

LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®



LAMBERT-ST. LOUIS
INTERNATIONAL AIRPORT®

THE BOEING COMPANY

OPERATING PERMIT

AL-017

SCANNED
SEP 28 2016
987319

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2020-01-15 17:37:56 +0000

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LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®**OPERATING PERMIT**

THIS PERMIT, made and entered into as of the 26th day of September, 2016 (“**Permit**”), by and between the CITY OF ST. LOUIS, a municipal corporation of the State of Missouri (“**City**”) and THE BOEING COMPANY, a Delaware corporation (“**Permittee**”).

WITNESSETH, THAT:

WHEREAS, City now owns, operates and maintains an international airport known as “Lambert-St. Louis International Airport,” located in the County of St. Louis, Missouri (“**Airport**”); and

WHEREAS, Permittee desires to use certain land and improvements for its operations at the Airport; and

WHEREAS, City is willing to permit the use of that land and improvements to Permittee;

NOW, THEREFORE, for and in consideration of the promises, and of the mutual covenants and Permits herein contained, and other valuable considerations, City and Permittee agree as follows:

Section 1. OPERATIONS AREA. City hereby permits the **non-exclusive use** by Permittee on certain land and improvements at the Airport as shown on the attached **Exhibit “A”** which is incorporated herein (“**Operations Area**”). The City may relocate, add, substitute, or delete portions of the Operations Area at its sole option as may be reasonably required in the opinion of the Director of Airports (“**Director**”). Such changes will be made at the sole expense of Permittee, and the City will not be liable or responsible for any loss whatsoever including, without limitation, any inconvenience or loss by Permittee of work time, profit or business resulting from such changes or any actual, consequential, special or incidental damages or losses.

Permittee accepts the Operations Area “**AS IS**” with no warranties or representations of any kind, expressed or implied, either oral or written, made by the City or any of its officers, agents or representatives with respect to the physical, environmental, or structural conditions of the Operations Area or otherwise. The City without limitation expressly disclaims and negates, as to the Operations Area: a) any implied or expressed warranty of merchantability, b) any implied or expressed warranty for a particular purpose including, without limitation, the use of the Operations Area for engine and aircraft systems testing and c) any implied or expressed warranty with respect to the Operations Area or any portion thereof (see Section 25.B entitled “Permittee’s Release”).

Section 2. USE. The Operations Area is to be used on a non-exclusive basis by the Permittee only as an engine and aircraft systems testing area and in accordance with the terms, covenants, warranties, conditions, and provisions of this Permit. Permittee acknowledges and agrees that

this Permit does not grant or authorize the use of any activity within the Operations Area by Permittee or grant any rights except as specifically and expressly granted or authorized in this Permit.

Section 3. ACCESS. Subject to the terms, covenants and conditions of this Permit hereof, Permittee has the **non-exclusive right** of free access for ingress to and egress from the Operations Area, for Permittee's employees, agents, guests, patrons and invitees. **Permittee shall timely notify the Airport Operations Center at 314-426-8040 prior to each use of the Operations Area and such communication must provide information on the type of aircraft being tested.**

Section 4. TERM. The term of this Permit shall commence on August 1, 2016, and continue on a month to month basis for a term not to exceed three years, unless sooner terminated in accordance with other provisions of this Permit. Either party hereto may terminate this Permit without cause by providing One Hundred Twenty (120) days prior written notice to the other party and such termination will be deemed a no fault cancellation.

Section 5. SURRENDER OF POSSESSION. No notice to quit possession at the expiration date of the term of this Permit shall be necessary. Permittee covenants and agrees that at the expiration date of the term of this, or at the earlier termination hereof, it will peaceably surrender possession of the Operations Area in as good condition as that existing at the time of Permittee's initial entry upon the Operations Area under this Permit or any preceding permits, reasonable wear and tear, acts of God, and other casualties excepted. The Permittee shall not be responsible for any property conditions at the time of surrender (including environmental conditions) which existed prior to the Permit or were caused by the City or other parties using the property prior to or during the term of this agreement, and Permittee shall be required to remediate only environmental conditions caused by Permittee.

Section 6. OPERATIONS AREA RENTAL PAYMENT. Permittee shall pay in advance to the City a monthly rental of \$3,000.00. All payments shall be paid on or before the first day of each month of the term of this Permit.

All unpaid rent and fee payments due the City hereunder shall bear a service charge of 1½% per month if same is not paid and received by the City on or before the 15th of the month in which said payments are due, and Permittee agrees that it shall pay and discharge all costs and expenses including attorneys' fees and litigation cost incurred or expended by the City in collection of said delinquent amounts due, including service charges.

