Airglades International Airport
Request for Information from interested parties as users of airport

March 2019

Note: All data and projections are provided on a non-reliance basis for general information purposes only.
Executive Summary

Airglades International Airport, LLC, referred to as AIA

▪ AIA is a purpose-built hub for air-cargo trade & handling between Latin America and the US

▪ AIA’s location and footprint present a greenfield opportunity to develop operations and infrastructure

▪ With broad-based local support and a slot in the FAA privatization program, AIA is diligently working to complete its privatization approval, raise financing, and sign user contracts by the end of the 3rd quarter of 2019

▪ AIA is actively engaging with your organization and others in the industry to understand potential volumes, gather feedback on the operating model, and understand your requirements

▪ Responses will be kept confidential and AIA will be available to answer any questions or concerns you may have
Contents

Overview of Airglades and proposed operating model

- Request for information details
- Airglades contacts
AIA is being designed to optimize the supply chain for perishables imported from Latin America

**Flow of perishables and location of AIA**

**Description of AIA and Request for Information (RFI)**

- AIA is an airport dedicated to the perishable cargo coming from Latin America, e.g., flowers, seafood, fruits, and vegetables.
- AIA will find itself at the center of a U.S logistics hub for inbound and outbound Latin American cargo.
- Given the location at the center of the state, AIA is less prone to extreme weather events, while still close to major urban areas like Miami.
- AIA is seeking responses from key stakeholders in the perishable industry that are interested in operating at AIA to refine the proposed operating model and ensure it is tailored to future customer needs.
- Responses will be kept confidential and AIA will be available to answer any questions or concerns you may have.
- The following pages lay out the proposed facilities, diagram the activities, and describe the benefits to stakeholders at AIA.
AIA’s location and footprint present a greenfield opportunity to develop operations and infrastructure

AIA is strategically located in the center of the state, close to major transportation routes...

- AIA is located 2 hours north of MIA, 1 hour east of RSW, and 1:10 hours west of PBI
- Easy access to Route 27 and coastal interstates feeding northern markets

...all while providing ample space to grow and develop operations and infrastructure

- ~800 acres available on-airport for development
- There is ample and uncongested area around AIA for growth

Disclaimer: AIA design is still preliminary and is subject to change
With broad-based local support and a slot in the FAA privatization program, AIA is diligently working to complete its privatization approval, raise financing, and sign user contracts by the end of the 3rd quarter of 2019.

<table>
<thead>
<tr>
<th>Major milestones achieved</th>
<th>Remaining major milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2016</td>
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<tr>
<td>2017</td>
<td>2018</td>
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<tr>
<td>2019</td>
<td>2020</td>
</tr>
<tr>
<td>2021</td>
<td>2022</td>
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</table>

- 2012: Conditional approval of airport layout plan by FAA
- 2015: Secured sole rights to purchase Airglades Airport from Hendry County
- 2016: FAA privatization approval submitted
- 2017: Conducted public hearings for the Airglades Environmental Assessment
- 2018: Environmental approval received
- 2019: Ongoing stakeholder engagement
- 2020: Hired strategy, financial & legal advisory team
- 2021: Start detailed engineering & construction
- 2022: Day 1 of operation

**Anticipated milestones for 2019**
- Understand needs from potential users
- Finalize operating model and design
- Arrange financing for construction
- Designate airport and facility operators
- Finalize agreements with all initial participants
- Secure all necessary government approvals

Disclaimer: AIA schedule is indicative

SOURCE: Airglades International Airport, LLC
AIA is a purpose-built hub for air-cargo trade & handling between Latin America and the US

Overview of value drivers

**Significantly increases revenue potential**
- Dramatically improves cool chain performance through optimized supply chain:
  - Increases perishable shelf life
  - Supports a premium service
- Possesses space to grow volume beyond today’s regional capacity

**Simplifies business operations and dramatically increases reliability**
- Preserves confidentiality in more efficient setting
- Flexes to allow customized operations post-transit
- Increases certainty around key supply chain activities, e.g., air traffic, CBP arrivals inspections
- Stabilizes long-term planning horizon
- Addresses options to handle seasonality peaks

**Noticeably reduces costs**
- Provides abundant land at favorable prices
- Reduces trucking transportation costs (less traffic, increased proximity to end customers)
- Reduces flight costs from/to Latin America (shorter flight time, shorter aircraft waiting times)
- Drives higher utilization of fixed costs through efficiency
- Has lower utility costs

How does AIA generate value for the perishable industry?
AIA is designing an innovative and simplified Perishable Cargo Center (PCC) to inspect and process perishables quickly and reliably (1/2)

Preliminary PCC operating model

- The PCC is a high-velocity cargo processing facility that aims to move product from aircraft to trucks and warehouses as quickly as possible without disrupting the cool-chain
- All USDA and CBP inspections will occur under one roof inside the building

Activities inside the PCC

1. Aircraft pallets are unloaded from aircraft and placed inside a refrigerated cooler
2. Pallets are broken down into skids/pallets and stored until CBP/USDA clearance
3. CBP reviews samples and clears product
4. Product is moved into segregated cooled space where they are sorted by customers and prepared for dispatch
5. Short-term storage available on elevated racks
6. Products are loaded directly from refrigerated dock into reefer trucks
AIA is designing an innovative and simplified Perishable Cargo Center (PCC) to inspect and process perishables quickly and reliably (2/2)

