fund shall be held solely for the purpose and subject to the liens set forth in Sections 4 and 5, respectively, hereof. The obligations of the Department under this Section shall remain in effect and continue notwithstanding the termination of this Escrow Agreement or the resignation or removal of the Trustee/Escrow Agent.

Section 12. Third-Party Beneficiaries and Amendments. The owners of the Refunded Series 2006 Bonds are hereby recognized as third-party beneficiaries of this Escrow Agreement to the extent of their interests in the Series 2006 Escrow Fund, as set forth in Sections 4 and 5 hereof.

Section 13. Replacement and Resignation of Trustee/Escrow Agent. The Department may remove the Trustee/Escrow Agent and/or the Trustee/Escrow Agent may resign pursuant to the provisions of Section 9.09 of the Department Master Indenture and the applicable provisions of the Department First Supplemental Indenture.

Section 14. Severability. If any one or more of the provisions of this Escrow Agreement should be determined by a court of competent jurisdiction to be contrary to law, such provision shall be deemed and construed to be severable from the remaining provisions herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

Section 15. Successors and Assigns. All of the covenants and agreements in this Escrow Agreement contained by or on behalf of the Department, OIAA or the Trustee/Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 16. Governing Law. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 17. Headings. Any headings preceding the text of the several Sections hereof, and any table of content appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Escrow Agreement, nor shall they affect its meaning, construction or effect.

Section 18. Amendments. The Department, OIAA and the Trustee/Escrow Agent shall not modify this Escrow Agreement without the consent of all of the owners of the Refunded Series 2006 Bonds affected by such modification which have not been paid in full.

Section 19. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Agreement to be executed by their duly authorized officers as of the date first above written.

DEPARTMENT OF AIRPORTS OF THE CITY OF LOS ANGELES, CALIFORNIA

By _____
[Name/Title]

APPROVED AS TO FORM:
[Name/Title]

Date: [_____], 2016

By _____
[Title]

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By _____
[Name/Title]

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee and Escrow Agent

By _____
Authorized Officer

[Signature page to Escrow Agreement]

EXHIBIT A

REFUNDED SERIES 2006A BONDS

Department of Airports of the City of Los Angeles, California
Ontario International Airport
Series 2006A (Tax-Exempt)(AMT)

Maturity Date (May 15)	Principal to be Redeemed	Redemption Price	Redemption Date	CUSIP Number
2017	$3,990,000	100%	[_____], 20[__]	544435XC9
2018	4,210,000	100		544435XD7
2019	4,450,000	100		544435XE5
2020	4,685,000	100		544435XF2
2021	4,950,000	100		544435XG0
2022	5,225,000	100		544435XH8
2023	5,515,000	100		544435XJ4
2024	5,840,000	100		544435XK1
2025	6,150,000	100		544435XL9
2026	6,510,000	100		544435XM7

REFUNDED SERIES 2006B BONDS

Department of Airports of the City of Los Angeles, California
Ontario International Airport
Series 2006B (Taxable)

Maturity Date (May 15)	Principal to be Redeemed	Redemption Price	Redemption Date	CUSIP Number
2026	$3,980,000	100%	[_____], 20[__]	544435XP0

FORM OF NOTICE OF DEFEASANCE

NOTICE OF DEFEASANCE

RELATING TO:

Department of Airports of the City of Los Angeles, California
Ontario International Airport
Refunding Revenue Bonds
Series 2006A (Tax-Exempt)(AMT) and 2006B (Taxable)

Notice is hereby given to the holders of the below listed Department of Airports of the City of Los Angeles, California, Ontario International Airport, Refunding Revenue Bonds, Series 2006A (the "Series 2006A Bonds") and the Department of Airports of the City of Los Angeles, California, Ontario International Airport, Refunding Revenue Bonds, Series 2006B (the "Series 2006B Bonds," and together with the Series 2006A Bonds, the "Bonds") that (i) there has been deposited with The Bank of New York Mellon Trust Company, N.A., as Trustee and Escrow Agent, moneys as permitted by the Amended and Restated Master Trust Indenture, dated as of October 1, 2006, as amended (the "Department Master Indenture"), by and between the Department of Airports of the City of Los Angeles, California (the "Department") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as supplemented by the First Supplemental Trust Indenture, dated as of October 1, 2006 (the "Department First Supplemental Indenture," and together with the Department Master Indenture, the "Indenture"), by and between the Department and the Trustee, the principal of and interest on which when due will provide moneys which, together with such other moneys deposited with the Trustee/Escrow Agent, will be sufficient and available on [_____], 2016 to redeem the Bonds at a redemption price of par and to pay the interest then due on the Bonds, and (ii) the Bonds are deemed paid for purposes of the Indenture. The Bonds consist of the following:

Department of Airports of the City of Los Angeles, California
Ontario International Airport
Series 2006A (Tax-Exempt)(AMT)

CUSIP Number*	Maturity Date (May 15)	Principal Amount	Interest Rate
544435XC9	2017	$ 3,990,000	5.000%
544435XD7	2018	4,210,000	5.000
544435XE5	2019	4,450,000	5.000
544435XF2	2020	4,685,000	5.000
544435XG0	2021	4,950,000	5.000
544435XH8	2022	5,225,000	5.000
544435XJ4	2023	5,515,000	5.000
544435XK1	2024	5,840,000	5.000
544435XL9	2025	6,150,000	5.000
544435XM7	2026	6,510,000	5.000

* Neither the Department nor the Trustee/Escrow Agent shall be responsible for the selection or use of the CUSIP Numbers, nor is any representation made as to their correctness indicated in this Notice of Defeasance. They are included solely for the convenience of the Bondholders.

Department of Airports of the City of Los Angeles, California
Ontario International Airport
Series 2006B (Taxable)

CUSIP Number*	Maturity Date (May 15)	Principal Amount	Interest Rate
544435XC9	2026	$ 3,980,000	5.587%

* Neither the Department nor the Trustee/Escrow Agent shall be responsible for the selection or use of the CUSIP Numbers, nor is any representation made as to their correctness indicated in this Notice of Defeasance. They are included solely for the convenience of the Bondholders.

At least 30 days, but not more than 60 days, prior to [_____], 2016, in accordance with the terms of the Indenture, the Trustee will mail a redemption notice with respect to the Bonds to the Bondholders.

Dated this [__]th day of [_____], 2016.

Department of Airports of the City of Los Angeles, California

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

SCHEDULE I

PAYMENT REQUIREMENTS FOR SERIES 2006A REFUNDED BONDS

Redemption Date	Principal	Interest	Total
[_____], 2016	$51,525,000	$[_____]	$[_____]

SCHEDULE II

PAYMENT REQUIREMENTS FOR SERIES 2006B REFUNDED BONDS

Redemption Date	Principal	Interest	Total
[_____], 2016	$3,980,000	$[_____]	$[_____]

Exhibit E

Form of Preliminary Official Statement

PRELIMINARY OFFICIAL STATEMENT DATED [ ], 2016

NEW ISSUE—BOOK-ENTRY ONLY

Insured Ratings:
S&P: [__]
Fitch: [__]

Underlying Ratings
S&P: [__]
Fitch: [__]
See "RATINGS" herein.

In the opinion of Nixon Peabody LLP, as Special Tax Counsel ("Special Tax Counsel"), under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Authority described herein, interest on the 2016A Bonds (as defined herein) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to the exclusion of interest on the 2016A Bonds from gross income for any period during which such 2016A Bonds are held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed and refinanced with the proceeds of the 2016A Bonds, or by a "related person." Special Tax Counsel is further of the opinion that interest on the 2016A Bonds is treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the 2016B Bonds is not excluded from gross income for federal income tax purposes. Special Tax Counsel is further of the opinion that interest on the 2016 Bonds is exempt from personal income taxes of the State of California (the "State") under present State law. See "TAX MATTERS" herein regarding certain other tax considerations.

$[_____]*
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS

$[_____]
SERIES 2016A
(TAX-EXEMPT) (AMT)

$[_____]
SERIES 2016B
(TAXABLE)

Dated: Date of Delivery

Due: May 15, as shown on the inside cover

The Ontario International Airport Authority (the "Authority") will issue its Ontario International Airport Revenue Bonds, Series 2016A (Tax-Exempt) (AMT) (the "2016A Bonds") and Ontario International Airport Revenue Bonds, Series 2016B (Taxable) (the "2016B Bonds" and, together with the 2016A Bonds, the "2016 Bonds") pursuant to the Joint Exercise of Powers Act, California Government Code Section 6500, *et seq.* (the "Joint Powers Act"), and pursuant to a Master Trust Indenture to be dated as of [_____], 2016, as amended and supplemented, between the Authority and The Bank of New York Mellon, as trustee (the "Indenture"). See "DESCRIPTION OF THE 2016A BONDS" herein. The issuance of the 2016 Bonds is the initial bond issuance by the Authority.

The proceeds of the 2016A Bonds, along with other available funds, will be used (i) to refund the Department of Airports of the City of Los Angeles, California (the "Department") outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006A (Tax-Exempt) (the "2006A Bonds"), (ii) to purchase a reserve fund surety policy for the 2016A Bonds, (iii) to purchase a bond insurance policy for the 2016A Bonds, and (iv) to pay certain costs of issuance related to the 2016A Bonds. The proceeds of the 2016B Bonds, along with other available funds, will be used (i) to refund the Department's outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006B (Taxable) (the "2006B Bonds"), (ii) to purchase a reserve fund surety policy for the 2016B Bonds, (iii) to purchase a bond insurance policy for the 2016B Bonds, and (iv) to pay certain costs of issuance related to the 2016B Bonds.

The 2016 Bonds will be limited obligations of the Authority, payable solely from and secured by a pledge of and first lien on Net Pledged Revenues (as defined herein), which include certain income and revenue received by the Authority from Ontario International Airport ("ONT"). Future series of parity bonds may be issued by the Authority as described herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2016 BONDS — Additional Bonds" herein.

Interest on the 2016 Bonds will be payable on each May 15 and November 15, commencing May 15, 2017. The 2016 Bonds will be executed and delivered only as fully registered bonds without coupons in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") and will be available to ultimate purchasers in integral multiples of $5,000. The 2016 Bonds will be initially issued and delivered under a book-entry form only and no physical delivery of the 2016 Bonds will be made to purchasers. So long as Cede & Co. is the registered owner of the 2016 Bonds, payments of principal, premium, if any, and interest on the 2016 Bonds are expected to be made to beneficial owners by DTC through its participants. See "APPENDIX E—BOOK-ENTRY ONLY SYSTEM."

The 2016 Bonds will be subject to optional and mandatory sinking fund redemption prior to maturity as described herein. SEE "THE 2016 BONDS—Redemption" herein.

Payment of the principal of and interest on the 2016 Bonds will be insured by a bond insurance policy to be issued by [_____]. See "THE BOND INSURANCE POLICY AND THE BOND INSURER."

[Insert Bond Insurer logo]

THE 2016 BONDS WILL BE SPECIAL LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF CERTAIN NET PLEDGED REVENUES DERIVED BY THE AUTHORITY FROM THE OPERATIONS OF ONT AND CERTAIN LIMITED FUNDS AND ACCOUNTS HELD BY OR TO BE HELD BY THE AUTHORITY OR THE TRUSTEE UNDER THE INDENTURE. NONE OF THE PROPERTIES OF ONT WILL BE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THE 2016 BONDS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OF ONTARIO, CALIFORNIA, THE COUNTY OF SAN BERNARDINO, CALIFORNIA, THE STATE OF CALIFORNIA (THE "STATE") OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE WILL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE 2016 BONDS. THE AUTHORITY HAS NO TAXING POWER. SEE "SECURITY AND SOURCES OF PAYMENT FOR THE 2016 BONDS" HEREIN.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the 2016 Bonds. Investors are advised to read the entire Official Statement, including all appendices hereto and any portion hereof included by reference, to obtain information essential to the making of an informed investment decision.

The 2016 Bonds will be offered, when, as and if issued by the Authority, subject to the approval of legality by O'Melveny & Myers LLP, Los Angeles, California, ("Bond Counsel") and Nixon Peabody LLP, Special Tax Counsel to the Authority. CSG Advisors Incorporated has served as Financial Advisor to the Authority. Certain matters will be passed upon for the Authority by its special counsel, Sheppard, Mullin, Richter & Hampton LLP and for the Underwriter by its counsel,

This Preliminary Official Statement and the information herein are subject to completion or amendment. Under circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under applicable securities laws of any such jurisdiction.

Stradling Yocca Carlson & Rauth, a Professional Corporation O'Melveny & Myers LLP, Los Angeles, California, served as Disclosure Counsel to the Authority. It is expected that the delivery of the 2016 Bonds will be made to DTC on or about November [1], 2016 in New York, New York.

Morgan Stanley

*Preliminary; subject to change
Dated: [_____], 2016

MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

$[_____]*
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS
SERIES 2016A (TAX-EXEMPT) (AMT)
BASE CUSIP NO.† [_____])

Due May 15*	Principal Amount*	Interest Rate	Yield	CUSIP No. †	Due May 15*	Principal Amount*	Interest Rate	Yield	CUSIP No.†
	$	%	%			$	%	%*	

$[_____]*
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS
SERIES 2016B (TAXABLE)
BASE CUSIP NO.† [_____])

Due May 15*	Principal Amount*	Interest Rate	Yield	CUSIP No. †	Due May 15*	Principal Amount*	Interest Rate	Yield	CUSIP No.†
	$	%	%			$	%	%*	

$[_____]* [____]% 2016B Term Bond due May 15 [____]*, Yield [____]%, CUSIP No.† [___]
$[_____]* [____]% 2016B Term Bond due May 15 [____]*, Yield [____]%, CUSIP No.† [___]

* Preliminary; subject to change.

† CUSIP is a registered trademark of American Bankers Association. CUSIP numbers herein are provided by Standard & Poor's CUSIP Service Bureau, a Division of the McGraw-Hill Companies, Inc., and are set forth herein for the convenience of reference only. None of the Authority, Bond Counsel, Disclosure Counsel, the Underwriter or the Financial Advisor assume responsibility for the accuracy of such numbers.

No dealer, broker, salesperson or other person has been authorized by the Authority to give any information or to make any representation, other than those contained herein, and if given or made, such other information or representation must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the 2016 Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the 2016 Bonds. Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "plan," "project," "expect," "estimate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE AUTHORITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS CHANGE, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

The information set forth herein has been furnished by the Authority and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof.

IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2016 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE 2016 BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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ONTARIO INTERNATIONAL AIRPORT AUTHORITY COMMISSIONERS

Alan Wapner, *President*
Ron Loveridge, *Vice President*
Lucy Dunn, *Secretary*
Jim Bowman
Curt Hagman

ONTARIO INTERNATIONAL AIRPORT AUTHORITY MANAGEMENT

Kelly Fredericks, Chief Executive Officer
Jeff Reynolds, Chief Financial Officer
Bruce Atlas, Chief Operating Officer
Mark Thorpe, Chief Development Officer
Daniel Adamus, Chief Marketing Officer

TRUSTEE

The Bank of New York Mellon

BOND & DISCLOSURE COUNSEL

O'Melveny & Myers LLP

SPECIAL TAX COUNSEL

Nixon Peabody LLP

FINANCIAL ADVISOR

CSG Advisors Incorporated

AIRPORT CONSULTANT

DKMG Consulting, LLC

AIR TRAFFIC FORECAST CONSULTANT

Campbell-Hill Aviation Group, LLC

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OFFICIAL STATEMENT

$[_____]*
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
ONTARIO INTERNATIONAL AIRPORT
REVENUE BONDS
SERIES 2016A (TAX-EXEMPT) (AMT) AND SERIES 2016B (TAXABLE)

INTRODUCTION

This introduction contains a summary of the offering and certain documents. Investors are advised to read the Official Statement in its entirety.

General

The purpose of this Official Statement is to provide certain information concerning the sale and delivery by the Ontario International Airport Authority (the "Authority") of its $[_____]* aggregate principal amount of Ontario International Airport Revenue Bonds, Series 2016A (Tax-Exempt) (AMT) (the "2016A Bonds") and Ontario International Airport Revenue Bonds, Series 2016B (Taxable) (the "2016B Bonds" and together with the 2016A Bonds, the "2016 Bonds"). Capitalized terms used but not defined herein have the meanings ascribed to them in APPENDIX C. See "APPENDIX C – SUMMARIES OF THE MASTER INDENTURE AND THE FIRST SUPPLEMENTAL INDENTURE."

Included as Appendix A to this Official Statement is the Report of the Airport Consultant dated October [11], 2016 (the "Report of the Airport Consultant") prepared by DKMG Consulting, LLC (the "Airport Consultant"), which, among other things, evaluates the ability of the Authority to produce Net Pledged Revenues (as defined herein) sufficient to meet the requirements of the rate covenant established in the Indenture (as defined herein) during the projection period, taking into account estimated annual debt service requirements, using assumptions as documented in the Report of the Airport Consultant. ***The findings and projections in the Report of the Airport Consultant are subject to a number of assumptions that should be reviewed and considered by prospective investors. No assurances can be given that the projections and expectations discussed in the Report of the Airport Consultant will be achieved. Actual results will differ and may differ materially from the projections described therein.***

Included as Appendix B to this Official Statement is a Demand Forecast Methodology and Results forecast dated October [11], 2016 (the "Aviation Activity Forecast") prepared by Campbell-Hill Aviation Group, LLC (the "Air Traffic Forecast Consultant"), which, among other things, forecasts passenger and cargo activity at ONT through the year 2045. ***The findings and projections in the Aviation Activity Forecast are subject to a number of assumptions that should be reviewed and considered by prospective investors. No assurances can be given that the projections and expectations discussed in the Aviation Activity Forecast will be achieved. Actual results will differ and may differ materially from the projections described therein.***

The Issuer and ONT

The Authority is a joint exercise of powers authority created by the City of Ontario, California (the "City") and the County of San Bernardino, California (the "County") pursuant to the Joint Exercise of Powers Act, California Government Code Section 6500 and following (as it may be amended and supplemented, the "Joint Powers Act"), and organized under a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the "Joint Powers Agreement"), between the City and the County. The Authority was created primarily for the purpose of operating, maintaining, managing, developing and marketing ONT. The Authority is governed by a commission of

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* Preliminary; subject to change

five (5) members, which is responsible for the formulation of airport policy. See "ONTARIO INTERNATIONAL AIRPORT AUTHORITY."

According to statistics collected by Airports Council International ("ACI"), for calendar year 2015, ONT was the 58th busiest airport in the United States in terms of total passenger volume with approximately 4.2 million enplaned and deplaned passengers and the 15th busiest airport in the United States in terms of volume of air cargo with approximately 463,000 metric tons of cargo.

Plan of Finance

The proceeds of 2016A Bonds and the 2016B Bonds will be used, along with other available funds (i) to redeem and discharge the Department of Airports of the City of Los Angeles, California (the "Department") outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006A (Tax-Exempt) (the "2006A Bonds") and the Department's outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006B (Taxable) (the "2006B Bonds" and, together with the 2006A Bonds, the "2006 Bonds"), (ii) to purchase reserve fund surety policies for each of the 2016A Bonds and the 2016B Bonds, (iii) to purchase bond insurance policies for each of the 2016A and the 2016B Bonds, and (iv) to pay certain costs of issuance related to the 2016 Bonds, all as further described herein. Payment and discharge of the Department's outstanding 2006 Bonds (in addition to the payment of certain other amounts and satisfaction of certain other obligations) is a requirement of the Settlement Agreement defined below pursuant to which the management and operation of ONT will transfer from the Department to the Authority. See "SETTLEMENT AGREEMENT," "ESTIMATED SOURCES AND USES OF FUNDS" and "DESCRIPTION OF THE 2016 BONDS."

The 2016 Bonds

The 2016 Bonds will be issued pursuant to the Master Trust Indenture, to be dated as of [November 1], 2016 (the "Master Indenture"), by and between the Authority and The Bank of New York Mellon, as trustee (the "Trustee") and a First Supplemental Trust Indenture, to be dated as of [November 1], 2016 (the "First Supplemental Indenture," and together with the Master Indenture, as the same may be amended and supplemented from time to time, the "Indenture"), by and between the Authority and the Trustee. The issuance of the 2016 Bonds is the initial bond issuance by the Authority, and the bond issuance is a condition of and dependent upon the occurrence of the transfer of ONT management and operation from the Department to the Authority.

The 2016 Bonds will be secured by a pledge of and first lien on Net Pledged Revenues, which include certain income and revenue received by the Authority from ONT, after the payment therefrom of the maintenance and operation expenses of ONT. The Indenture will provide that the Authority may issue additional bonds payable from Net Pledged Revenues on a parity basis with the 2016 Bonds ("Additional Bonds"), subject to the satisfaction of certain conditions. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2016 BONDS – Additional Bonds" for a discussion of the conditions to issuance of Additional Bonds. In addition, the Authority may issue bonds under the Indenture payable from Net Pledged Revenues on a subordinated basis. For purposes of this Official Statement, "Bonds" shall mean the 2016 Bonds and any Additional Bonds hereafter issued under the Indenture on a parity with the 2016 Bonds. Net Pledged Revenues will be available for the equal and proportionate benefit of all Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2016 BONDS – Net Pledged Revenues."

THE 2016 BONDS WILL BE SPECIAL LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF NET PLEDGED REVENUES DERIVED BY THE AUTHORITY FROM THE OPERATIONS OF ONT AND CERTAIN LIMITED FUNDS AND ACCOUNTS HELD BY OR TO BE HELD BY THE AUTHORITY OR THE TRUSTEE UNDER THE INDENTURE. NONE OF THE PROPERTIES OF ONT WILL BE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THE 2016 BONDS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE WILL BE PLEDGED TO THE

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE 2016 BONDS. THE AUTHORITY HAS NO TAXING POWER.

Risk Factors

The purchase and ownership of the 2016 Bonds involve investment risks. Prospective purchasers of the 2016 Bonds should read this Official Statement in its entirety. For a discussion of certain risks relating to the 2016 Bonds, see "RISK FACTORS".

Continuing Disclosure

The Authority will covenant for the benefit of the owners of the 2016 Bonds to provide to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system: (i) certain financial information and operating data concerning the Authority on an annual basis and (ii) to provide notice to the EMMA system of certain enumerated events, pursuant to the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission (the "SEC"). See "CONTINUING DISCLOSURE" and "APPENDIX F – FORM OF CONTINUING DISCLOSURE CERTIFICATE" for the form of the Continuing Disclosure Certificate.

Additional Information

Brief descriptions of the 2016 Bonds, the Authority, ONT, the Indenture and certain other documents are included in this Official Statement and the appendices hereto. Such descriptions do not purport to be comprehensive or definitive. All references herein to such documents and any other documents, statutes, laws, reports or other instruments described herein are qualified in their entirety by reference to each such document, statute, law, report or other instrument. Information contained herein has been obtained from officers, employees and records of the Authority and from other sources believed to be reliable. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority since the date hereof. This Official Statement is not to be construed as a contract or agreement between the Authority and purchasers or owners of any of the 2016 Bonds.

