LEE'S SUMMIT
MISSOURI

AIRPORT GROUND LEASE

BETWEEN

TM Aviation LLC

AND

THE CITY OF LEE'S SUMMIT

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GROUND LEASE

THIS LEASE is made and entered into this the _____ day of _____, 2026, ("Effective Date") between the City of Lee's Summit, Missouri, a constitutional charter CITY and Missouri municipal corporation, hereinafter called the "CITY" and TM Aviation LLC, a Delaware LLC (**"LESSEE"**), authorized and registered to do business in the state of Missouri. CITY and LESSEE are referred to collectively in this Lease as the "Parties."

WHEREAS, the CITY operates the Lee's Summit Municipal Airport hereinafter called Airport, located in the CITY of Lee's Summit, Jackson County, Missouri; and has the right, title, and interest in and to the real property on the Airport, together with the facilities, easements, rights, licenses, and privileges hereinafter granted, and the CITY has full power and authority to enter into this Lease in respect thereof; and

WHEREAS, upon the terms and conditions herein stated, LESSEE desires to lease certain property offered by the CITY and to construct an Aircraft hangar thereon, and the CITY is willing to lease said property to the LESSEE for this purpose;

WHEREAS, the FAA requires the CITY to adopt specific contract provisions and enforce specific terms based on Congressionally approved grant assurances;

NOW, THEREFORE, in consideration of the mutual covenants and considerations herein contained, the receipt and sufficiency of which are hereby acknowledged, the CITY and LESSEE agree as follows:

SECTION 1. PREMISES

Sec 1.1 Leased Premises.

The CITY hereby leases to LESSEE, and LESSEE leases from the CITY, an area of land, together with all improvements and fixtures appurtenant thereto, existing or that may be constructed or made therein, more fully described in **Exhibit "A" – Leased Premises**, attached hereto and incorporated herein (hereinafter "Leased Premises").

Sec. 1.2 Acceptance of Leased Premises.

LESSEE hereby acknowledges that it accepts and receives the Leased Premises in an "AS IS" conditions with no warranties or representations of any kind, expressed or implied, either oral or written, made by the CITY or any of its agents or representatives with respect to the physical, environmental or structural conditions of the Leased Premises or any portion thereof or otherwise including but not limited to: soil conditions, geotechnical conditions, or the presences or absence of hazardous materials, except as expressly set forth in this Lease.

Section 2. RENTS, FEES, and CHARGES

Sec. 2.1 Rents, Fees and Charges.

Effective on the Effective Date, LESSEE shall pay the CITY in equal monthly installments, in advance, or before the first (1st) day of each and every month without demand, deduction, holdback or setoff, plus applicable sales taxes. The following Base Rents, rates, and charges due herein for the Leased Premises shall be as follows:

Base Rent: During the first (1st) Lease Year of the Term of this Lease, LESSEE shall pay CITY $0.51 per square feet multiplied by the 29,250 square feet.

$14,917.50 annually or $1,243.12 per month.

Sec. 2.2 Rent Reduction During Construction.

During the period of time between the Effective Date of this agreement and the issuance of a City of Lee's Summit Building Permit, Lessee's rent for the Leased Premises shall be waived. During the time between the issuance of a City of Lee's Summit Building Permit and the issuing of a temporary certificate of occupancy for any building or structure contemplated by this Lease, Lessee's rent for the Leased Premises shall be an amount equal to one-half (1/2) of the rent payment attributed to land rent above. On the date a temporary certificate of occupancy is issued by

the City, the rent payment for the Licensed Premises shall automatically revert to the full rent payment due starting the month following the date of the issuance of the certificate of occupancy. This abeyance period shall not increase the term of the Lease or the period prior to rent escalation. Nothing in this subdivision shall modify any other provision of this Lease related to rent other than the rent amount specified herein. For the avoidance of doubt, Lessee shall in no event be required to repay to the City the difference in the reduced rent amount and the full rent contemplated under this Lease.

Sec. 2.3 Rent Escalation.

Beginning on the anniversary date of the Effective Date of this Lease, on the first day of the thirteenth month, the monthly Base Rent shall be calculated based on the change in the CPI-U increase using the methodology below. The Base Rent shall thereafter be adjusted in this manner on every anniversary date of the Effective Date of each remaining year of the Initial Term or any Renewal Term constituting a Lease Year.

The monthly Base Rent payable shall be increased as follows: Commencing on the anniversary date, the Base Year Rent set forth above shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified above during which the adjustment is to take effect and the denominator of which shall be the Initial CPI Base. The sum so calculated shall constitute the new fixed monthly Base Rent for the next year of the term. All subsequent adjustments shall be calculated using the Adjusted CPI base in place of the Initial CPI Base. Stated as a mathematical formula, the adjusted Base Rent shall be computed as follows:
Adjusted Rent = Current Rent X Adjustment Year CPI
Initial CPI Base (or Adjusted CPI Base)
Example (for illustration only) –
Assuming 1st Anniversary CPI (2 months prior) (March 2025 Example – 312.332
CPI on Effective Date of Contract March 2024 (for illustration only) – 301.836
CPI Change = 312.332-301.836 = 10.496/301.836 = .03477 (rounded to nearest percentage) = 3%.
New Rate = Total Annual Rate $14,917.50 x 3% = New Total $15365.025. (Example for illustration only).

In no event shall the Base Rent in effect be decreased as a result of such adjustment. The rates following the adjustment shall remain in effect until the next adjustment. For clarification purposes, the adjustments will occur on the first day of each Lease Year (i.e. the first day of the thirteenth month following each anniversary date of the Effective Date of each and every year).

The Index referred to herein shall be the Consumer Price Index of all Urban Consumers (CPI-Midwest), distributed by the Bureau of Labor Statistics of the U.S. Department of Labor. In the event said Index ceases to be prepared and published, then the Building and Ground rent rate shall be adjusted in accordance with the most comparable index then in existence.

Sec. 2.4 Net Lease.

It is the purpose and intent of the CITY and LESSEE that this is a net lease and that from and after the Effective Date, the rent shall, except as herein otherwise provided, be absolutely net to CITY, and that all costs, expenses and obligations of every kind and nature whatsoever relating to the Leased Premises and/or the operation of LESSEE's business in connection therewith, except as herein otherwise provided, which may arise or become due during the term hereof, shall be paid by LESSEE and that CITY shall be protected, defended, indemnified and held harmless by LESSEE from and against the payment of same or any obligation to pay the same.

Sec. 2.5 Taxes, Permits, License.

LESSEE shall bear, at its own expense, all costs of operating its equipment and business including any and all ad valorem, sales, use or other taxes levied, assessed or charged upon or with respect to the leasehold estate, the Leased Premises or improvements or property LESSEE places thereon and any assessed against the operation of the business and any ad valorem, sales, use or similar taxes levied or assessed on any payments made by LESSEE hereunder, regardless of whether said items are billed to the CITY or the LESSEE. LESSEE shall bear all cost of obtaining any permits, licenses, or other authorizations required by the CITY, any other applicable governmental entity, or law in connection with the operation of its business at the Airport, and copies of all such permits,

certificates and licenses shall be provided to the CITY. LESSEE reserves the right to contest any such taxes and withhold payment of such taxes, so long as the nonpayment of such taxes does not result in a lien against the Leased Premises or a direct liability on the part of CITY.

Sec. 2.6 Field Charges.

A. At all times, LESSEE shall maintain the Leased Premises in a safe, neat, clean and attractive condition and shall not permit the accumulation of any trash, paper, or debris on any Airport property. LESSEE shall repair all damages to the Leased Premises caused by its employees, patrons, invitees, trespassers, or its operation thereon; shall maintain and repair all equipment on the Leased Premises, including any buildings and improvements; and shall repaint the buildings as necessary.
B. Optional Services Provided By Posted Schedule. The LESSEE may contract with the CITY to provide the following services. Rates will be updated annually according to the Airport schedule of fees or Contract pricing provided to the CITY.
    a. Trash Service - Dumpster.
    b. Snow Removal – Parking lots and concrete pad on leasehold.

Sec. 2.7 Minimum Fuel Purchase Program Reserved

Sec. 2.8 Method of Payment

The above Base Rent is an annual cost, and 1/12th of this amount shall be due and paid monthly within ten (10) days of the first day of each month during the lease term, including renewal terms, at the office of the City of Lee's Summit Collector's Office, 220 S.E. Green, Lee's Summit, Missouri 64063. At LESSEE's election, LESSEE may also pay Base Rent on an annual basis.

Sec. 2.9 Delinquent Payments.

There shall be added to all sums due the CITY and unpaid, including rental amounts and any applicable fee, as may be established by the CITY, an interest charge of five percent (5%) of the principal sum for every thirty (30) days of delinquency computed as simple interest. No interest shall be charged upon that portion of any debt which, in good faith, is in dispute. No interest shall be charged upon any account until payment is thirty (30) days overdue, but such interest when assessed thereafter shall be computed from the due date.

Section 3. TERM

Sec. 3.1 Term.

This Lease shall be effective as of the Effective Date first set forth above and shall remain in full force and effect until the _____ day of _____, 20____ ("Initial Term" and together with any Renewal Term, as defined below, the "Term") unless terminated as otherwise provided in this Lease.

Sec. 3.2 Options to Renew.

A. After the expiration of the Initial Term, LESSEE may renew this Lease for up to Two (2) terms of Ten (10) years (each a "Renewal Term"). LESSEE shall be deemed to have exercised its option to renew this Lease for the next Renewal Term unless LESSEE shall give the CITY written notice, at least one hundred eighty (180) calendar days prior to the expiration of the then current Term, of LESSEE's intention not to renew the Term of this Lease, unless default conditions exist.
B. Rent for the Renewal Term(s) shall be established as described in Section 2 of this Lease.
C. At the end of the Initial and any Renewal Terms of this Lease, or, if LESSEE does not exercise all of the Renewal Term options, at the end of the Initial Term or any exercised Renewal Term thereafter, LESSEE shall have no further right, possessory or otherwise, to the Leased Premises or to extend the Lease, except that LESSEE may remove any and all machinery and equipment (including, but not limited to, tools, air compressors, cranes, lathes, mills, and any other equipment whether mounted and/or bolted to floors, ceilings, or walls of the Leased Premises) and any other property not affixed to the Leased Premises that is the property of LESSEE ("LESSEE Property").

Sec. 3.3 Holding Over.

A. If LESSEE shall continue to occupy the Leased Premises beyond the Initial Term, or any Renewal Term, without CITY's written consent thereto, such holding over shall not constitute a renewal or extension of this Lease, but shall create a tenancy from month-to-month that either party may terminate at any time by giving thirty (30) days written notice to the other party. Said month-to-month tenancy shall be under the

same conditions as provided in this Lease, except as modified within this subsection. During the holdover period, LESSEE shall pay rent, in advance, on the first day of each month, an amount equal to One Hundred Fifty percent (150%) percent of one twelfth (1/12) of the established annual Base Rent for the immediately preceding Initial Term or Renewal Term. Both parties shall perform and maintain their other obligations under this Lease during any holdover period.

B. Upon the expiration of the Term of this Lease or sooner cancellation thereof, LESSEE agrees to deliver the Leased Premises (which, by definition, includes any and all improvements) to the CITY in good condition, reasonable wear and tear excepted, taking into account the length of the Term. If the CITY and LESSEE cannot agree on what constitutes reasonable wear and tear, the CITY and LESSEE shall appoint a mutually acceptable third party to decide what constitutes reasonable wear and tear; such decision by said third party shall be binding upon the CITY and LESSEE.

Sec. 3.4 Termination from Taking.

If during the term of this Lease there shall be a taking of the whole or substantially all of the Leased Premises, this Lease shall terminate and expire on the date of such taking and the Base Rent payable hereunder shall be equitably apportioned and paid to the date of such taking. "Substantially all of the Leased Premises" shall be deemed to have been taken if the untaken part of the Leased Premises shall, in the reasonable judgment of LESSEE, be insufficient for the economic and feasible continued operation of the LESSEE's business in connection therewith. Distribution of proceeds of any taking, including taking by the CITY, shall be as follows:

The CITY will compensate LESSEE for its remaining interest under this Lease in the Leased Premises and improvements thereon by paying LESSEE based on the bonus value of the hangar at the time of the taking. Bonus value shall be determined by the method employed for determining eminent domain value.