Payments to the City shall be made at the Office of the Director, at the Airport, or at such other place as the City may hereafter notify Permittee and shall be made in legal tender of the United States.

Section 7. ADDITIONAL FEES, CHARGES, AND RENTALS. Permittee shall pay additional fees, charges, and rentals under the following conditions:

- A. If the City has paid any sum or sums or has incurred any obligation or expense for which Permittee has agreed to pay or reimburse the City for, or
- B. If the City is required or elects to pay any sum or sums or incur any obligations or expense because of the failure, neglect or refusal of Permittee to perform or fulfill any term, covenant or condition of this Permit.

Such payments shall include all interest, costs, damages and penalties in conjunction with such sums so paid or expenses so incurred and may be added to any installment of the fees, charges and rental thereafter due hereunder. Each and every part of such payment shall be recoverable by the City in the same manner and with like remedies as if it were originally a part of the basic fees, charges and rentals, as set forth herein.

For all purposes under this paragraph, and in any suit, action or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum or sums by the City for any work done or material furnished shall be prima facie evidence against Permittee that the amount of such payment was necessary and reasonable.

Section 8. PROMPT PAYMENT OF TAXES AND FEES. Permittee warrants, covenants and agrees to pay promptly all lawful general taxes, special assessments, excises, license fees, permit fees, fines, and utility service charges of whatever nature, applicable to its operation at the Airport, and to take out and keep current all licenses, municipal, state or federal, required for the conduct of its business at and upon the Airport, and further warrants, covenants and agrees not to permit any of said taxes, assessments, fees and charges to become delinquent.

Section 9. MECHANICS' AND MATERIALMEN'S LIENS. Permittee agrees not to permit any mechanics' or materialmen's or any other lien or encumbrance to be attached or foreclosed upon the Operations Area or any part or parcel thereof, or the improvements thereon, or the City's property by reason of any work or labor performed or materials furnished by any mechanic or materialman or for any other reason.

Section 10. CONSTRUCTION BY PERMITTEE. Permittee may improve the Operations Area subject to the prior written approval of the Director. Permittee will submit to the Director detailed plans and specifications for all improvements to and equipping of the Operations Area prepared in accordance with the Tenant Design Standards issued by the Airport. Permittee will not begin any work until it receives the approval of its plans and specifications from the Director. Any changes in the plans or specifications after approval will require resubmission.

Permittee will provide the Director with a copy of all applicable permits as required by local municipalities prior to beginning any construction or alterations.

Upon the completion of the improvements hereunder, Permittee shall submit to the Director a copy of its acceptance letter certifying completion and a certified copy of any certificate or permit which may be required by any federal, state, or local government or agency in connection with the completion, use, or occupancy thereof by Permittee.

Permittee will provide the Director, within thirty (30) days of completion or occupancy of any construction or modification to the Operations Area, reproducible as-built drawings on either Mylar or Sepia Mylar base and in an electronic format acceptable to the City.

Title to the Operations Area and all improvements constructed or placed in or on the Operations Area by the Permittee including all alterations, modifications and enlargements thereof will become part of the Operations Area with title vesting in the City upon the expiration or earlier termination of this Permit, except that the City reserves the right and Permittee agrees that the Director may require Permittee to remove any or all Improvements and structures and restore the Operations Area to its original condition at commencement of this Permit. Permittee agrees to bear all costs of such removals and restorations.

Section 11. CONTRACTOR'S LIABILITY INSURANCE. In any contract appertaining to improving and equipping the Operations Area, Permittee shall require the contractor to cause the City, its Board of Aldermen, Airport Commission and their respective officers, agents and employees, to be insured against the risk of claims and demands, just or unjust, by third persons against the City, its Board of Aldermen, Airport Commission and their respective officers, agents and employees, against and from all such claims and demands, with bodily injury limits of not less than ten million dollars (\$10,000,000.00) as to any one person, and ten million dollars (\$10,000,000.00) as to any one occurrence, and with property damage limits of not less than ten million dollars (\$10,000,000.00) as to any one occurrence. Said insurance shall be in a form acceptable to the City.

Section 12. PERFORMANCE AND PAYMENT BONDS. Permittee shall require each of its contractors and suppliers of construction materials to furnish a Performance Bond and a Payment Bond each in the full amount of any contract in a form acceptable to the City. The Payment Bond shall comply with the coverage requirements and conditions of Section 107.170 RSMo (Revised Statutes State of Missouri). Copies of the bonds shall be given to the City for approval before work begins. Any sum or sums derived from said Performance and Payment Bonds shall be used for the completion of said construction and the payment of laborers and material suppliers, as the case may be.