TRANSFER OF OPERATIONS AND MANAGEMENT OF ONTARIO INTERNATIONAL AIRPORT

Settlement Agreement

Since October 18, 1967, management and control of ONT was overseen by the City of Los Angeles, California, its Board of Airport Commissioners ("BOAC") and Los Angeles World Airports ("LAWA" and collectively with the City of Los Angeles and BOAC, the "Department") in accordance with the terms of a Joint Powers Agreement and subsequent Acquisition Agreement entered into on June 19, 1985. However, following protracted litigation between the Department, the City, and the Authority regarding the ownership of and control over ONT, on December 22, 2015, the Department and the Authority entered into a settlement agreement (the "Settlement Agreement") providing for the Authority's assumption of management and control of ONT on the Transfer Date (as defined below) subject to certain terms and conditions as set forth in the Settlement Agreement. Described below are certain key terms and conditions of the Settlement Agreement. A complete copy of the Settlement Agreement can be obtained from the Authority upon request.

Transfer Date

The Authority shall assume ownership and control of the management and operation of ONT on the transfer date, defined in the Settlement Agreement as the date on which all closing conditions are satisfied or waived by the parties thereto (the "Transfer Date"). The Authority and the Department anticipate that the Transfer Date shall be [November 1], 2016, concurrent with the issuance and delivery of the 2016 Bonds. The issuance of the

2016 Bonds is a condition of and dependent upon the occurrence of the transfer of ONT management and operation from the Department to the Authority.

On the Transfer Date, the Department shall assign and transfer to the Authority, on an "as-is" basis, all of its right, title and interest in and to all of the assets, properties, rights and interests existing or acquired prior to the Transfer Date that are solely used or held for use in connection with the operation of ONT (excluding certain excluded assets further described below), including real and personal property, concession agreements, services agreements, leases with airport users (including airlines), assignable governmental permits and approvals, and cash balances in the accounts of ONT (following payment of certain amounts required to be paid by the Settlement Agreement from such accounts, as further described under the heading "—Settlement Payments" below). The excluded assets include certain assets and contracts that are used by the Department in connection with its operations of other airports, businesses or enterprises in addition to ONT. To the extent that such assets and contracts are required for the operation and management of ONT, the Authority will either acquire similar assets, enter into new agreements for applicable services, which are expected to be on terms substantially similar to those of the existing agreements, or obtain similar services through the City.

FAA Approval of Transfer

As a condition to the transfer of operations and management of ONT, the Authority is required to obtain written approval for the transfer from the Federal Aviation Administration ("FAA"), in the form of a certification from the FAA to the Authority pursuant to Title 14, Code of Federal Regulations (CFR), Part 139 (the "Part 139 Certificate") authorizing the Authority to operate and manage ONT. Various requirements must be satisfied before the FAA will issue the Part 139 Certificate, including FAA approval of the Authority's Airport Certification Manual, which will set forth operating procedures for ONT, and the Authority's airport emergency plan for ONT, and Transportation Security Administration ("TSA") approval of the Authority's airport security plan for ONT.

Certain of the requirements for issuance of the Part 139 Certificate have already been satisfied, and the Authority has been in a continuing dialogue with the FAA regarding the status of completion of the remaining requirements and the FAA's review thereof. The Authority expects that the remaining requirements will be satisfied in the ordinary course prior to the Transfer Date and that the Part 139 Certificate will be issued on the Transfer Date, immediately prior to the issuance of the 2016 Bonds. If the Part 139 Certificate is not obtained, the transfer of operations and management of ONT will not occur and the 2016 Bonds will not be issued.

Settlement Payments

The Settlement Agreement requires the Authority to make certain payments to the Department prior to and following the Transfer Date (the "Settlement Payments"). **[Describe any revisions to payment timing requirements agreed via side letter]** These payments include:

- The transfer of $15,000,000 from City funds within thirty (30) days of the execution of the Settlement Agreement. This amount was paid into an escrow fund for the benefit of LAWA on January 21, 2016, and will be released to the Department on the Transfer Date.

- The transfer of $15,000,000 from City funds within thirty (30) days after the FAA's approval of the transfer of ONT operations and management from the Department to the Authority, which approval is anticipated to be issued on the Transfer Date and is a condition of the transfer and the issuance of the 2016 Bonds. The City intends to make this payment on the Transfer Date.

- The transfer of $40,000,000 from the unrestricted cash accounts of ONT, provided that the remaining balance in the unrestricted cash accounts of ONT (plus amounts in the Maintenance and Operation Reserve Fund) equals or exceeds 120 days of Maintenance and Operation Expenses. If the remaining balance of the specified accounts would not satisfy this requirement, the amount of the transfer required to be made to the Department will be reduced as necessary so that the remaining ONT unrestricted cash balances continue to satisfy this requirement. This transfer is required to be made within thirty (30) days after the FAA's

approval of the transfer of ONT operations and management from the Department to the Authority, and is expected to be made on the Transfer Date. See "FINANCIAL AND OPERATING INFORMATION CONCERNING ONT — Liquidity" for further information regarding ONT's available unrestricted cash and liquidity position.

- The transfer of $50 million by the fifth (5th) anniversary date of the Transfer Date. The Authority anticipates satisfying this requirement by transferring $47,338,500 from the proceeds of Passenger Facility Charges ("PFCs") from the ONT PFC account to the PFC account for Los Angeles International Airport ("LAX") on the Transfer Date, which amount represents the $50 million transfer requirement discounted to the Transfer Date in accordance with the terms of the Settlement Agreement. See "FAA Reauthorization Act" below for a further discussion of this use of PFCs.

- The transfer of $70 million by the tenth (10th) anniversary date of the Transfer Date. To provide assurance to LAWA that the Authority will be able to fund the $70 million payment, the Settlement Agreement requires the Authority to prepare and submit a funding plan that must be approved by the BOAC. The funding plan was submitted by the Authority on July 29, 2016 and approved on August 4, 2016 (the "Funding Plan").

  Under the Funding Plan, the $70 million payment is anticipated to be made from the proceeds of PFCs, [and the FAA approved such use of PFCs on October [__], 2016]. See "FAA Reauthorization Act and FAA Approval of PFC Usage" below for a further discussion of this use of PFCs. Although the Authority anticipates that PFC revenues will be sufficient to fund the $70 million payment obligation in full, in the event that this $70 million payment is not funded with the proceeds of PFCs, the Authority would need to look to alternative sources of funding. One such alternative source could be the issuance of additional bonds by the Authority to fund such payment, which bonds would be Subordinated Obligations for purposes of the Indenture, payable from Net Pledged Revenues on a basis junior and subordinate to the payment of principal and interest on the 2016 Bonds, in accordance with the terms of the Indenture. Until such time as the Authority has fully paid to the Department the $70 million payment, (i) any financial obligations to third parties, including any holders of additional bonds issued pursuant to the Indenture, must be subordinate to the Authority's payment obligations under the Settlement Agreement, including payment of the $70 million payment, and (ii) the Authority may not sell certain parcels of real property adjacent to the airport (the "Surrounding Parcels") unless the sale is approved by the Department, which approval may not be unreasonably withheld but may be conditioned upon the proceeds of such sale being applied to the Authority's $70 million payment obligation to the Department.

- The transfer on the Transfer Date into a bond redemption escrow fund of amounts sufficient, together with funds available in the existing bond reserve fund established in connection with the 2006 Bonds, to pay and discharge the 2006 Bonds. The proceeds of the sale of the 2016 Bonds will be used to satisfy this requirement. The total amount to be transferred on the Transfer Date in satisfaction of this requirement is approximately $55.5 million.

Failure by the Authority to make any required Settlement Payment to the Department could result in a default under the Settlement Agreement. In the event of a default under the Settlement Agreement, the Department has the right to pursue all remedies available under law or in equity, including injunctive relief.

FAA Reauthorization Act and FAA Approval of PFC Usage

On July 15, 2016, President Obama signed into law the FAA Extension, Safety, and Security Act of 2016 (the "FAA Reauthorization Act"), which includes provisions intended to facilitate the transfer of ONT from the Department to the Authority. In particular, the FAA Reauthorization Act authorizes up to $120 million of PFC proceeds collected at ONT to be used to finance eligible projects at LAX, notwithstanding that ONT will no longer be under the control of the Department. Thus, as contemplated in the Settlement Agreement, the legislation will enable the Authority to transfer up to $120 million of PFC proceeds collected at ONT to the Department in order to

pay the required $50 million and $70 million Settlement Payments. Prior to the legislation, PFC proceeds were only permitted to be used to finance eligible projects at the airport or airport systems at which they are collected.

Although the FAA Reauthorization Act permitted PFC proceeds collected at ONT to be used to fund projects at LAX, FAA approval of such use of PFC proceeds is also required. On July 18, 2016, the FAA approved the use of approximately $47.3 million of PFC proceeds previously collected at ONT to be used for eligible projects at LAX, thereby permitting the Settlement Payment in that amount to be made to LAWA on the Transfer Date from the proceeds of PFCs. [On October [__], 2016, the FAA approved the collection and use of an additional $70 million of ONT PFCs for eligible projects at LAX, to enable PFC proceeds to be used to fund the Authority's $70 million Settlement Payment.]

PFC proceeds do not constitute Pledged Revenues and are not available for payment of debt service on the 2016 Bonds.

Staff Augmentation Agreement

In order to facilitate the orderly transition of ONT operations and management from the Department to the Authority, the Authority and LAWA have entered into a Staff Augmentation Agreement dated June 20, 2016 (the "Staff Augmentation Agreement"). The Staff Augmentation Agreement will take effect on the Transfer Date and will remain in effect for 21 months (the "Transition Period") from the Transfer Date, plus an additional 90-day retention period (the "Retention Period") immediately following the 21 months.

Under the Staff Augmentation Agreement, the Authority will be responsible for all aspects of the operations of ONT. However, in order to maintain airport services at the level provided by the Department prior to the transfer, LAWA will provide qualified employees, in substantially the same numbers as prior to the transfer, to perform key ONT operations, such as airfield operations, facilities maintenance and custodial services, security services, and aircraft rescue and firefighting services. All ONT operations will be performed in accordance with the operating manuals and plans in effect prior to the Transfer Date, unless otherwise directed by the Authority.

Under the Staff Augmentation Agreement, LAWA will be required to retain staffing in the following critical managerial and supervisory positions (collectively, the "Critical Positions"), all of which positions will be staffed by the existing individuals in such positions or by similarly-qualified individuals: Director of ONT Operations, Assistant Airport Manager, Chief of ONT Airport Operations, Captain of Airport Police, Chief of ONT Aircraft Rescue and Firefighting ("ARFF"), and Airport Maintenance Superintendent. Although LAWA will be responsible for oversight and supervision of the LAWA employees, LAWA's Director of ONT Operations will be required to act at the direction of the Authority's management and to implement the Authority's executive decisions. The Authority will be responsible for reimbursing the Department for the base salary and overtime pay of the LAWA employees working for ONT, as well as for certain additional costs and administrative charges. LAWA will remain responsible for retirement and pension obligations of LAWA employees assigned to work for ONT during the Transition Period.

During the term of the Staff Augmentation Agreement, the Authority can only reduce the numbers of LAWA staff working at ONT by giving a 60-day redundancy notice to LAWA, wherein the Authority will identify a LAWA classification as redundant to the Authority, without identifying any particular employee. LAWA will then make a good faith effort to reassign the positions in the redundancy notice to other LAWA facilities. Following the 60-day redundancy notice period, LAWA will be responsible for reassigning the affected employees to other positions. Once the employee is reassigned, the Authority, within 30 days of the employee's transfer, will pay LAWA an amount equal to 6 months' of such employee's compensation if the employee was transferred to a position at LAWA that was not otherwise actively seeking to hire new employees. The Critical Positions will not be subject to redundancy notices.

At the end of the term of the Staff Augmentation Agreement, those Department employees who have worked at ONT for the 12 months prior to the end of the Transition Period and who do not choose to transfer to other positions within the Department or leave LAWA employment will be retained at ONT as employees of either

the Authority or an Authority contractor during the ninety-day Retention Period, and their employment may not be terminated without cause during such Retention Period.

Throughout the term of the Staff Augmentation Agreement, the Authority will negotiate with labor groups the terms and conditions of employment at ONT. For additional information concerning the Authority's staffing plans, see ONTARIO INTERNATIONAL AIRPORT AUTHORITY - Staffing Plan."

Redemption and Defeasance of Department's 2006 Bonds

As a condition to the transfer of ONT, the Authority, the Department and the Trustee shall enter into an escrow agreement (the "Escrow Agreement") establishing an escrow account for the redemption and defeasance of the 2006 Bonds. On the Transfer Date, the Authority shall deposit into the escrow account sufficient funds so that, together with the funds available in the Department's existing debt service reserve fund and its maintenance and operation reserve fund, there is sufficient cash to pay and discharge the outstanding 2006 Bonds on the redemption date pursuant to the terms of the indenture under which such 2006 Bonds were issued. The Department's bond counsel will also deliver a defeasance opinion with respect to the 2006 Bonds as required under the 2006 indenture. The 2006 Bonds to be refunded are identified in the table below:

2006 BONDS TO BE REDEEMED
(BASE CUSIP[1] NO. 544435)

Series	Maturity Date May 15	Principal Redeemed	CUSIP Number[(1)]
2006A	2017	$ 3,990,000	XC9
2006A	2018	4,210,000	XD7
2006A	2019	4,450,000	XE5
2006A	2020	4,685,000	XF2
2006A	2021	4,950,000	XG0
2006A	2022	5,225,000	XH8
2006A	2023	5,515,000	XJ4
2006A	2024	5,840,000	XK1
2006A	2025	6,150,000	XL9
2006A	2026	6,510,000	XM7
2006A TOTAL:		**$ 51,525,000**	
2006B	2026	$ 3,980,000	XP0
2006B TOTAL:		**$ 3,980,000**	
TOTAL:		**$ 55,505,000**	

[1] CUSIP numbers are provided only for the convenience of the reader. The Authority takes no responsibility for any changes to or errors in this list of CUSIP numbers.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of the funds with respect to the 2016A Bonds and the 2016B Bonds and certain other funds to be provided by the Department:

	2016A Bonds	2016B Bonds
Sources:		
Principal amount	$	$
Original issue premium		
Funds released from debt service accounts related to the 2006 Bonds[1]		
Termination payment from investment contract for 2006 Bonds[2]		
TOTAL:	$	$
Uses:		
Deposit to 2006 escrow account	$	
Costs of issuance[3]		
Underwriter's discount		
Bond insurance premium		
Surety policy premium		
TOTAL:	$	$

[1] Funds to be provided by the Department and placed in the escrow account.
[2] Termination payment due from provider under an investment contract relating to the debt service reserve accounts for the 2006 Bonds.
[3] Includes legal fees, trustee fees, financial advisory fees, escrow agent fees, rating agencies' fees, printing costs, verification agent fees and other costs of issuance.

DESCRIPTION OF THE 2016 BONDS

General

The 2016 Bonds will be dated their date of delivery, and will bear interest from that date at the rates per annum, and will mature on May 15 in the years, set forth on the inside cover page of this Official Statement. Interest on the 2016 Bonds will be payable semiannually on May 15 and November 15, commencing May 15, 2017, and will be calculated on the basis of a 360-day year comprised of twelve 30-day months. The 2016 Bonds will be issued in minimum denominations of $5,000 and any integral multiple thereof in fully registered form, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). So long as Cede & Co. is the registered owner of the 2016 Bonds, references herein to the owners or registered owners of the 2016 Bonds shall mean Cede & Co., and not the beneficial owners of the 2016 Bonds. See "APPENDIX E – BOOK-ENTRY ONLY SYSTEM" herein.

See "APPENDIX C – SUMMARIES OF THE MASTER INDENTURE AND THE FIRST SUPPLEMENTAL INDENTURE" for a summary of certain provisions of the Indenture, including, without limitation, certain covenants of the Authority, the rights and duties of the Trustee, the rights and remedies of the Trustee and the Bondholders upon an event of default under the Indenture, provisions relating to amendments of the Indenture, and procedures for defeasance of the 2016 Bonds.

Redemption

Optional Redemption[†]

The 2016A Bonds with stated maturities on or after May 15, 20__ will be subject to redemption at the option of the Authority prior to their respective maturity dates, as a whole or in part, on any date as directed by the Authority and by lot within each maturity in integral multiples of $5,000, on or after May 15, 20__, at par, plus accrued interest thereon to the date fixed for redemption.

The 2016B Bonds will be subject to redemption at the option of the Authority prior to their respective maturity dates, as a whole or in part, on any date as directed by the Authority, at the Make-Whole Redemption Price. The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the 2016B Bonds to be redeemed or (ii) the sum of the present value of the remaining scheduled payments of principal and interest on the 2016B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date fixed for redemption of such 2016B Bonds to be redeemed, the present value of which will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate plus [__] basis points, plus, in each case, accrued and unpaid interest on the 2016B Bonds to be redeemed to the redemption date. See "APPENDIX C – SUMMARIES OF THE MASTER INDENTURE AND THE FIRST SUPPLEMENTAL INDENTURE."] [To be updated]

Mandatory Sinking Fund Redemption

The 2016A Bonds maturing May 15, 20__ will be subject to mandatory redemption or purchase in lieu thereof, from sinking fund payments made by the Authority in part (by lot) on May 15, 20__, and May 15 in each year thereafter at a prepayment price of the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium; provided, however, that if some but not all of the 2016A Bonds have been optionally redeemed or purchased, the total amount of sinking fund payments to be made subsequent to such optional or mandatory redemption shall be reduced in an amount equal to the principal amount of such 2016A Bonds so prepaid by reducing future sinking fund payments in such order as shall be designated pursuant to written notice filed by the Authority with the Trustee. The 2016A Bonds maturing May 15, 20__ are required to be prepaid on the following dates and in the following amounts:

May 15 of the Year	Principal Amount
20__	$
20__	
20__[†]	

[†] Final Maturity

[†] Preliminary, subject to change

The 2016B Bonds maturing May 15, 20__ will be subject to mandatory redemption or purchase in lieu thereof, from sinking fund payments made by the Authority in part (by lot) on May 15, 20__, and May 15 in each year thereafter at a prepayment price of the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium; provided, however, that if some but not all of the 2016B Bonds have been optionally redeemed or purchased, the total amount of sinking fund payments to be made subsequent to such optional or mandatory redemption shall be reduced in an amount equal to the principal amount of such 2016B Bonds so prepaid by reducing future sinking fund payments in such order as shall be designated pursuant to written notice filed by the Authority with the Trustee. The 2016B Bonds maturing May 15, 20__ are required to be prepaid on the following dates and in the following amounts:

May 15 of the Year	Principal Amount
20__	$
20__	
20__†	

† Final Maturity

Selection of Bonds for Redemption. Whenever provision is made in the First Supplemental Indenture for the redemption of less than all of the 2016 Bonds of a maturity, the Trustee shall select such 2016 Bonds for redemption by lot, in any manner which the Trustee in its sole discretion shall deem appropriate and fair, with respect to the 2016A Bonds, and pro rata with respect to the 2016B Bonds, each in accordance with the First Supplemental Indenture (and, in each event, subject to DTC operational arrangements for 2016 Bonds held by DTC). The Trustee shall promptly notify the Authority in writing of the numbers of the 2016 Bonds or portions thereof so selected for redemption by mailing it a copy of the notice of redemption.

Notice of Redemption. Notice of redemption shall be mailed by first-class mail not less than thirty (30) days before any Redemption Date, to the respective Owners of any 2016 Bonds designated for redemption at their addresses appearing on the Registration Books, and to the Municipal Securities Rulemaking Board's EMMA system. Each notice of redemption shall state the redemption date, the place or places of redemption, whether less than all of the 2016 Bonds are to be redeemed, the distinctive numbers of the Bonds to be redeemed, and in the case of 2016 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable on each of said 2016 Bonds or parts thereof designated for redemption the Redemption Price thereof, plus accrued interest thereon, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2016 Bonds be surrendered. Neither the failure to receive any notice nor any defect therein shall affect the validity of the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of 2016 Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

With respect to any notice of optional redemption of 2016 Bonds, unless upon the giving of such notice such 2016 Bonds shall be deemed to have been paid or the Trustee has received amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, and that if such amounts shall not have been so received said redemption notice shall be of no force and effect and such 2016 Bonds shall not be subject to redemption on such date. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such amounts were not so received and the redemption was not made.

SECURITY AND SOURCES OF PAYMENT FOR THE 2016 BONDS

Following is a summary of certain provisions of the Indenture, including, among other things, sections of the Indenture detailing the pledge of Net Pledged Revenues, the rate covenant for the Bonds, debt service deposits for the Bonds, the funding and utilization of the Reserve Fund for the Bonds and the issuance of Additional Bonds. These summaries are not comprehensive or definitive. See "APPENDIX C – SUMMARIES OF THE MASTER INDENTURE AND THE FIRST SUPPLEMENTAL INDENTURE" for a more complete description of these provisions of the Indenture.

Net Pledged Revenues

The Bonds are limited obligations of the Authority payable solely from and secured by a pledge of Net Pledged Revenues. "Net Pledged Revenues" means, for any given period, the Pledged Revenues for such period less, for such period, the Maintenance and Operation Expenses. The Bonds are also secured by all moneys and securities held under the Indenture (other than moneys and securities on deposit in any rebate fund established under the Indenture for purposes of compliance with federal United States tax laws), as further described herein.

The term "Pledged Revenues" is defined in the Master Indenture to mean, except to the extent specifically excluded in the Master Indenture or under the terms of any Supplemental Indenture, "Airport Revenues." Pledged Revenues also include any additional revenues designated as Pledged Revenues pursuant to a Supplemental Indenture. To date the Authority has not designated any additional revenues as Pledged Revenues.

The term "Airport Revenues" is defined in the Master Indenture to mean, except to the extent specifically excluded therefrom, all income, receipts, earnings and revenues received by the Authority from ONT, for any given period, as determined in accordance with generally accepted accounting principles, as modified from time to time, including, but not limited to: (a) rates, tolls, fees, rentals, charges and other payments made to or owed to the Authority for the use or availability of property or facilities at ONT; (b) amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Authority at ONT, and (c) all rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the Authority or any successor thereto from the possession, management, charge, superintendence and control of ONT (or any Ontario Airport Facilities or activities or undertakings related thereto) or from any other facilities wherever located with respect to which the Authority receives payments which are attributable to Ontario Airport Facilities or activities or undertakings related thereto. Airport Revenues include all income, receipts and earnings from the investment of amounts held in the Airport Revenue Fund, any Construction Fund allowed to be pledged by the terms of a Supplemental Indenture, the Reserve Fund and the Maintenance and Operations Reserve Fund and the amount, if any, related to coverage paid in a prior Fiscal Year that is available to be spent in the current Fiscal Year and that is credited by the Authority against requirements in calculating for the given Fiscal Year terminal rentals and landing fees charged to airline users of ONT pursuant to any residual methodology employed by the Authority in calculating such rentals and fees; provided, however, that for purposes of calculating Airport Revenues for a given Fiscal Year, such amount may not exceed 25% of Debt Service for the Fiscal Year for which such determination is being made.