The parties understand and agree that said payment shall be considered compensation in full to LESSEE for any and all of its actual or potential claims, losses, or damages arising out of, resulting from, or related to the CITY's termination of this Lease under this Subsection and upon receipt of the payment LESSEE releases and forever discharges the CITY from any and all claims, liabilities, damages, including loss of business, it has or may have arising out of, resulting from, or related to the CITY's termination of this Lease. Upon such termination and delivery of the payment described in this Section, the CITY has no obligation to relocate or replace LESSEE's improvements at any other location on Airport premises, or to offer LESSEE another site for relocation.

Section 4. USE OF PREMISES / CONSTRUCTION

Sec. 4.1 Use of Leased Premises

LESSEE shall use the Leased Premises only for the construction of a hangar (hereinafter "Facility") to be used for CITY and Federal Aviation Administration ("FAA") approved aeronautical purposes, subject to any required Fixed Base Operator ("FBO") or other FAA or CITY rules, regulations, airport minimum standards, or required condition of use and thereafter Aircraft Storage. Such purposes include storage, continuing flight operations and maintenance of LESSEE's aircraft, or those aircraft under the control of the LESSEE. After construction of the Facility, the LESSEE must use the Leased Premises only for CITY and FAA approved aeronautical purposes, subject to any required FBO or other FAA or CITY rules, regulations, airport minimum standards, or required condition of use. LESSEE may not use the facility for any purpose not authorized by this Lease or by a separate Use-and-Operating Lease with the CITY.

Sec. 4.2 Construction of Hangar Required

LESSEE shall, at its sole expense, construct on the Leased Premises, as provided in this Section, the Facility, including such buildings, structures, roadways, utility facilities and lines, additions, spill containment, and improvements (the "Initial Improvements") in furtherance of the purposes set forth in this Section, and LESSEE shall install therein and thereon such equipment and facilities as LESSEE may deem necessary or desirable. Provided, however, that no Initial Improvements of any nature shall be made or installed by LESSEE without the prior written consent of the CITY as herein provided. LESSEE can make internal improvements to the Leased Premises without CITY consent as long as said changes meet the City of Lee's Summit code requirements and any other applicable government entity law, rules, or regulations in effect at the time of such proposed change, including any requirement to obtain permits, including a finding of no significant hazard by the FAA after notice and study.

Sec. 4.3 Construction Commencement

Construction of Initial Improvements shall begin as soon as reasonably practicable after the issuance of a City of Lee's Summit Building Permit ("Construction Commencement Requirements"). This issuance of a City of Lee's Summit Building Permit shall be delivered following approval by the CITY of final detailed plans, as described in this section, and the readiness of the Leased Premises for the commencement of the project.
Construction of the Initial Improvements shall be completed within three hundred sixty-five (365) calendar days from the date of the last Construction Commencement Requirements to occur, subject to force majeure delays and any other delays outside of the control of LESSEE, provided that the parties will work in good faith to agree on an extension of the deadline if LESSEE is diligently working to complete construction and written Lease is given by the CITY. See also Section 14 with regard to Construction Commencement Requirements. If a City of Lee's Summit Building Permit is not issued by the CITY within ninety (90) days from the date of the Effective Date of this Lease, whether it be because of the actions or omissions of the LESSEE or of the CITY, either the CITY or the LESSEE, at its option, may declare the Lease terminated, without fault, liability, or further obligation to either party.

Sec. 4.4 Approval of Plans

LESSEE covenants and agrees that prior to the preparation of detailed construction plans, specifications, and architectural renderings of the Initial Improvements, it shall first submit to the CITY for approval two sets of plans showing the general site plan, design and character of improvements, and their locations, including drainage and roadways. LESSEE's plans shall meet City of Lee's Summit design standards for the type of development proposed. The proposed hangar shall follow the Hangar Design Standards, unless written exception is granted. LESSEE covenants and agrees that prior to the installation or construction of the Initial Improvements on or under the Leased Premises, LESSEE shall first submit to the CITY for approval two sets of final detailed construction plans, specifications and architectural renderings prepared by registered architects and engineers, and that all construction will be in accordance with such plans and specifications. Approval of any general or detailed plans or specifications shall not relieve or excuse the LESSEE from compliance with any applicable Federal, state, county, municipal, or other statutes, ordinances, regulations, rules, or codes regarding any building, safety, or environmental matter related to the construction.

LESSEE agrees to submit to the Federal Aviation Administration FAA Form 7460-1, Notice of Proposed Construction or Alteration, and receive a determination of no significant hazard (the "FAA Approval") prior to any commencement of any construction or alteration, as required by Part 77 of the Federal Aviation Regulations.

Sec. 4.5 Extension of Utilities or Special Facilities.

Unless different terms are set forth in a separate fully executed development agreement or in Section 14 of this Lease, LESSEE shall construct, at its expense, all necessary utility facilities and lines for the Leased Premises. The CITY shall reasonably allow LESSEE access across CITY property at locations approved by CITY through an approved license Lease, if necessary, to connect to the existing utilities at their nearest suitable locations to the Leased Premises as determined by the CITY. Unless different terms are set forth in a separate fully executed development agreement or in Section 14 of this Lease, LESSEE, at its expense, shall construct for the Leased Premises roadways and taxiways connecting to the existing roadway and taxiway system.

Sec. 4.6 Construction of Additional Facilities.

Other than the Facility, LESSEE may construct additional buildings or facilities on the Leased Premises with the prior written and signed approval of the CITY, which approval may be given or withheld at the CITY's sole discretion. Prior to such construction, LESSEE agrees to submit to the CITY for approval, final plans, specifications, and architectural renderings prepared by registered architects and engineers, and comply with all other requirements of this Section.

Sec. 4.7 Alteration or Repairs to Leased Premises.

LESSEE shall not remove or substantially or significantly modify any improvements to the Leased Premises constructed pursuant to this Lease, or hereafter constructed, without prior written approval of the CITY. LESSEE shall submit for approval by the CITY its plans and specifications for any such proposed project and comply with any other conditions considered by the CITY to be necessary. LESSEE may make internal improvements to the Leased Premises without Airport Manager, Director of Public Works or CITY consent as long as said changes meet

the City of Lee's Summit building code requirements or any other applicable government entity law, rule, or regulation..

Sec. 4.8 Cost of Construction and Alterations.

Within sixty (60) calendar days of completion of the Initial Improvements or any subsequent alterations, LESSEE shall present to the CITY for examination and approval a sworn statement of the construction and/or alteration costs. Construction and/or alteration costs, for the purpose of this Subsection, are defined as all money paid by LESSEE for actual site preparation, construction, or alteration, including architectural and engineering costs plus pertinent fees in connection therewith. If LESSEE makes further improvements or alterations on the Leased Premises, LESSEE shall enjoy the use thereof during the term of this Lease without payment of additional Rental Fees therefor, but such additions, alterations, or improvements shall become the property of the CITY upon the completion of the Term.

Sec. 4.9 As-Built Drawings.

Within ninety (90) days following completion of the Initial Improvements and any subsequent additions, alterations, or improvements, LESSEE shall present to the CITY two complete sets of "as-built" drawings, including, but not limited to, architectural renderings, specifications, utility locations, and plumbing and electrical plans.

Sec. 4.10 Repair / Replacement of Airport Grounds

LESSEE acknowledges that the project will require the disturbance of certain areas of the Airport. LESSEE agrees to promptly repair or replace, to a substantially similar condition prior to construction, any portion of the Airport grounds that are disturbed including turf, asphalt and concrete surfaces at its sole cost and expense.

Sec. 4.11 Ingress and Egress

A. Use of Public Way. LESSEE its contractors, suppliers of material and furnishers of services, shall have the right of ingress and egress to the Leased Premises via appropriate public way to be used in common with others having rights of passage within the Leased Premises, provided that CITY may, from time to time, substitute other means of ingress and egress so long as an alternate adequate means of ingress and egress is available.

B. Road Closures. CITY may at any time temporarily or permanently close any such roadway, in and around the Airport presently or hereafter used as such, so long as a means of ingress and egress is made available to LESSEE. LESSEE hereby releases and discharges CITY, its successors and assigns, of and from any and all claims, demands or causes of action which LESSEE may now or at any time hereafter have against any of the foregoing arising or alleged to arise out of the closing of any street, roadway, or other areas used as such, whether within or outside the Leased Premises, provided that CITY makes available to LESSEE an alternate means of ingress and egress.

Section 5. FINANCIAL INTEREST AND RIGHTS

Sec. 5.1 Construction Liens

CITY's interest in the Leased Premises shall not be subjected to any construction, mechanics, materialman's, tax, laborer's or any other lien, whether CITY has given its written approval for the improvements or otherwise, and LESSEE shall save and hold harmless CITY and its interest in the Leased Premises from any such lien or purported lien. Within fifteen (15) days of filing of any lien, LESSEE shall cause same to be satisfied or shall post bond for the lien.

Sec. 5.2 Mortgage Rights of LESSEE

LESSEE shall not mortgage, pledge, or hypothecate its property and leasehold interest without the prior written consent of the CITY, which consent shall not be unreasonably withheld. As a condition precedent to obtaining the consent of the CITY, LESSEE and its lender shall provide to CITY written evidence that the priority rights of CITY under this Lease will not be adversely affected by such action. In addition, any leasehold mortgage, leasehold deed of trust or other security financing arrangement shall specifically acknowledge that such financing shall never be construed to pledge, mortgage, encumber, hypothecate, alienate or otherwise grant or convey all or any part of the fees simple title to the real property underlying the leasehold estate herein given, or leasehold improvements which

are the property of the CITY, as the same is publicly-owned property not subject to encumbrance or involuntary sale or divestiture. The following additional conditions shall be acknowledged by the Lender.

A. Lender shall have the right, in case of default, to assume LESSEE's rights and obligations herein, with the further right to assign the LESSEE's interest to a third party. However, any assignee proposed by Lender shall be subject to the prior written approval of the CITY and may be subject to restriction based on rules and regulations imposed by the FAA, TSA, or other applicable agency.
B. As a condition precedent to the exercise of the right granted to Lender by this subsection, the Lender shall notify the CITY of all actions taken by it if payments on such loans shall become delinquent. Lender shall also notify the CITY, in writing, of any change in the identity or address of the Lender.
C. Lender shall specifically acknowledge the limitation of use of the property as described in this lease.
D. Lender shall have the same rights as LESSEE to correct any default of LESSEE.
E. Following any assignment under this subsection, LESSEE shall remain responsible to the CITY for the performance of all requirements under this Lease.

Sec. 5.3 Payment and Performance Bond

A. Prior to the date of commencement of construction of the Initial Improvements, LESSEE shall, at its own cost and expense, cause to be made, executed, and delivered to the CITY, a performance bond with LESSEE's contractor or contractors as principal and in a sum equal to the full amount of the construction contract awarded. Said bond shall be drawn in a form and from such company as approved by CITY, and shall guarantee the faithful performance of necessary construction and completion of improvements in accordance with approved final plans and detailed specifications; and shall indemnify, defend and hold harmless the CITY against any losses and liability, damages, expenses, claims and judgments caused by or resulting from any failure of LESSEE to perform completely, the work described herein provided.
B. Prior to the date of commencement of construction of the Initial Improvements, LESSEE, at its own cost and expense, shall cause to be made, executed, and delivered to the CITY a payment bond with LESSEE's contractor or contractors as principal and in a sum equal to the full amount of the construction contract awarded. Said bond shall guarantee payment of all wages for labor and services engaged and of all bills for materials, supplies, and equipment used in the performance of said construction contract. Said bond shall expire no sooner than ninety (90) days from the completion of the construction or on the date when LESSEE has paid all wages for labor and services engaged and all bills for materials, supplies, and equipment used in the performance of said construction contract, whichever is later.
C. In addition, at any time that LESSEE undertakes construction of any additional facilities, LESSEE shall, at its own cost and expense, cause to be made, executed, and delivered to the CITY, prior to the date of commencement of construction, a payment and / or performance bond with LESSEE's contractor or contractors as principal and in a sum equal to the full amount of the construction contract awarded. Said bond shall guarantee payment of all wages for labor and services engaged and of all bills for materials, supplies, and equipment used in the performance of said construction contract.

