

Proposed Changes to the Airline Lease Agreement

Section	Current	Proposed
9.10 - Revenue Sharing	References a forecast in Exhibit J	Removes the reference to Exhibit J, as the financial forecast only goes through 2017 and will not be updated
9.11 - Rate Stabilization Fund	References the "Budgeted CPE" and "Projected CPE"	Changes language to read that the Airport is committed to maintaining a CPE that is competitive with the San Francisco and Oakland airports
"	-	Adds language allowing the use of the Rate Stabilization Fund if both the Airport and an MII of the AAAC approves its use in any given year
11 - Municipally-Funded Air Service Incentive Program	Allows for rebate of portion of indirect overhead expenses if SJC's enplanements exceed that of the national average	Eliminates the Municipally-Funded Air Service Incentive Program
12.03.12 - Phase II Approval	References approval needed for Phase II projects if the activity based triggers are met and then fall below a certain activity level and if the CPE exceeds a specific dollar amount	Removes the entire section, as the issue is already addressed in section 12.03.3