The following, including any investment earnings thereon, are specifically excluded from Pledged Revenues: (a) any amounts received by the Authority from the imposition of ad valorem taxes; (b) gifts, grants and other income otherwise included in Airport Revenues which are restricted by their terms to purposes inconsistent with the payment of debt service on the Bonds; (c) insurance proceeds received as a result of damage to or destruction of Ontario Airport Facilities, or any other insurance proceeds, or any condemnation award or amounts received by the Authority from the sale of Ontario Airport Facilities under the threat of condemnation, in each case to the extent the use of such proceeds is restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of debt service on the Bonds, and (d) Ontario Airport Special Facilities Revenue. The following, including any investment earnings thereon, are also excluded from Pledged Revenues unless designated as Pledged Revenues under the terms of a Supplemental Indenture: (a) Swap Termination Payments paid to the Authority pursuant to a Qualified Swap; (b) Facilities Construction Credits; and (c) PFCs and Customer Facility Charges ("CFCs") collected with respect to ONT. Swap Termination Payments, Facilities Construction Credits,

PFCs, and CFCs have not been designated as Pledged Revenues under the terms of the First Supplemental Indenture.

"Maintenance and Operation Expenses" means, for any given period, the total maintenance and operation expenses of ONT as determined in accordance with generally accepted accounting principles as in effect from time to time, excluding depreciation expense and any maintenance and operation expenses of ONT payable from moneys other than Pledged Revenues.

THE 2016 BONDS WILL BE SPECIAL LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF NET PLEDGED REVENUES AND CERTAIN LIMITED FUNDS AND ACCOUNTS HELD BY OR TO BE HELD BY THE AUTHORITY OR THE TRUSTEE UNDER THE INDENTURE. NONE OF THE PROPERTIES OF ONT WILL BE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THE 2016 BONDS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE WILL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE 2016 BONDS. THE AUTHORITY HAS NO TAXING POWER.

Rate Covenant

Under the Master Indenture, the Authority has covenanted that, while any of the Bonds remain Outstanding, it shall establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with ONT and for services rendered in connection therewith, so that Pledged Revenues in each Fiscal Year will be at least equal to the deposits and transfers required to be made pursuant to paragraphs (1) through (5) set forth in "Flow of Funds" below. The Authority has further covenanted that it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with ONT and for services rendered in connection therewith, so that during each Fiscal Year the Net Pledged Revenues will be equal to at least 125% of Aggregate Annual Debt Service for that Fiscal Year.

If the Authority violates the above-described covenants, such violation is not a default under the Indenture and will not give rise to a declaration of an Event of Default under the Indenture if, within 120 days after the date such violation is discovered, the Authority revises the schedule of rates, tolls, fees, rentals and charges insofar as practicable and revises any Maintenance and Operation Expenses insofar as practicable and takes such other actions as are necessary so as to produce Net Pledged Revenues to cure such violation for future compliance; provided, however, that if the Authority does not cure such violation by the end of the second subsequent Fiscal Year succeeding the date such violation is discovered, an Event of Default may be declared under the Indenture. The Authority may obtain such recommendations from a Consultant as it deems necessary or appropriate to bring the Authority into compliance with such covenants.

Pursuant to the Operating Use and Terminal Lease Agreements ("ULAs") between the Department and certain airlines operating at ONT, which the Authority will assume from the Department on the Transfer Date, the Authority will be entitled to adjust the rates and charges charged to the airlines under such ULAs as necessary to satisfy the Authority's rate covenant with respect to the 2016 Bonds. See "AGREEMENTS FOR THE USE OF AIRPORT FACILITIES – Operating Use and Terminal Lease Agreements" for more information regarding amounts that may be charged to the airlines under the ULAs.

Flow of Funds

Pursuant to the Master Indenture, all Airport Revenues will be deposited in the Airport Revenue Fund created pursuant to the Indenture. Net Pledged Revenues will immediately upon receipt thereof become subject to the lien and pledge of the Indenture.

Pledged Revenues deposited into the Airport Revenue Fund shall be transferred to and deposited in the following respective funds in the following order of priority, the requirements of each such fund at the time of deposit to be satisfied before any transfer is made to any fund subsequent in priority:

(1) Maintenance and Operation Fund. On or before the first day of each month, the Authority Treasurer shall set aside out of the Airport Revenue Fund and deposit in the Maintenance and Operation Fund an amount equal to (A) one-twelfth of the amount budgeted by the Authority in the original or a revised budget for Maintenance and Operation Expenses for the then-current Fiscal Year, or (B) such other amount as the Authority determines is necessary to pay the Maintenance and Operation Expenses in such month. Moneys in the Maintenance and Operation Fund shall be used to pay the Maintenance and Operation Expenses as they become due and payable.

(2) Interest Account. After making the deposit required by subsection 1. above, on or before the first day of each month, the Authority Treasurer shall deposit into the Interest Account of the Debt Service Fund an amount equal to at least (A) one-sixth of the aggregate amount of interest becoming due and payable on the Initial Bonds during the next ensuing six months (excluding any moneys deposited in the Interest Account from the proceeds of any series of such Bonds to pay interest during said next ensuing six months), until the requisite half-yearly amount of interest on all such Initial Bonds is on deposit in such fund, and (B) the amounts required to be deposited in the Interest Account with respect to any Additional Bonds pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds.

(3) Principal Account. After making the deposits required by 1. and 2. above, on or before the first day of each month, the Authority Treasurer shall deposit in the Principal Account of the Debt Service Fund an amount equal to at least (A) one-twelfth of the aggregate Principal Amounts becoming due and payable on the Initial Bonds on the next succeeding [May 15] and (B) the amounts required to be deposited in the Principal Account with respect to the Principal Amount for any Additional Bonds pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds.

(4) Reserve Fund. After making the deposits required by 1., 2. and 3. above, on or before the first day of each month, the Authority Treasurer shall transfer to the Trustee for deposit in the Reserve Fund such amount as shall be required to maintain in each account in the Reserve Fund a balance equal to the applicable Required Reserve for such account; provided that the amount to be replenished to any account within the Reserve Fund after a draw on such account to pay debt service on any Bonds may be divided into no more than 12 equal monthly installments.

(5) Maintenance and Operation Reserve Fund. After making the deposits required by 1., 2., 3. and 4. above, on or before the first day of each Fiscal Year, the Authority Treasurer shall transfer and deposit into the Maintenance and Operation Reserve Fund an amount, if any, required to be deposited therein such that the total amount on deposit therein shall be equal to the Maintenance and Operation Reserve Fund Requirement.

(6) Surplus Revenue Fund. The Authority Treasurer may determine the Pledged Revenues remaining in the Airport Revenue Fund attributable to a prior calendar month which are available for transfer to the Surplus Revenue Fund after having set aside and transferred all amounts required to be set aside or transferred by the Trustee or the Authority, as provided in (1), (2), (3), (4), and (5) above, and the Authority Treasurer may transfer and deposit into the Surplus Revenue Fund an amount equal to the amount remaining in the Airport Revenue Fund.

Moneys in the Surplus Revenue Fund may be transferred by the Authority Treasurer to any other fund or account of the Authority, free and clear of the lien of the Indenture, to be used as directed by the Authority for the payment of Subordinated Obligations or for any discretionary purposes as authorized by the Authority and the Joint Powers Agreement; provided, however, the Authority Treasurer shall not permit the Authority to withdraw any moneys held by the Authority in the Surplus Revenue Fund if and when the Authority is in default under the Indenture.

Reserve Fund

The Master Indenture establishes the Reserve Fund for the Bonds issued or to be issued by the Authority pursuant to any Supplemental Indenture. The Master Indenture establishes within the Reserve Fund an account designated as the "General Account." Amounts in the General Account shall be available only to pay principal of and interest on the 2016 Bonds and any Additional Bonds for which the General Account is made available pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds. Any Supplemental Indenture providing for the issuance of Additional Bonds for which the General Account is made available shall require as a condition of issuance that an amount be deposited into the General Account for such Additional Bonds so that, together with any Reserve Fund Surety Policy, the amount on deposit in the General Account will be equal to the Required Reserve.

The Reserve Fund is held by the Trustee and is required to be funded at all times in an amount equal to the Required Reserve. "Required Reserve" means, with respect to any series of Bonds, the amount required to be maintained in the Reserve Fund, if any, for such series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such series of Bonds. The Required Reserve for the 2016 Bonds (and any Additional Bonds secured by the General Account within the Reserve Fund) shall be the lesser of (i) the Maximum Aggregate Annual Debt Service on all 2016 Bonds and such Additional Bonds, or (ii) the amount permitted to be held in the General Account within the Reserve Fund by the arbitrage bond regulations issued by the United States Authority of the Treasury under Section 148 of the Code, as such regulations are, at the time, applicable and in effect; provided, however, that any Required Reserve may be provided in whole or in part by one or more Reserve Fund Surety Policies.

Upon the issuance of the 2016 Bonds, the Required Reserve shall be deposited in the 2016A Reserve Subaccount and the 2016B Reserve Subaccount (the "2016 Reserve Accounts"), respectively, so that the aggregate amount credited to the 2016 Reserve Accounts will be equal to the Required Reserve. The 2016 Reserve Accounts are established as sub-accounts in the General Account for the purpose of calculating and accounting for the amount of earnings upon the portion of the Reserve Fund relating to the 2016A Bonds and the 2016B Bonds, in order to comply with certain tax covenants, but for all other purposes shall be held, invested and used as provided in the Master Indenture.

A Reserve Fund Surety Policy shall be acceptable in lieu of a deposit of cash or securities into either of the 2016 Reserve Accounts, or may be substituted for amounts on deposit in either of the 2016 Reserve Accounts, only if at the time of such deposit (i) such Reserve Fund Surety Policy extends to the maturity of the related Series of 2016 Bonds of the longest maturity then Outstanding, or the Authority has agreed, by Supplemental Indenture, that it will replace such Reserve Fund Surety Policy prior to its expiration with another Reserve Fund Surety Policy which shall have no adverse effect on the ratings, if any, then in effect on the 2016 Bonds, or with cash and (ii) the face amount of the Reserve Fund Surety Policy, together with amounts on deposit in the General Account, including the face amount of any other Reserve Fund Surety Policy, is at least equal to the Required Reserve; and (iii) written consent from the 2016 Bond Insurer both as to the Credit Provider of such Reserve Fund Surety Policy and as to its structure.

Notwithstanding anything to the contrary contained in the Indenture, at any time one or more surety bonds, including the 2016A Bond Reserve Surety Bond or the 2016B Bond Reserve Surety Bond (each as defined below), or insurance policies (collectively, "Reserve Fund Surety Policies") are on deposit in the General Account of the Reserve Fund, the Trustee shall: (i) withdraw and use all cash, if any, on deposit in the General Account prior to using and withdrawing any amounts derived from payments under any Reserve Fund Surety Policies; and (ii) draw on all Reserve Fund Surety Policies on a pro rata basis based on the draw limit of each such Reserve Fund Surety Policy, if there is more than one Reserve Fund Surety Policy on deposit in the General Account. Amounts received by the Trustee from the Authority pursuant to the Indenture as a replenishment of amounts withdrawn from the General Account shall be applied (i) first on a pro rata basis to reimburse draws on any Reserve Fund Surety Policies and (ii) to replenish cash withdrawn from the General Account.

If moneys have been withdrawn from the General Account or a payment has been made under a Reserve Fund Surety Policy constituting all or a portion of the General Account, and deposited into an account or subaccount of the Debt Service Fund to prevent a default on the 2016 Bonds, then an Authorized Authority Representative will pay to the Trustee but only as provided in the Indenture, the full amount so withdrawn, together with interest, if any, required under the terms of the Reserve Fund Surety Policy, or so much as shall be required to restore the General Account to the Required Reserve and to pay such interest, if any. Such repayment shall be made in 12 substantially equal monthly installments each due on the first Business Day of the month commencing with the first month after such withdrawal occurs. If such repayment is with respect to a draw under a Reserve Fund Surety Policy, the Trustee shall pay to the provider of such Reserve Fund Surety Policy the amount received by the Trustee from the Authority which is designated to be used to reimburse the provider of such Reserve Fund Surety Policy. The Trustee shall immediately notify the paying agent for the Reserve Fund Surety Policy, if any, of such reimbursement, and the amount available to be drawn under the Reserve Fund Surety Policy shall increase by the amount of such reimbursement.

Moneys in the General Account shall be invested and reinvested by the Trustee at the written direction of an Authorized Authority Representative in Permitted Investments. Earnings on the General Account shall be paid pro rata to the related principal and interest subaccounts of the Debt Service Fund to be applied as a credit against the Authority's obligation to make its next deposit to such subaccounts unless an amount has been withdrawn from the General Account as a result of a deficiency in a related Debt Service Fund and such withdrawal has not been repaid or, as of the most recent valuation of the Reserve Fund, the amount therein was valued at less than the Required Reserve and the deficiency has not yet been restored, in either of which events the earnings shall be retained in the Reserve Fund until the deficiency therein has been eliminated.

All money remaining in the General Account related to the 2016 Bonds on the final Payment Date, in excess of the amount required to make provisions for the payment in full of the interest and/or the principal of the 2016 Bonds and the amount required to be held by any Supplemental Indenture shall be transferred to the Authority for deposit in the Airport Revenue Fund. See "APPENDIX C – SUMMARIES OF THE MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE."

[The 2016A and 2016B Bond Reserve Surety Bond

[_____] has committed to issue surety bonds in the amounts of $[_____] (the "2016A Bond Reserve Surety Bond") and $[_____] (the "2016B Bond Reserve Surety Bond") pursuant to each of which, upon notice from the Trustee to [_____] to the effect that insufficient amounts are on deposit in the principal and interest funds for the applicable series of 2016 Bonds after drawing upon and depleting any cash balance in the General Account to fund the principal and interest on a pro rata basis on any Bonds secured by the General Account, [_____] will promptly deposit with the Trustee an amount sufficient to pay the principal and interest on such series of 2016 Bonds or the available amount of the 2016A Bond Reserve Surety Bond or the 2016B Bond Reserve Surety Bond, as applicable, whichever is less. Upon the later of (i) three (3) days after the receipt by [_____] of a demand for payment in the form attached to the applicable Reserve Surety Bond, duly executed by the Trustee; or (ii) the payment date of the applicable series or 2016 Bonds as specified in the demand for payment presented by the Trustee to [_____],[_____] will make a deposit of funds in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment to the Trustee, of amounts which are then due to the Trustee (as specified in the demand for payment) subject to the applicable Reserve Surety Bond.

The available amount of the 2016A Bond Reserve Surety Bond is the initial face amount of the 2016A Bond Reserve Surety Bond ($[_____]) less the amount of any previous deposits by [_____] with the Trustee which have not been reimbursed by the Authority. The available amount of the 2016B Bond Reserve Surety Bond is the initial face amount of the 2016B Bond Reserve Surety Bond ($[_____]) less the amount of any previous deposits by [_____] with the Trustee which have not been reimbursed by the Authority. The Authority and [_____] will enter into [one or more] Financial Guaranty Agreements dated as of [November 1], 2016 (the "Financial Guaranty Agreement"). Pursuant to the Financial Guaranty Agreements, the Authority will be required to reimburse [_____] the amount of such deposit made by [_____] with the Trustee under

the each applicable Reserve Surety Bond. Such reimbursement shall be made only as set forth above under " – Flow of Funds."

See "THE BOND INSURANCE POLICY AND THE BOND INSURER" and "APPENDIX C – SUMMARIES OF THE MASTER INDENTURE AND THE FIRST SUPPLEMENTAL INDENTURE."]

Additional Bonds

The Master Indenture provides the Authority with flexibility as to the nature and terms of any Additional Bonds hereafter issued with a lien and charge on Net Pledged Revenues on a parity with the 2016 Bonds. See "APPENDIX C – SUMMARIES OF THE MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE."

Additional Bonds may be issued under the Master Indenture on a parity with the 2016 Bonds, provided, among other things, that there is delivered to the Trustee either:

(a) a certificate prepared by an Authorized Authority Representative showing that Net Pledged Revenues for any 12 consecutive months out of the most recent 18 consecutive months preceding the date of issuance of the proposed Series of Bonds or preceding the first issuance of the proposed Program Bonds were at least equal to 125% of Maximum Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (as applicable) were then Outstanding; or

(b) a certificate dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds, prepared by a Consultant showing that:

(i) the Net Pledged Revenues (as calculated by said Consultant) for any 12 consecutive months out of the 24 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds or the establishment of a Program were at least equal to 125% of Maximum Aggregate Annual Debt Service;

(ii) for each Fiscal Year during the period from the date of delivery of such certificate until the latest Estimated Completion Date, as certified to the Consultant by an Authorized Authority Representative, the Consultant estimates that the Authority will be in compliance with the rate covenant under the Indenture; and

(iii) the estimated Net Pledged Revenues for each of the three complete Fiscal Years immediately following the last Estimated Completion Date, as certified to the Consultant by an Authorized Authority Representative, will be at least equal to 125% of Maximum Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (if applicable) were then Outstanding.

Neither of the certificates described above will be required for the 2016 Bonds or if:

(a) the Additional Bonds being issued are for the purpose of refunding then Outstanding Bonds and there is delivered to the Trustee, instead, a certificate of an Authorized Authority Representative showing that Maximum Aggregate Annual Debt Service after the issuance of the refunding Additional Bonds will not exceed Maximum Aggregate Annual Debt Service prior to the issuance of such refunding Additional Bonds; or

(b) the Additional Bonds being issued constitute Notes and there is delivered to the Trustee, instead, a certificate prepared by an Authorized Authority Representative showing that the principal amount of the proposed Notes being issued, together with the principal amount of any Notes then Outstanding, does not exceed 10% of the Pledged Revenues for any 12 consecutive months out of the 18

months immediately preceding the issuance of the proposed Notes, and there is delivered to the Trustee a Certificate of an Authorized Authority Representative showing that for each of the Fiscal Years during which the Notes will be Outstanding and taking into account the debt service becoming due on such Notes, the Authority will be in compliance with the rate covenant under the Indenture; or

(c) the Additional Bonds being issued are for the purpose of providing funds for the completion of a Specified Ontario Project for which Bonds have previously been issued, provided that such new Bonds would not exceed 10% of the aggregate principal amount of such previously issued Bonds. Only one Series of Bonds may be issued in respect of any Project pursuant to this paragraph.

The Authority has covenanted in the Master Indenture that so long as any Bonds are Outstanding, it will not issue any additional bonds or other obligations with a lien on or security interest granted in Net Pledged Revenues which is senior to the Bonds. The Authority may issue Ontario Special Facility Obligations. See "DEBT SERVICE SCHEDULE AND OTHER OBLIGATIONS – Other Obligations."

The Indenture also permits the Authority to issue or incur indebtedness that is subordinated to the Bonds as to payment from Net Pledged Revenues.

Permitted Investments

Moneys held by the Trustee under the Indenture, including moneys in the Debt Service Fund and Reserve Fund (and the accounts therein), may be invested as directed by the Authority in Permitted Investments, subject to the restrictions set forth in the Indenture and subject to restrictions imposed upon the Authority by the Joint Powers Act. See "FINANCIAL AND OPERATING INFORMATION CONCERNING ONT."

Events of Default and Remedies; No Acceleration

Events of Default under the Indenture and related remedies are described in the summary of certain provisions of the Indenture attached as APPENDIX C. The occurrence of an Event of Default does not grant any right to accelerate payment of the 2016 Bonds to either the Trustee or the holders of the Bonds. The Trustee is authorized to take certain actions upon the occurrence of an Event of Default, including proceedings to enforce the obligations of the Authority under the Indenture.

DEBT SERVICE REQUIREMENTS

The following table sets forth debt service requirements on the 2016 Bonds:

TABLE 1
ONTARIO INTERNATIONAL AIRPORT
DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal Requirements on 2016A Bonds	Interest Requirements on 2016A Bonds	Principal Requirements on 2016B Bonds	Interest Requirements on 2016B Bonds	Total Debt Service on 2016 Bonds
2017	$	$	$	$	$
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
Total	$	$	$	$	$

Source: Ontario International Airport Authority

[BOND INSURANCE]

[_____] *has provided the following information for inclusion in this Official Statement. No representation is made by the Authority or the Underwriter as to the accuracy or completeness of this information.*

[Information to be provided by the Bond Insurer]

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SOURCES OF INFORMATION

The Department has not participated in the preparation of this Official Statement, and historical financial and operating information of ONT presented in this Official Statement has generally been obtained from publicly-available sources, including the audited financial statements of LAWA and continuing disclosure materials publicly released by the Department on LAWA'swebsite at www.lawa.org. In connection with the transfer of ownership and control of ONT from LAWA to the Authority, and pursuant to the requirements of the Settlement Agreement, LAWA has also provided certain additional information to the Authority about the operations and financial status of ONT (including certain unaudited financial results for Fiscal Year 2016, as referenced in this Official Statement), certain of which information is included in this Official Statement. Neither Department, nor LAWA, nor the City of Los Angeles is responsible for information set forth in this Official Statement.

REPORT OF THE AIRPORT CONSULTANT

The Report of the Airport Consultant dated October [11], 2016 is attached to this Official Statement as Appendix A. The Report of the Airport Consultant evaluates the ability of the Authority to produce Net Pledged Revenues sufficient to meet the requirements of the rate covenant during the projection period (Fiscal Year 2018 through Fiscal Year 2022), taking into account estimated Annual Debt Service requirements and based on the assumptions set forth in the Report of the Airport Consultant. Certain information in this Official Statement has been excerpted from the Report of the Airport Consultant. The Report of the Airport Consultant includes the forecast of aviation activity set forth in the Aviation Activity Forecast attached to this Official Statement as Appendix B.

Any forecast is subject to uncertainties. Therefore, there may be differences between forecast and actual results, and those differences may be material. Furthermore, the findings and projections in the Report of the Airport Consultant are subject to a number of other assumptions that should be reviewed and considered by prospective investors. No assurances can be given that the findings and projections discussed in the Report of the Airport Consultant will be achieved. The Report of the Airport Consultant has not been and will not be updated to reflect the final pricing terms of the 2016 Bonds or other changes that may have occurred after the date of such report. Actual results may differ materially from those described in such report. The Report of the Airport Consultant should be read in its entirety for an understanding of the forecasts, findings and projections, and the underlying assumptions.

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Debt Service Coverage

The following table, which is excerpted from the Report of the Airport Consultant, presents a summary of historical and projected debt service coverage for the Fiscal Years from 2013 through 2022. Although the historical debt service coverage shown on the chart was calculated under the LAWA Indenture and projected debt service coverage will be calculated under the Indenture, the applicable provisions of both indentures are substantially the same.

TABLE 2
ONTARIO INTERNATIONAL AIRPORT
DEBT SERVICE COVERAGE

	Net Pledged Revenues (000's)	Debt Service Requirement (000's)	Debt Service Coverage
Historical			
2013	$10,594	$7,015	1.51x
2014	$10,653	$7,143	1.51x
2015	$10,555	$7,047	1.50x
2016 (Unaudited)	$11,759	$7,073	1.66x
2017 (Budget)	$9,924	$5,928	1.67x
Projected			
2018	$14,867	$5,959	2.49x
2019	$16,111	$5,983	2.69x
2020	$16,125	$5,996	2.69x
2021	$16,141	$6,029	2.68x
2022	$16,172	$6,053	2.67x

Source: Report of the Airport Consultant

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Organization and Powers

The Authority was created in August 2012 for the sole purpose of owning and operating ONT pursuant to the Joint Powers Agreement between the City and the County. Under the Joint Powers Agreement and the Joint Powers Act, the Authority has the powers common to the City and the County to operate, maintain, manage, develop and market ONT, subject only the restrictions upon the manner of exercising such powers as are imposed upon the City in the exercise of similar powers. Although the Authority has the authority under the ULAs and its rules and regulations to establish rates and charges, and also has the ability under legislation to impose PFCs and CFCs (subject to the restrictions contained in such legislation), the Authority does not have the power to impose taxes.