Preliminary overview of AIA operations

Key activities conducted in PCC
- CBP and USDA inspections
- Palletization
- Sorting by customer
- Short-term storage

Additional proposed features
- Adjacent Transition Facility to provide surge capacity to guarantee smooth transition
- All inbound cargo moved at AIA will necessarily pass through the PCC
- The transition facility, distribution centers and warehouses on the landside of the PCC are likely to be operated by the consignees of the inbound/outbound cargo
Preliminary PCC design aims to handle demand fluctuations, focus on fast product flows, and enhance movements within the cool-chain.
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- Overview of Airglades and proposed operating model
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- Airglades contacts
### AIA envisions three options for your operations and we want you to give us your preferred choice and feedback

<table>
<thead>
<tr>
<th>Description</th>
<th>Commercial structure</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIA builds PCC and secondary facilities</td>
<td>Customer pays throughput fee for PCC and lease rate for secondary facilities</td>
<td>Circle preferred option or provide alternative option</td>
</tr>
<tr>
<td>▪ AIA builds the PCC that is operated by a logistics provider</td>
<td>▪ AIA pays for the capital expenditure to build the PCC and secondary facilities</td>
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<tr>
<td>▪ AIA builds secondary facilities, e.g., warehouses/distribution centers</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>▪ Customer pays throughput fee for PCC and ground lease rate for secondary facilities</td>
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<tr>
<td></td>
<td>▪ AIA pays for the capital expenditure to build PCC</td>
<td></td>
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<tr>
<td></td>
<td>▪ Customers pay for the capital expenditure to build secondary facilities</td>
<td></td>
</tr>
<tr>
<td>AIA builds PCC and customers build own secondary facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ AIA builds the PCC that is operated by a logistics provider</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Customers finance own secondary warehouse facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ AIA builds the PCC, which is operated by a logistics provider</td>
<td></td>
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<tr>
<td></td>
<td>▪ AIA builds initial transition facility that provides some warehouse capacity to customers during first year of operation</td>
<td></td>
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<tr>
<td></td>
<td>▪ Customers build or finance their own secondary facilities, e.g., warehouses/distribution centers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Customer pays throughput fee for PCC and transition facility (when used)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Customer pays ground lease rate for secondary facilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ AIA pays for the capital expenditure to build PCC and transition facility</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Customers pay for the capital expenditure to build secondary facilities</td>
<td></td>
</tr>
</tbody>
</table>

**SOURCE:** Airglades International Airport, LLC
AIA needs to better understand your facility requirements to refine the operating model and design of the PCC (Page 1/3)

Please respond if applicable to your organization

1. What qualifications would your organization like to see from a potential operator of the PCC? Would you prefer to deal/contract directly with a PCC operator or with AIA?

2. What is the ideal cycle time from the moment the aircraft unloads to the moment the cargo is released?

3. How would you like the PCC operator to integrate and support your operation? What services would you like the operator to offer?

4. In what form does your organization accept your product? Wooden pallets, directly from aircraft, etc..

5. What products does your organization import and what are the temperature requirements for each?

6. Does your organization handle ethylene emitting products in your facility? Does your organization currently manage and measure the level of ethylene gas? Does your organization use scrubbers?

7. Is product pre-cooling inside the PCC a service your organization would be interested in?

8. Is your organization planning to use RFID tags to trace each unit load and its temperature by 2022?

9. Would your organization like to see the use of RFID tags in the PCC?

10. What innovative uses of technology and automation would your organization like to see in the PCC?
AIA needs to better understand your facility requirements to refine the operating model and design of the PCC (Page 2/3)

Please respond if applicable to your organization

11. On average, how long does it take today from the moment the aircraft arrives to the moment the product is cleared?

12. Are there products and/or producers that do not require clearance by USDA, and what is the frequency?

13. What are the average sizes and weights of the pallets by product type?

<table>
<thead>
<tr>
<th>Pallet Type</th>
<th>Size (L x W x H)</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flower pallet:</td>
<td>________________</td>
<td>_______</td>
</tr>
<tr>
<td>Seafood pallet:</td>
<td>________________</td>
<td>_______</td>
</tr>
<tr>
<td>Fruit pallet:</td>
<td>________________</td>
<td>_______</td>
</tr>
<tr>
<td>Vegetable pallet</td>
<td>________________</td>
<td>_______</td>
</tr>
</tbody>
</table>

14. How many trucks per day does your organization fill up with product picked up at MIA? Please provide a number for peak season and another for regular operations

15. Does your organization ship floral on dedicated trucks or mixed with other product types?

16. What are the most important services or guarantees that should be provided by the PCC operator?
   - Guaranteed cycle time from aircraft unloading to trucks
   - Maximum ethylene exposure
   - 100% refrigeration from aircraft unloading to truck
   - Other?
AIA needs to better understand your facility requirements to refine the operating model and design of the PCC (Page 3/3)