Section 13. SIGNS. Permittee agrees that no signs or advertising displays shall be placed on, painted on or erected in any manner upon the areas of the Operations Area exposed to the public without prior written approval of the Director and that such signs shall conform to reasonable standards established by said Director with respect to wording, type, size, design, color and location.

Section 14. COMPLIANCE WITH LAWS AND REGULATIONS. Permittee shall comply with all Rules and Regulations, which the Director may establish from time to time. In addition, Permittee shall comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, City, local and other governmental authorities, now or hereafter applicable to the Operations Area or to any adjoining public ways, as to the manner of use or the condition of the Operations Area or of adjoining public ways.

Section 15. SECURITY PLAN AND FACILITIES. Permittee hereby acknowledges that the City is required by the Transportation Security Administration ("TSA") regulation 1542 to adopt and put into use facilities and procedures designed to prevent and deter persons and vehicles from unauthorized access to air operations areas. The City has met said requirements by developing a master security plan for the Airport, and Permittee covenants and agrees to be fully bound by and immediately responsive to the requirements of the plan in connection with Permittee's exercise of the privileges granted to Permittee hereunder. Permittee will, within thirty (30) days of the City's request, reimburse the City for all fines or penalties imposed upon the City by the TSA or the FAA resulting from Permittee's negligence or failure to act in relation to TSA regulation 1542 or any other applicable airport security regulations.

Section 16. REPAIRS AND MAINTENANCE. Permittee will provide and pay for all repairs and maintenance of the improvements in the Operations Area. Permittee will perform the following functions as part of its responsibilities in the repair and maintenance of the Operations Area. The following list includes certain functions but Permittee's responsibilities are not limited to those functions:

- A. Keep all its equipment and fixtures in good repair and appearance.
- B. Keep the Operations Area free from all fire and other hazards to persons and property, furnish, and maintain adequate portable fire protection equipment.
- C. Repair all damage to the Operations Area and the Airport when such damage results from the careless or negligent acts of Permittee or Permittee's agents or employees.
- D. Provide for complete, sanitary handling and disposal of all trash, garbage and refuse (liquid or solid) in accordance with standards established by the Director applicable to all Airport tenants. Such standards may require the use of special devices including, but not limited to, special containers, compactors and disposal systems. Permittee agrees to promptly provide and install same and to abide by such standards.
- E. Confine all handling and holding of Permittee's property to the Operations Area.
- F. Keep all papers and debris picked up daily from the Operations Area.
- G. No storage will be permitted on the exterior areas of the Operations Area.

Section 17. RIGHT TO ENTER, INSPECT, AND MAKE REPAIRS. The City and its authorized officers, agents, employees, contractors, subcontractors and other representatives shall have the right (at such times as may be reasonable under the circumstances and with as little interruption of Permittee's operations as is practicable) to enter upon and in the Operations Area for the following purposes:

- A. To inspect such Operations Area to determine whether Permittee has complied and is complying with the terms, covenants, and conditions of this Permit.
- B. To perform maintenance and make repairs in any case where Permittee is obligated, but has failed to do so, after the City has given Permittee notice to do so, in which event Permittee shall reimburse the City for the cost thereof, plus a charge of 15% for overhead, promptly upon demand.
- C. To perform inspections, testing, reporting, surveys, environmental inspections, studies and assessments and/or remediation.

Section 18. UTILITIES. Permittee will provide and pay all utilities it requires. The City shall not be liable to Permittee for any damages, cost, or losses of any kind whatsoever due to the interruption of any utility service including, without limitation, any actual, consequential, special or incidental damages, or losses.

Section 19. INTERFERENCE WITH AIR NAVIGATION. Permittee warrants, represents and agrees that no obstruction to air navigation, as such are defined from time to time by application of the criteria of Part 77 of the Federal Aviation Regulations or subsequent and additional regulations of the Federal Aviation Administration, will be constructed or permitted to remain in or on the Operations Area. Any obstructions will be immediately removed by Permittee at its expense. Permittee warrants, represents and agrees not to increase the height of any structure or objects or permit the growth of plantings of any kind or nature whatsoever that would interfere with the line of sight of the control tower and its operations. Permittee further warrants, represents and agrees not to install any structures, objects, machinery or equipment that would interfere with operation of navigation aides or that would interfere with the safe and efficient operations or administration of the Airport, or interfere with the operations of other tenants, airlines and/or users of the Airport.