Commission Members

The Authority is governed by a five-member Commission comprised of four members appointed by the City and one member appointed by the County. Members appointed by the City must consist of two members of the business community with their primary business interest located within the market service area of ONT and two members then serving as members of the City Council. The member appointed by the County must be the Supervisor of the San Bernardino County Board of Supervisors representing the supervisorial district in which ONT is located. Members shall serve during the term for which they were appointed and until their successors have been appointed and qualified; provided, however, that members may resign voluntarily or, if applicable, may be removed by and at the pleasure of the party that appointed them, and provided, further, any member who also serves as a member of the governing body of any party shall automatically forfeit such member's membership on the Commission if such member ceases to be member of the governing body, but after such forfeiture, such member may be appointed or reappointed to the Commission.

As of the date hereof, the members of the Commission are:

Member	Affiliation	Appointed By	Date of Appointment
Alan Wapner, President	Ontario Mayor	City	August 2012
Ron Loveridge, Vice President	Retired Riverside Mayor	City	August 2012
Lucy Dunn, Secretary	OC Business Council President and CEO	City	September 2012
Jim Bowman	Ontario Council Member	City	August 2012
Curt Hagman	San Bernardino County Supervisor	County	January 2015

Authority Management

Responsibility for the implementation of the policies formulated by the Commission and for the day-to-day operations of ONT rests with the senior management of the Authority. The Chief Executive Officer, under the direction of the Commission, is empowered to appoint and remove the senior managers who direct the major functions of the Authority. The principal senior managers of the Authority are listed below:

Kelly J. Fredericks, Chief Executive Officer. Mr. Fredericks joined the Authority in March 2016 after serving as President and Chief Executive Officer of the Rhode Island Airport Corporation ("RIAC"), the operator of a six-airport system consisting of a medium-hub airport (T.F. Green), two non-hub primary commercial airports (Westerly State and Block Island), a joint use military facility (Quonset State) and two corporate/general aviation facilities (North Central State and Newport State).

Mr. Fredericks has 33 years of aviation-related industry experience. He has served in senior leadership roles in the management of large, medium, small and non-hub airports, as well as overseeing the planning, design and construction of billions of dollars of airport development projects as an aviation consultant. He is an Accredited Airport Executive by the American Association of Airport Executives, a Professional Engineer and a private pilot. He serves on the Board of Directors of Airports Council International - North America, and is a Regional Director and Board Member of the National Association of State Aviation Officials.

Before joining RIAC, Mr. Fredericks served a Senior Vice President of the Corradino Group, leading efforts as Program Manager for the design and construction of a multi-billion dollar airport expansion program at Ft. Lauderdale-Hollywood International Airport. He also served as the Executive Director/CEO at Erie International Airport, Tom Ridge Field from 1999 to 2008; Deputy Aviation Director/COO at Pittsburgh International Airport from 1996 to 1999; and Manager of the State-Owned Airports/Improvements at Harrisburg International Airport from 1980 to 1993. He graduated from Pennsylvania State University in 1983 with a B.S. in Civil Engineering.

Jeff Reynolds, Chief Financial Officer. Mr. Reynolds joined the Authority in [____], 2016, bringing with him thirty years of experience in U.S. and international airport management, finance concessions construction bonding, business development, reporting and underwriting.

Mr. Reynolds most recently served as an aviation financial analyst, prior to which he was President and CEP of HAS Development Corp. ("HAS"), a non-profit Houston-based corporation specializing in training, technical services consulting and financial advisory services in the airport and aviation sections. Prior to his position at HAS, Mr. Reynolds was vice president of assets and acquisitions for the Abu Dhabi Airports Company, which manages five airports in the United Arab Emirates. Mr. Reynolds earned a Masters of Business Administration from USC in [19__] and a Bachelor of Arts degree from UCLA in [19__].

Bruce Atlas, Chief Operating Officer. Mr. Atlas joined the Authority in August 2016 and brings 18 years of aviation experience and a comprehensive knowledge of ONT.

Mr. Atlas worked for Southwest Airlines from 1998 to August 2016, most recently as Southwest's ONT station manager for the past 12 years. Prior to that, Mr. Atlas was the deputy station manager for Southwest at LAX and during this period, the station was highly awarded, including winning the company's "Station of the Year", "Top Performing Station" and other honors. Mr. Atlas's expertise includes airport station management, ground handling, administration, security/safety operations, infrastructure management and customer service. His strong business skills include meeting budget goals and key performance indicators, organizational development, team leadership and strong interpersonal skills. [[INCLUDE DEGREES EARNED]]

Mark Thorpe, Chief Development Officer. Mr. Thorpe joined the Authority in September 2016, with 18 years of professional aviation experience.

Mr. Thorpe worked for more than four years with Dallas/Fort Worth International Airport ("DFW"). As assistant vice president for air service development, he conceived and executed DFW's passenger and cargo air service development strategy and prompted American Airlines to establish DFW as its primary gateway between Asia and Latin America. He was also appointed to lead DFW's newly created Cargo/Logistics Business Development division. Prior to DFW, Mr. Thorpe was director of air service development for LAWA, where he successfully recruited four new airlines to ONT 2003-2007, which was a period of substantial growth at ONT. Mr. Thorpe received his juris doctorate and master of business administration degrees in 1998 from George Washington University, with a magna cum laude distinction from the business school, and earned a [[UNDERGRADUATE DEGREE]] from [[COLLEGE]] in [19__].

Daniel Adamus, Chief Marketing Officer. Mr. Adamus joined the Authority in September 2016 with 27 years of executive experience.

Mr. Adamus is a highly creative executive with significant strategic planning, organizational development and international marketing communications core competencies. He has diverse experience in a global environment with Great Lakes Case & Cabinet, the United States Marine Corps, GE Plastics, a regional marketing firm, and his own consulting business. He has extensive experience in the creation and execution of international marketing, public affairs, advertising, corporate communications and crisis management strategies for a highly diverse portfolio of clientele. Mr. Adamus received his MBA from Rensselaer Polytechnic Institute (Troy, NY) in 1993 and graduated from the U.S. Naval Academy with a double major in engineering and history in 1984.

Staffing Plan

During the 21-month Transition Period following the Transfer Date, LAWA will provide staffing for ONT pursuant to the Staff Augmentation Agreement. See "TRANSFER OF OPERATIONS AND MANAGEMENT OF ONTARIO INTERNATIONAL AIRPORT—Staff Augmentation Agreement" herein. During that period, the Authority will have the ability to hire additional employees to replace any departing employees of LAWA or to supplement the staff provided by LAWA.

During the Transition Period, the Authority intends to determine the optimum organizational structure for purposes of its long-term staffing plans. The Authority currently contemplates that its long-term staffing will include both Authority employees and contractor personnel. In particular, the Authority currently envisions that its employees will be responsible for critical operations and safety functions pertaining to ONT's Part 139 Certificate, while private-sector contractors would undertake to perform custodial, grounds keeping and terminal maintenance functions. The Authority has retained the firm of Koff & Associates to perform an employee compensation and benefits study in order to assist the Authority in structuring employment terms for prospective employees of the Authority. Projections of Maintenance and Operation Expenses included in the Report of the Airport Consultant project a reduction in staffing costs following the Transition Period as a result of the Authority's staffing optimization efforts.

In addition, during the first six to nine months of the Transition Period, the Authority intends to determine its staffing plans for police and ARFF services following the Transaction Period. Police and ARFF services may be contracted to public safety agencies such as the City Police Department and the City Fire Department using personnel trained and certified in accordance with the applicable FAA and TSA regulations. Any proposed contract for police or ARFF services would require an amendment to the Airport Certification Manual [and the prior approval of the FAA].

ONTARIO INTERNATIONAL AIRPORT

Introduction

ONT is classified by the FAA as a medium-hub full-service airport with commercial jet service to many major cities in the United States. ONT is located approximately 35 miles east of downtown Los Angeles and occupies approximately 1,700 acres.

ONT was developed prior to World War II, and following the war, with the support of the City of Los Angeles, the City acquired ONT as surplus Federal property from the U.S. War Assets Administration. In October 1967 the City of Los Angeles and the City entered into a Joint Powers Agreement whereby the Department would manage, operate and control ONT, and in July 1985, the City of Los Angeles became the owner of ONT. Pursuant to the Settlement Agreement, the Department will transfer ownership and control of the operations and management of ONT to the Authority on the Transfer Date.

The existing terminal facilities at ONT consist of two domestic terminals with a combined total of 570,000 square feet and 26 passenger gates, as well as nine aircraft parking positions at the International Arrivals Terminal. The airfield is equipped with two parallel runways with lengths of 10,200 feet and 12,200 feet. ONT's facilities also include six parking lots, of which three are currently operational, providing 5,591 surface parking spaces, and a 15,000 square foot consolidated rental car facility ("CONRAC"). Other existing facilities at ONT include air freight buildings, various airport and aircraft support services, and administration facilities.

The majority of ONT's originating passengers live in the counties of Riverside and San Bernardino, and other passengers may be drawn from the surrounding Los Angeles, Ventura, and Orange counties. In Fiscal Year 2016, ONT served approximately 2.1 million enplaned passengers. As of [October] 2016, five U.S. passenger carriers and two foreign flag carriers provided passenger service to ONT. In addition, seven all-cargo carriers served ONT, including Federal Express ("FedEx") and United Parcel Service ("UPS"), the world's leading all-cargo carriers by volume. UPS maintains a regional hub at ONT, serving customers throughout the western United States, Hawaii, and Alaska, and sorting and distributing the majority of UPS packages destined for the Pacific Rim. For further information regarding passenger volumes and services provided at ONT, see "APPENDIX A – REPORT OF THE AIRPORT CONSULTANT."

Aviation Activity

According to statistics collected by ACI for calendar year 2015, ONT was the 58th busiest airport in the United States in terms of total passenger volume with approximately 4.2 million enplaned and deplaned passengers. In the five-county Los Angeles metropolitan region, ONT is the third-busiest of the five commercial airports located

in the region. The following table shows the total passenger volumes and percentage shares of passenger traffic for ONT as well as the four other airports in the Los Angeles region.

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TABLE 3
ONTARIO INTERNATIONAL AIRPORT
HISTORICAL ENPLANED PASSENGER MARKET SHARE
IN THE LOS ANGELES REGION

Fiscal Year[1]	Enplaned Passengers					Share of Los Angeles Region Airports				
	Los Angeles International (LAX)	John Wayne Airport (SNA)	ONT	Burbank Bob Hope Airport (BUR)	Long Beach Airport (LGB)	LAX	SNA	ONT	BUR	LGB
2005	30,548,251	4,770,223	3,517,228	2,562,791	1,520,918	71.2%	11.1%	8.2%	6.0%	3.5%
2006	30,655,146	4,808,643	3,604,920	2,840,085	1,412,636	70.8%	11.1%	8.3%	6.6%	3.3%
2007	30,803,470	4,956,525	3,532,937	2,892,051	1,446,120	70.6%	11.4%	8.1%	6.6%	3.3%
2008	31,142,339	4,780,487	3,548,882	2,919,311	1,439,598	71.1%	10.9%	8.1%	6.7%	3.3%
2009	28,328,978	4,269,395	2,631,192	2,413,006	1,466,499	72.4%	10.9%	6.7%	6.2%	3.7%
2010	29,003,142	4,391,439	2,417,085	2,261,143	1,460,041	73.4%	11.1%	6.1%	5.7%	3.7%
2011	30,280,539	4,282,816	2,367,120	2,181,852	1,532,442	74.5%	10.5%	5.8%	5.4%	3.8%
2012	31,519,124	4,309,464	2,209,070	2,092,805	1,643,383	75.5%	10.3%	5.3%	5.0%	3.9%
2013	32,524,178	4,547,598	2,076,333	2,062,601	1,497,503	76.2%	10.6%	4.9%	4.8%	3.5%
2014	34,333,538	4,642,948	2,002,759	1,949,065	1,433,273	77.4%	10.5%	4.5%	4.4%	3.2%
2015	36,114,324	4,792,579	2,085,482	1,953,558	1,276,679	78.1%	10.4%	4.5%	4.2%	2.8%
CAGR										
2005-2015	1.7%	0.05%	-5.1%	-2.7%	-1.7%					
2007-2014	1.6%	-0.9%	-7.8%	-5.5%	-0.1%					

[1] LGB's fiscal year ends September 30. The remaining airports' fiscal years end June 30.

Source: Report of the Airport Consultant

ONT primarily serves as an originating or destination airport for passenger traffic rather than as an airline hub. Approximately 95% of the passenger traffic at ONT in Fiscal Year 2015 consisted of passengers beginning a trip from the Ontario area or returning to Ontario as their final destination.

The following table presents historical enplaned passenger volumes at ONT for Fiscal Years 2005 through 2016, and ONT's share of total U.S. domestic enplanements during such period.

TABLE 4
ONTARIO INTERNATIONAL AIRPORT
HISTORICAL ENPLANED PASSENGERS

Fiscal Year	ONT Enplanements	% Change	U.S. Domestic Enplanements	% Change	ONT Share of U.S. Traffic
2005	3,517,228	--	669,500,000	--	0.525%
2006	3,604,920	2.5%	668,400,000	-0.2%	0.539%
2007	3,532,937	-2.0%	688,500,000	3.0%	0.513%
2008	3,548,882	0.5%	681,000,000	-1.1%	0.521%
2009	2,631,192	-25.9%	631,000,000	-7.3%	0.417%
2010	2,417,085	-8.1%	635,000,000	0.6%	0.381%
2011	2,367,120	-2.1%	650,000,000	2.4%	0.364%
2012	2,209,070	-6.7%	654,000,000	0.6%	0.338%
2013	2,076,333	-6.0%	654,000,000	0.0%	0.317%
2014	2,002,759	-3.5%	669,000,000	2.3%	0.299%
2015	2,085,482	4.1%	696,000,000	4.0%	0.300%
2016	2,108,441	1.1%	726,000,000	4.3%	0.290%
CAGR 2005 - 2016		-4.5%		0.7%	

Source: Report of the Airport Consultant

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Passenger Enplanements and Airline Market Shares

The following table shows historical enplanements by airline at ONT for Fiscal Years 2012 through 2016.

TABLE 5
ONTARIO INTERNATIONAL AIRPORT
HISTORICAL ENPLANED PASSENGERS BY AIRLINE

Airline	FY 2012		FY 2013		FY 2014		FY 2015		FY 2016	
	Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share	Enplanements	Share
Southwest	1,168,315	52.9%	1,151,530	55.5%	1,151,948	57.5%	1,191,577	57.1%	1,181,669	56.0%
American[1]	383,782	17.4%	376,238	18.1%	380,897	19.0%	416,282	20.0%	418,832	19.9%
United[2]	208,164	9.4%	205,363	9.9%	164,670	8.2%	166,639	8.0%	180,005	8.5%
Alaska[3]	183,525	8.3%	185,924	9.0%	177,156	8.8%	166,551	8.0%	168,212	8.0%
Delta[3]	141,135	6.4%	113,439	5.5%	89,025	4.4%	82,722	4.0%	83,977	4.0%
Skywest[4]	83,911	3.8%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Others[5]	40,238	1.8%	43,839	2.1%	39,063	2.0%	61,711	3.0%	75,746	3.6%
Total	2,209,070	100.0%	2,076,333	100.0%	2,002,759	100.0%	2,085,482	100.0%	2,108,441	100.0%

[1] Includes US Airways and regional affiliates.
[2] Includes Continental Airlines and regional affiliates.
[3] Includes regional affiliates
[4] Beginning in Fiscal Year 2013, Skywest data was reported under Alaska, Delta, and United. Fiscal Year 2012 data were not reclassified.
[5] Consists of airlines no longer serving ONT and charter airlines.

Source: Report of the Airport Consultant
Columns may not add to totals shown because of rounding.

The following table presents historical landed weight by airline at ONT for Fiscal Years 2012 through 2016:

TABLE 6
ONTARIO INTERNATIONAL AIRPORT
HISTORICAL LANDED WEIGHT BY AIRLINE
(in Thousand Pounds)

Airline	FY 2012		FY 2013		FY 2014		FY 2015		FY 2016	
	Landed Weight	Share	Landed Weight	Share	Landed Weight	Share	Landed Weight	Share	Landed Weight	Share
UPS	1,699,558	33.4%	1,698,421	34.7%	1,701,834	36.4%	1,789,288	38.1%	2,026,609	39.0%
Southwest	1,559,950	30.7%	1,484,052	30.3%	1,394,440	29.8%	1,337,470	28.5%	1,346,748	25.9%
FedEx	587,865	11.6%	601,544	12.3%	574,750	12.3%	549,292	11.7%	672,167	12.9%
American[1]	454,214	8.9%	439,699	9.0%	428,932	9.2%	438,719	9.4%	452,175	8.7%
Alaska[2]	182,482	3.6%	179,440	3.7%	185,999	4.0%	175,253	3.7%	175,341	3.4%
United[3]	312,870	6.2%	252,714	5.2%	176,581	3.8%	171,387	3.7%	184,738	3.6%
Delta[2]	160,626	3.2%	130,733	2.7%	98,846	2.1%	94,451	2.0%	95,993	1.8%
Skywest[4]	19,446	0.4%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Others[5]	106,033	2.1%	114,452	2.3%	114,258	2.4%	135,582	2.9%	244,372	4.7%
Total	5,083,044	100%	4,901,055	100%	4,675,640	100%	4,691,442	100%	5,198,143	100%

[1] Includes US Airways and regional affiliates.
[2] Includes regional affiliates.
[3] Includes Continental and regional affiliates.
[4] Beginning in Fiscal Year 2013, Skywest data was reported under Alaska, Delta, and United. Fiscal Year 2012 data were not reclassified.
[5] Consists of all-cargo carriers not listed, airlines no longer serving ONT, and charter airlines.

Source: Report of the Airport Consultant
Columns may not add to totals shown because of rounding.

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Air Cargo

In calendar year 2015, according to Airports Council International ("ACI"), ONT ranked 15th in the United States in air cargo volume. The following table provides information concerning cargo traffic data at ONT over the last ten Fiscal Years.

TABLE 7
ONTARIO INTERNATIONAL AIRPORT
HISTORICAL CARGO TRAFFIC DATA
AIR CARGO ON AND OFF
(METRIC TONS)[1]

Fiscal Year	Total Freight	Total Mail	Total Cargo[2]	Total Cargo % Change
2007	530,380	19,243	549,623	--
2008	494,193	12,829	507,022	(7.8%)
2009	417,355	17,124	434,479	(14.3%)
2010	371,772	18,964	390,736	(10.1%)
2011	374,581	16,666	391,247	0.1%
2012	429,571	17,659	447,230	14.3%
2013	436,788	18,297	455,085	1.8%
2014	454,114	15,290	469,405	3.1%
2015	462,386	20,962	483,349	3.0%
2016	511,414	26,644	538,058	11.3%

(1) Restated. Certain updates have been made to Fiscal Years 2007-2014 due to reclassifying and correcting entries of cargo traffic data.
(2) Totals may not add to total due to rounding

Source: Los Angeles World Airports Annual Financial Information for the Fiscal Year Ended June 30, 2015
For 2016 information, ONT Airline Market Share Summary for July 2015 to June 2016

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Certain Other Matters Related to ONT

Emergency Preparedness

The Authority's Part 139 Certificate will require that ONT develop and maintain an airport emergency plan. The purpose of this plan is to set forth emergency procedures that are intended to ensure prompt response to all emergencies and unusual conditions in order to minimize the possibility and extent of personal and property damage on ONT property. The Authority has set forth these emergency procedures in the Rules and Regulations for Ontario International Airport. Additional Part 139 Certificate Requirements include the requirement by the FAA that each airport hold full-scale airport emergency plan exercises at least once every three years.

AGREEMENTS FOR USE OF AIRPORT FACILITIES

General

The Authority, as assignee of the Department pursuant to the Settlement Agreement, will be party to and receive payments under different permits and agreements with various airlines and other parties, including operating permits relating to landing fees, leases with various airlines for the leasing of space in terminal buildings, other building and miscellaneous leases regarding the leasing of cargo and hangar facilities, concession agreements relating to the sale of goods and services at ONT, and leases relating to the construction of buildings and facilities for specific tenants.

Operating Use and Terminal Lease Agreements

Operating Use and Terminal Lease Agreements have been entered into by the Department with nine airlines (the "Signatory Airlines") at ONT, which ULAs will be assigned to the Authority on the Transfer Date, and which permit the airlines to use ONT facilities and to lease terminal space. The nine Signatory Airlines are AeroMexico, Alaska, American, Delta, FedEx, Southwest, United, UPS, and Volaris. Each air carrier serving ONT has the opportunity to become a Signatory Airline. Non-signatory airlines pay a landing fee that is 1.25 times higher and a lease rate that is 1.10 times higher than rates paid by Signatory Airlines. Under the ULAs there are three categories of space leased: exclusive-use space, such as queuing areas, ticket counters, office space, bag service offices and airlines operations space; preferential-use space, such as hold-rooms and gates; and joint-use space, such as baggage claim areas and other specifically identified screening and roadway areas.

Under the ULAs, the Signatory Airlines will pay the Authority terminal rental fees and landing fees. Each of these fees will be calculated on a residual rate-setting methodology, whereby the rental rates and landing fees are calculated to provide revenue in an amount equal to the difference between ONT's total expenses and the revenues collected from other, non-airline sources, such as concession and parking revenue. Terminal rental rates are determined by totaling the costs attributable to the terminal, including maintenance and operating expenses, Authority debt service and certain deposits to the Authority's reserve and other Authority discretionary accounts, and any other applicable expenses, then dividing such total by the total space leased to the applicable Signatory Airlines. Terminal rental rates are calculated at least annually. Landing fees are calculated by totaling costs attributable to the airfield, including maintenance and operation expenses, Authority debt service and certain deposits to the Authority's reserve and other Authority discretionary accounts, and any other applicable expenses. To determine the rates each airline pays for such airfield costs, the total amount of the airfield cost center requirement is divided by the total estimated landed weight of Signatory Airlines. Landing fee rates are calculated at least annually.

Each ULA has a basic term of twenty-five years from October 1, 1999 to September 30, 2024, subject to earlier termination by each airline on October 1, 2019, provided the applicable airline has ceased service at ONT by such date. In certain circumstances the ULAs may be terminated by the Authority prior to the end of their term.

Parking, Concession and Rental Car Agreements

The Authority, as assignee of the Department, will be party to various concession agreements for the management of public parking, rental car operations, food and beverage, news and gifts, public payphones, wireless internet, automated teller machines, and luggage carts at ONT. Each concessionaire has been audited annually by the Department, and is anticipated to be audited annually by the Authority, to ensure compliance with the concession agreements. The following are brief summaries of certain key concession agreements at ONT.