Sec. 5.4 Ownership of Improvements

During the term of this Lease, but excluding any holdover tenancy period, ownership and title to buildings, fixtures, and improvements constructed by LESSEE shall reside in LESSEE. Upon completion of the Lease Initial Term and any exercise Renewal Term, but excluding any holdover tenancy period, or upon the earlier termination of the Lease, any and all building, fixture, structure, addition, or improvement, excluding personal property as defined in this Lease, on the Leased Premises shall immediately become the property of the CITY, as owner, and shall remain the property of the CITY thereafter with the sole right, title, and interest thereto with the CITY. However, the CITY shall have the right to refuse to accept ownership upon written notice to LESSEE within sixty days of the end of the Term or holdover period, and if CITY does not accept ownership, any improvement not accepted by CITY shall be removed at LESSEE's sole expense within a reasonable period thereafter.

Sec. 5.5 Right of First Refusal.

If the LESSEE chooses to sell any or all improvements on Leased Premises, the CITY shall have right of first refusal for purchase of said improvements at the same terms and conditions as offered to any proposed buyer. Following notification of such intent, the CITY shall have ninety (90) days to accept or reject the offer. If the offer is not accepted within this period, the LESSEE may offer improvements, and assignment, thereof conditioned on

CITY approval of anticipated purchaser, upon the same terms and conditions as those offered to the CITY. However, the LESSEE agrees that for ninety (90) days after receipt of written rejection by the CITY, the LESSEE will not enter into an Lease with any other private party containing terms and conditions differing from those last submitted to the CITY. The CITY retains the right of first refusal if the LESSEE changes the terms and conditions under which the improvements are offered for sale.

Section 6. OBLIGATIONS OF LESSEE

Sec. 6.1 Conduct

LESSEE shall conduct its operation hereunder in a safe, orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others at the Airport or around the Leased Premises. LESSEE shall:

A. Pavement Markings. The Lessee is responsible for all expenses related to ongoing maintenance, removal, or installation of pavement markings within their Leased Premises controlled by the Lessee. This includes but not limited to markings related to tie-down location, non-movement area, or markings associated with taxi-way or taxi-lanes. Markings within the Leased Premises will be completed in accordance with to applicable FAA Advisory Circulars related to Airport pavement marking design and construction and with the approval of the CITY.

B. Erect, construct, or display any sign or advertising display exposed to public view without the prior written approval of the CITY and in accordance with the CITY's standards with respect to wording, type, size, design, color and location. Upon termination, cancellation of expiration of the Lease, LESSEE at its costs will remove, obliterate or paint out, any and all of its signs, advertising and displays as the CITY may reasonably direct.

C. Control, within reason, the conduct of its employees, invitees, and of those doing business with it and, upon objection from CITY concerning the conduct, shall immediately take all reasonable steps necessary to remove the cause of objection.

D. Remove from the Leased Premises or otherwise dispose of in a lawful manner all garbage, debris and other waste materials (whether solid or liquid) arising out of its occupancy of the Leased Premises or out of its operations. Any such debris or waste which is temporarily stored in the open, shall be kept in suitable garbage and waste receptacles equipped with tight-fitting covers and designed to safely and properly contain whatever material may be placed therein. LESSEE shall use extreme care when effecting removal of all such waste.

E. Not commit any nuisance, waste, or damage to the Leased Premises or other areas of the Airport and shall not do or permit to be done anything which may result in the creation or commission or maintenance of such nuisance, waste or damage to the Leased Premises.

F. Not create nor permit to be caused or created upon the Airport or the Leased Premises any obnoxious odor, smoke or noxious gases or vapors other than in the normal course of business for an aviation use.

G. Not do or permit to be done anything which may interfere with effectiveness or accessibility of any utility or other system, including, the drainage and sewage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located on the Leased Premises.

H. Not overload any floor or paved area on the Leased Premises and shall repair any floor, including supporting members, and any paved area damaged by overloading.

I. Not do or permit to be done any act or thing upon the Leased Premises:
    a. Which will invalidate or conflict with any fire insurance policies covering the Leased Premises or any part thereof or other contiguous property; or
    b. Which may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Lease.

J. Not keep or store flammable liquids within any covered and enclosed portion of the Leased Premises in violation of applicable law or in excess of LESSEE's working requirements. Any such liquids having a flash point of less than 110°F shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.

K. Not sell or dispense aircraft fuels to any other airport users, including locally based and transient aircraft. Any violation by LESSEE of this subsection shall constitute a material breach of, and cause for termination

of, this Lease. If at any time the CITY changes its fueling policy to permit airport lesses to sell or dispense aircraft fuels to other airport users, such dispensing of fuel would require a separate agreement with CITY.

L. Pay all applicable sales taxes, ad valorem taxes and any other taxes or assessments with respect to or against the Leased Premises or the leasehold estate, whether billed to the CITY or the LESSEE. LESSEE reserves the right to contest any such taxes and withhold payment of such taxes, so long as the nonpayment of such taxes does not result in a lien against the Leased Premises or a direct liability on the part of CITY.

M. Be responsible for all cost and expenses relating to taxes, insurance and maintenance (regardless of whether buildings and improvements are then owned by Tenant or CITY) and the operation of the Leased Premises as this Lease is deemed to be net.

Sec. 6.2 Maintenance and Repair

LESSEE shall throughout the term of this Lease assume the entire responsibility and shall relieve CITY from all responsibility for all repair and maintenance whatsoever with respect to the Leased Premises, whether such repair or maintenance be ordinary or extraordinary, or otherwise, and without limiting the generality hereof, shall:

A. Keep at all times in a clean and orderly condition and appearance the Leased Premises and all LESSEE's fixtures, equipment and personal property which are located in any part of the Leased Premises which is open to or visible by the general public.

1. Janitorial services and supplies; window washing; rubbish and trash removal.
2. Supply and replacement of light bulbs in and on all buildings and obstruction lights; replacement of all glass in buildings, including plate glass.
3. Cleaning of stoppages in plumbing fixtures, drain lines, and septic system to the first manhole outside the Leased Premises.
4. Replacement of floor covering.
5. Maintenance of all building and overhead doors and door operating systems including weather stripping and glass replacement.
6. Building interior, exterior, and structural maintenance, including painting, repairing, and replacement.
7. Repair or replacement of equipment and utilities to include electrical, mechanical, and plumbing in all buildings, including but not limited to air conditioning and heating equipment that exclusively service the Leased Premises. All repairs to electrical and mechanical equipment are to be made by licensed personnel. Other repairs are to be made by craftsmen skilled in work done and performing such work regularly as a trade.
8. LESSEE is responsible for all snow and ice removal, including deicing, on the Leased Premises and shall do so in a manner that does not interfere with airport operations or cause property damage.
9. LESSEE shall perform all maintenance, repairs and replacements (including structural) on LESSEE-constructed structures, pavements, walkways, sidewalks, driveways, and equipment and on utilities to the main supply source or the first manhole outside the Leased Premises.
10. LESSEE shall advise the CITY and obtain the CITY's consent in writing before making changes involving structural changes to building or Leased Premises, or modifications or additions to plumbing, electrical, or other utilities. Any penetration of the roof shall be considered a structural change.
11. LESSEE shall maintain electric loads within the designed capacity of the system. Prior to any change that would exceed such capacity, LESSEE shall obtain written consent from the CITY.
12. LESSEE shall maintain and re-lamp all lights in and on the building and on the Leased Premises.
13. LESSEE shall provide and maintain hand fire-extinguishers on the Leased Premises according to applicable safety-codes.
14. LESSEE shall maintain and replace all landscaping and grounds within the Leased Premises as originally approved and installed, and will not allow the removal of trees

without the written permission of the CITY which shall not be unreasonably withheld if such trees are diseased or dying or unsafe to maintain.

15. LESSEE shall comply with all applicable federal, state, and local architectural standards and building codes, as may now, or hereafter, be in effect or enacted and further shall comply with any such requirements as may be imposed by any such authorities as a requirement or prerequisite for the CITY. LESSEE also shall comply with all codes, regulations, laws, and architectural standards relating to access to or use of the Leased Premises by persons with physical disabilities, including but not limited to the requirements of the Federal Americans with Disabilities Act, and any such state or local laws or ordinances.
16. LESSEE shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, and those rules and policies of the CITY, as may now, or hereafter, be in effect or enacted, in its handling, use, storage, transportation, and disposal of any materials or substances deemed under any such authority to be dangerous or hazardous substances or wastes, or to otherwise constitute a threat of harm to the environment (including but not limited to all fuel, lubricants, and other petroleum products). LESSEE shall comply with and conform its activities in all respects to any applicable requirements of any such entities with respect to the protection of the environment.

B. Provide and maintain fire protection and safety equipment and all other equipment of every kind and nature required by any law, rule, order, ordinances, resolutions or regulation of any competent CITY.

C. Take reasonable anti-erosion measures, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon.

D. Be responsible for the maintenance and repair of all utility service lines except common utilities, if any, including but not limited to, service lines for the supply of water, gas service lines, electrical power and telephone conduits and line, sanitary sewers and storm sewers which are now or which may be subsequently located upon the Leased Premises and used by LESSEE or any subtenants.

Sec. 6.3 Quality of Maintenance Deference

The CITY, in the CITY's reasonable discretion, shall be the sole judge of the quality of maintenance; and upon written notice by the CITY to LESSEE, LESSEE shall perform whatever maintenance the CITY deems reasonably necessary. If said maintenance is not undertaken by LESSEE within thirty (30) calendar days after receipt of written notice, the CITY shall have the right to enter upon the Leased Premises and perform the necessary maintenance, the cost of which shall be borne by LESSEE. No waste shall be committed or damage done to the property of the CITY.

Sec. 6.4 Utilities

LESSEE's connection to and use of any and all storm and sanitary sewers and water, electricity, gas, telephone, and other utilities shall be at its own cost and expense; and LESSEE shall pay for any and all service charges incurred therefor, but in all cases any connection or maintenance shall require any appropriate inspections and permits.

Section 7. Defaults and Remedies

Sec. 7.1 LESSEE Defaults.

Each of the following will constitute a default by LESSEE hereunder:

A. LESSEE's failure to pay when due any rent, charges or any other payments of money required to be paid by LESSEE hereunder and the continuation of such failure for ten (10) days after written notice thereof is sent to LESSEE;

B. LESSEE's failing to perform or violation of any provision, covenant or condition of this Lease (other than payment of money) within thirty (30) days after written notice or, if the cure or performance thereof reasonably requires more than thirty (30) days to complete, LESSEE's failing to begin cure or performance thereof within such thirty-day period and proceed diligently to cure or completion thereafter;

C. The LESSEE selling or attempt to sell or disperse fuel to any other party after receiving a notice to cease and desist shall result in immediate incurable default;

C. The attempted assignment or assumption of this Lease in violation of the terms of this Lease;

D. The filing by the LESSEE of a voluntary petition in bankruptcy or any assignment for benefit of creditors of all or any part of LESSEE's assets; or the adjudication of the LESSEE as a bankrupt pursuant to any involuntary bankruptcy proceedings; or the taking, by a court of competent jurisdiction of LESSEE's assets pursuant to proceedings brought under the provisions of any federal reorganization act; or the appointment of a receiver or trustee of the LESSEE's assets by a court of competent jurisdiction or a voluntary Lease with LESSEE's creditors;

Sec. 7.2 CITY's Remedies.