Section 20. LIABILITY INSURANCE. Permittee will obtain (at its sole expense and maintain at all times during the term of this Permit) liability insurance **on an occurrence basis**, against the risk of all claims and demands by third persons for bodily injury (including wrongful death) and property damage arising or alleged to arise out of the activities or the omissions of Permittee, its officers, agents, employees, contractors, subcontractors, licensees, independent contractors and invitees, pursuant to this Permit under the following types of coverage:

- A. Comprehensive General Liability;
- B. Comprehensive Automobile Liability (any vehicles, including hired and non-owned vehicles).

The minimum limits of coverage for the above classes of insurance shall equal a combined single limit of ten million dollars (\$10,000,000.00) comprised of such primary and excess policies of insurance as Permittee finds necessary to purchase during the term of this Permit.

Insofar as said insurance provides protection against liability for damages to a third party for bodily injury, death and property damage, the City and its Board of Aldermen, Airport Commission, officers, agents, tenants, contractors, representatives and employees shall be named as an "Additional Insured" to the extent of Section 25(A) of this Permit. Such liability insurance coverage shall also extend to damage, destruction and injury to the City-owned or leased property and City personnel, caused by or resulting from work, acts, operations, or omissions of Permittee, its officers, agents, employees, contractors, subcontractors, licensees, independent contractors and invitees. In addition, such insurance shall include contractual liability insurance sufficient to cover Permittee's indemnity obligation hereunder. The City, its officers, agents and employees shall have no liability for any premiums charged for such coverage, and the inclusion of the City and its Board of Aldermen, Airport Commission, officers, agents and employees as an Additional Insured is not intended to, and shall not make the City, its officers, agents and employees a partner or joint venture partner with Permittee in its operations hereunder.

Section 21. PROPERTY INSURANCE. Permittee will procure and maintain a policy or policies of insurance covering loss or damage to the Operations Area and all of its improvements in the amount of the full replacement value thereof (exclusive of Permittee's trade fixtures and equipment) providing protection against all perils included in an "all risk" property insurance policy, except perils of earthquake and flood. Such insurance shall provide payment of loss thereunder to the City, Permittee, or any mortgagee and/or financial institutions as their respective interest may appear.

Section 22. WORKERS' COMPENSATION. Permittee (at its sole expense), at a minimum, will obtain and maintain, at all times during the term of this Permit for its employees working on Airport Operations Area, Workers' Compensation insurance coverage at the statutory limits applicable to Permittee's operations in the State of Missouri.

Section 23. WAIVER OF SUBROGATION. Permittee, on behalf of itself and its insurers, hereby waives any claim or right of recovery from the City, its Board of Aldermen, Airport Commission, officers, agents and employees for loss or damage to Permittee or its property or the property of others under Permittee's control, to the extent that such loss is covered by valid insurance policies or could be covered by an "All Risk" physical coverage property insurance policy. Permittee shall provide notice of this waiver of subrogation to its insurers.

Section 24. EVIDENCE OF INSURANCE. Certificates, or other evidence of insurance coverage and special endorsements required of Permittee in this Article, shall be delivered to the Director in form and content satisfactory to the City.

At least fifteen (15) days prior to the expiration of any such policy, Permittee shall submit to the Director a certificate showing that such insurance coverage has been renewed. If such coverage is canceled or reduced, Permittee shall within fifteen (15) days after the date of such written notice from the insurer of such cancellation or reduction in coverage, file with the Director, a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies.

All policies of insurance herein shall be in a form and in a company or companies approved by the City, and qualified to do insurance business in the State of Missouri. Each such policy shall provide that the policy may not be materially changed, altered or canceled by the insurer during its term without first giving thirty (30) days notice to the Director. Each such insurance policy shall also provide primary coverage to the City when any policy issued to the City provides duplicate or similar coverage and in such circumstances, the City's policy will be excess over Permittee's policy.

Section 25. INDEMNIFICATION AND RELEASE.

A. Permittee's Indemnification: Permittee shall indemnify, protect, defend, and hold St. Louis County, the City, its Board of Aldermen, Airport Commission, officers, directors, agents, tenants, licenses, invitees, guess, contractors, representatives, and employees completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury to or death of any person and/or damage to any property (including any environmental condition caused by Permittee), including all reasonable costs for investigation and defense thereof (including but not limited to attorneys' fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this Permit or the use or occupancy of the Operations Area or the acts or omissions of Permittee's officers, agent, employees, representatives, contractors, subcontractors, consultants, licensees, independent contractors or invitees regardless of where the injury, death, or damage may occur, except to the extent arising out of the willful or intentional misconduct of the City, its boards, commissions, directors, officers, agents, tenants, licenses, invitees, guests, contractors, representatives, and employees. The Director or his/her designee shall give to Permittee reasonable notice of any such claims or actions. The Permittee shall also use counsel reasonably acceptable to the City Counselor of the City or his/her designee, after consultation with the Director or his/her designee in carrying out its obligations hereunder. The provisions of this Section 25 will survive the expiration or early termination of this Permit.