Parking facility management and operation services, and associated courtesy transportation services, with respect to ONT's three operational parking lots are provided by Parking Concepts, Inc. ("Parking Concepts") under an agreement dated April 4, 2014. The term of the agreement extends for eight years until April 3, 2022, with two one-year extension options, provided that the agreement may be terminated two years following the transfer date upon payment of a termination payment to Parking Concepts with respect to its unamortized investment at ONT. [Under this agreement, Parking Concepts will receive compensation in an amount not to exceed $91 million over the ten-year term.]

There are three on-airport rental car concessionaires at ONT operating nine brands at the CONRAC. The three rental car concessionaires operate pursuant to a concession lease and a ground lease, each of which expire February 28, 2019, provided that the Authority will have the right to terminate the concession agreements any time after February 28, 2018. Under the concession agreements, the concessionaire car rental companies pay ground rent as well as a percentage fee calculated at 10% of their respective gross revenue, subject to a minimum annual guarantee. There are also two off-airport car rental companies with current agreements at ONT, each of which pay ONT 9% of their gross revenues, subject to a minimum annual guarantee, and each of which expire January 31, 2017.

There are two food and beverage concession agreements at ONT: one with SSP America ("SSP"), which expires on September 26, 2017, and one with Delaware North Companies Travel Hospitality Services Inc. ("DNC"), which expires September, 26 2016, provided that the Authority will have two additional one-year extension options. Pursuant to the Staff Augmentation Agreement, the Authority will be obligated to retain each of these agreements for two years following the Transfer Date, provided that each the SSP and DNC will agree to extend their respective agreements through such period. Under the SSP agreement, SSP will pay the Authority a percentage of SSP's gross revenues from the sale of food, beverages, and merchandise and from advertising or promotional fees received by SSP (which percentage varies, from 10%-19%, depending on the type of product sole or fee earned), subject to a minimum annual guarantee of $142,543. Under the DNC agreement, DNC will pay the Authority 7% of all revenue generated in ONT's terminal 2 and 10% of all revenue generated in ONT's terminal 4. There is no minimum annual guarantee under the DNC agreement.

News and gift concessions at ONT are managed by WDFG LLC pursuant to a contract dated October 9, 2015 and expiring October 8, 2017. Pursuant to the Staff Augmentation Agreement, the Authority will be obligated to retain this agreement for two years following the Transfer Date, provided that WDFG agrees to extend its agreement through such period. Under the agreement with WDFG, WDFG will pay the Authority 11% of WDFG's gross revenues; there is no minimum annual guarantee under the WDFG agreement.

Advertising concessions at ONT are managed by JCDecaux Airport Inc. ("JCDecaux") pursuant to an agreement that will expire in April 2017. Under this agreement, the Authority will receive 75% of advertising sale revenue from terminals 2 and 4 that is over the $250,000 minimum annual guarantee.

For further information about ONT's parking, concession, and car rental agreements, see "APPENDIX A – REPORT OF THE AIRPORT CONSULTANT."

Ground Lease Agreements with UPS and FedEx

Land rentals comprised over 55% of ONT's non-airline revenues in Fiscal Year 2015, and over 50% of the revenues from land rentals were earned under ONT's ground lease agreements with UPS and FedEx.

The City entered into a 40 year Ground Lease and Access Agreement (the "UPS Ground Lease") with UPS, which will be assigned to the Authority and will terminate December 4, 2030. Pursuant to the UPS Ground Lease, UPS is given the right to access ONT from its property adjacent to ONT. UPS is obligated to pay rental for such rights at rates that are re-adjusted every five years during the term of the UPS Ground Lease. The current rental rate under the UPS Ground Lease is $[33,291.67] per month.

FedEx's ground lease (the "FedEx Ground Lease") has a five-year term expiring in December 2018. FedEx uses its property for air cargo operations, aircraft maintenance, and operation support. Rental rates are adjusted each year, and the current rental rate under the FedEx Ground Lease is [_____] per month.

FINANCIAL AND OPERATING INFORMATION CONCERNING ONT

Summary of Operating Statements

The following table summarizes the financial results from operations for ONT for the Fiscal Years 2012 through 2016. For additional information concerning the Department's financial results, see the Audited Financial Statements of Los Angeles World Airports, Ontario International Airport for the fiscal years ended June 30, 2014 and 2015 which are available on the Los Angeles World Airport's website at www.lawa.org.

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TABLE 8
ONTARIO INTERNATIONAL AIRPORT
HISTORICAL OPERATING STATEMENTS
(DOLLARS IN THOUSANDS)

	2012[1]	2013[1]	2014[1]	2015	2016
OPERATING REVENUE					
Aviation Revenue					
Landing Fees	$ 10,211	$ 11,304	$ 11,774	$ 12,140	
Building rentals	20,991	23,287	17,766	17,346	
Other aviation revenue	3,631	4,093	2,979	3,164	
Total aviation revenue	34,833	38,684	32,519	32,650	
Concession Revenue	25,901	24,497	23,536	23,535	
Other Operating Revenue	562	668	604	695	
TOTAL OPERATING REVENUE	$ 61,296	$ 63,849	$ 56,659	$ 56,880	
OPERATING EXPENSES					
Salaries and benefits[2]	$ 29,612	$ 28,128	$ 25,735	$ 25,701	
Contractual services	15,482	16,115	12,780	11,217	
Material and supplies	3,167	3,556	3,347	3,211	
Utilities	3,808	4,087	4,170	4,254	
Other operating expenses	1,279	1,233	1,190	1,302	
Allocated Administrative Charges	7,908	7,907	7,160	6,932	
Total operating expenses before depreciation and amortization	$ 61,256	$ 61,026	$ 54,382	$ 52,617	
Operating income (loss) before depreciation and amortization	$ 40	$ 2,823	$ 2,277	$ 4,263	
Less depreciation and amortization	23,427	20,523	19,975	18,990	
OPERATING INCOME (LOSS)	$ (23,387)	$ (17,700)	$ (17,698)	$ (14,727)	
NON-OPERATING REVENUES (EXPENSES)					
Passenger facility charges	$ 9,326	$ 5,902	$ 3,471	$ 3,611	
Customer facility charge	3,641	3,601	3,670	3,838	
Interest and Investment Income	3,016	392	2,071	1,740	
Interest Expense	(3,632)	(3,479)	(3,311)	(2,711)	
Other nonoperating revenue	1,286	31	779	557	
Other nonoperating expenses	(65)	--	--	--	
Net Nonoperating Revenues	$ 13,572	$ 6,447	$ 6,680	$ 7,035	
INCOME (LOSS) BEFORE CAPITAL GRANTS/INTERAGENCY TRANSFERS	$ (9,815)	$ (11,253)	$ (11,018)	$ (7,692)	
Capital grant contributions	–	--	285	2,646	
CHANGE IN NET POSITION	$ (9,815)	$ (11,253)	$ (10,733)	$ (5,046)	
Net position, beginning of year	425,469	415,654	387,514	376,781	
Change in accounting principle and adjustment of an amount due from LA/ONT	--	(16,887)	--	(38,660)[1]	
Net position, end of year	$ 415,654	$ 387,514	$ 376,781	$ 333,075	

[1] Restated. Certain reclassifications have been made to conform to Fiscal Year 2015 presentation.[4] Based on unaudited financial statements of the Los Angeles World Airports for the Fiscal Year ended June 30, 2016.

Source: Audited Financial Statements of Los Angeles World Airports, Ontario International Airport for the Fiscal Years ended June 30, 2012 - June 30, 2015 and unaudited financial statements of Los Angeles World Airports for the Fiscal Year ended June 30, 2016.

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ONT Financial Performance

[Discussion of 2016 financial information to come, per discussions with LAWA]

For the management discussion of the Department for ONT's Fiscal Year 2015 finances, see The Audited Financial Statements of Los Angeles World Airports, Ontario International Airport for the Fiscal Years Ended June 30, 2015 and 2014 available on available on the Los Angeles World Airport's website at www.lawa.org.

Revenue Diversity

The following table sets forth the top ten revenue providers for ONT for fiscal year 2015.

TABLE 9
ONTARIO INTERNATIONAL AIRPORT
TOP TEN REVENUE PRODUCERS[1]
For Fiscal Year 2015
(Dollars in Thousands)

	Revenues	% of Operating Revenues[2]
Southwest Airlines Co.	$ 14,069	24.7 %
United Parcel Service	5,679	10.0
Federal Express Corp.	2,893	5.1
US Airways Inc.	2,825	5.0
American Airlines Inc.	2,725	4.8
The Hertz Corporation	2,564	4.5
Alaska Airlines Inc.	2,509	4.4
Vanguard Car Rental USA LLC	2,233	3.9
United Airlines Inc.	2,224	3.9
Enterprise Rent-A-Car Company of Los Angeles	1,922	3.4

[1] Derived from unaudited financial statements; excludes revenue from the federal government. The amounts in this table reflect those billed by the Department to the applicable revenue provider as of June 30, 2015. For those airlines that (i) were party to a completed merger or acquisition, (ii) have received a single FAA certificate and (iii) have completed operational integration, only the surviving entity is presented and the activity for the airlines that are now a part of the surviving airline are included in the information presented.
[2] Percentages are calculated as Revenues divided by Total Operating Revenue for Fiscal Year 2015.
[3] Includes SkyWest Airlines operating as American Eagle.

Source: LA/Ontario International Los Angeles World Airports Annual Financial Information for the Fiscal Year Ended June 30, 2015

Landing Fees and Building Rental

The landing fee at ONT for Fiscal Year 2016 was $2.68 for Signatory Airlines and $3.35 for Non-Signatory Airlines per thousand pounds of landed weight for aircraft with a maximum gross landing weight of more than 25,000 pounds. For aircraft with a maximum gross landing weight of between 12,500 pounds and 25,000 pounds, the landing fee was $67.00 per landing for Signatory Airlines and $84.00 per landing for Non-Signatory Airlines, and for aircraft with a maximum gross landing weight of 12,500 pounds or less, the landing fee was $35.00 for Signatory Airlines and $44,00 for Non-Signatory Airlines.

The terminal rental rate for Fiscal Year 2016 was $[_____] per square foot for Signatory Airlines and $[____] per square foot for non-signatory airlines. Average airline payment per enplaned passenger was $[____].

Budget For Fiscal Year 2017

On June 2, 2016, the Department approved the annual budget for the airports owned and operated by the Department, including ONT, for Fiscal Year 2017 (the "Fiscal Year 2017 Budget"). On [October 4, 2016], the Authority approved the Fiscal 2017 Budget in the same form as previously approved by the Department, as to those portions of the budget applicable to ONT.. The Authority may adopt amendments to the Fiscal Year 2017 Budget at any time during the Fiscal Year to reflect anticipated changes in operating revenues and/or expenses.

The Fiscal Year 2017 Budget anticipates total operating revenues for ONT of approximately $59.4 million, which is a 2.4% increase over ONT's total operating revenues of approximately $58.0 million in Fiscal Year 2016. The Fiscal Year 2017 Budget provides for Maintenance and Operations Expenses of approximately $55.9 million in Fiscal Year 2017, representing a 5.3% increase over the approximately $53.1 million of Maintenance and Operations Expenses in Fiscal Year 2016.

Investment Practices of the Authority

The Authority's treasury operations will be managed in compliance with the California Government Code and according to any investment policy adopted by the Authority from time to time. These requirements, among other things, set forth permitted investment vehicles, liquidity parameters and maximum maturity of investments.

Liquidity

On the Transfer Date, the Department will transfer to the Authority the unrestricted cash balances in the accounts of ONT, other than $40 million of such funds that will be transferred to the Department as a Settlement Payment on the Transfer Date, as described in the third bullet under the heading "TRANSFER OF OPERATIONS AND MANAGEMENT OF ONTARIO INTERNATIONAL AIRPORT—Settlement Payments" (provided that the remaining balance of ONT's unrestricted cash accounts and Maintenance and Operation Reserve Fund after such transfer equals or exceeds 120 days of ONT's Maintenance and Operation Expenses). As of June 30, 2016, ONT had approximately $67.7 million in the Surplus Revenue Fund. Following the transfer of the $40 million Settlement Payment to the Department, ONT is projected to have an average of 206 days of cash on hand through Fiscal Year 2022. See "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT."

Risk Management and Insurance

The Indenture requires that the Authority maintain insurance or qualified self-insurance against such risks at ONT as are usually insured at other major airports, to the extent available at reasonable rates and upon reasonable terms and conditions. The Authority is not required under the Indenture to carry insurance against losses due to seismic activity and has obtained a waiver of insurance from the Federal Emergency Management Agency ("FEMA") and the State of California Authority of Insurance, which ensures that the Authority would be eligible for reimbursement as and if available from FEMA in the event of earthquake losses.

The Authority currently carries commercial aviation liability insurance with coverage limits of no less than $100 million for losses arising out of liability for airport operations. The deductible on the commercial aviation liability coverage shall not exceed $25,000 per occurrence.

The Authority has also purchased a War and Allied Perils (also referred to as terrorism insurance) endorsement with coverage limits of no less than $100 million and a deductible not greater than $25,000 per occurrence. The War and Allied Perils endorsement extends to both foreign acts of terrorism and domestic acts of terrorism. Coverage under the War and Allied Perils endorsement may be terminated at any time by the underwriter and terminates automatically upon the outbreak of war (whether there has been a declaration of war or not) between any two of more of the following: France, the People's Republic of China, the Russian Federation, the United Kingdom or the United States, and certain provisions of the endorsement are terminated upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force.

The Authority's designated risk manager or consultant may from time to time authorize the purchase of insurance to cover catastrophic property, flood and earthquake losses up to $25 million to the extent available at reasonable rates. The deductible for this coverage is generally 5% per insured structure. The Authority is self-insured for these catastrophic losses in excess of $25 million.

The Authority currently carries general all-risk property insurance with coverage limits of approximately $250 million. The deductible on this coverage shall not exceed $25,000 per occurrence. The Authority's insurance also incorporates a Property Insurance Special Endorsement that provides coverage for property losses resulting from acts of terrorism (both domestic and foreign). Coverage under this endorsement parallels the general all-risk limits of $250,000 million. The Authority's property insurance coverage also incorporates a Property Insurance Special Endorsement that provides for coverage for "Boiler and Machinery" losses up to a covered limit of $50 million and Property Insurance Special Endorsement that provides coverage for "Business Interruption" losses to ONT resulting from a covered property peril. [Coverage for Business Interruption shall be at least $50 million and the deductible is 48 hours from initial interruption.][1]

In addition, the Authority currently purchases travel insurance for employees, with a $1 million limit, and an Employee Fidelity or Crime Insurance coverage with a limit of no less than $1 million.

[The Authority currently maintains an insurance reserve fund established to fund uninsured or under-insured losses or in cases where insurance is unavailable or financially unaffordable. This fund would provide primary funding for any catastrophic losses with respect to ONT. As of [_____], 2016, there was approximately $[_____] in this fund.][2]

The Authority anticipates that it will either self-insure for workers' compensation liability under both State and Federal laws or purchase workers' compensation coverage, depending on market conditions.

[The Authority has an active loss prevention program, which includes four full-time risk managers; an in-house, third-party claims management program that is staffed by four full-time analysts; outside defense counsel to defend litigated claims; several independent claims adjusters are also employed; a full-time industrial hygienist; property loss control engineering by insurers, ongoing employee training programs and an automated claims/risk information system.][3]

CAPITAL IMPROVEMENT PLANNING

Capital Improvement Program

During the Transition Period, the Authority plans to develop and adopt a CIP for Fiscal Years 2017 to 2021, which will identify potential capital improvement projects for ONT. The CIP is expected to be funded with Airport Improvement Program ("AIP") grant funds and other funds. It could also be funded with PFCs (subject to the Authority's obligation under the Settlement Agreement to use PFCs to make the $70 million Settlement Payment to the Department), CFCs, cash reserves and Additional Bonds or other debt authorized under the Indenture.

In January 2016, the Department submitted to the FAA a CIP for ONT for Fiscal Years 2017 through 2021, which CIP identified approximately $50 million in capital project spending at ONT over the five-year period. All projects identified in the Department's CIP were airfield projects, including certain taxiway rehabilitation and lighting projects. Because the Authority will be independently assessing ONT's capital needs and developing its

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[1] Clarify coverage limits and deductible for Business Interruption insurance, which will be important to investors and rating agencies.

[2] Confirm that insurance reserve fund is not a shared fund with the City of Ontario. If so, clarify.

[3] Confirm that loss prevention program and employees are the Authority's and not the City's. If City's program, does the Authority have a contract with the City to provide these services? If so, describe arrangements.

own CIP, some or all of the projects identified in the Department's CIP may not be undertaken and new projects may be identified.

Passenger Facility Charges

Passenger Facility Charges or PFCs were created under a federal program authorized by the Aviation Safety and Capacity Expansion Act of 1990, as amended, which allows public agencies controlling commercial service airports to charge each enplaning passenger a facility charge $1.00, $2.00 or $3.00. Subsequent legislation raised the amount airports can collect to $4.50 per passenger when certain conditions are met. Public agencies wishing to impose and use PFCs must apply to the FAA for the authority to do so. The purpose of the charge is to develop additional capital funding sources to provide for the expansion of the national airport system. The proceeds from PFCs must be used to finance eligible airport-related projects that preserve or enhance the safety, capacity or security of the national system, reduce noise from an airport that is part of the system or furnish opportunities for enhanced competition between or among air carriers.

ONT is currently authorized to collect $4.50 per passenger in PFCs through October 2018. On the Transfer Date, the Department will assign to the Authority, and the FAA will approve the Authority's assumption of, existing FAA Records of Decisions regarding the collection of PFCs at ONT. The Department will also transfer to the Authority all PFCs currently held by the Department relating to ONT. Pursuant to the Settlement Agreement and related FAA approvals, the Authority will transfer back to the Department previously-collected PFCs in satisfaction of the $50 million payment obligation under the Settlement Agreement. Because the Authority will prepay this payment on the Transfer Date, it will pay a discounted amount of $47.3 million in full satisfaction of the $50 million obligation under the Settlement Agreement.

In addition, the Authority expects to transfer to the Department an additional $70 million in PFCs collected at ONT following the Transfer Date in satisfaction of the $70 million payment obligation under the Settlement Agreement. Any additional PFCs collected at ONT shall be retained and used by the Authority for eligible capital projects at ONT. For additional information regarding the use of PFCs collected at ONT, see "TRANSFER OF OPERATIONS AND MANAGEMENT OF ONTARIO INTERNATIONAL AIRPORT—Settlement Payments" and "—FAA Reauthorization Act & FAA Approval of PFC Usage."

The actual amount of PFC revenues received each Fiscal Year will vary depending upon the number of qualifying airport passenger enplanements at ONT. No PFC revenues are pledged to the repayment of Bonds.

Federal Grants

Under the FAA's AIP, the FAA awards grant moneys to airports around the country for capital improvement projects. AIP grants include entitlement funds, which are apportioned annually based upon the number of enplaned passengers and the amount of landed weight of arriving cargo at individual airports, and discretionary funds, which are available at the discretion of the FAA based on a national priority system.

The Department, as prior operator of ONT, has approximately $5.4 million in federal AIP entitlement funds based on ONT's enplaned passengers in Fiscal Year 2014, which AIP funds will be transferred to the Authority on the Transfer Date. The Authority anticipates that these AIP grant funds will be used for eligible capital projects and other reimbursements, including, among other things, [to defray costs associated with increased security measures such as additional law enforcement personnel, airport surveillance and the revalidation of all airport-issued and approved identification]. The $5.4 million to be transferred from the Department to the Authority must be used by Fiscal Year 2019, at which point the authorization for such funds will expire.

ONT also has approximately $10 million of AIP entitlement funds that have been apportioned to it based on ONT's enplaned passengers in Fiscal Years 2015 and 2016. After the Transfer Date, the Authority intends to seek FAA approval to use these funds for the construction and design of a taxiway bypass project currently in design by LAWA.

[ONT also has agreements with the TSA for reimbursement of various capital and non-capital security-related projects, however, TSA funding is subject to annual appropriation in the federal budget.]

RISK FACTORS

This section provides a general overview of certain risk factors. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the 2016 Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of various risks. Potential investors in the 2016 Bonds are advised to consider the following factors, among others, and to review this entire Official Statement to obtain information essential to the making of an informed investment decision. Any one or more of the factors discussed below, among others, could affect the market value and/or the marketability of the 2016 Bonds. There can be no assurance that other risk factors not discussed herein will not become material in the future.

2016 Bonds are Special Obligations

The 2016 Bonds are special limited obligations of the Authority, payable solely from and secured by a pledge of Net Pledged Revenues which are principally derived by the Authority from the operations of ONT and certain limited funds and accounts held by or to be held by the Authority or the Trustee under the Indenture. None of the properties of ONT is subject to any mortgage or other lien for the benefit of the owners of the 2016 Bonds, and neither the full faith and credit nor the taxing power of the City, the County, the State or any political subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the 2016 Bonds. The Authority has no taxing power.

Airline Operating Results and Financial Condition

The Authority derives a substantial portion of its operating revenues from landing, facility rental and concession fees. The financial strength and stability of the airlines using ONT, together with numerous other factors, influence the level of aviation activity and revenues at ONT. Key factors that affect the financial condition of the airlines and therefore, the level of Net Pledged Revenues, include, among other things: local, regional, national and international economic and political conditions; international hostilities; world health concerns; aviation security concerns; airline service and routes; airline airfares and competition; airline industry economics, including labor relations and costs; availability and price of aviation fuel (including the ability of airlines to hedge fuel costs); capacity of the national air traffic control and airport systems; capacity of ONT; applicable federal laws, including without limitation federal bankruptcy laws; and business travel substitutes, including teleconferencing, videoconferencing and web-casting.

The airline industry is characterized by intense competition, high operating and capital costs, and varying demand. Passenger and cargo volumes are highly sensitive to general and localized economic trends, and passenger traffic varies substantially with seasonal travel patterns. The profitability of the airline industry can fluctuate dramatically from quarter to quarter and from year to year. Market conditions may limit an airline's access to additional financing if existing sources of funds, including any funds provided by the U.S. Department of Transportation, are exhausted. Certain factors (such as business conditions within the airline industry, the effects of an economic downturn, and high aviation fuel costs) can adversely affect the ability of the airlines that serve ONT, including the Signatory Airlines, to meet their financial obligations to the Authority. These conditions could, in the future, result in additional airline bankruptcies, elimination or reduction of service at ONT by certain airlines, in increased airline concentration at ONT, or other restructuring of the airline industry.

Growing competition from low-cost, low-fare carriers has forced legacy carriers to implement route rationalization, including route transfers to regional partners and the reduction, or elimination, of service to unprofitable markets. Many airlines have reduced schedules, simplified fleets, deferred new aircraft delivery, implemented pay and benefit cuts, reduced workforces and sought bankruptcy protection.

For further information regarding the financial condition and effects on operations of airlines, reference is made to the statements and reports filed periodically by the airlines with the Commission. See "– Availability of Information Concerning Individual Airlines."

Effect of Airline Bankruptcy

A bankruptcy of an airline operating at ONT could result in a decrease in Net Pledged Revenues, along with delays or reductions in payments on the 2016 Bonds. In 2002 through 2012, several airlines (including some that served ONT) ceased operations and/or filed for bankruptcy protection. Additional bankruptcy filings may occur in the future. The bankruptcy of a Signatory Airline or other airline with significant operations at ONT could have a material adverse effect on operations of ONT, Net Pledged Revenues, and the costs of operation to the other Signatory Airlines operating at ONT.