Please respond if applicable to your organization

17. AIA could offer some of the service levels provided in question 16. What is the current service level you are getting today? Please describe current time product spends at elevated temperatures, ethylene exposure, CB&P product clearance time

18. Are there any other design specs not mentioned before that your organization would like to see in the PCC?
AIA needs to better understand your volumes in order to design the PCC appropriately

Please respond if applicable to your organization

19. In the interest of correctly sizing AIA facilities, we recognize that we need your organization’s current peak season daily volume and regular season daily volume
   - Peak season average daily volume (lbs)_________
   - Regular season average daily volume (lbs)_________
   - Total annual volumes 2018 (lbs)____________

20. Assuming Airglades’ cost is competitive with other alternatives, what % of your volumes do you foresee sending through AIA?

21. Assuming Airglades’ cost is competitive with other alternatives, how would your volumes ramp up at AIA? How many pounds of product would you move through AIA in year 1, and how do you plan that will increase in the first 5-10 years? Do you have preference between entering 1-year, 5-year, or 10-year contracts with operators?

22. What are your longer-term growth expectations (i.e., the next decade)? Please provide us with an annual estimated growth rate

23. How much secondary space, or storage space, do you anticipate you will need at the airside facility? Would secondary storage (in addition to the PCC) be required at AIA before your organization commits to moving volumes through AIA?

24. How many days of short-term storage space would your organization require by product type?
REQUEST FOR INFORMATION DETAILS

AIA will help you through the transition and has some questions regarding your views on moving to AIA

Please respond if applicable to your organization

25. On a scale of 1-10, how excited are you about AIA? Please provide a justification.

26. What might hold your organization back from moving to AIA?

27. Are you looking to be actively involved in the design or operation of AIA? Is it important to you that you build your own facilities?

28. Are you planning to move to Airglades to expand your existing capacity or to relocate it?

29. Is your move to Airglades contingent on any factors? If yes, what are they?

30. Are you planning to just relocate volumes or move people and operations to Airglades?

31. How long do you expect it to take to move the full intended volumes to Airglades?

32. What support might you require to expand or relocate facilities to Airglades?
AIA will follow up with participants and answer questions during a period of two weeks

**Overview of the Request for information (RFI)**

- All responses will be kept confidential and should be on a best-efforts basis
- Written responses should be sent to aiainfo@airgladesairport.com or mdevoe@airgladesairport.com by April 1st, 2019
- All responses will be non-binding and for discussion purposes only. AIA is not bound to accept any proposals and the terms of any agreement will be discussed later, and will be conditional on many factors
- While progressing quickly, this will be an iterative process and we strongly urge you to reach out with any questions

**Format of responses**

<table>
<thead>
<tr>
<th>Expected timeline</th>
<th>Mar</th>
<th>Apr</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFI process is launched</td>
<td>18.</td>
<td>24.</td>
</tr>
<tr>
<td>AIA follows up with participants to answer questions</td>
<td>▲ 18 Mar 2019</td>
<td></td>
</tr>
<tr>
<td>RFI responses are submitted by participants</td>
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</tr>
<tr>
<td>AIA schedules one-on-one follow up meetings and agrees on next steps</td>
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**Airglades contacts**
AIA will support you throughout the process

Frederick Ford is the President and Airport Manager of AIA. Ford has been involved in the development of the Airport from the beginning. His strong relationships with all stakeholders in the industry, government and state have been key in the success of its development. Ford has worked in the aviation and airport industry for over 40 years and has served in many highly influential roles including:

- CEO of Hillford Associates’ air cargo facility development at Dallas/Fort Worth International Airport
- Director of the Chicago-Rockford International Airport during its construction as a cargo reliever to Chicago O’Hare International Airport

Marilyn J. DeVoe is the Vice President of Operations and Aviation at AIA. Prior to working at AIA, DeVoe had a long career at American Airlines (AA) and held many influential roles including:

- Vice President of American Airlines’ Miami hub, the airline’s largest international hub and gateway to Latin America
- Vice President for American Airlines’ Dallas/Fort Worth hub
- Vice President of American Airlines' Customer Services Planning

DeVoe has a bachelor’s degree in Finance from the University of Rhode Island. In 2016, she was honored by the World Trade Organization for significant contributions in advancing international trade and business in Florida. In 2015, the Greater Miami Aviation Association awarded her the Amelia Earhart award. In 2014 she was named as a “Woman Worth Watching” by the Profiles in Diversity Journal and the Dallas Business Journal also named her one of the “25 Most Influential Women in Business”

Hernan Galindo is the Vice President of Business Development at AIA. His role entails building relationships with the customers of AIA and understanding their needs for operating at AIA. Prior to working at Airglades with AIA, Galindo held various relevant significant roles in the airline cargo industry including:

- Former Senior Vice President of Swissport Cargo Services, Latin America & Caribbean Cargo
- Former President and founder of Aerofloral introduced B747 freighter operations from Miami to main cargo markets in Latin America
- Former Director of Cargo Development at Arrow Air; Avianca Airlines
- Various Sr. Management positions in finance, sales, maintenance and airport operations