B. Permittee's Release: Notwithstanding Section 25.A or any other provision of this Permit, Permittee enters the Operations Area exclusively at its own risk in regard to the condition or use of the Operations Area (see Section 1 "**Operations Area**"), or the City's acts, omissions, or operations and the acts, omissions, or operations of its affiliates, tenants, airlines, licenses, invitees, guess, employees, officers, agents, representatives, or other users of the Airport and their officers, employees, contractors, licenses, invitees, guess, agents or representatives (collectively the "**Released Parties**") excepting the willful or intentional misconduct by the City or the Released Parties. In addition, Permittee hereby releases and forever discharges the City and the Released Parties from any and all constitutional, statutory or common law causes of action, lawsuits, rights, claims, damages, losses, indebtedness, fees, costs, and liabilities of every nature and description, whether known or unknown, direct, indirect or consequential that Permittee may have now or in the future against the City or the Released Parties incidental to, arising from, or related to this Permit and the conditions or use of the Operations Area by Permittee including, without limitation, the Permittee's testing of aircraft engine and aircraft systems on the Operations Area. For purposes of this Section 25.B Permittee means and includes the Permittee and its officers, agents, employees, contractors, consultants,

subcontractors, licensees, independent contractors, invitees, guess, and representatives, but the foregoing will not prevent Permittee from seeking contribution from the Released Parties for third party claims for bodily injury to the extent arising out of the willful or intentional misconduct of any of the Released Parties.

Section 26. OCCUPANCY OF OPERATIONS AREA. Permittee agrees that it will not permit any act of omission or commission or condition to exist on the Operations Area which would increase the premium rate of insurance thereon or on the terminal or invalidate any such insurance.

Section 27. ASSIGNMENT AND SUBLETTING. Permittee shall not assign this Permit, except that Permittee may assign its rights under this Permit to any wholly-owned subsidiary of any such subsidiary at any level, provided that Permittee shall remain fully liable to perform all of its obligations under this Permit. Permittee shall not sublet the Operations Area or any portion thereof. Permittee shall remain responsible for its assigns.

Section 28. NOTICE. Except as herein otherwise expressly provided, all notices required to be given to the City hereunder shall be in writing and shall be sent by certified mail, return receipt requested, addressed to the Director of Airports, St. Louis Airport Authority, 10701 Lambert International Boulevard, St. Louis, Missouri, 63145, with a copy to the Airport Properties Division Manager at the same address. All notices, demands, and requests by the City to Permittee shall be sent by certified mail, return receipt requested, addressed to:

The Boeing Company
c/o Boeing Planning & Real Estate
325 J.S. McDonnell Boulevard
Mail Code: S306-5565
Hazelwood, MO 63042
Attn: Real Estate Manager

with an additional copy to:

The Boeing Company
c/o MBG Consulting Inc.
980 N. Michigan Avenue, Suite 1000
Chicago, IL 60611-4521

The parties or either of them may designate in writing from time to time any changes in addresses or any addresses of substitute or supplementary persons in connection with said notices. The effective date of service of any such notice shall be the date such notice is mailed to Permittee or said Director.

Section 29. RIGHTS CUMULATIVE. It is understood and agreed that the rights and remedies of the City and Permittee specified in this Permit are not intended to be, and shall not be exclusive of one another or exclusive of any common law right of either of the parties hereto.

Section 30. EVENTS OF DEFAULT.

Each of the following constitutes an “Event of Default” under this Permit:

- A. Permittee fails to punctually pay when due any Fees or payments or any other sum required to be paid hereunder, or fails to comply with its reporting requirements to the City, and such failure continues for a period of 15 days after Notice of non-payment or non-remittance has been given to Permittee by the City.
- B. Permittee fails to keep, perform and observe any promise, covenant or other provision of this Permit for a period of 30 days after Notice specifying such failure by the City; provided, however, that any such failure which can be cured, but which cannot with due diligence be cured within such 30 day period, shall not give rise to the City's right to terminate this Permit if corrective action is instituted by Permittee within such 30 day period and diligently pursued until the failure is corrected.
- C. Any representation or warranty of a material fact made by Permittee herein or in any certificate or statement furnished to the City pursuant to or in connection herewith proves untrue in any material respect as of the date of issuance or making thereof, and such materiality is then continuing.
- D. Permittee discontinues its business at the Airport for a period of 30 consecutive days or, after exhausting or abandoning any further appeals, Permittee is prevented for a period of 30 consecutive days by action of any governmental agency other than the City from conducting its business at the Airport.
- E. Permittee fails to meet and maintain the Performance and Payment Bond requirements in accordance with Section 12.
- F. Permittee fails to maintain the minimum required insurance coverage as required by Section 20 for a period of 30 days after Notice specifying such failure by the City, provided that the City shall have the right to immediately suspend Permittee's right to operate at the Airport until Permittee has obtained the minimum required insurance coverage.
- G. Permittee fails to maintain true and accurate books, records, and accounts resulting in an underpayment of Fees and payments by Permittee to the City, and such underpayment continues for a period of 6 months.
- H. Permittee becomes insolvent (as such term is defined under Section 101 of the Federal Bankruptcy Code, 11 U.S.C. § 101 et seq. (the “Bankruptcy Code”), or any successor statute thereto); or fails to pay its debts generally as they mature; or takes the benefit of any present or future federal or state insolvency statute; or makes a general assignment for the benefit of creditors.