In the event of an airline bankruptcy, the automatic stay provisions of the United States Bankruptcy Code (the "Bankruptcy Code") could prevent (unless approval of the bankruptcy court was obtained) any action to collect any amount owing by the airline to the Authority or any action to enforce any obligation of the airline to the Authority. With the authorization of the bankruptcy court, the airline may be able to reject some or all of its agreements with the Authority, including the ULAs or other lease or operating agreements, and stop performing its obligations (including payment obligations) under such agreements. The airline may be able, without the consent and over the objection of the Authority, the Trustee, and the Owners of the 2016 Bonds, to alter the terms, including the payment terms, of its agreements with the Authority, as long as the bankruptcy court determines that the alterations are fair and equitable. In addition, with the authorization of the bankruptcy court, the airline may be able to assign its rights and obligations under any of its agreements with the Authority to another entity, despite any contractual provisions prohibiting such an assignment. The Trustee and the Owners of the 2016 Bonds may be required to return to the airline as preferential transfers any money that was used to make payments on the 2016 Bonds and that was received by the Authority or the Trustee from the airline during the 90 days immediately preceding the filing of the bankruptcy petition. Claims by the Authority under any agreement with the airline, including the ULA, may be subject to limitations.

Although the ULAs permit the Authority to adjust rental rates and landing fees to take into account amounts that go unpaid by a defaulting Signatory Airline, no assurance can be given that the non-defaulting Signatory Airlines will continue to serve ONT and to pay the higher rates and fees.

There may be delays in payments on the 2016 Bonds while the court considers any of these issues. There may be other possible effects from a bankruptcy filing by an airline that could result in delays or reductions in payments on the 2016 Bonds. Regardless of any specific adverse determinations by a court in an airline bankruptcy proceeding, an airline bankruptcy proceeding itself could have an adverse effect on the liquidity and value of the 2016 Bonds.

Availability of Information Concerning Individual Airlines

Certain of the airlines or their parent corporations operating at ONT are subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, as such, are required to file periodic reports, including financial and operational data, with the SEC. These filings are available to the public over the internet at the Commission's website at http://www.sec.gov. Reports, proxy statements and other information filed by certain airlines can be inspected and copied at the public reference facilities maintained by the Commission at 100 F Street, N.E., Washington, D.C. 20549. A prospective purchaser of such filings and information can call the Commission at 1-800-SEC-0330 for further information on the public reference rooms and copy charges.

Airlines owned by foreign governments or foreign corporations operating airlines (unless such foreign airlines have American Depository Receipts registered on a national exchange) are not required to file information with the SEC. Airlines owned by foreign governments, or foreign corporations operating airlines, file limited information only with the DOT.

Neither the Authority nor the Underwriter undertakes any responsibility for and make no representations as to the accuracy or completeness of the content of information available from the SEC or the DOT as discussed in the preceding paragraphs, including, but not limited to, updates of such information or links to other Internet sites accessed through the SEC's web site. None of the airlines' reports or filings is incorporated by reference into this Official Statement.

Expiration and Possible Termination of ULAs

Pursuant to its ULA, each Signatory Airline has agreed to pay rates and charges for its use of ONT, which rates and charges include amounts sufficient to satisfy the 125% debt service coverage ratio requirement for the 2016 Bonds. The current ULAs expire on September 30, 2024, provided that each airline has the right to terminate its ULA on October 1, 2019 if the applicable airline has ceased service at ONT on or prior to such date. In addition, each ULA may be terminated by the Authority prior to its expiration under certain circumstances. The Authority cannot provide any assurances that the ULAs will be renewed and, if renewed, what the terms of the renewed ULAs will be. Upon the expiration of the ULAs, if the Authority and the Signatory Airlines are unable to reach a successor agreement to replace the current agreement, then the Authority will set airline rentals, fees and charges at ONT in accordance with a resolution of the Authority that will be consistent with DOT requirements.

Airline Consolidations

In response to competitive pressures, the U.S. airline industry has significantly consolidated. In October 2008, Delta Air Lines and Northwest Airlines merged. In June 2009, Republic Airways Holdings, Inc. acquired Midwest Airlines, and in October 2009 it acquired Frontier Airline. In October 2010, United Airlines and Continental Airlines completed the merger of the two airlines. In May 2011, Southwest Airlines completed its acquisition of AirTran Airways. In December 2013, US Airways and American Airlines completed the merger of the two airlines. Further airline consolidation is possible and could change airline service patterns. The Authority cannot predict what impact, if any, such consolidations could have on the airline traffic at ONT.

Concentration of Passenger and Air Cargo Carriers

In Fiscal Year 2016, Southwest Airlines accounted for approximately 56.0% of the total enplaned passengers at ONT. The next largest four airlines serving ONT have a combined market share of 40.4%. Where an airport has a significant market share accounted for by a single airline, there is also risk associated with the potential for that airline to reduce or discontinue service. However in the case of Southwest at ONT, this risk is mitigated by the following factors: (i) Southwest does not operate a connecting hub at ONT, and the passengers served are primarily origin-destination passengers; (ii) the development of service by Southwest has demonstrated the level of locally-generated passenger demand that could be served by other airlines at ONT if Southwest were to reduce service; and (iii) Southwest has a proven record, with very few exceptions, of maintaining and increasing service at the airports it serves. However, as described in the Report of the Airport Consultant, Southwest decreased its capacity at ONT from 5.3 million seats in Fiscal Year 2007 to 3.2 million seats in Fiscal Year 2014, [before increasing their capacity to [__] seats in Fiscal Year [2015]]. There can be no assurance that Southwest will continue to maintain its operations at ONT at current levels in the future.

UPS is ONT's largest cargo carrier with approximately 72% of the cargo enplaned and deplaned at ONT. There is, therefore, risk associated with the potential for UPS to reduce or discontinue its service at ONT. UPS is currently expanding its operations at ONT, which expansion is expected to double its package processing capacity. There can be no assurance, however, that UPS will complete such expansion or continue to maintain its operations at ONT at current levels in the future.

No assurances can be given that either Southwest, UPS, or any of the other passenger or cargo carriers currently operating at ONT will continue to do so at the current level or at all, or what effect a reduction in any such operations could have on Net Pledged Revenues, if any. See "AGREEMENTS FOR THE USE OF AIRPORT FACILITIES."

Competition for Domestic Flights

The majority of ONT's originating passengers live in the counties of Riverside and San Bernardino, and other passengers may be drawn from the surrounding Los Angeles, Ventura, and Orange counties. ONT is the third-busiest of the five commercial service airports serving this five-county metropolitan area: the other competitor airports are LAX, located 57 miles west in Los Angeles County, John Wayne Airport, located 41 miles south in Orange County, Burbank Bob Hope Airport, located 49 miles west in Los Angeles County, and Long Beach Airport, located 52 miles southwest in Los Angeles County.

Between Fiscal Year 2005 and Fiscal Year 2015, ONT's share of enplaned passengers in the five-county metropolitan area decreased from 8.2% to 4.5%. During such period, LAX's market share increased from 71.2% to 78.1%, and the market shares of each of the other competing airports decreased. For further discussion of historical performance by ONT and the four other airports in the Los Angeles region, see "APPENDIX A – REPORT OF THE AIRPORT CONSULTANT." Although ONT has experienced declining passengers in recent years, based on various considerations described therein, the Aviation Activity Forecast assumes growing passenger enplanement in the next few years. See "APPENDIX B - DEMAND FORECAST METHODOLOGY AND RESULTS ."

Future increases in operating costs at ONT due to compliance with federally-mandated and other security and operating changes, or with reductions in enplaned passengers at ONT, may increase costs per enplaned passenger to the airlines, which could result in ONT being at a competitive disadvantage relative to other transportation modes and airports serving the region.

Cost of Aviation Fuel

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

Any increase in fuel prices causes an increase in airline operating costs. Fuel prices continue to be susceptible to, among other factors, political unrest in various parts of the world, Organization of Petroleum Exporting Countries' policy, increased demand for fuel caused by rapid growth of economies such as China and India, the levels of fuel inventory maintained by certain industries, the amounts of reserves maintained by governments, currency fluctuations, disruptions to production and refining facilities and weather. The cost of aviation fuel has fluctuated in the past in response to changes in demand for and supply of oil worldwide. Significant fluctuations and prolonged increases in the cost of aviation fuel historically have had an adverse impact on air transportation industry profitability, causing airlines to reduce capacity, fleet and personnel as well as to increase airfares and institute fuel, checked baggage and other extra surcharges, all of which may negatively affect the demand for air travel and passenger activity at ONT.

International Conflict and the Threat of Terrorism

In the past, international conflict and terrorist actions and threats have had a negative effect on air travel domestically and internationally. As a result of certain prior conflicts and related terrorist threats, airlines significantly reduced the number of transatlantic flights and airline revenues and cash flow were adversely affected. Uncertainty associated with war and future terrorist threats and attacks may have an adverse impact on air travel in the future. The Authority cannot assess the threat of terrorism and the probability of another attack on American soil or against Americans traveling abroad. Should new attacks occur against the air transportation industry, the travel industry, cities, utilities, infrastructure, office buildings or manufacturing plants, the effects on travel demand could be substantial.

Federal Law Affecting Airport Rates and Charges

Federal aviation law requires, in general, that airport fees be reasonable and that in order to receive federal grant funding, all airport-generated revenues must be expended for the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner that are directly and substantially related to air transportation of passengers or property. Pursuant to the requirements of the Federal Aviation Administration Authorization Act of 1994 (the "1994 Aviation Act") the DOT and FAA have promulgated regulations setting forth an expedited hearing process to be followed in determining the reasonableness of the fees charged to airlines and other aeronautical users.

The Authority is not aware of any formal dispute involving ONT over any existing rates and charges. The Authority believes that the rates and charges methodology reflected in the ULAs and the rates and charges charged thereunder or otherwise to be imposed upon air carriers, foreign air carriers and other aeronautical users at ONT are reasonable and consistent with applicable law. However, there can be no assurance that a complaint will not be brought against the Authority in the near-term or in the future, challenging such methodology and the rates and charges to be established by the Authority, and if a judgment is rendered against the Authority, there can be no assurance that rates and charges paid by aeronautical users of ONT will not be reduced.

The 1994 Act also provides that without air carrier approval, an airport may not include in its rate base debt service allocable to projects not yet completed and in service. Section 113 of the 1994 Act ("Section 113") requires that airport fees be "reasonable" and provides a mechanism by which the Secretary of Transportation can review complaints about rates and charges by air carriers. Section 113 specifically states that its provisions do not apply to (a) a fee imposed pursuant to a written agreement with air carriers using airport facilities, (b) a fee imposed pursuant to a financing agreement or covenant entered into prior to August 23, 1994, the date of enactment of Section 113, or (c) any other existing fee not in dispute as of August 23, 1994.

Aviation Security

Concerns about the safety of air travel and the effectiveness of security precautions, particularly in the context of international hostilities and domestic and foreign terrorist attacks and threats and other airline incidents, may influence passenger travel behavior and air travel demand. These concerns intensified in the aftermath of the events of September 11, 2001. Travel behavior may be affected by anxieties about the safety of flying and by the inconveniences and delays associated with more stringent security screening procedures, which may give rise to the avoidance of air travel generally and the switching from air to surface travel modes.

Safety concerns in the aftermath of the terrorist attacks on September 11, 2001 were largely responsible for the steep decline in airline travel nationwide in 2002. Intensified security precautions have been instituted by government agencies, airlines and airport operators since the events of September 11, 2001 and the more recent terrorist bombings to guard against possible terrorist incidents and maintain confidence in the safety of airline travel. These measures include, but are not limited to, the strengthening of aircraft cockpit doors, the federal program to allow and train U.S. commercial airline pilots to carry firearms during flight, federalization of certain airport security functions under the Aviation and Transportation Security Act ("ATSA") and revised procedures and techniques for the screening of passengers and baggage for weapons and explosives. No assurance can be given that these precautions will be successful. The possibility of international hostilities and/or additional terrorist attacks involving or affecting commercial aviation are a continuing concern. To that end, airports have increased their security forces to reduce the likelihood of a successful criminal event taking place at their facilities.

ATSA was signed into law by the President on November 19, 2001. ATSA created the TSA, which is part of the Authority of Homeland Security. ATSA requires, among other things, that all security screeners at airports be federal employees. Security screeners must undergo background checks and must be U.S. citizens. These federal security screening services are paid for in the current Fiscal Year by a charge to passengers of $[2.50] per departure or connection, not to exceed $[5.00] per trip.

ATSA also requires that all passenger bags, mail and cargo be screened to prevent the carriage of weapons (including chemical and biological weapons), explosives or incendiary devices. Passenger and passenger property is currently screened by TSA personnel at multiple inspection checkpoints located within the terminal complex at ONT. [One hundred percent of passenger baggage and checked items are screened electronically for explosives at additional processing stations. Mail and cargo screening is conducted on a random basis by K-9 teams using the guidelines provided by the TSA]. These measures meet the current rules enacted and implemented by the TSA as of the date of this Official Statement. There can be no assurance that these enhanced screening procedures will be successful in identifying all weapons.

In compliance with federal regulations ONT established an Aviation Security Program ("ASP") which has been approved by the TSA Federal Security Director for ONT. The ASP contains, among other measures, operational and facility management procedures that protect the physical security of airport property and act to limit access to controlled areas of the airport proper, as defined in the ASP. ONT's access control program features personnel background investigations, criminal history checks, employment verification and other inspections, as required. ONT facilities are patrolled 24/7, with video monitoring, and no intrusions into the secured area have occurred that were not immediately detected and the intruder apprehended by airport authorities or law enforcement personnel.

The airlines and the federal government were primarily responsible for the capital costs associated with implementing the new security measures. ONT is currently in compliance with all federally-mandated security requirements. However, if the Department of Homeland Security issues a specific threat warning, the Authority may incur an increase in operating costs related to such raised threat levels. The Authority cannot predict the effect of any future government-required security measures on passenger activity at ONT, nor can the Authority predict how the government will staff security screening functions or the effect on passenger activity of government decisions regarding its staffing levels in the future.

Public Health Risks

Public health and safety concerns have also affected air travel demand from time to time. In 2003, concerns about the spread of severe acute respiratory syndrome led public health agencies to issue advisories against nonessential travel to certain regions of the world. In 2009, while the United States Center for Disease Control and Prevention ("CDC") and the World Health Organization ("WHO") did not recommend that people avoid domestic or international travel, concerns about the spread of influenza caused by the H1N1 virus reduced international air travel. Following an outbreak of the Ebola virus in West Africa in 2014, concerns about the spread of the virus adversely affected travel to and from certain regions of Africa.. More recently, in January 2016, the Centers for Disease Control and Prevention issued a travel alert warning pregnant women to avoid travel to areas where the Zika virus, which has been linked to a type of birth defect called microcephaly, is spreading, a list that currently includes more than 30 countries and territories.

Effects of Concessionaire Bankruptcy

A bankruptcy of any significant concessionaire at ONT could also result in a decrease in Net Pledged Revenues, along with delays or reductions in payments on the 2016 Bonds, for reasons similar to those discussed above with respect to airline bankruptcies. Regardless of any specific adverse determinations by a court in a concessionaire bankruptcy proceeding, a bankruptcy proceeding itself could have an adverse effect on the liquidity and value of the 2016 Bonds.

National and Global Economic Conditions

Historically, the financial performance of the air transportation industry has correlated with the state of the national and global economy. Following significant and dramatic changes that occurred in the financial markets in September 2008, the U.S. economy experienced a recession followed by weak growth. As a result of concerns about the U.S. government's ability to resolve long-term deficits, Standard & Poor's Ratings Services in August 2011 downgraded the credit rating of the U.S. sovereign debt from "AAA" to "AA+." While the global economy

generally has rebounded, there can be no assurances that any such rebound will continue, or that other national and international fiscal concerns will not have an adverse effect on the air transportation industry.

Generally, at origination and destination airports such as ONT, air traffic is significantly dependent upon the economy of the airport trade area. Although ONT's two-county air trade area is large and has a relatively diversified socioeconomic base, the economy in the air trade area depends in significant part upon the financial strength and stability of the industries within the air trade area and upon the success of major employers in the air trade area. Reduced demand for air travel in and out of the air trade area could result in fewer airlines serving ONT and lower levels of passenger activity at ONT. For further information about the economy of the air trade area, see "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT."

Seismic Risks and Natural Disasters

The region served by ONT is located in a seismically active region of the State. During the past 160 years, the Los Angeles area has experienced several major and minor earthquakes. The four nearest faults within close proximity to ONT are the San Andreas Fault, the Cucamonga Fault, the San Ysidro Fault and the North Lytle Creek Fault. Other seismic activity from those or other faults represent potential risk for damage to airport facilities as well as buildings, roads, bridges, and property in the vicinity of ONT in the event of an earthquake. There is significant potential for destructive ground-shaking during the occurrence of a major seismic event.

In the event of a severe earthquake, fire, flood or other natural disaster, there may be significant damage to airport facilities as well as buildings, roads, bridges, and property in the vicinity of ONT. As a result, the availability of Net Pledged Revenues might be interrupted or not available to pay the principal of or interest on the 2016 Bonds as and when due. However, due to the residual nature of ONT, any costs associated with the repair of ONT facilities would be charged to the airlines serving ONT.

On January 17, 1994, the Los Angeles area experienced an earthquake that measured 6.7 on the Richter Scale. ONT experienced no damage or disruption of service. The Authority is unable to predict when another earthquake may occur and what impact, if any, it may have on the Authority's operations or finances. See "FINANCIAL AND OPERATING INFORMATION CONCERNING ONT – Risk Management and Insurance."

Regulatory Uncertainties

Development at ONT is regulated extensively by the State of California and requires a number of reviews and permits. The collection and application of any Customer Facility Charges and noise waivers may also be subject to audit. Operations and development at ONT are also subject to extensive federal oversight. The Authority will operate ONT pursuant to an airport operating certificate to be issued by the FAA on the date of issuance of the 2016 Bonds (the issuance of which certificate is a condition precedent to the issuance of the 2016 Bonds). See "TRANSFER OF OPERATIONS AND MANAGEMENT OF ONTARIO INTERNATIONAL AIRPORT--FAA Approval of Transfer" for a more complete description of the FAA Certificate. In addition to this operating certificate, the Authority is required to obtain other permits and/or authorizations from the FAA and from other regulatory agencies and is bound by contractual agreements included as a condition to receiving grants from the FAA Airport Improvement Program. All long-term plannfing is subject to the FAA's approval; outside audits of the Authority's financial statements are subject to periodic audits by the FAA:, the Authority's use of ONT revenues, which is generally limited to airport-related purposes, is subject to audit and review by the FAA; and the Authority's use of Passenger Facility Charges and grant proceeds is also subject to approval, audit and review.

Climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels that could have a material adverse effect on the operations of the Authority and on the airlines operating at ONT. The United States Environmental Protection Agency (the "EPA") has taken steps toward regulation of greenhouse gas ("GHG") emissions under existing federal law. Those steps may in turn lead to further regulation of aircraft GHG emissions. On July 5, 2011, the United States District Court for the District of Columbia issued an order concluding that the EPA has a mandatory obligation under the Clean Air Act to consider whether the GHG and black carbon emissions of aircraft engines endanger public health and welfare. On June 10, 2015, EPA proposed

the find that GHG emissions from certain aircraft cause and contribute to pollution that endangers public health and welfare. This proposed endangerment finding will be subject to public comment and EPA plans to finalize the aircraft endangerment finding in mid-2016. If finalized as proposed, EPA has stated its intent to propose GHG emission standards for covered aircraft that will be at least as stringent as emission standards under development by the International Civil Aviation Organization, which are scheduled for final review and adoption in 2016. The Authority cannot predict what the EPA's emission standards will be or what effect those standards may have on the Authority or on air traffic at ONT.

Federal Funding; Impact of Federal Sequestration

On February 6, 2012, Congress passed a four-year reauthorization bill for the FAA, the "FAA Modernization and Reform Act of 2012" (the "2012 FAA Reauthorization") which was signed into law on February 14, 2012 by the President. The 2012 FAA Reauthorization had an original expiration date of September 30, 2015. This was the first long-term FAA authorization since the last such authorization expired in 2007. Between 2007 and the 2012 reauthorization, there were 23 short-term extensions of the FAA's authority and a two-week partial shutdown of the FAA in the summer of 2011. Similarly, the 2012 FAA Reauthorization has been extended three times, most recently on July 15, 2016, and now expires on September 30, 2017. The 2012 FAA Reauthorization, and the three extensions, retained the federal cap on Passenger Facility Charges at $4.50 and continued funding for AIP through September 30, 2017. The AIP provides federal capital grants to support airport infrastructure, including entitlement grants (determined by formulas based on passenger, cargo, and general aviation activity levels) and discretionary grants (allocated on the basis of specific set-asides and the national priority ranking system). There can be no assurance that the FAA will receive spending authority beyond the September 30, 2017 extension. In addition, the AIP could be affected by the automatic across-the-board spending cuts, known as sequestration, described in more detail below. The Authority is unable to predict the level of available AIP funding it may receive. If there is a reduction in the amount of AIP grants awarded to the Authority for ONT, such reduction could increase by a corresponding amount the capital expenditures that the Authority would need to fund from other sources (including operating revenues or additional bonds) or limit the Authority's ability to implement capital projects included in the Authority's Capital Improvement Program. See "CAPITAL IMPROVEMENTS PROGRAM" herein.

Federal funding received by the Authority and aviation operations could be adversely affected by the implementation of sequestration – a unique budgetary feature first introduced in the Budget Control Act of 2011, which, among other things, reduced spending for most federal programs.

Sequestration could also adversely affect FAA and TSA budgets, operations and the availability of certain federal grant funds anticipated to be received by the Authority, which may cause the FAA or TSA to implement furloughs of its employees and hiring freezes, including air traffic controllers, and result in flight delays and flight cancellations, implement hiring freezes.

The Authority is unable to predict future sequestration funding cuts or furloughs or the impact of such actions on ONT's airline traffic, grant receipts and Net Pledged Revenues. The Authority intends to take any commercially reasonable measures necessary to continue smooth operation of ONT.

No Acceleration

The occurrence of an Event of Default under the Indenture does not grant any right to accelerate payment of the 2016 Bonds to either the Trustee or the holders of the 2016 Bonds.

Ability to Meet Rate Covenant

As discussed in "SECURITY AND SOURCES OF PAYMENT FOR THE 2016 BONDS – Rate Covenant," the Authority will covenant with respect to the 2016 Bonds to fulfill certain debt service coverage and rate setting requirements.

Pursuant to the ULAs (see "AGREEMENTS FOR THE USE OF AIRPORT FACILITIES – Operating Use and Terminal Lease Agreements"), the Authority (as assignee of the Department) may establish and adjust airline rates and charges as necessary to satisfy the rate covenant applicable to the 2016 Bonds.

Increasing the schedule of rentals, rates, fees and charges for the use of ONT and for services rendered by the Authority in connection with ONT could be subject to contractual, statutory or regulatory restrictions and could have market implications.