Upon default by LESSEE of this Lease which is not cured within any applicable notice or cure period, CITY may do any one or more of the following:

A. In the event of attempting to sell or dispense fuel after notice, the Lease shall be deemed in immediate breach with no additional right to cure. With the exception attempting to sell or dispense fuel after notice, after giving an additional 30 calendar days written notice to LESSEE and the opportunity to cure within such 30-day period, terminate the Lease by giving written notice to LESSEE;

B. Re-enter the Leased Premises and every part thereof on the Effective Date of termination of the Lease without further notice of any kind, remove any and all persons therefrom and regain and resume possession either with or without the institution of summary or legal proceedings. Such re-entry, however, shall not in any manner affect, alter or diminish any of the obligations of LESSEE under the Lease;

C. Upon termination of the Lease or upon re-entry, regaining or resumption of possession of the Leased Premises, occupy the Leased Premises and have the right in the name of the CITY to relet and permit any person, firm or corporation to enter the Leased Premises and use the same for such term and on such conditions as CITY may determine; and

D. Perform, on behalf and at the expense of LESSEE, any obligation of LESSEE under this Lease which LESSEE has failed to perform and of which CITY has given LESSEE notice, the cost of which performance by CITY, together with interest thereon from the date of such expenditure, shall be deemed Additional Rent and shall be payable by LESSEE to CITY upon demand. Notwithstanding the provisions of this clause and regardless of whether a default shall have occurred, CITY may exercise the remedy described in this clause without any notice to LESSEE if CITY, in its good faith judgment, believes it would be materially injured by failure to take rapid action or if the unperformed obligation of LESSEE constitutes an emergency; and

E. Any other remedy that CITY may have under law or equity.

F. Habitual Default. Notwithstanding the foregoing, in the event that the Tenant has frequently, regularly, or repetitively defaulted in the performance of or breached any of the terms, covenants, and conditions required herein to be kept and performed by the Tenant, and regardless of whether the Tenant has cured each individual condition of breach or default, the Tenant may be determined by the CITY to be an "habitual violator." At the time that such determination is made, the CITY shall issue to the Tenant a written notice advising of such determination and citing the circumstances therefore. Such notice shall also advise Tenant that there shall be no further notice or grace periods to correct any subsequent breaches or defaults and that any subsequent breaches or defaults of whatever nature, taken with all previous breaches and defaults, shall be considered cumulative, and collectively shall constitute a condition of non-curable default and grounds for immediate termination of this Lease. In the event of any such subsequent breach or default, the CITY may terminate this Lease upon the giving of written notice of termination to the Tenant, such termination to be effective upon delivery of the notice to the Tenant.

Sec. 7.3 CITY Defaults.

Each of the following will constitute a default by CITY hereunder:

CITY's failing to perform or violation of any provision, covenant or condition of this Lease within thirty (30) days after written notice or, if the cure or performance thereof reasonably requires more than thirty

(30) days to complete, CITY's failing to begin cure or performance thereof within such thirty-day period and proceed diligently to cure or completion thereafter;

Sec. 7.4 LESSEE Remedies.

Upon default by CITY of this Lease, LESSEE may cancel the Lease in its entirety after 30 days prior written notice to the CITY.

Section 8. ASSIGNMENT

Sec. 8.1 Right to Assign

LESSEE has no right to assign this Lease without the prior written consent of CITY, which consent shall not be unreasonably withheld or delayed.

Sec. 8.2 CITY Consent

In the event of any proposed assignment, LESSEE, not less than 30 days prior to the proposed effective date of such action, shall give notice to the CITY which includes the name, address and telephone number of the proposed assignee and a fully executed original set of any and all documents being used to affect the proposed actions in a form reasonably acceptable to the CITY. All documents will clearly set forth that the assignment and assumption actions are subject to and conditioned upon the CITY's consenting thereto in writing. Any assignee must have assumed all obligations of LESSEE under this Lease and shall have specifically agreed to perform and observe the covenants and conditions contained in this Lease on LESSEE's part to be performed and observed. Upon such assumption by any assignee, LESSEE shall be released from its obligations under this Lease.

Sec. 8.3 Transfer by Operation of Law

Any assignment or transfer of the lease by operation of law or any issuance, sale or transfer of a sufficient number of shares of stock in LESSEE to result in a change in control of LESSEE shall be deemed an assignment of this Lease for purposes of this Section; provided, however, that nothing in this section shall be deemed to require such consent solely as a result of issuance, transfer or sale of shares among the existing stockholders of LESSEE; transfer of shares by devise or descent upon the death of any existing stockholder; merger of LESSEE into any parent or subsidiary corporation of LESSEE or sale of all or substantially all of LESSEE's stock to any such parent or subsidiary corporation.

Sec. 8.4 Assignment to Affiliate

Notwithstanding the foregoing provisions, LESSEE shall have the right to assign this Lease to (1) any corporation into which or with which LESSEE has merged or consolidated; (2) any parent, subsidiary, successor or affiliated entity of LESSEE; or (3) any entity which acquires all or substantially all of the assets of or ownership interests in LESSEE.

Sec. 8.5 Subleases

LESSEE shall have the right to sublease all or any portion of the Leased Premises without the consent of (but with notice to) the CITY; provided, however, that any sublease shall be subject to the terms of this Lease. No sublease shall release LESSEE from its obligations under this Lease. Nothing contained in this Lease shall be construed to prevent LESSEE from charging fair market rents for space in the Leased Premises or from charging market rates for the products and services provided by LESSEE. In the event that LESSEE subleases the Leased Premises, the CITY shall, within thirty (30) days after request by LESSEE, execute a commercially reasonable instrument providing that the sublessee shall have the right to cure any default by LESSEE under this Lease in order to protect the interest of such sublesse in the Leased Premises. If any portion of this Lease is sublet in any way, LESSEE shall execute written Leases(s) with its Sublessee containing the indemnification provisions set forth above and insurance requirements set forth herein protecting the CITY and LESSEE. LESSEE shall be responsible for executing any Leases with its Sublessee and obtaining certificates of insurance verifying the insurance requirements.

Section 9. INDEMNIFICATION AND INSURANCE

Sec. 9.1 Terms

For purposes of this Section only, the following terms shall have the meanings listed:

A. Claims means all claims, damages, liability, losses, costs and expenses, court costs and reasonable attorneys' fees, including attorneys' fees incurred by the CITY in the enforcement of this indemnity obligation.
B. Claims Made. In the event any insurance policies required by this Lease are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for six (6) years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the six-year period.
C. CITY means CITY and its agents, officials, officers and employees.
D. Coverage Term. All insurance required herein shall be maintained in full force and effect until the terms of this Lease are satisfactorily performed, completed and formally accepted by the City, unless specified otherwise in this Lease.
E. LESSEE's Agents means LESSEE's officers, employees, successors, assigns and other agents.
F. Policy Deductibles and / or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to indemnification of the policy limits provided to the CITY. LESSEE shall be solely responsible for acts any such deductible or omissions self-insured retention amount.
G. Notice of Claim. The LESSEE shall upon receipt of notice of any claim in connection with this Lease promptly notify the City, providing full details thereof, including negligence, shall be limited to the coverage and limits an estimate of the amount of loss or liability. The LESSEE shall also promptly notify the City of any reduction in limits of protection afforded under any policy listed in the certificate(s) of insurance in an amount such that Lessee the policy aggregate becomes less than the current statutory waiver of sovereign immunity regardless of whether such impairment is required to procure as a result of this Lease. A breach of this provision is material breach of the Lease.
H. Qualified Insurer. Without limiting any obligations or liabilities of LESSEE, LESSEE shall purchase and maintain under this Lease, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Missouri, with an AM Best, Inc. rating of A or above with policies and forms satisfactory to the City. Failure to maintain insurance as specified herein may result in termination of this Lease at the City's option.
I. Waiver. All policies shall contain a waiver of rights of recovery (subrogation) against the City, its agents, representatives, officials, officers and employees for any claims arising out of the Work or Services of LESSEE. LESSEE shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

In no event shall the language in this section constitute or be construed as a waiver or limitation of the CITY's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections as provided by the federal and state constitutions or by law.

Sec. 9.2 Indemnification

A. To the fullest extent permitted by law, LESSEE agrees to protect, defend, indemnify, and hold harmless the CITY, and its respective duly elected or appointed officials, agents, and employees (all referred to collectively as "CITY") from and against all demands, claims, damages (including, but not limited to, death), liabilities, losses, costs, fines, penalties, judgments, investigation costs, appellate costs, and expenses (including but not limited to, reasonable attorney fees) (all referred to collectively as "demands" or "claims") arising by reason of injury or death of any person or damage to any property whatsoever resulting from, arising out of, or incident to or resulting from acts, errors, or omissions of LESSEE or any person directly or indirectly employed or contracted by LESSEE; or a defect of a product or design supplied by LESSEE; or an act, error, or omission of any person for whom LESSEE may be liable; or use or occupancy of the Leased Premises; or this Lease.
B. The duty established in Subsection A shall also extend to claims of damage to the environment caused by LESSEE, including but not limited to the investigation, field study, and cleanup costs assessed by any federal, state or local agency against the City of Lee's Summit or any of its agents or employees,

as well as any civil fine or penalty. The CITY shall give to the LESSEE reasonable notice of any such claims or actions. The provisions of this Section shall survive the expiration or early termination of this Lease. The duties of the LESSEE specified herein shall not be limited by the amount of any insurance coverage required to be provided by the LESSEE herein, but shall extend to the full amount of any such claim or liability. This duty shall also not be limited by the provision of any workers' compensation coverage.

C. In no event shall CITY be liable to LESSEE for special, indirect, consequential, liquidated, or any other damages, except those direct damages caused by CITY's gross negligence or willful or wanton misconduct arising out of or in any way connected with a breach of this Lease.

D. LESSEE assumes full responsibility for its contractors and subcontractors and shall defend, indemnify, and save harmless CITY from all claims and demands made against CITY by any such contractor, subcontractor, any agent or employee of such contractor, subcontractor, or any other person as the result of any of its contractor's and/or subcontractor's act, error, or omission, or any combination of, that arises out of, results from, or is connected with the performance of this Lease and is not otherwise subject to indemnification under subparagraph "A" above.

E. LESSEE shall defend, indemnify, and hold harmless CITY from any and all demands relating to wages, overtime compensation, or other employee benefits for work performed in connection with this Lease, or required by state or federal law, including but not limited to Fair Labor Standards Act and Missouri Prevailing Wage Law.

F. The indemnification obligations of LESSEE shall not be limited in any way by any limitation on the amount or type of damages, compensations, or benefits payable by or for LESSEE under any federal or state law. The indemnification obligations of LESSEE herein shall not negate, abridge, or reduce in any way any additional indemnification rights of CITY and its elected or appointed officials, agents, and employees, which rights are otherwise available under statute or in law or equity.

G. The provisions of this section shall survive the expiration or early termination of this Lease. In addition, the CITY shall give LESSEE reasonable notice of any such claims or actions listed in this Subsection.

Sec. 9.3 Insurance

LESSEE shall procure and maintain in effect throughout the duration of this Lease insurance coverage not less than the types and amounts specified in this section.

A. Commercial General Liability or Airport Liability Insurance with limits of $2,000,000 per occurrence and 4,000,000 aggregate, written on an "occurrence" basis. The policy shall be written or endorsed to include the following provisions:

   1. Severability of Interests Coverage applying to Additional Insureds
   2. Contractual Liability
   3. Per Project Aggregate Liability Limit or, where not available, the aggregate limit shall be $ $4,000,000
   4. No Contractual Liability Limitation Endorsement

B. Additional Insured Endorsement. All insurance coverage and self-insured retention or deductible portions if applicable, shall name and endorse, to the fullest extent permitted by law for claims arising out of the performance of this Lease, the CITY, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Lease and shall include an ISO form CG20 10, current edition or its equivalent endorsement.

C. Property Insurance. LESSEE shall maintain insurance on the Leased Premises being leased, including improvements and betterments, in at least an amount equal to the outstanding balance of the mortgage or fair-market value of such property, whichever is greater, and shall name the CITY as a loss payee. Such policy shall cover against loss and damage by fire, tornado, wind, earthquake, natural disaster, or aircraft and extended coverage perils. The policy must be written on an "all risks" basis, excluding earthquake and flood. The policy shall cover not less than ninety percent (90%) of the actual cash value of the personal property, and LESSEE shall name and endorse the CITY as an additional insured.

D. Workers' Compensation Insurance if required by statute, including Employers Liability with limits of:
   i. Workers' Compensation – Statutory

   ii. Employers Liability - $1,000,000 accident with limits of; $1,000,000 disease-policy limit; $1,000,000 disease-each employee.