- I. Permittee files a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the Bankruptcy Code or under any other law or statute of the United States or of any state thereof, or under any law or statute of another country; or consents to the appointment of a receiver, trustee, custodian, liquidator, or other similar official, of all or substantially all of its property; or an order for relief is entered by or against Permittee under any chapter of the Bankruptcy Code.
- J. Permittee is adjudged a debtor or bankrupt and/or an order is made approving a petition filed by any of Permittee's creditors or stockholders seeking Permittee's liquidation or reorganization under the Bankruptcy Code or under any other law or statute of the United States or any state thereof, and such order or decree is not stayed or vacated within 60 days of its issuance.
- K. A petition under any chapter of the Bankruptcy Code or an action under any federal or state insolvency law or statute, or an action under any insolvency law or statute of another country is filed against Permittee and is not dismissed or stayed within 60 days after the filing thereof.
- L. By or pursuant to, or under authority of any legislative act, resolution, or rule, or any order or decree of any court or governmental board, agency or officer, a receiver, trustee, custodian, liquidator, or other similar official takes possession or control of all or substantially all of the property of Permittee and such possession or control continues in effect for a period of 60 days.
- M. Permittee becomes a corporation in dissolution.
- N. The letting, license, or other interest of or rights of Permittee hereunder is transferred to, passed to, or devolved upon, by operation of law or otherwise, any other person, firm, corporation, or other entity, by, in connection with or as a result of any bankruptcy, insolvency, trusteeship, liquidation, or other proceedings or occurrence described in subparagraphs (H) through (M) of this Section.

Section 31 TERMINATION BY CITY.

- A. Whenever an Event of Default has occurred, the City may at its option, immediately and without further notification of such Event of Default:
 - 1. Terminate this Permit and/or Permittee's rights granted hereby, but without discharging any of Permittee's obligations hereunder and, at the City's further option, exclude Permittee from its Premises. If Permittee uses, occupies, or fails to surrender or remove its property from its Premises, or any portion thereof, without the consent of the City after this Agreement has been terminated or expires, Permittee may be deemed a tenant at sufferance during the period of such use or failure and, in such event, Permittee shall pay Fees and payments

established by the City for Nonsignatory Airlines during such period. In such event, the City shall have, in addition to whatever other rights are available to the City, the right to all remedies provided under applicable laws, and reasonable costs, disbursements, and attorney fees including consequential damages incurred as a result of the holdover.

- B. In the event of an Event of Default, the City may exercise any and all of the rights provided to it in this Section irrespective of any subsequent cure by Permittee, unless otherwise mutually agreed by Permittee and the City.
- C. The remedies set forth in this Section shall be in addition to all other remedies which are or may be available to the City at law or in equity to enforce the performance and observance of any obligation, agreement or covenant of Permittee hereunder, including collection of amounts due.
- D. All rights and remedies given to the City herein and all rights and remedies granted to the City by law shall be cumulative and concurrent. No termination of this Permit or the taking or recovering of the Operations Area shall deprive the City of any of the City's remedies or actions against Permittee for Fees and payments or for damages or for the breach of any covenant herein contained, nor shall the bringing of any action for Fees and payments or breach of covenant, the resort to any other remedy herein provided for the recovery of Fees and payments, or any delay in exercising such rights, be construed as a waiver of the right to obtain possession of the Operations Area.
- E. In no event shall this Permit or any rights or privileges hereunder be an asset of Permittee under any bankruptcy, insolvency, or reorganization proceedings.

SECTION 32. PERMITTEES RIGHT TO TERMINATE.