Competition from Travel Alternatives

California High Speed Rail. The California High Speed Rail Authority (the "CHSR Authority"') is pursuing a statewide, high speed rail system. According to information from the CHSR Authority in its 2016 Business Plan, high speed rail service is not expected to begin until 2025 and would connect the City of San Jose to the Central Valley (in particular, a station north of Bakersfield). The 2016 Business Plan also provides that high speed rail service is expected to be extended to San Francisco/Merced and Los Angeles/Anaheim by 2029. Extensions from Los Angeles/Anaheim to San Diego and from Merced to Sacramento are part of Phase 2 of the implementation of the statewide, high speed rail system. The Authority is unable to predict what effect such rail system would have, if any, on passenger traffic at ONT or its revenues.

Technology. Advancements in technology with teleconferences, video-conferences and web-based meetings have provided satisfactory alternatives to face-to-face business meetings. Such alternatives, in certain cases, have reduced and may continue to reduce the demand for air travel.

Capacity Restrictions

ONT is currently subject to a nominal capacity limitation. This limitation was established by the State of California Air Resources Board (the "ARB") in 1979. To ensure that ONT operations do not degrade air quality, the ARB imposed certain conditions as part of its approval of an Ontario Airport Air Quality Certificate in 1977. These conditions limit aviation activity at ONT to a maximum of 12 million annual passengers ("MAP") or 125,000 annual air carrier operations. In Fiscal Year 2016, ONT served 4.2 MAP, which is 35.1% of the 12 MAP limit, and had air carrier operations of 55,359 (44.3% of the 125,000 annual air carrier operations limit). The Air Traffic Forecast Consultant does not forecast that ONT will exceed the MAP or annual air carrier operation limits through the projection period of 2045.

The Authority believes that, if ONT were to approach the MAP or annual air carrier operation limits, the ARB would modify the Air Quality Certificate to increase the operational limits, or the airlines would adjust their fleet mix and load factors at ONT to stay within the prescribed limits, or the ARB's limits will not be enforced or may prove unenforceable. In August of 2000, the Department received a legal opinion from the Office of the Chief Counsel of the FAA that the State cannot obtain or exercise continuing authority over operations at ONT by virtue of an Air Quality Certificate. The opinion states that while the State has authority to issue the Air Quality Certificate it does not have authority to impose conditions as part of its Air Quality Certificate.

Future growth and operations at ONT could be adversely impacted by the Authority's failure to obtain an amendment to the Air Quality Certificate and enforcement of the ARB's limits should they be exceeded. For the reasons set forth above the Authority does not believe this will occur, although the Authority is unable to predict the outcome of this matter.

Operations at ONT

The Authority will derive a substantial portion of its operating revenues from landing fees, facility rent and concession fees at ONT. The financial strength and stability of the airlines using ONT, together with numerous other factors, most notably demand for airline services by passengers, influence the level of aviation activity at ONT. In addition, individual airline decisions regarding level of service, particularly hubbing activity and aircraft size such as use of regional jets, can be expected to affect passenger activity at ONT, as well as be affected by passenger activity

at ONT. The level of passenger activity at ONT is reasonably expected to impact the level of other sources of revenue for ONT, such as parking revenues, concession fees, Passenger Facility Charges and Customer Facility Charges. The Authority cannot predict the duration or extent of reductions and disruptions in air travel or the extent of any adverse impact on Net Pledged Revenues, Passenger Facility Charge collections, Customer Facility Charge collections, passenger activity, general ONT operations, or the financial condition of ONT that may result from the financial difficulties of airlines serving ONT. No assurances can be given that any of the airlines currently serving ONT will continue operations at ONT or maintain their current level of operations at ONT. If one or more of these airlines discontinues operations at ONT, its current level of activity may not be replaced by other carriers.

Parking fees will be collected by the Authority. In Fiscal Year 2015, such revenues comprised approximately 57.8% of concession revenues. The level of passenger activity at ONT is expected to impact the level of parking revenues. The Authority cannot give any assurance that parking fees will continue to produce the same level of revenue in the future.

Although the Signatory Airlines are a significant part of ONT's operations and an important source, whether directly or indirectly, of ONT revenues, ONT also relies on other ONT operations for revenues, including concessionaires and rental car companies. In Fiscal Year 2015, airline revenues comprised 48.6% of ONT's operating revenues, and non-airline revenues (including concession revenue, land rentals, non-airline building rentals, and fuel fees) comprised 51.4% of ONT's operating revenues. The Authority cannot give any assurances that these non-airline operations will continue at ONT at current levels or produce the same level of revenue for the Authority.

Capital Improvement Program

Following the Transfer Date, the Authority will develop a five-year Capital Improvement Program ("CIP") to identify capital projects and equipment purchases to be undertaken in such period for the benefit of ONT. Although the Department has developed a CIP for the Fiscal Years from 2017 to 2021, the Authority will independently assess ONT's capital needs and may determine to proceed with different projects than those identified by the Department. See "CAPITAL IMPROVEMENT PLANNING—Capital Improvement Program" herein for a further discussion of the status of ONT's Capital Improvement Program.

Because the Authority's CIP has not yet been developed, the costs of the CIP ultimately adopted by the Authority may differ from the CIP presented in the Report of the Airport Consultant. There can be no assurances that the cost of the CIP will not exceed projected amounts.

New Management at ONT

The Authority is a new agency without an institutional operating history. Although the Authority has hired experienced managers (see "ONTARIO INTERNATIONAL AIRPORT AUTHORITY—Authority Management" herein for a description of senior Authority officers) and will benefit from staffing continuity during the Transition Period pursuant to the Staff Augmentation Agreement, the Authority has not previously been responsible for operating ONT or similar assets, and therefore there can be no assurances that operations at ONT following the Transfer Date will be consistent with or comparable to operations prior to the Transfer Date.

ONT ENVIRONMENTAL MATTERS

There are several significant environmental matters which have direct and indirect impacts on the Authority and ONT, some of which are described below. These include aircraft noise reduction, clean air requirements and hazardous substance cleanup. Generally, ONT tenant leases include a set of standard terms and conditions that provide that tenants are responsible for the costs of remediation of hazardous or other regulated material from ONT property and obligates tenants to comply with applicable laws. However, if a tenant does not comply with these lease requirements or the requirements of applicable environmental laws, the Authority could ultimately become

responsible for any required environmental cleanup. The ultimate impact of these environmental factors on the Authority and ONT cannot be determined at this time.

[Noise Standards]

[[Describe current status of ONT noise regulations]]

Hazardous Substances {To be updated}

[[Describe current status of USTs, including results from 2015 injunction]]

LITIGATION

There is no litigation now pending or, to the best of the Authority's knowledge, threatened which seeks to restrain or enjoin the sale, execution, issuance or delivery of the 2016 Bonds or in any way contests the validity of the 2016 Bonds or any proceedings of the Authority taken with respect to the authorization, sale or issuance of the 2016 Bonds, or the pledge or application of any moneys provided for the payment of or security for the 2016 Bonds. Further, there is no pending litigation relating to ONT or the Authority's operations or business pertaining thereto, except as follows:

[[Describe pending lawsuit related to ARFF vehicles]]

Over the years, the City of Los Angeles has had many lawsuits filed against it by residents (or homeowners' groups on behalf of residents) in areas near ONT which allege a taking of property or interest therein, or injuries and/or emotional distress to persons, by reason of noise due to the flight of aircraft. Traditionally claims greatly exceed the actual recovery. This principle has been well established by the results of trials and settlements which have been concluded in the past. There are no such claims pending as of the date hereof, and the Authority has no knowledge of any unasserted claims or assessments with respect to ONT that would, if asserted, have at least a reasonable probability of an unfavorable outcome or a material adverse impact on operations.

In addition, from time to time the Department has been party to litigation and subject to claims arising out of the normal course of business and operations at ONT. As of the date hereof, there is no pending litigation relating to ONT that the Authority will become responsible for from and after the Transfer Date that would reasonably be expected to have a material impact on Net Pledged Revenues or the operations of ONT. Pursuant to the Settlement Agreement, the Department is retaining as Excluded Liabilities, and the Authority will not assume or otherwise be responsible for, any liabilities arising from claims asserted by LAWA employees concerning their rights as employees of LAWA or the terms and conditions of their employment by LAWA, and the Department will indemnify the Authority from any such liabilities.

There are no claims or litigation arising out of or challenging any federal grants received or held by the Authority for ONT.

TAX MATTERS – 2016A BONDS

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met subsequent to the issuance and delivery of the 2016A Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the 2016A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the 2016A Bonds. Pursuant to the Indenture and the Tax and Nonarbitrage Certificate executed by the Authority in connection with the issuance of the 2016A Bonds (the "Tax Certificate"), the Authority has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the 2016A Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority

has made certain representations and certifications in the Indenture and the Tax Certificate. Special Tax Counsel will not independently verify the accuracy of those representations and certifications. Furthermore, Special Tax Counsel has assumed the accuracy of the approving opinion of O'Melveny & Myers LLP, Bond Counsel, relating to the validity of the 2016 Bonds.

In the opinion of Nixon Peabody LLP, Special Tax Counsel, under existing law and assuming compliance with the aforementioned covenants, and the accuracy of certain representations and certifications made by the Authority described above, interest on the 2016A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code, except that no opinion is expressed as to the exclusion of interest on the 2016A Bonds from gross income for any period during which such 2016A Bonds are held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed and refinanced with proceeds of the 2016A Bonds, or a "related person."

Special Tax Counsel is further of the opinion that interest on the 2016A Bonds is treated as preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations.

State Taxes

Special Tax Counsel is also of the opinion that interest on the 2016A Bonds is exempt from personal income taxes of the State of California under present state law. Special Tax Counsel expresses no opinion as to other State or local tax consequences arising with respect to the 2016A Bonds nor as to the taxability of the 2016A Bonds or the income therefrom under the laws of any state other than the State of California.

Original Issue Discount

Special Tax Counsel is further of the opinion that the excess of the principal amount of any maturity of the 2016A Bonds over the price at which a substantial amount of such maturity of the 2016A Bonds was sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a "Discount Bond" and collectively, the "Discount Bonds") constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the 2016A Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Original Issue Premium

2016A Bonds sold at prices in excess of their principal amounts are "Premium Bonds." An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the 2016A Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, and individuals seeking to claim the earned income credit. Ownership of the 2016A Bonds may also result in other federal tax consequences to taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry the 2016A Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the 2016A Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. In addition, interest on the 2016A Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Special Tax Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinion attached as Appendix D-2. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the 2016A Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the 2016A Bonds for federal or state income tax purposes, and thus on the value or marketability of the 2016A Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the 2016A Bonds from gross income for federal or state income tax purposes, or otherwise. Special Tax Counsel notes that in each year since 2011, President Obama released legislative proposals that would limit the extent of the exclusion from gross income of interest on obligations of states and political subdivisions under Section 103 of the Code (including the 2016A Bonds) for taxpayers whose income exceeds certain thresholds. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the 2016A Bonds may occur. Prospective purchasers of the 2016A Bonds should consult their own tax advisors regarding the impact of any change in law on the 2016A Bonds. Special Tax Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the 2016A Bonds may affect the tax status of interest on the 2016A Bonds. Special Tax Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the 2016A Bonds, or the interest thereon, if any action is taken with respect to the 2016A Bonds or the proceeds thereof upon the advice or approval of other counsel.

TAX MATTERS – 2016B BONDS

The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the 2016B Bonds. The summary is based upon the provisions of the Code, the Treasury Regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect, all of which are subject to change. Such authorities may be repealed, revoked, or modified, possibly with retroactive effect, so as to result in United States federal income tax consequences different from those described below. The summary generally addresses 2016B Bonds held as capital assets within the meaning of Section 1221 of the Code and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such 2016B Bonds as a hedge against currency risks or as a position in a "straddle," "hedge," "constructive sale transaction" or "conversion transaction" for tax purposes, or persons whose functional

currency is not the United States dollar. It also does not deal with holders other than original purchasers that acquire 2016B Bonds at their initial issue price except where otherwise specifically noted. Potential purchasers of the 2016B Bonds should consult their own tax advisors in determining the federal, state, local, foreign and other tax consequences to them of the purchase, holding and disposition of the 2016B Bonds.

The Authority has not sought and will not seek any rulings from the Internal Revenue Service with respect to any matter discussed herein. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax characterizations and tax consequences set forth below.

U.S. Holders

As used herein, the term "U.S. Holder" means a beneficial owner of the 2016B Bonds that is (a) an individual citizen or resident of the United States for federal income tax purposes, (b) a corporation, including an entity treated as a corporation for federal income tax purposes, created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (c) an estate whose income is subject to federal income taxation regardless of its source, or (d) a trust if a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust. Notwithstanding clause (d) of the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to that date that elect to continue to be treated as United States persons also will be U.S. Holders. In addition, if a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) holds the 2016B Bonds, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If a U.S. Holder is a partner in a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) that holds the 2016B Bonds, the U.S. Holder is urged to consult its own tax advisor regarding the specific tax consequences of the purchase, ownership and dispositions of the 2016B Bonds.

Taxation of Interest Generally

Interest on the 2016B Bonds is not excluded from gross income for federal income tax purposes under Code section 103 and so will be fully subject to federal income taxation. Purchasers (other than those who purchase the 2016B Bonds in the initial offering at their principal amounts) will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such 2016B Bonds. In general, interest paid on the 2016B Bonds and recovery of any accrued original issue discount and market discount will be treated as ordinary income to a bondholder, and after adjustment for the foregoing, principal payments will be treated as a return of capital to the extent of the U.S. Holder's adjusted tax basis in the 2016B Bonds and capital gain to the extent of any excess received over such basis.

Original Issue Discount

The following summary is a general discussion of certain federal income tax consequences of the purchase, ownership and disposition of the 2016B Bonds issued with original issue discount ("Taxable Discount Bonds"). A 2016B Bond will be treated as having been issued at an original issue discount if the excess of its "stated redemption price at maturity" (defined below) over its issue price (defined as the initial offering price to the public at which a substantial amount of the 2016B Bonds of the same maturity have first been sold to the public, excluding bond houses and brokers) equals or exceeds one quarter of one percent of such 2016B Bond's stated redemption price at maturity multiplied by the number of complete years to its maturity (or, in the case of an installment obligation, its weighted average maturity).

A 2016B Bond's "stated redemption price at maturity" is the total of all payments provided by the 2016B Bond that are not payments of "qualified stated interest." Generally, the term "qualified stated interest" includes stated interest that is unconditionally payable in cash or property (other than debt instruments of the Authority) at least annually at a single fixed rate or certain floating rates.

In general, the amount of original issue discount includible in income by the initial holder of a Taxable Discount Bond is the sum of the "daily portions" of original issue discount with respect to such Taxable Discount Bond for each day during the taxable year in which such holder held such Taxable Discount Bond. The daily portion of original issue discount on any Taxable Discount Bond is determined by allocating to each day in any "accrual period" a ratable portion of the original issue discount allocable to that accrual period.

An accrual period may be of any length, and may vary in length over the term of a 2016B Bond, provided that each accrual period is not longer than one year and each scheduled payment of principal or interest occurs at the end of an accrual period. The amount of original issue discount allocable to each accrual period is equal to the difference between (i) the product of the 2016B Bond's adjusted issue price at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted to take into account the length of the particular accrual period) and (ii) the amount of any qualified stated interest payments allocable to such accrual period. The "adjusted issue price" of a Taxable Discount Bond at the beginning of any accrual period is the sum of the issue price of the Taxable Discount Bond plus the amount of original issue discount allocable to all prior accrual periods minus the amount of any prior payments on the 2016B Bonds that were not qualified stated interest payments. Under these rules, holders generally will have to include in income increasingly greater amounts of original issue discount in successive accrual periods.

Holders utilizing the accrual method of accounting may generally, upon election, include in gross income all interest (including stated interest, acquisition discount, original issue discount, de minimis original issue discount, market discount, de minimis market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) on the 2016B Bonds by using the constant yield method applicable to original issue discount, subject to certain limitations and exceptions.

Market Discount

Any owner who purchases a 2016B Bond at a price which includes market discount (i.e., at a purchase price that is less than its adjusted issue price in the hands of an original owner) in excess of a prescribed de minimis amount will be required to recharacterize all or a portion of the gain as ordinary income upon receipt of each scheduled or unscheduled principal payment or upon other disposition. In particular, such owner will generally be required either (a) to allocate each such principal payment to accrued market discount not previously included in income and to recognize ordinary income to that extent and to treat any gain upon sale or other disposition of such a 2016B Bond as ordinary income to the extent of any remaining accrued market discount or (b) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history of the Tax Reform Act of 1986 will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest.

An owner of a 2016B Bond who acquires such 2016B Bond at a market discount also may be required to defer, until the maturity date of such 2016B Bonds or the earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a 2016B Bond in excess of the aggregate amount of interest (including original issue discount) includable in such owner's gross income for the taxable year with respect to such 2016B Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the 2016B Bond for the days during the taxable year on which the owner held the 2016B Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the 2016B Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the bondholder elects to include such market discount in income currently as described above.

Bond Premium

A purchaser of a 2016B Bond who purchases such 2016B Bond at a cost greater than its remaining redemption amount will have amortizable bond premium. If the holder elects to amortize this premium under Section 171 of the Code (which election will apply to all 2016B Bonds held by the holder on the first day of the taxable year to which the election applies and to all 2016B Bonds thereafter acquired by the holder), such a holder must amortize the premium using constant yield principles based on the holder's yield to maturity. Amortizable bond premium is generally treated as an offset to interest income, and a reduction in basis is required for amortizable bond premium that is applied to reduce interest payments. Purchasers of any 2016B Bonds who acquire such 2016B Bonds at a premium should consult with their own tax advisors with respect to state and local tax consequences of owning such 2016B Bonds.

Surtax on Unearned Income

Recently enacted legislation generally imposes a tax of 3.8% on the "net investment income" of certain individuals, trusts and estates for taxable years beginning after December 31, 2012. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, less certain deductions. U.S. Holders should consult their own tax advisors regarding the possible implications of this legislation in their particular circumstances.

Sale or Redemption of the 2016B Bonds

A bondholder's adjusted tax basis for a 2016B Bond is the price such owner pays for the 2016B Bond plus the amount of original issue discount and market discount previously included in income and reduced on account of any payments received on such 2016B Bond other than "qualified stated interest" and any amortized bond premium. Gain or loss recognized on a sale, exchange or redemption of a 2016B Bond, measured by the difference between the amount realized and the bondholder's tax basis as so adjusted, will generally give rise to capital gain or loss if the 2016B Bond is held as a capital asset (except in the case of the 2016B Bonds acquired at a market discount, in which case a portion of the gain will be characterized as interest and therefore ordinary income).

If the terms of the 2016B Bonds are materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those which related to the redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. The defeasance of the 2016B Bonds may also result in a deemed sale or exchange of such 2016B Bonds under certain circumstances.

EACH POTENTIAL HOLDER OF THE 2016B BONDS SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING (1) THE TREATMENT OF GAIN OR LOSS ON SALE OR REDEMPTION OF THE 2016B BONDS, AND (2) THE CIRCUMSTANCES IN WHICH THE 2016B BONDS WOULD BE DEEMED REISSUED AND THE LIKELY EFFECTS, IF ANY, OF SUCH REISSUANCE.

Non-U.S. Holders

The following is a general discussion of certain United States federal income tax consequences resulting from the beneficial ownership of the 2016B Bonds by a person other than a U.S. Holder, a former United States citizen or resident, or a partnership or entity treated as a partnership for United States federal income tax purposes (a "Non-U.S. Holder").

Subject to the discussion of backup withholding and the Foreign Account Tax Compliance Act ("FATCA"), payments of principal by the Authority or any of its agents (acting in its capacity as agent) to any Non-U.S. Holder will not be subject to federal withholding tax. In the case of payments of interest to any Non-U.S. Holder, however, federal withholding tax will apply unless the Non-U.S. Holder (1) does not own (actually or constructively) 10-percent or more of the voting equity interests of the Authority, (2) is not a controlled foreign corporation for United States tax purposes that is related to the Authority (directly or indirectly) through stock

ownership, and (3) is not a bank receiving interest in the manner described in Section 881(c)(3)(A) of the Code. In addition, either (1) the Non-U.S. Holder must certify on the applicable IRS FormW-8 (series) (or successor form) to the Authority, its agents or paying agents or a broker under penalties of perjury that it is not a U.S. person and must provide its name and address, or (2) a securities clearing organization, bank or other financial institution, that holds customers' securities in the ordinary course of its trade or business and that also holds the 2016B Bonds must certify to the Authority or its agent under penalties of perjury that such statement on the applicable IRS Form W-8 (series) (or successor form) has been received from the Non-U.S. Holder by it or by another financial institution and must furnish the interest payor with a copy.

Interest payments may also be exempt from federal withholding tax depending on the terms of an existing Federal Income Tax Treaty, if any, in force between the U.S. and the resident country of the Non-U.S. Holder. The U.S. has entered into an income tax treaty with a limited number of countries. In addition, the terms of each treaty differ in their treatment of interest and original issue discount payments. Non-U.S. Holders are urged to consult their own tax advisor regarding the specific tax consequences of the receipt of interest payments, including original issue discount. A Non-U.S. Holder that does not qualify for exemption from withholding as described above must provide the Authority or its agent with documentation as to his, her, or its identity to avoid the U.S. backup withholding tax on the amount allocable to a Non-U.S. Holder. The documentation may require that the Non-U.S. Holder provide a U.S. tax identification number.

If a Non-U.S. Holder is engaged in a trade or business in the United States and interest on a 2016B Bond held by such holder is effectively connected with the conduct of such trade or business, the Non-U.S. Holder, although exempt from the withholding tax discussed above (provided that such holder timely furnishes the required certification to claim such exemption), may be subject to United States federal income tax on such interest in the same manner as if it were a U.S. Holder. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (subject to a reduced rate under an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments. For purposes of the branch profits tax, interest on a 2016B Bond will be included in the earnings and profits of the holder if the interest is effectively connected with the conduct by the holder of a trade or business in the United States. Such a holder must provide the payor with a properly executed IRS Form W-8ECI (or successor form) to claim an exemption from United States federal withholding tax.

Generally, any capital gain realized on the sale, exchange, retirement or other disposition of a 2016B Bond by a Non-U.S. Holder will not be subject to United States federal income or withholding taxes if (1) the gain is not effectively connected with a United States trade or business of the Non-U.S. Holder, and (2) in the case of an individual, the Non-U.S. Holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition, and certain other conditions are met.

For newly issued or reissued obligations, such as the 2016B Bonds, FATCA imposes U.S. withholding tax on interest payments and, for dispositions after December 31, 2018 (see IRS Notice 2015-66), gross proceeds of the sale of the 2016B Bonds paid to certain foreign financial institutions (which is broadly defined for this purpose to generally include non-U.S. investment funds) and certain other non-U.S. entities if certain disclosure and due diligence requirements related to U.S. accounts or ownership are not satisfied, unless an exemption applies. An intergovernmental agreement between the United States and an applicable non-U.S. country may modify these requirements. In any event, bondholders or beneficial owners of the 2016B Bonds shall have no recourse against the Authority, nor will the Authority be obligated to pay any additional amounts to "gross up" payments to such persons, as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges with respect to payments in respect of the 2016B Bonds.

Non-U.S. Holders should consult their own tax advisors with respect to the possible applicability of federal withholding and other taxes upon income realized in respect of the 2016B Bonds.