E. Commercial Automobile Liability Insurance with a limit of $1,000,000.00 per occurrence, covering owned, hired and non-owned automobiles. Coverage provided shall be on an "any auto" basis and written on an "occurrence" basis. This insurance will be written on a Commercial Business Auto form, or acceptable equivalent, and will protect against claims arising out of the operation of motor vehicles, as to acts done in connection with the Lease.
F. Aircraft Liability Insurance. The following applies if LESSEE operates any aircraft. Without limiting its liability, LESSEE shall carry and keep in force, for the duration of this Lease, Aircraft Liability Insurance on an "occurrence" basis, and such policy shall include property damage, and bodily injury with unimpaired limits of no less than $1,000,000 per occurrence and $100,000 per passenger seat for applicable claims. The policy shall include coverage on all aircraft owned, non-owned, leased, and/or operated by LESSEE. The policy shall also cover Airport operations with a minimum of $1,000,000 per occurrence. The LESSEE is responsible for obtaining this insurance for all entities utilizing the Leased Premises.
G. Hangarkeepers Liability Insurance. LESSEE shall carry and keep in force for the duration of this Lease Hangerkeeper's Liability insurance coverage of not less than $200,000 per aircraft and not less than $400,000 per occurrence.
H. Full Replacement Cost Insurance on all of the improvements on the Leased Premises (now or hereafter existing) or used in connection therewith against any loss or damage by fire, flood, earthquake and other or any casualties or peril, and all other perils as are included within what is commonly known as "all risk coverage" for any improvements on the Leased Premises with full replacement cost insurance, in amounts sufficient to prevent CITY from being or becoming a co-insurer within the terms of the policy or policies in question and in no event less than the full replacement cost value thereof, exclusive of the cost of foundations, excavations, and footings below the lowest basement floor, and without any deduction being made for depreciation. The replacement cost value shall be determined from time to time, but not more frequently than once in any 12 consecutive calendar months at the request of CITY, by an appraiser, architect and/or contractor.
I. Interruption of Business Insurance. Reserved.
J. Cyber Insurance. Reserved.
K. Professional Liability Services. Reserved.
L. Technical Professional Liability Reserved.
M. Umbrella Liability and Excess Liability. Reserved.
N. Environmental Pollution Legal Liability. Environmental Pollution Legal Liability. (Include if applicable to LESSEE's operation) LESSEE shall agree to maintain Environmental Pollution Liability Legal Liability, at a minimum limit not less than $2,000,000 per occurrence/$2,000,000 annual aggregate providing coverage for damages against, but not limited to, third-party liability, clean up, corrective action including assessment, remediation and defense costs. The coverage may be provided on a stand-alone policy or by way of endorsement to the Commercial General Liability policy. When a self-insured retention or deductible exceeds $10,000, the CITY reserves the right, but not the obligation, to review and request a copy of the LESSEE's most recent annual report or audited financial statements to evaluating the acceptability of a higher self-insured retention or deductible in relationship to the LESSEE's financial condition. Coverage shall be endorsed to include the CITY as an Additional Insured.
O. Automatic Insurance Escalator. The limits of liability for each policy coverage amount stated herein shall be adjusted upward as necessary to remain at all times not less than the maximum amount of liability set forth in Chapter 537.610 RSMo. applicable to political subdivisions pursuant to 537.600; provided that nothing herein or in any such policy shall be deemed to waive the City's sovereign immunity. The CITY

may give notice to LESSEE of such updated limits from time to time and LESSEE will obtain such increased limits at such time.

P. Additional Coverage Requirements. The limits of liability of each policy coverage amount stated herein are independent of any requirement contained in a Fixed Based Operator or Specialized Aviation Service Organization agreement as established or amended by the City of Lee's Summit Commercial Minimum Standards or other regulation, if LESSEE is a party to such other agreement.

Sec. 9.4 Cancellation of Insurance Policies.

All insurance policies required in this Section shall provide that the policy will not be canceled until after the Insurer provides the CITY thirty (30) days written notice of cancellation in the event that the cancellation is for LESSEE's nonpayment of premiums and thirty (30) days written notice of cancellation to CITY for all other reasons of cancellation.

Sec. 9.5 Additional Insureds.

The Commercial General and Automobile Liability Insurance specified above shall provide that the CITY and its agencies, officials, officers and employees, while acting within the scope of their authority, will be named as additional insureds for the services performed under this Lease. LESSEE shall provide to CITY at execution of this Lease a certificate of insurance showing all required endorsements and additional insureds.

Sec. 9.6 Insurance Companies

All insurance coverage must be written by qualified insurer.

Sec. 9.7 Maintenance of Insurance.

Regardless of any approval by the CITY, LESSEE shall maintain the required insurance coverage in force at all times; LESSEE's failure maintain the required insurance coverage will not relieve LESSEE of its contractual obligation to indemnify the CITY. In the event of LESSEE fails to maintain the required insurance in effect, CITY may declare LESSEE in default following notice and cure set forth under Section 7.1(B).

Sec. 9.8 No Waiver.

In no event shall the language in this Section constitute or be construed as a waiver or limitation of the CITY's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections as provided by the federal and state constitutions or by law.

Sec. 9.10 Evidence of Insurance

Prior to commencing any work or services or occupancy under this Lease, LESSEE will provide the CITY with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Lease, issued by LESSEE's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Lease and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Lease. The CITY shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Lease. If any of the policies required by this Lease expire during the life of this Lease, it shall be LESSEE's responsibility to forward renewal certificates and declaration page(s) to the CITY 30 days prior to the expiration date. All certificates of insurance and declarations required by this Lease shall be identified by referencing this Lease. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Lease will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

A. The CITY, its agents, representatives, officers, directors, officials and employees are Additional Insureds
B. LESSEE's insurance shall be primary insurance with respect to performance of the Lease.
C. All policies waive rights of recovery (subrogation) against CITY, its agents, representatives, officers, officials and employees for any claims arising out of LESSEE's performance under this Lease.
D. ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such

notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

Sec. 9.11 Adequacy of Coverage

LESSEE recognizes that the required amounts of coverage set forth above are the minimum limits, and may not reflect the LESSEE's actual risk. LESSEE shall furnish the CITY with a certificate of insurance as evidence of coverage. Said insurance policies shall not be canceled or materially modified or non-renewed except upon thirty (30) days advance written notice to the CITY. Coverage is to be written on the broadest liability form which is customarily available. By requiring insurance herein, the City does not represent that coverage and limits will be adequate to protect LESSEE. The CITY reserves the right to review any and all of the insurance policies and/or endorsements cited in this Lease but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Lease or failure to identify any insurance deficiency shall not relieve LESSEE from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Lease.

Sec. 9.12. Application of Insurance Proceeds.

If the Initial Improvements or any other fixed improvements placed upon the Leased Premises are totally destroyed or extensively damaged and if LESSEE elects not to restore the same to their previous condition, the proceeds of insurance payable by reason of such loss shall be paid to LESSEE, excluding any amount necessary to return the property to pre-lease conditions. The Lease shall then be canceled. If the damage results from an insurable cause and the LESSEE shall elect to restore the same with reasonable promptness, it shall be entitled to receive and apply the entire proceeds of any insurance covering such loss to said restoration, in which event this Lease shall continue in full force and effect, with no abatement in any payments due hereunder. However, if the Initial Improvements or other fixed improvements are damaged in such manner as to render them wholly or partially unusable for over one hundred twenty (120) days, the rent provided to be paid under the terms of this Lease shall be abated or reduced proportionately during the period from a date starting one hundred twenty (120) days after the date of such damage or destruction until the work of repairing, restoring, or reconstructing the improvements is completed; provided that the period of abated or reduced rent shall not exceed more than one year (365) days.

Section 10 TERMINATION OF LEASE BY LESSEE

Sec. 10.1 Termination.

This Lease shall terminate at the end of the Initial Term, or optional Renewal Term(s) if exercised, and LESSEE shall have no further right or interest thereafter in any of the ground improvements.

Sec. 10.2 Termination by LESSEE.

LESSEE, in addition to any other rights it has under the law, may terminate this Lease and terminate its obligations hereunder at any time that LESSEE is not in default in the payment of rent to the CITY hereunder by giving the CITY sixty (60) days advance written notice to be served as hereinafter provided, and by surrender of the Leased Premises and its improvements, upon or after the happening of any one of the following events:

A. The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airport, so as to substantially affect LESSEE's use of the system at the Airport, and the remaining in force of such injunction for a period of at least ninety (90) days; provided, however, that such injunction is not due to LESSEE's operation at the Airport.

B. The default by the CITY in the performance of any covenant or Lease herein required to be performed by the CITY, and the failure of the CITY to undertake and be continuing to remedy such default for a period of ninety (90) days after receipt of LESSEE's written notice to remedy the same; provided, however, that no notice of termination, as above provided, shall be of any force or effect if CITY shall have remedied the default prior to receipt of LESSEE's notice of termination. For CITY's said default, unless otherwise limited, compensation allowed to LESSEE for LESSEE's improvements on the Leased Premises shall be the amount as determined by the taking formula in this Lease. Upon payment of said amount, title to all improvements vests in CITY.

C. The assumption by the United States Government or any authorized agency thereof of the operation, control, or use of the Airport and facilities or any substantial part or parts thereof, in a manner as to substantially restrict LESSEE from full use of the Leased Premises for a period of at least ninety (90) days, and in that event, a just and proportionate part of the Rental Fees hereunder shall be abated.

Section 11. TERMINATION OF LEASE BY THE CITY

Sec. 11.1 Termination by the CITY.

The CITY, in addition to any other rights to which it may be entitled by law, may declare this Lease terminated in its entirety, subject to and in the manner provided in Subsection 11.2 hereof, after the happening of any one or more of the following events, and may exercise all rights of entry and re-entry upon the Leased Premises.

A. The failure to pay all installments of rent then due (with interest) within thirty (30) days after said rent is due, followed by the subsequent failure of LESSEE to remedy said failure to pay within fifteen (15) days after receipt of written notice of said failure to pay.

B. The filing by LESSEE of a voluntary petition in bankruptcy or the making of any assignment of the majority of LESSEE's assets for benefit of creditors.

C. The adjudication of LESSEE as a bankrupt pursuant to any involuntary bankruptcy proceedings.

D. The exercise of jurisdiction by a court of competent jurisdiction of LESSEE or its assets pursuant to proceedings brought under any Federal reorganization act.

E. The appointment of a receiver or a trustee of LESSEE's assets by a court of competent jurisdiction or a voluntary Lease with LESSEE's creditors.

F. The abandonment of the Leased Premises for a consecutive period of 90 days.

G. The failure to promptly and diligently replace any improvements that have been destroyed by fire, explosion, wind, flood, or similar condition, within a reasonable period after the date of such destruction , except as otherwise in compliance with Subsections 9.12 and 11.3.

H. The breach of any one of the covenants contained in the Obligation of the LESSEE, Section 6 and LESSEE's failure to remedy said breach promptly upon receipt of written notice of such breach followed by the applicable notice and cure period set forth in subsection J below.

I. The failure of LESSEE to begin construction of the proposed facilities on the Leased Premises as required by Section 4.3.

J. The breach by LESSEE of any of the other covenants or Leases herein contained, and the failure of LESSEE to remedy such breach within thirty (30) days after receipt of written notice of such breach from the CITY; provided that if such breach is not cured within thirty (30) days, Lessee will not be in breach if Lessee has commenced to cure within thirty (30) days and diligently proceeds to cure the same.

Sec. 11.2 Waiver of Statutory Notice to Quit.

In the event the CITY exercises its option to terminate this Lease upon the happenings of any or all of the events set forth in this Section, the CITY shall send LESSEE a written notice of termination and this Lease shall be terminated as of on the date of the notice of termination. Upon CITY's issuance of the notice of termination, LESSEE shall surrender, forthwith, possession of the Leased Premises to CITY. At least thirty (30) days prior to CITY's issuance of the notice of termination, CITY shall send LESSEE written notice of its intent to issue a notice of termination.

Sec. 11.3 Possession by CITY.