Permittee, at its option, may declare this Permit terminated in its entirety, in the manner provided in Section 33 hereof, for the following causes:

- A. if a court of competent jurisdiction issues an injunction or restraining order against City preventing or restraining the use of the Airport for airport purposes in its entirety or substantial entirety.
- B. if City shall have abandoned the Airport for a period of at least thirty (30) days and shall have failed to operate and maintain the Airport in such manner as to permit landings and takeoffs of planes by scheduled air carriers.
- C. in the event of destruction of all or a material portion of the Airport or the Airport facilities, or in the event that an agency or instrumentality of the United States Government or any state or local government shall occupy the Airport or a substantial part thereof, or in the event of military mobilization or public emergency wherein there is a curtailment, either by executive decree or legislative action, that results in material

interference with Permittee's normal business operations continuing for a period in excess of sixty (60) days.

- D. if City shall have failed in the performance of any term, covenant or condition within the control of City and herein required by this Permit to be performed by City.

SECTION 33. PROCEDURES FOR TERMINATION.

The procedure for termination will depend upon whether the basis for termination is non-payment or all other reasons.

- A. Termination for Non-Payment. The City shall have right to terminate this Permit for non-payment upon not less than ten (10) days prior written notice by the City to the Permittee specifying the date upon which such termination shall take effect. Such termination shall be effective upon the termination date unless the Permittee makes full payment of all amounts owed to the City within said ten (10) days.
- B. Termination for Other than Non-Payment. Either party shall have the right to terminate this Permit for a cause other than non-payment upon not less than thirty (30) days prior written notice specifying the date upon which such termination shall take effect, and the cause for which this Permit is being terminated. Such termination shall be effective upon the termination date unless the cause of default is cured within the thirty (30) day period, or if such cause of default by its nature cannot be cured within such thirty (30) day period, and the party at default commences to correct such default within said thirty (30) days and corrects the same as promptly as is reasonably practicable, the termination shall not take effect.

In the event that suit shall be instituted by City upon the default of payment of fees and charges as provided herein, then Permittee agrees also to pay reasonable attorneys' fees, court costs, and expenses.

Section 34. NON-DISCRIMINATION AND AFFIRMATIVE ACTION PROGRAM.

- A. Permittee hereto understands and agrees that the City in operation and use of Lambert-St. Louis International Airport, will not on the grounds of race, creed, color, religion, sex, national origin or ancestry, discriminate or permit discrimination against any person or group of persons in a manner prohibited by Part 21 of the Federal Aviation Regulations of the Office of the Secretary of Transportation. Permittee hereby agrees that its Operations Area shall be posted to such effect as required by such regulation.
- B. Permittee agrees that in performing under this Permit, neither it nor anyone under its control will permit discrimination against any employee, worker, or applicant for employment because of race, creed, color, religion, sex, national origin, or ancestry. Permittee will take affirmative action to insure that applicants are employed and that employees are treated fairly without regard to race, creed, color, religion, sex, national origin, or ancestry. Such action

must include, but shall not be limited to action to bar, employ, upgrade or recruit; expel, discharge, demote or transfer; layoff, terminate or create intolerable working conditions, rates of pay or other forms of compensation and selection for training including apprenticeship.

- C. Permittee will in all printed or circulated solicitations or other advertisement or publication for employees placed by or on behalf of Permittee state that all qualified applicants shall receive meaningful consideration for employment without regard to race, creed, color, religion, sex, national origin, or ancestry. All advertisements or solicitations for applicants for employment must contain the phrase "An Equal Opportunity Employer". Permittee shall not make inquiry in connection with prospective employment, which expresses directly or indirectly any limitation, specification, or discrimination because of race, creed, color, religion, sex, national origin, or ancestry.
- D. Permittee agrees that should it be determined by Permittee or the City that it will be unable to conform to its approved positive employment program submitted to determine eligibility under the fair employment practices provisions of the City Code, it will notify the Fair Employment Practices Division of the Civil Rights Enforcement Agency (CREA) within ten (10) days of such determination, as to the steps to be taken by Permittee to achieve the provisions of its program.
- E. Permittee will permit reasonable access by the City to such persons, reports, and records as are necessary for the purpose of ascertaining compliance with fair employment practices.
- F. Permittee further agrees that these clauses (B through E) covering discrimination and equal opportunity practices in all matters of employment and training for employment will be incorporated by Permittee in all contracts or Permits it enters into with suppliers of materials or services, contractors and subcontractors, and all labor organizations furnishing skilled, unskilled and craft union skilled labor, or who may perform any such labor or service in connection with this Permit.
- G. Whenever Permittee is sued by a subcontractor, vendor, individual, group or association as a result of non-compliance with the clauses (A through F) of these provisions relating to fair employment practices, Permittee shall notify the City Counselor in writing of such suit or threatened suit within ten (10) days.
- H. In the event of Permittee's noncompliance with nondiscrimination clauses of this Permit, or to furnish information or permit its books, records and account to be inspected within twenty (20) days from date requested, this Permit may be canceled, terminated or suspended, in whole or in part, and Permittee may be declared ineligible for further City contracts for a period of one (1) year by option of the City, provided, further, if this Permit is canceled, terminated or suspended for failure to comply with fair employment practices, Permittee shall have no claims for any damages or loss of any kind whatsoever against the City.
- I. Permittee assures that it will undertake an affirmative action program as required by 14 CFR, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color,