Information Reporting and Backup Withholding

For each calendar year in which the 2016B Bonds are outstanding, the Authority, its agents or paying agents or a broker is required to provide the IRS with certain information, including a holder's name, address and taxpayer identification number (either the holder's Social Security number or its employer identification number, as the case may be), the aggregate amount of principal and interest paid to that holder during the calendar year and the amount of tax withheld, if any. This obligation, however, does not apply with respect to certain U.S. Holders, including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts and annuities.

If a U.S. Holder subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or under-reports its tax liability, the Authority, its agents or paying agents or a broker may be required to make "backup" withholding of tax on each payment of interest or principal on the 2016B Bonds. This backup withholding is not an additional tax and may be credited against the U.S. Holder's federal income tax liability, provided that the U.S. Holder furnishes the required information to the IRS.

Under current Treasury Regulations, backup withholding and information reporting will not apply to payments of interest made by the Authority, its agents (in their capacity as such) or paying agents or a broker to a Non-U.S. Holder if such holder has provided the required certification that it is not a U.S. person (as set forth in the second paragraph under "—Non-U.S. Holders" above), or has otherwise established an exemption (provided that neither the Authority nor its agent has actual knowledge that the holder is a U.S. person or that the conditions of an exemption are not in fact satisfied).

Payments of the proceeds from the sale of a 2016B Bond to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting (but not backup withholding) may apply to those payments if the broker is one of the following:

- a U.S. person;
- a controlled foreign corporation for U.S. tax purposes;
- a foreign person 50-percent or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a United States trade or business; or
- a foreign partnership with certain connections to the United States.

Payment of the proceeds from a sale of a 2016B Bond to or through the United States office of a broker is subject to information reporting and backup withholding unless the holder or beneficial owner certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

The preceding federal income tax discussion is included for general information only and may not be applicable depending upon a holder's particular situation. Holders should consult their tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the 2016B Bonds, including the tax consequences under federal, state, local, foreign and other tax laws and the possible effects of changes in those tax laws.

ERISA

The Employees Retirement Income Security Act of 1974, as amended ("ERISA"), and the Code generally prohibit certain transactions between a qualified employee benefit plan under ERISA or tax-qualified retirement plans and individual retirement accounts under the Code (collectively, the "Plans") and persons who, with respect to a Plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the

meaning of the Code. All fiduciaries of Plans, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in any 2016B Bond.

State Taxes

Special Tax Counsel is also of the opinion that interest on the 2016B Bonds is exempt from personal income taxes of the State of California under present State law. Special Tax Counsel expresses no opinion as to other State or local tax consequences arising with respect to the 2016B Bonds nor as to the taxability of the 2016B Bonds or the income therefrom under the laws of any state other than California.

IN ALL EVENTS, ALL INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE 2016 BONDS.

RATINGS

Standard & Poor's Ratings Services ("S&P") and Fitch Ratings ("Fitch") have assigned ratings of "[___]" and "[___]", respectively, to the 2016 Bonds with the understanding that [_____] will issue its Policy concurrently with the delivery of the 2016 Bonds.

The Authority received underlying ratings of "[__]" and "[__]" from S&P and Fitch, respectively, for the 2016 Bonds based solely upon the Authority's credit.

Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: S&P, 55 Water Street, New York, New York 10041 and Fitch, One State Street Plaza, New York, New York 10004. The Authority furnished the rating agencies with certain information and materials concerning the 2016 Bonds and the Authority. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2016 Bonds.

LEGAL MATTERS

The validity of the 2016 Bonds and certain other legal matters are subject to the approving opinion of O'Melveny & Myers LLP, Los Angeles, California, Bond Counsel and Nixon Peabody, Special Tax Counsel to the Authority. A complete copy of the form of Bond Counsel opinion is contained in APPENDIX D-1 hereto, and a complete copy of the form of opinion of Special Tax Counsel is contained in APPENDIX D-2 hereto . Certain matters will be passed upon for the Underwriter by its counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation. Certain legal matters in connection with the Official Statement will be passed upon by O'Melveny & Myers LLP, Los Angeles, California, Disclosure Counsel to the Authority.

FINANCIAL ADVISOR

The Authority has retained the services of CSG Advisors Incorporated of San Francisco, California as Financial Advisor in connection with the authorization and delivery of the 2016 Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

AIRPORT CONSULTANT

The Report of the Airport Consultant has been included herein in reliance upon the knowledge and expertise of the Airport Consultant. The Airport Consultant has provided its consent to include the Report of the Airport Consultant and references to such report in this Official Statement.

AIR TRAFFIC FORECAST CONSULTANT

The Aviation Activity Forecast has been included herein in reliance upon the knowledge and expertise of the Air Traffic Forecast Consultant. The Air Traffic Forecast Consultant has provided its consent to include the Aviation Activity Forecast and references to such report in this Official Statement.

FORWARD-LOOKING STATEMENTS

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

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

FINANCIAL STATEMENTS

For additional information concerning the Department's financial results with respect to ONT, see the Audited Financial Statements of Los Angeles World Airports, Ontario International Airport for the fiscal years ended June 30, 2014 and 2015 which are available on the Los Angeles World Airport's website at www.lawa.org.

CONTINUING DISCLOSURE

In connection with the issuance of the 2016 Bonds, and to enable the Underwriter to comply with the requirements of Rule 15c2-12(b)(5) adopted by the SEC (as amended, the "Rule"), the Authority will covenant to provide, or cause to be provided, to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System, certain annual financial information and operating data relating to the Authority and, in a timely manner, notice of certain enumerated events. See "APPENDIX F – FORM OF CONTINUING DISCLOSURE CERTIFICATE."

The Authority has not, prior to the date of this Official Statement, entered into, and will not prior to the Transfer Date enter into (except in connection with the issuance of the 2016 Bonds), any undertakings pursuant to the Rule.

UNDERWRITING

Morgan Stanley & Co. LLC underwriter (the "Underwriter"), has agreed to purchase the 2016 Bonds from the Authority at an aggregate purchase price of $[_____] (consisting of the par amount plus $[_____] of original issue premium and less $[_____] of underwriting discount), pursuant to the terms of a Purchase Contract for the Bonds between the Authority and the Representative (the "Purchase Contract"). The Purchase Contract provides that the obligations of the Underwriter are subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the 2016 Bonds offered under the Purchase Contract if any of the 2016 Bonds offered thereunder are purchased. The 2016 Bonds may be offered and sold to certain dealers (including dealers depositing such 2016 Bonds into investment trusts, accounts or funds) and others at prices lower than the initial public offering prices. After the initial public offering, the public offering prices of the 2016 Bonds may be changed from time to time by the Underwriter.

Morgan Stanley, parent company of Morgan Stanley & Co. LLC., the underwriter of the Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

VERIFICATION

Causey Demgen & Moore (the "Verification Agent") will deliver a report stating that the Verification Agent has verified the accuracy of mathematical computations concerning the adequacy of the cash deposits initially deposited in the escrow account for the payment of principal, redemption premium and accrued interest on the Department's 2006 Bonds on the Redemption Date pursuant to the terms of the indenture under which such 2006 Bonds were issued.

MISCELLANEOUS

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

All references to the Joint Powers Agreement, the Indenture and agreements with any other parties herein and in the Appendices hereto are made subject to the detailed provisions of such documents, and reference is made to such documents and agreements for full and complete statements of the contents thereof. Copies of such documents are available for review at the offices of the Authority which are located at [_____]. This Official Statement is not to be construed as a contract or agreement between the Authority and the owners of any of the 2016 Bonds.

AUTHORIZATION

The Authority has authorized the distribution of this Official Statement. This Official Statement has been duly executed and delivered by the [Chief Executive Officer] on behalf of the Authority.

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By:_____

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APPENDIX A

REPORT OF THE AIRPORT CONSULTANT

APPENDIX B

DEMAND FORECAST METHODOLOGY AND RESULTS

APPENDIX C

SUMMARIES OF THE MASTER INDENTURE AND THE FIRST SUPPLEMENTAL INDENTURE

Presented below are summaries of certain provisions contained in the Master Trust Indenture (the "Master Indenture") and the First Supplemental Trust Indenture (the "First Supplemental Indenture," and, together with the Master Indenture, the "Indenture"). Such summaries are not to be considered full statements pertaining thereto. Reference is directed to such documents for the complete text thereof. Copies of such documents are available from the Authority. All capitalized terms not defined herein or elsewhere in the Official Statement have the meanings set forth in the Indenture.

[To come]

APPENDIX D-1
FORM OF BOND COUNSEL OPINION

_____, 2016

[To be Updated]

Ontario International Airport Authority
Ontario, California

Re: Ontario International Airport Authority
Ontario International Airport
Revenue Bonds

$[_____]	$[_____]
Series 2016A	Series 2016B
(Tax-Exempt)	(Taxable)
(AMT)	

We acted as bond counsel to the Ontario International Airport Authority (the "Authority") in connection with the issuance and sale of $[_____] aggregate principal amount of Ontario International Airport Revenue Bonds (collectively, the "Bonds"), dated June [__], 2016, consisting of $[_____] Series 2016A Bonds (Tax-Exempt) (AMT) (the "Series A Bonds"), and $[_____] Series 2016B Bonds (Taxable) (the "Series B Bonds"). The Bonds have been authorized under the Joint Exercise of Powers Act, California Government Code Section 6500 and following (as it may be amended and supplemented, the "Joint Powers Act") and a Master Trust Indenture (the "Master Indenture") and a First Supplemental Trust Indenture (the "First Supplemental Indenture" and together with the Master Indenture, the "Indenture"), each dated as of [_____], 2016, by and between the Authority and The Bank of New York Mellon, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

Our services as bond counsel were limited to a review of the legal proceedings required for the authorization and issuance of the Bonds. In such connection, we have reviewed an opinion of the City Attorney, certificates of the Authority, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigations.

Certain requirements and procedures contained or referred to in the Indenture, the Tax Certificate or other relevant documents relating to the Bonds may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of nationally recognized bond counsel. We express no opinion as to the exclusion of interest on the Bonds from gross income of the owners of the Bonds for federal income tax purposes on and after the date on which any such change occurs or action is taken upon the advice or approval of counsel other than this firm.

Based upon the examination described above, and after examination of such questions of law as we have deemed relevant in the circumstances, but subject to the limitations set forth above, we are of the opinion that:

1. The proceedings show lawful authority for the execution by the Authority of the Indenture. Assuming due authorization, execution and delivery of the Indenture by the Trustee, the Indenture constitutes a valid, legal and binding obligation of the Authority enforceable in accordance with its terms.

2. The proceedings show lawful authority for the issuance of the Bonds, the Bonds have been duly authorized and issued by the Authority in accordance with the Indenture and the Bonds constitute valid, legal and binding obligations of the Authority enforceable in accordance with their terms.

3. The obligation of the Authority to pay the principal of and interest on the Bonds is a limited obligation of the Authority payable from Net Pledged Revenues and amounts on deposit in certain funds and accounts created under the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes, and on the terms and conditions, set forth in the Indenture. The Bonds do not constitute or evidence indebtedness of the City, the State of California or any political subdivision thereof other than the Authority, or a lien or charge on any property or the general revenues of the City, the State of California or any political subdivision thereof other than the Authority. The Bonds do not constitute an indebtedness of the Authority in contravention of any charter, statutory or constitutional debt or other limitation or restriction and do not constitute an obligation for which the Authority or the City is obligated to levy or pledge any form of taxation or for which the Authority or the City has levied or pledged any form of taxation.

With respect to the opinions expressed herein, the rights and obligations of the Authority under the Bonds and the Indenture are subject to bankruptcy, insolvency, moratorium and other laws affecting the enforcement of creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public agencies in the State of California.

Respectfully submitted,

APPENDIX D-2
FORM OF OPINION OF SPECIAL TAX COUNSEL

_____, 2016

[To Come]

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

Introduction

Unless otherwise noted, the information contained under the subcaption "– General" below has been provided by DTC. Neither the City nor the Authority make any representations as to the accuracy or the completeness of such information. The beneficial owners of the 2016 Bonds should confirm the following information with DTC, the Direct Participants or the Indirect Participants.

NEITHER THE CITY, THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2016 BONDS UNDER THE INDENTURE, (C) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2016 BONDS; (D) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL, PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE OWNER OF THE 2016 BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNERS OF 2016 BONDS; OR (F) ANY OTHER MATTER REGARDING DTC.

General

DTC will act as securities depository for the 2016 Bonds. The 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the 2016 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or held by the Trustee.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of 2016 Bonds certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTC"). DTC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, MBSCC, and EMCC, also subsidiaries of DTC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The Authority undertakes no responsibility for and makes no representations as to the accuracy or the completeness of the content of such material contained on DTC's website as described in the preceding sentence

including, but not limited to, updates of such information or links to other Internet sites accessed through the aforementioned website.

Purchases of the 2016 Bonds under the DTC system must be made by or through Direct or Indirect Participants, which will receive a credit for the 2016 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2016 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2016 Bonds, except in the event that use of the book-entry system for the 2016 Bonds is discontinued.

To facilitate subsequent transfers, all 2016 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2016 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2016 Bonds DTC records reflect only the identity of the Direct Participants to whose accounts such 2016 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

While the 2016 Bonds are in the book-entry-only system, redemption notices shall be sent to DTC. If less than all of the 2016 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2016 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2016 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the 2016 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with 2016 Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct and Indirect Participant and not of DTC, the Authority, or the Trustee, subject to any statutory, or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest on the 2016 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2016 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered. The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor Bonds depository). In that event, bond certificates will be printed and delivered.

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

No Assurance Regarding DTC Practices

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

AS LONG AS CEDE & CO. OR ITS SUCCESSOR IS THE REGISTERED HOLDER OF THE 2016 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE REGISTERED HOLDERS OF THE 2016 BONDS SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE 2016 BONDS. Each person for whom a Participant acquires an interest in the 2016 Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all communications to DTC, which may affect such person, forwarded in writing by such Participant and to receive notification of all interest payments.

THE AUTHORITY WILL HAVE NO RESPONSIBILITY OR OBLIGATION WITH RESPECT TO THE PAYMENTS TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS, OR THE PROVISION OF NOTICE TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE 2016 BONDS. NO ASSURANCE CAN BE GIVEN BY THE AUTHORITY THAT DTC, DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR OTHER NOMINEES OF THE BENEFICIAL OWNERS WILL MAKE PROMPT TRANSFER OF PAYMENTS TO THE BENEFICIAL OWNERS, THAT THEY WILL DISTRIBUTE NOTICES RECEIVED AS THE REGISTERED OWNER OF THE SERIES 2016 BONDS TO THE BENEFICIAL OWNERS, THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

In the event the Authority determines not to continue the book-entry system or DTC determines to discontinue its services with respect to the 2016 Bonds and the Authority does not select another qualified depository, the Authority shall deliver one or more 2016 Bonds in such principal amount or amounts, in authorized denominations, and registered in whatever name or names, as DTC shall designate. In such event, transfers and exchanges of 2016 Bonds will be governed by the provisions of the Indenture.

Risks of Book-Entry System

The Authority makes no assurance, and the Authority shall incur no liability, regarding the fulfillment by DTC of its obligations under the book-entry system with respect to the 2016 Bonds.

In addition, Beneficial Owners of the 2016 Bonds may experience some delay in their receipt of distributions of principal of, premium, if any, and interest on, the 2016 Bonds since such distributions will be forwarded by the Authority to DTC and DTC will credit such distributions to the accounts of the Direct Participants which will thereafter credit them to the accounts of the Beneficial Owners either directly or through Indirect Participants.

Since transactions in the 2016 Bonds can be effected only through DTC, Direct Participants, Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge 2016 Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such 2016 Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will not be recognized by the Authority as registered owners of the 2016 Bonds, and Beneficial Owners will only be permitted to exercise the rights of registered owners indirectly through DTC and its Participants.

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

[To come]

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the "Authority") in connection with the issuance of its Ontario International Airport Revenue Bonds, Series 2016A and Revenue Bonds, Series 2016A (collectively, the "2016 Bonds"). The 2016 Bonds are being issued pursuant to a Master Trust Indenture to be dated as of [_____], 2016, as amended and supplemented, between the Authority and The Bank of New York Mellon, as trustee (the "Indenture"). In connection therewith the Authority covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. The Disclosure Certificate is being executed and delivered by the Authority for the benefit of the Holders and Beneficial Owners of the Series 2016 Bonds and in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission ("SEC").

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in the Disclosure Certificate unless otherwise defined in this section, the following capitalized terms have the following meanings:

"Annual Report" means any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of the Disclosure Certificate.

"Beneficial Owner" means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2016 Bonds (including persons holding Series 2016 Bonds through nominees, depositories, or other intermediaries).

"EMMA System" means the MSRB's Electronic Municipal Market Access system, or such other electronic system designated by the MSRB.

"Listed Event" means any of the events listed in Section 5(a) of the Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" means the State of California.

"Underwriter" means Morgan Stanley & Co. LLC, who is required to comply with the Rule in connection with offering of the Series 2016 Bonds.

SECTION 3. Provision of Annual Reports.

(a) The Authority shall, not later than the end of the ninth month following the end of the Authority's Fiscal Year (presently June 30), commencing with the report for the 2015-16 Fiscal Year, provide to the MSRB through the EMMA System (in an electronic format and accompanied by identifying information all as prescribed by the MSRB) an Annual Report that is consistent with the requirements of Section 4 of the Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents composing a package and may cross-reference other information as provided in Section 4 of the Disclosure Certificate, except that the audited financial

statements of the Authority may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Authority's Fiscal Year changes, then the Authority shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) If the Authority is unable to provide to the MSRB an Annual Report by the date required in Section 3(a), the Authority shall send to the MSRB a notice in substantially the form attached hereto as Exhibit A.

SECTION 4. Content of Annual Reports. The Authority's Annual Report shall contain the CUSIP numbers of the Series 2016 Bonds and include by reference the following:

(a) The audited financial statements of the Authority for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If, however, the Authority's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), then the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) An annual report containing information of the type shown in the following tables contained in the Official Statement for the Series 2016 Bonds, dated _____ __, 2016, to reflect actual results of the most recently completed fiscal year (projections need not be updated):

(1) Table 3 – HISTORICAL ENPLANED PASSENGERS

(2) Table 4 – HISTORICAL ENPLANED PASSENGERS BY AIRLINE

(3) Table 5 - HISTORICAL LANDED WEIGHT BY AIRLINE

(4) Table 6 - HISTORICAL CARGO TRAFFIC DATA

(5) Table 7 - HISTORICAL OPERATING STATEMENTS

(6) Table 8 – TOP TEN REVENUE PRODUCERS

(7) Table 3-9 (from Report of the Airport Consultant) – Debt Service Coverage Ratio

(8) Table 3-10 (from Report of the Airport Consultant) – Required Fund Deposits

Any or all of the items listed above may be included by specific reference to other documents, including the audited financial statements or the official statements of debt issues of the Authority, that have been submitted to the MSRB or the Securities and Exchange Commission, subject to the following: if any document included by reference is a final official statement, then it must be available from the MSRB, and the Authority shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2016 Bonds in a timely manner not more than 10 business days after the event:

(1) Principal and interest payment delinquencies;

(2) Unscheduled draws on debt service reserves reflecting financial difficulties;

(3) Unscheduled draws on credit enhancements reflecting financial difficulties;

(4) Substitution of credit or liquidity providers, or their failure to perform;

(5) Issuance by the Internal Revenue Service (the "IRS") of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(6) Tender offers;

(7) Defeasances;

(8) Rating changes; or

(9) Bankruptcy, insolvency, receivership or similar event of the Authority.

Note: for the purposes of the event identified in Section 5(a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

(b) Pursuant to the provisions of this Section 5, the Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2016 Bonds, if material:

(1) Unless described in Section 5(a)(5), adverse tax opinions or other material notices or determinations by the IRS with respect to the tax status of the Series 2016 Bonds or other material events affecting the tax status of the Series 2016 Bonds;

(2) Modifications to rights of holders of the Series 2016 Bonds;

(3) Optional, unscheduled or contingent bond calls;

(4) Release, substitution, or sale of property securing repayment of the Series 2016 Bonds;

(5) Non-payment related defaults;

(6) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or

(7) Appointment of a successor or additional trustee or the change of name of a trustee.

(c) Whenever the Authority obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the Authority shall as soon as possible determine if such event would be material under applicable federal securities laws. If the Authority determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Authority shall file a notice of such occurrence with EMMA in a timely manner not more than 10 business days after the event.

SECTION 6. Termination of Reporting Obligation. The Authority's obligations under the Disclosure Certificate shall terminate (a) upon the legal defeasance, prior redemption, or payment in full of all of the Series 2016 Bonds; or (b) if, in the opinion of nationally recognized bond counsel, the Authority ceases to be an "obligated person" (within the meaning of the Rule) with respect to the Series 2016 Bonds, or the Series 2016 Bonds otherwise cease to be subject to the requirements of the Rule. If such termination occurs prior to the final maturity of the Series 2016 Bonds, the Authority shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of the Disclosure Certificate, the Authority may amend the Disclosure Certificate, and any provision of the Disclosure Certificate may be waived, if all of the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Series 2016 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2016 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (1) is approved by the Holders of the Series 2016 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (2) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2016 Bonds.

In the event of any amendment or waiver of a provision of the Disclosure Certificate, the Authority shall describe such amendment in the next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or

operating data being presented by the Authority. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, then the Authority shall give notice of such change in the same manner as for a Listed Event under Section 5(c), and the Annual Report for the year in which the change is made must present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 8. Additional Information. Nothing in the Disclosure Certificate prevents the Authority (a) from disseminating any other information, using the means of dissemination set forth in the Disclosure Certificate or any other means of communication; or (b) from including any other information in any Annual Report or notice of occurrence of a Listed Event in addition to that required by the Disclosure Certificate. If the Authority chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that specifically required by the Disclosure Certificate, the Authority shall have no obligation under the Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Default. In the event of a failure of the Authority to comply with any provision of the Disclosure Certificate, the Underwriter or any Holder or Beneficial Owner of the Series 2016 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under the Disclosure Certificate. A default under the Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under the Disclosure Certificate in the event of any failure of the Authority to comply with the Disclosure Certificate shall be an action to compel performance hereunder.

SECTION 10. Beneficiaries. The Disclosure Certificate shall inure solely to the benefit of the Authority, the Underwriter, and the Holders and Beneficial Owners from time to time of the Series 2016 Bonds, and it creates no rights in any other person or entity.

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By: _____
Kelly J. Fredericks
Title: Chief Executive Officer

Dated: _____ __, 2016

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Name of Issue: $_____ Ontario International Airport Revenue Bonds, Series 2016A and $_____ Ontario International Airport Revenue Bonds, Series 2016A (collectively, the "2016 Bonds")

Date of Issuance: _____ __, 2016

NOTICE IS HEREBY GIVEN that the Authority has not provided an Annual Report with respect to the above-named Bonds as required by the Master Trust Indenture to be dated as of [_____], 2016, as amended and supplemented, between the Authority and The Bank of New York Mellon, as trustee (the "Indenture"). The Authority anticipates that the Annual Report will be filed by _____

Dated: _____ __, _____

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

By: _____
Authorized Representative

[APPENDIX G

SPECIMEN BOND INSURANCE POLICY]

[To Come]