A. If any of the events set forth in Subsection 11.1 occur and the CITY gives LESSEE a notice to terminate as set forth in Subsection 11.2, the CITY may take immediate possession of the Leased Premises and remove LESSEE's effects, forcibly if necessary, without being deemed guilty of trespassing. Upon said default, all rights of LESSEE shall be forfeited. However, the CITY shall have and reserve all of its available remedies at law as a result of said breach of this Lease. Lender shall exercise its right to assume the rights and obligations of LESSEE within ninety (90) days of receipt of the cancellation notice or, if prohibited from assumption by an order of a court of law, within ninety (90) days of receipt of an order allowing such assumption.

B. Failure of the CITY to declare this Lease terminated upon default of LESSEE for any of the events set forth in Subsection 11.1 shall not operate to bar, destroy, or waive the right of the CITY to terminate this Lease by reason of any subsequent violation of the terms hereof.

C. In the event this Lease is terminated, or the Leased Premises abandoned, the CITY shall be obligated to use its best efforts to mitigate any damages it may have against LESSEE. If the Leased Premises are re-let by the CITY, the CITY shall be entitled to recover from LESSEE, and LESSEE shall pay to the CITY, in addition to any other damages becoming due hereunder, an amount equal to the amount of all rents and additional rent reserved under this Lease, less the net rent, if any, collected by the CITY on re-letting the demised premises, which shall be due and payable by LESSEE to the CITY on the several days on which the rent and additional rent reserved in this Lease would have become due and payable; that is to say, upon each of such days LESSEE shall pay to the CITY the amount of deficiency then existing. Such net rent collected on re-letting by the CITY shall be computed by deducting, from the gross rents collected, all reasonable expenses incurred by the CITY in connection with the re-letting of the Leased Premises or any part thereof, including court costs, attorney fees, and litigation expenses incurred in connection with the termination of LESSEE's tenancy, enforcement of this Lease, and the repossession of the Leased Premises, brokers' commission, and the cost of repairing, renovating, or remodeling said premises.

The obligation of the CITY to use its best efforts to mitigate any damages it may have against LESSEE shall not preclude the CITY's right to obtain by judicial process a judgment for the entire amount of rent which would be paid to the expiration date of this Lease, plus court costs and attorney fees incurred. If the CITY obtains a judgment in such manner, the CITY shall use its best efforts to mitigate, in accordance with the provisions of this paragraph, any damages it may have incurred.

Sec 11.4 Destruction of Leased Premises Termination.

In the event of damage to or destruction or loss of the improvements to the Leased Premises by an insured or uninsured risk, LESSEE shall exercise reasonable due diligence to repair, restore, replace and rebuild said improvements as nearly as possible to conditions existing immediately prior to such damage or destruction. However, if the CITY and LESSEE mutually agree not to restore the improvements in the event of total destruction or extensive damage, the provisions of Section 9.12, Application of Insurance Proceeds, shall apply.

Sec. 11.5. Personal Property Disposition on Termination

Any personal property of LESSEE or of others placed in the Leased Premises shall be at the sole risk of LESSEE or the owners thereof, and City shall not be liable for any loss or damage thereto, irrespective of the cause of such loss or damage, and LESSEE hereby waives all rights of subrogation or recovery from CITY for such damage, destruction or loss.

Section 12. ENVIRONMENTAL PROVISIONS

Sec. 12.1 Environmental Requirements

LESSEE hereby covenants and agrees to comply in all material respects with all-applicable Environmental Laws and regulations in connection with its use and occupancy of the Leased Premises, or its operations of the facilities. For purposes of this Lease, "Environmental Laws" shall mean and include all federal, state and local statutes, ordinances, regulations and rules relating to environmental quality, health, safety, contamination and clean-up, including, without limitation, the Clean Air Act, 42 U.S.C. §7401 *et seq.*; the Clean Water Act, 33 U.S.C. §1251 *et seq.*, and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. §136 *et seq.*; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. §1401 *et seq.*; the Noise Control Act, 42 U.S.C. §4901 *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. §651 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. §300f *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 *et seq.*, as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right to Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Hazardous Material Transportation Act, 49 U.S.C. §9601 *et seq.*; the Toxic Substance Control Act ("TSCA"), 15 U.S.C. §2601 *et seq.*; the Atomic Energy Act, 42 U.S.C. §2011 *et seq.*;

and the Nuclear Waste Policy Act of 1982, 42 U.S.C. §1010 *et seq.*; all Missouri State environmental protection, superlien and environmental clean-up statutes, with implementing regulations and guidelines and all local laws, regulations and ordinances insofar as they are equivalent or similar to the federal laws recited above or purport to regulate Hazardous Materials.

Sec. 12.2 Review of Environmental Documents.

LESSEE, at request of CITY, shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents and materials LESSEE has prepared pursuant to any environmental law or submitted to any governmental regulatory agency, if any; provided, that such documents and materials relate to environmental issues or environmental laws and are pertinent to the Airport or the Leased Premises. If any environmental law requires LESSEE to file any notice or report of a release or threatened release of Hazardous Materials on under or about the Leased Premises or the Airport, LESSEE shall provide a copy of such report or notice to CITY and, to the extent practicable, shall receive the approval of CITY prior to submitting such notice or report to the appropriate governmental agency.

Sec. 12.3 Access for Environmental Inspection.

CITY shall have reasonable access upon advance notice to the Leased Premises to inspect the same in order to confirm LESSEE is using the Leased Premises in accordance with all Environmental Laws. If the CITY elects to so inspect the Leased Premises, any tests shall be conducted by qualified independent experts chosen by the CITY but subject to LESSEE's approval. If either party conducts an environmental assessment of the Leased Premises during the term of this Lease, such party shall provide a copy of the environmental report to the other party promptly after receipt thereof. The preceding sentence shall not be construed to impose upon either party an obligation to conduct any environmental assessment of the Leased Premises.

Sec. 12.4 Environmental Noncompliance.

If LESSEE fails to comply with any applicable Environmental Laws, CITY, in addition to its rights and remedies provided elsewhere within this Lease may enter the Leased Premises and take all reasonable and necessary measures, at LESSEE's expense, to insure compliance with Environmental Laws.

Sec. 12.5 Storage, Use or Disposal of Hazardous Materials.

LESSEE shall not store, use or dispose of any Hazardous Materials on the Leased Premises in violation of Environmental Laws.

Sec. 12.6 Duty to Notify City.

In the event of a release or threatened release of Hazardous Materials in violation of Environmental Laws arising out of LESSEE's use or occupancy of the Leased Premises or in the event any claim, demand, action or notice is made against LESSEE regarding LESSEE's failure or alleged failure to comply with any Environmental Laws, LESSEE shall notify CITY, in writing, and shall provide CITY with copies of any written claims, demands, notices, or actions so made.

Sec. 12.7 Environmental Remediation.

LESSEE shall undertake such steps to remedy and remove any Hazardous Materials not in compliance with Environmental Laws arising out of LESSEE's use of the Leased Premises that are necessary to protect the public health and safety and the environment from actual or potential harm and to bring the Leased Premises into compliance with all Environmental Laws. Such work shall be performed at LESSEE's sole expense, after LESSEE submits to CITY a written plan for completing such work and receives the prior written approval of CITY. CITY shall have the right to review and inspect all such work at any time using consultants and representatives of its choice. LESSEE shall pay the cost of such review and inspection. Specific cleanup levels for any environmental remediation work shall be designed to comply with all applicable Environmental Laws.

Sec. 12.8 National Emission Standards for Hazardous Air Pollutants.

LESSEE warrants that all planning, design, fabrication, installation, construction, start-up, testing, maintenance and repair work performed pursuant to this Lease shall be performed in accordance with any applicable National Emission Standards for Hazardous Air Pollutants (NESHAP), 40 C.F.R. 61.145.

Sec. 12.9 Environmental Indemnification.

In addition to any indemnification set forth herein, LESSEE hereby indemnifies and agrees to defend and hold harmless CITY, its agents, partners, officers, representatives and employees, from all costs, claims, demands,

actions, liabilities, complaints, fines, citations, violations or notices of violation ("Claims") arising from or attributable to (i) the presence due to LESSEE's handling, generation, manufacturing, processing, treating, storing, using, reusing, refining, recycling, reclaiming, blending or burning for energy recovery, incinerating, accumulating speculatively, transporting, transferring, disposing or abandoning of Hazardous Materials ("Management") at the Airport or the subsurface thereof or the violation of any Environmental Laws due to LESSEE's Management, including, without limiting the generality thereof, any cost, claim, liability or defense expended in remediation required by a governmental authority, or by reason of any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of Hazardous Materials into the environment (as environment is defined in CERCLA), due to LESSEE's Management at the Airport or violation of any Environmental Laws), or (ii) any breach by LESSEE of any of its warranties, representations or covenants in this Section. LESSEE's obligations hereunder shall survive the termination or expiration of this Lease, and shall not be affected in any way by the amount of or the absence in any case of covering insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under insurance policies affecting the Airport or any part thereof.

Sec. 12.10 No Liability for Pre-Existing Conditions.

Notwithstanding anything to the contrary contained in this Lease, LESSEE shall have no obligation or liability whatsoever with respect to (1) any Hazardous Materials that are present on the Leased Premises as of the Commencement Effective Date; (2) any violation of Environmental Law that exists as of the Commencement Effective Date; or (3) the presence or release of any Hazardous Materials or the violation of any Environmental Law that is caused by a party other than LESSEE, unless the other party is a contractor, subcontractor, employee, patron, invitee, or licensee of LESEE. The CITY represents to LESSEE that as of the Commencement Effective Date the Leased Premises will not contain any Hazardous Materials and will attempt to maintain compliance with all Environmental Laws.

Sec. 12.11 Definitions.

For purposes of this Section, the term "Hazardous Materials" shall mean and include the following, including mixtures thereof; any hazardous substance, pollutant, contaminant, waste, by-produce or constituent as defined in any environmental law; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel; pesticides regulated under the FIFRA; asbestos and asbestos-containing materials, PCBs and other substances regulated under the TSCA; source material, special nuclear material, by-product material and any other radioactive materials or radioactive wastes however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. §1910.1200 *et seq.*; any "Hazardous Waste" as defined by the Missouri Hazardous Waste Management Law, Mo.Rev.Stat. §§260.350 to 260.480; and industrial process and pollution control wastes, whether or not hazardous within the meaning of RCRA.

Sec. 12.12 Federal Storm Water Regulations

LESSEE acknowledges that certain properties and uses of properties within the Airport or on CITY owned land are subject to Federal storm water regulations as set forth in 40 CFR Part 122. LESSEE agrees to observe and abide by said regulations as applicable to the Leased Premises thereof.

LESSEE agrees to participate in any CITY-organized task force or other work group established to coordinate storm water activities at the Airport. In addition, LESSEE agrees to participate in CITY's Environmental Compliance Program and is subject to and agrees to periodic inspections conducted by Airport staff to monitor the management, handling, storage, and disposal practices associated with any petroleum substances, hazardous substances, or waste materials. (Note: this participation should align with local committees or work groups as most airports hold the stormwater permit and the LESSEE are considered co-permittees.)

LESSEE shall be strictly liable for, and hereby expressly assumes all responsibility for all citations, fines, environmental controls and monitoring, clean-up and disposal, restoration and corrective measures resulting from or in any way connected with the improper use, handling, storage or disposal of all pollutants or contaminated materials, as same are defined by law, by LESSEE or by LESSEE's employees, invitees, suppliers or service or providers of materials or any other person whomsoever, regardless of whether or not a default notice has been issued and notwithstanding any other obligations imposed upon LESSEE pursuant to the terms of this Lease.

Section 13. GENERAL PROVISIONS

Sec. 13.1 Headings

The paragraph headings contained herein are for convenience only and are not intended to define or limit the scope of any provision of this Lease.

Sec. 13.2 FAA Approval / Federal Right to Reclaim

A. FAA Approval. This Lease may be subject to approval of the Federal Aviation Administration (herein referred to as the "FAA"). If the FAA disapproves the Lease, either party may terminate the Lease by providing written notice.

B. Non-Exclusive Right. This Lease Lease shall not be deemed a grant of any exclusive right for the use of the Airport Name or the granting of exclusive rights prohibited by any state, federal or local statutes or regulations.

C. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the Leased Premises are located, for public purposes, then this Lease shall hereupon terminate and CITY shall be released and fully discharged from any and all liability hereunder. In the event of such termination, LESSEE's obligation to pay rent shall cease, however, nothing herein shall be construed as relieving LESSEE from any of its liabilities relating to events or claims of any kind whatsoever prior to this termination. In such event, then compensation shall be paid to LESSEE for LESSEE's improvements on the Leased Premises based on the amount as determined by the taking formula in this Lease. Upon payment of said amount, title to all improvements vests in CITY.

Sec. 13.3 Applicable Law; Venue

This Lease shall be interpreted in accordance with, and governed by, the laws of the State of Missouri. Should any part of this Lease be adjudicated, jurisdiction and venue shall be at the Independence courthouse in the Circuit Court of Jackson County, Missouri. The Parties expressly and irrevocably consent to the exclusive jurisdiction and venue of such courts and expressly waive the right to transfer or remove any such action.

Sec. 13.4 Waiver of Jury Trial

CITY and LESSEE shall, and they hereby do, waive trial by jury in any action, proceeding, or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of, or in any way connected with, this Lease, the relationship of CITY and LESSEE, LESSEE's use or occupancy of the Leased Premises and/or building, and/or claim or injury or damage. In the event CITY commences any proceeding to enforce this Lease or CITY/LESSEE relationship between the parties or for nonpayment of rent (of any nature whatsoever) or additional monies due CITY from LESSEE under this Lease, LESSEE will not interpose any counterclaim of whatever nature or description in any such proceedings. In the event LESSEE must, because of applicable court rules, interpose any counterclaim or other claim against CITY in such proceedings, CITY and LESSEE covenant and agree that, in addition to any other lawful remedy of CITY, upon motion of CITY, such counterclaim or other claim asserted by LESSEE shall be severed out of the proceedings instituted by CITY and the proceedings instituted by CITY may proceed to final judgment in the Circuit Court of Jackson County, Missouri, separately and apart from and without consolidation with or reference to the status of each counterclaim or any other claim asserted by LESSEE.

Sec. 13.5 Severability.

If any term or provision of this Lease or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each other term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Sec. 13.6 Merger.

This Lease, including any referenced Attachments or Exhibits, constitutes the entire Lease between CITY and LESSEE with respect to this subject matter, and supersedes all prior Leases between CITY and LESSEE with respect to this subject matter, and any such prior Lease shall be void and of no further force or effect as of the date of this Lease.

Sec. 13.7 Binding Effect.

This Lease, including all of its covenants, terms, provisions, and conditions, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

Sec. 13.8 No Partnership.

It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venture, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The CITY does not have the authority to supervise or control the actual work of LESSEE, its employees or contractors.

Sec. 13.9 Duty to be Reasonable

Wherever in this Lease, the CITY is to give consent, approval, or otherwise exercise discretion, such consent, approval, or discretion shall not be exercised or withheld unreasonably.

Sec. 13.10 City Manager

The City Manager shall be considered the agent and representative of the CITY with respect to all notices, approvals, and matters contained herein; the Manager's authority to act for and on behalf of the CITY in connection with all matters occurring under this Lease shall not be questioned by LESSEE.

Sec. 13.11 Rights Reserved to CITY

Rights not specifically granted to LESSEE by this lease are expressly and independently reserved to CITY. CITY expressly reserve(s) the right to prevent any use of the described Leased Premises which would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute an Airport hazard.

Sec. 13.12 Corporate Tenancy

If LESSEE is a corporation or limited liability company, the undersigned officer of LESSEE hereby warrants and certifies to CITY that LESSEE is a corporation or limited liability company in good standing and is authorized to do business in the State of Missouri and shall provide proof of good standing to CITY. The undersigned officer of LESSEE hereby further warrants and certifies to CITY that he or she, as such officer, is authorized and empowered to bind the entity to the terms of this Lease by his or her signature thereto. Upon execution hereof, LESSEE shall provide to the CITY a letter, advising CITY of all persons or entities owning 5% or more of the voting interest of the corporation or limited liability corporation. Except to the extent permitted without consent pursuant to Section 8.3, 8.4 or 8.5, if there shall occur any change in the ownership of and/or power to vote the majority of the outstanding capital stock or membership interest of LESSEE, whether such change or ownership is by sale, assignment, operation of law or otherwise, without the prior written consent of CITY, then CITY shall have the option to declare this as an event of default under the Lease and terminate this Lease upon thirty (30) days' written notice to LESSEE. Furthermore, LESSEE shall have an affirmative obligation to notify immediately CITY of any such change.

Sec. 13.13 Cost of Enforcement.

In the event the CITY incurs any costs or fees, including reasonable attorneys' fees, associated with the cost of enforcing the CITY rights or privileges under this Lease, the LESSEE shall promptly pay all such costs and expenses. Any such reimbursements shall be made as promptly as practical.

Sec. 13.14 Force Majeure

Neither the CITY nor LESSEE shall be deemed in violation of the Lease if it is prevented for preforming any of its obligations hereunder by reasons of Acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions or any other circumstances for which are not in its control. In the event of circumstances as outlined above the CITY and LESSEE shall mutually agree upon an equitable adjustment of the rates, fee and changes payable to the CITY, determined by the precise nature of the events causing the non-performance of the LESEE's obligation hereunder.

Sec. 13.15 Notices

Except as herein otherwise expressly provided, all notices required by this Lease shall be in writing sent regular U.S. mail, postage prepaid or commercial overnight courier to the following:

CITY	Lee's Summit Airport Airport Director 2751 NE Douglas St	LESSEE	TM Aviation LLC Attn: Tom Duvall 2310 Redwood Avenue

Lee's Summit, MO 64064

(816)969-1186

joel.arrington@cityofls.net

2310 Redwood Avenue, Independence, MO 64057

Additional Copies to:
Polsinelli PC, Attn: Alexia Norris 900 W. 48th Place, Suite 900 Kansas City, MO 64112

All notices are effective three days after the date of mailing in the U.S. mail, upon delivery by an overnight courier or transmission by email.

Sec. 13.17 FAA Required Contractual Provisions

This Lease is subject to, and LESSEE must comply with, the required Federal clauses attached hereto as Exhibit B, which is incorporated into this Lease by reference.

Section 14. OTHER PROVISIONS

Sec. 14.1 Public Improvements

The CITY, at the CITY's cost and expense, intends to construct and install certain public improvements as generally depicted on Exhibit A (the "Public Improvements") at the Airport in order to connect the current Airport facilities to the portion of the Airport where the Initial Improvements will be located. The CITY acknowledges and agrees that LESSEE cannot commence the Initial Improvements until the Public Improvements are completed. If the Public Improvements are not completed within two (2) years from the Effective Date of this Lease, whether it be because of the actions or omissions of the LESSEE or of the CITY, either the CITY or the LESSEE, at its option, may declare the Lease terminated, without fault, liability, or further. Construction Commencement Requirements shall include the completion of the Public Improvements.

Section 2.2, Rent Reduction During Construction, is deleted in its entirety and replaced with the following:
During the period of time between the Effective Date of this agreement and both the issuance of a City of Lee's Summit Building Permit and the completion of the Public Improvements, Lessee's rent for the Leased Premises shall be waived. After both the issuance of a City of Lee's Summit Building Permit and the substantial completion of the Public Improvements and prior to the issuing of a temporary certificate of occupancy for any building or structure contemplated by this Lease, Lessee's rent for the Leased Premises shall be an amount equal to one-half (1/2) of the rent payment attributed to land rent above. On the date a temporary certificate of occupancy is issued by the CITY, the rent payment for the Licensed Premises shall automatically revert to the full rent payment due starting the month following the date of the issuance of the certificate of occupancy. This abeyance period shall not increase the term of the Lease or the period prior to rent escalation. Nothing in this subdivision shall modify any other provision of this Lease related to rent other than the rent amount specified herein. For the avoidance of doubt, Lessee shall in no event be required to repay to the City the difference in the reduced rent amount and the full rent contemplated under this Lease.

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IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date first above mentioned.

CITY OF LEE'S SUMMIT

_____
William A. Baird, Mayor

ATTEST

_____
Trisha Fowler Arcuri, CITY Clerk

APPROVED AS TO FORM

_____
Scott Ison,
Chief Counsel of Infrastructure and Recreation

LESSEE

_____
TM Aviation LLC

Exhibit A – Site Detail

(To be attached)

Exhibit B – Required Federal Provisions

AIRPORT REQUIRED TERMS AND CONDITIONS

SECTION 1. TERMS AND CONDITIONS ESTABLISHED IN THIS SECTION SHALL APPLY REGARDLESS OF MORE PERMISSIVE LANGUAGE IN ANY OTHER SECTION OF THIS CONTRACT.

Changes in contract performance or source of funding may result in the application of additional provisions. The term LESSEE for purposes of Exhibit B shall include parties granted property-based rights under this Lease. LESSEE for purposes of Exhibit B shall include Licensees and Permittees, however, the same shall not be afforded Lease rights and privileges unless granted in the Ground Lease. LESSEE performing construction or other work requiring AIP compliance shall be referred to as "Contractor" herein. Concession Lease specific ACDBE requirements are contained in a Concession Lease, if applicable.

SECTION 2. COMPLIANCE WITH APPLICABLE LAW. By executing this Contract, the Lessee affirms that the Lessee and its team members and employees shall comply with all federal, state and local laws, ordinances and regulations applicable to the Contract. This obligation includes compliance with CITY's nondiscrimination laws, including to the extent applicable including those set out in this Lease and attached to this Contract. Lessee shall secure all occupational and professional licenses and permits from public and private sources necessary for the fulfillment of its obligations under this Contract.

SECTION 3. DUTIES AND OBLIGATIONS NOT LIMITED. The duties and obligations imposed by this Contract and the rights and remedies available thereunder are in additional to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

SECTION 4. SCOPE OF WORK LIMITED. This Contract is strictly limited to the scope of work outlined herein. The scope of work cannot be altered except by written amendment or change order incorporating additional provisions. Altering the scope of work to include services funded through Airport Improvement Funds may require additional contractual provisions and obligations and void this contract and any obligations of the CITY to pay for services provided under the terms of this Lease.

SECTION 5. ACCESS TO RECORDS. The Lessee must maintain an acceptable cost accounting system. The Lessee agrees to provide the Owner, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of the Lessee which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Lessee agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

SECTION 6. GENERAL CIVIL RIGHTS PROVISIONS. In all its activities within the scope of its airport program, the Lessee agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964. Lessee

SECTION 7. CIVIL RIGHTS – TITLE VI ASSURANCE

A. TITLE VI Solicitation Notice

The City of Lee's Summit, Missouri, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, businesses will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on

the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.

B. Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this Lease, the Lessee, for itself, its assignees, and successors in interest (hereinafter referred to as the "Lessee") agrees to comply with and agrees that performance under the agreement shall be governed by and in compliance with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR Part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964) including amendments thereto;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 .U.S.C. § 6101 et seq.) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (P.L. 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR Parts 37 and 38;
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681, et seq).

C. Compliance with Nondiscrimination requirements.

During the performance of this contract, the Lessee, for itself, its assignees, and successors ninterest (hereinafter referred to as the "Lessee") agrees as follows:

1. **Compliance with Regulations:** In all its activities within the scope of its airport program, the Lessee will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Lessee, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Lessee will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Lessee for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Lessee of the Lessee's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Lessee will provide all information and reports requiredby the Acts,

the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City of Lee's Summit or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Lessee is in the exclusive possession of another who fails or refuses to furnish the information, the Lessee will so certify to the City of Lee's Summit or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a Lessee's noncompliance with the non-discrimination provisions of this contract, the City of Lee's Summit will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
    a. Withholding payments to the Lessee under the contract until the Lessee complies; and/or
    b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Lessee will include the provisions of paragraphs one through six in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Lessee will take action with respect to any subcontract or procurement as the City of Lee's Summit or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Lessee becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Lessee may request the City of Lee's Summit to enter into any litigation to protect the interests of the City of Lee's Summit. In addition, the Lessee may request the United States to enter into the litigation to protect the interests of the United States.
7. **Limited English Proficiency.** For persons with Limited English Proficiency (LEP), please contact the City of Lee's Summit at 816-969-1000 for help to obtain interpreters of many different languages.

SECTION 8. RIGHT TO AMEND. In the event that the Federal Aviation Administration or its successors requires modifications or changes in this Lease as a condition precedent to the granting of funds for the improvement of the Airport, or otherwise, the Lessee agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Lease as may be reasonably required.

SECTION 9. ADDITIONAL FEDERAL REQUIREMENTS. This Lease shall be subordinate to the provisions and requirements of any existing or future Lease between the City of Lee's Summit and the United States relative to the development, operation or maintenance of the airport, including grant Leases.

This Lease and all the provisions hereof shall be subject to whatever right the United States government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of any CITY airport, all or a portion of the airport system, or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.

Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the premises.

The Lessee, its officers, administrators, representatives, successors and assigns will not erect on or permit the erection of any structure or object, nor permit the growth of any tree or vegetation on the premises above ground level elevation of eighty (80) feet. In the event the aforesaid covenants are breached, the CITY reserves the right to enter upon the premises and to remove the offending structure or object and cut the offending tree or vegetation, all of which shall be at the expense of Lessee.

Lessee, its officers, administrators, representatives, successors and assigns will not make use of the premises in any manner which might interfere with the landing and taking off of aircraft from Lee's Summit Municipal Airport or

otherwise constitute a hazard to air navigation. In the event the aforesaid covenant is breached the CITY has the right to enter upon the premises and cause the abatement of such interference at the expense of Lessee.

Lessee acknowledges that nothing contained in this Contract shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 USC § 40103(e).

SECTION 10. CLAUSES FOR CONSTRUCTION, USE, AND ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM– License, Permits, Concession on Property Improved Under AIP

A. The Lessee for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts And Authorities.

B. With respect to this in the event of breach of any of the above Non-discrimination covenants, City of Lee's Summit, Missouri, will have the right to terminate the lease to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said lease had never been made or issued.*

C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, City of Lee's Summit, Missouri will there upon revert to and vest in and become the absolute property of City of Lee's Summit, Missouri and its assigns.

SECTION 11. REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE AIRPORT IMPROVEMENT PROGRAM.

A. The Lessee himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that 1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this Lessee for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Lessee will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. With respect to licenses, leases, permits, contracts, etc., in the event of breach of any of the above Nondiscrimination covenants, City of Lee's Summit, Missouri will have the right to terminate the lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the lease had never been made or issued.

C. With respect to a deed, in the event of breach of any of the above Nondiscrimination covenants, the City of Lee's Summit, Missouri, will have the right to enter or re-enter the lands and facilities thereon, and the above City of Lee's Summit, Missouri, and its assigns.

SECTION 12. RESTRICTED AREAS SAFETY AND SECURITY. Lessee will comply with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state or local governmental entity regarding airfield security. Lessee shall fully comply with the applicable

provisions of the Code of Federal Regulations (CFR) Title 49: Transportation. Lessee shall fully comply specifically with 49 CFR part 1540 – Civil Aviation Security; 49 CFR part 1542 – Airport Security; 49 CFR part 1544 – Aircraft Operator Security: Air Carriers and commercial Operators (if Lessee is an air carrier); and 49 CFR part 1546 – Foreign Air Carrier Security (if Lessee is a foreign air carrier). CITY has adopted a Security Plan for the Airport approved by the Transportation Security Administration (TSA) pursuant to Department of Transportation (DOT) TSA CFR 49 part 1542. Lessee agrees to be bound by and follow airport security protocols and training established in accordance with the Airport Security Plan. Any access to the Airport granted to Lessee shall not be used, enjoyed or extended to any person, entity or vehicle engaged in any activity or performing any act or furnishing any service for or on behalf of the Lessee that Lessee is not authorized to engage in or perform under this Contract unless expressly authorized in writing by the Director in accordance with TSA CFR 49 part 1542. In the event Lessee, its officer, employees, or invitees cause or contribute to unauthorized persons or vehicles entering the air operations areas of the Airport, or otherwise violate the Security Plan or any laws, regulations, rules, etc. governing airport security, and in addition to any other remedies available hereunder, Lessee shall be liable to CITY for an amount equal to any civil penalty imposed on CITY for such violations and hereby agrees to indemnify CITY for any such federal civil penalties, provided CITY shall promptly notify Lessee in writing of any claimed violations so as to permit Lessee an opportunity to participate in any investigation or proceedings.

SECTION 13. RESERVATIONS. The CITY reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of Lessee and without interference or inference. The CITY, at its sole discretion, reserves the right to further develop or improve the aircraft operating area and other portions of the Airport, including the right to remove or relocate any structure on the Airport, as it sees fit. In addition, the CITY, at its sole discretion, reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions, together with the right to prevent LESSEE from erecting, or permitting to be erected, any buildings or other structures on the Airport which, in the opinion of CITY, would limit the usefulness of the Airport or constitute a hazard to aircraft.

The CITY reserves the right, but shall not be obligated to Lessee to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard.

There is hereby reserved to the CITY, its successors, assigns and subsequent transferees, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises. The public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation from the Lee's Summit Municipal Airport.

In the event the CITY requires the Leased Premises for expansion, improvements, or other development of the Airport, the CITY reserves the right, upon one-hundred eighty (180) days' prior written notice, to terminate this Lease, in which case the CITY will compensate LESSEE for its remaining interest under this Lease in the leased premises and improvements thereon by paying LESSEE based on fair market value of the hangar at the time of the taking. Fair market value shall be determined by the method employed for determining eminent domain value.

The parties understand and agree that said payment shall be considered compensation in full to LESSEE for any and all of its actual or potential claims, losses, or damages arising out of, resulting from, or related to the CITY's termination of this Lease under this Subsection and upon receipt of the payment LESSEE releases and forever discharges the CITY from any and all claims, liabilities, damages, including loss of business, it has or may have arising out of, resulting from, or related to the CITY's termination of this Lease. Upon such termination and delivery of the payment described in this Section, the CITY has no obligation to relocate or replace LESSEE's improvements at any other location on Airport premises, or to offer LESSEE another site for relocation.

The CITY reserves the right to further develop, improve, repair, alter, remove from, and add to the airport, including but not limited to all roadways, parking areas, terminal facilities, landing areas, and taxiways, as it may reasonably see fit, free from any and all liability, including but not limited to negligence, to LESSEE for loss of business or damages of any nature whatsoever to LESSEE occasioned during the making of or by such activities. During such improvements, repairs, alterations, and additions, the CITY shall endeavor to provide reasonable ingress and egress for aircraft, personnel, employees, agents, customers, vendors, suppliers, patrons, and invitees.

LESSEE acknowledges and certifies that LESSEE is aware that the Premises may be exposed to significant noise level and/or accident potentials or may be subject to certain restrictions on the development, construction methods (including special lighting restrictions) and use of property. LESSEE further acknowledge that LESSEE is aware, as a result of the proximity of the Premises to the airport, airport operations may affect the quiet enjoyment and use of the Premises. Additionally, LESSEE acknowledges that airport operations may change due to changes in type of aircraft operating, changes in flight paths and general operations of the airport, and changes resulting from expansion, reconfiguration or additional runways. LESSEE shall not claim or assert any damages of any type associated with proximity to the airport.

The CITY, through its duly authorized agent, shall have at any reasonable time, the full and unrestricted right to enter the Leased Premises for the purpose of periodic inspection for fire protection and maintenance, and to investigate compliance with the terms of this Lease.

This Lease shall be subordinate to the provisions of any existing or future Lease between the CITY and the United States, the terms and execution of which have been or may be required as a condition precedent to the expenditure of, or reimbursement to the CITY from, Federal funds.

During time of war or national emergency, CITY shall have the right to lease the Airport or any part thereof to the United States Government. If any such lease is executed, any provisions of this Lease that are inconsistent with the provisions of the lease to the Government shall be suspended, and in that event, a just and proportionate part of the rent hereunder shall be abated.

SECTION 14. ACCOMMODATIONS. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Lessee may make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to patrons.

Lessee shall insert this requirement in any Lease, contract or other document by which Lessee grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the premises herein.

Lessee warrants that no person shall, on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age or disability, be excluded from participating in any activity conducted on or from the Premises, or otherwise be excluded from the benefits offered as a result of this Lease to the general public.

Non-compliance with this provision shall constitute a material breach thereof an in the event of such non-compliance the City of Lee's Summit shall have the right to terminate this Lease without liability therefore or at the election of the City of Lee's Summit or the United States, either or both said governments shall have the right to judicially enforce these provisions.

SECTION 15. BREACH OF CONTRACT. Reserved.

SECTION 16. BUY AMERICAN PREFERENCE.

A. BABA. Reserved.

B. **Construction Materials**. Reserved.

SECTION 17. CLEAR AIR and WATER POLLUTION CONTROL. Reserved.

SECTION 18. CONTRACT WORK HOURS AND SAFETY STANDARDS. Reserved.

SECTION 19. COPELAND ANTI-KICKBACK. Reserved.

SECTION 20. DAVIS BACON REQUIREMENTS. Reserved.

SECTION 21. DEBARMENT AND SUSPENSION. Reserved.

SECTION 22. DISADVANTAGED BUSINESS ENTERPRISE. Reserved.

SECTION 23. DISTRACTED DRIVING. Reserved.

SECTION 24. DOMESTIC PREFERENCES FOR PROCUREMENTS. Reserved.

SECTION 25. FAIR LABOR STANDARDS ACT. Reserved.

SECTION 26. FOREIGN TRADE RESTRICTION. Reserved.

SECTION 27. LOBBYING FEDERAL EMPLOYEES. Reserved.

SECTION 28. OCCUPATIONAL SAFETY AND HEALTH ACT. Reserved.

SECTION 29. PROHIBITION ON CERTAIN TELECOMMUNICATION AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. Reserved.

SECTION 30. RECOVERED MATERIALS. Reserved.

SECTION 31. RIGHT TO INVENTIONS. Reserved.

SECTION 32. SEISMIC SAFETY. Reserved.

SECTION 33. TAX DELINQUENCY AND FELONY CONVICTION. Tax Delinquency and Felony Conviction. Reserved.

SECTION 34. TERMINATION OF CONTRACT. Reserved.

SECTION 35. VETERAN'S PREFERENCE. Reserved.

Exhibit C – Rules and Regulations

Prohibited Uses. The following activities are included among, without limitation, the activities that are expressly prohibited:

A. LESSEE shall abide by the Rules and Regulations are regularly adopted by the City of Lee's Summit and periodically update.

B. LESSEE will not perform on the Leased Premises any aviation-related services not authorized by this Lease or by a separate Use and Operating Lease by the CITY, or rent or sublease any portion of the Leased Premises to others for any such purposes; provided, however, LESSEE may rent or sublease part or all of its hangar space to others for storing of aircraft, without prior consent of the CITY.

C. LESSEE must provide the owner information, N-Number and contact information for aircraft stored in the hangar for a period of 1 month or more. In addition, any aircraft stored in the facility may not be aircraft being used for 14 C.F.R. Part 121 or Part 135 operations, unless LESSEE has entered into a Fixed Based Operator Lease or General Services Provider Lease with the CITY for performance of aviation-related services or operations on the leased premises.

D. Automobiles, trucks, and vehicles are prohibited from parking on the ramps or taxiways outside of the bounds of the Leased Premises That may interfere with aircraft operations or be a nuisance.

E. LESSEE shall not park aircraft in excess of 12,500 pounds gross weight except in areas and on surfaces specified by the CITY.

F. LESSEE shall not park or store aircraft except in the Leased Premises, hangars or designated aircraft parking tie down locations.

G. LESSEE shall not park aircraft or vehicles on the Leased Premises in a manner, which prevents the safe operation of other aircraft while using taxi-lanes, taxi-ways or tie-downs.

H. Self-Fueling. LESSEE is prohibited from selling or dispensing aircraft fuels to any other airport users, including locally based and transient aircraft. Any violation by LESSEE of this subsection shall constitute a material breach of, and cause for termination of, this Lease. If at any time the CITY changes its fueling policy to permit airport LESSEEs to sell or dispense aircraft fuels to other airport users, such dispensing of fuels would require a separate Lease with CITY.