religion, sex, national origin or ancestry be excluded from participating in any employment activities covered in 14 CFR, Part 152, Subpart E. Permittee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Permittee assures that it will require that its covered suborganizations provide assurances to the Permittee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR, Part 152, Subpart E, to the same effect.

Section 35. NO PERSONAL LIABILITY. No Alderman, Commissioner, Director, officer, agent, or employee of either party shall be personally liable under or in connection with this Permit.

Section 36. FORCE MAJEURE. Neither the City nor Permittee shall be deemed in violation of this Permit if it is prevented from performing any of the obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortage of material, acts of God, acts of the public enemy, act of superior governmental authority, weather conditions, riots, rebellion, or sabotage, or any other circumstances for which it is not responsible and which is not within its control.

Section 37. QUIET ENJOYMENT. Subject to the terms, covenants and conditions of the Permit, the City covenants that Permittee, on paying the rentals and otherwise performing its covenants and other obligations hereunder, shall have quiet and peaceable use of the Operations Area.

Section 38. GOVERNING LAW. This Permit shall be deemed to have been made in, and be construed in accordance with the laws of the State of Missouri and is subject to the City's Charter and ordinances, as they may be amended from time to time.

Section 39. WAIVERS. No waiver of default by either party of any of the terms, covenants and conditions hereto to be performed, kept and observed by the other party shall be construed as, or operate as, a waiver of any subsequent default of any of the terms, covenants or conditions herein contained to be performed, kept and observed by the other party. Any such waiver must be in writing and signed by the party waiving.

Section 40. PREVAILING WAGE. Permittee shall, as a condition of the Permit, include in all service contracts pertaining to the Operations Area, language specifying the minimum prevailing wages to be paid and fringe benefits to be provided by the service contractor to employees of said service contractor. This section is in accordance with and is subject to the City of St. Louis Ordinance No. 62124.

Section 41. INVALID PROVISIONS. In the event any term, covenant, condition or provision herein contained is held to be invalid by a court of competent jurisdiction, the invalidity of any such term, covenant, condition or provision shall in no way affect any other term, covenant, condition or provision herein contained, provided the invalidity of any such term, covenant, condition or provision does not materially prejudice either the City or Permittee in its respective

rights and obligations contained in the valid terms, covenants, conditions and provisions of this Permit.

Section 42. SUCCESSORS AND ASSIGNS. All of the terms, provisions, covenants, stipulations, conditions, and considerations of this Permit shall extend to and bind the legal representatives, successors, and assigns of the respective parties hereto.

Section 43. OPERATION AND MAINTENANCE OF AIRPORT. The City shall at all times operate the Airport properly and in a sound and economical manner; and the City shall use reasonable effort to maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, with the appurtenances in good repair, working order and condition, and shall from time to time use reasonable effort to make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport may be properly and advantageously conducted in conformity with standards customarily followed by municipalities operating airports of like size and character.

Section 44. AGREEMENTS WITH THE UNITED STATES. This Permit is subject and subordinate to the provisions of any agreements heretofore made between the City and the United States, relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of Federal rights or property to the City for Airport purposes, or to the expenditure of Federal funds for the extension, expansion or development of the Airport, including the expenditure of Federal funds for the development of the Airport in accordance with the provisions of the Airport and Airway Development Act as it has been amended from time to time.

Section 45. MODIFICATIONS FOR GRANTING FAA FUNDS. In the event that the Federal Aviation Administration requires, as a condition precedent to granting of funds for the improvement of the Airport, modifications or changes to this document, Permittee agrees to consent to such reasonable amendments, modifications, revisions, supplements, deletions of any of the terms, conditions, or requirements of this Permit, as may be reasonably required to enable the City to obtain said Federal Aviation Administration funds, provided that in no event shall such changes substantially impair the rights of Permittee hereunder.

Section 46. AMERICANS WITH DISABILITIES ACT (ADA). Permittee shall be responsible for compliance with the Federal ADA, plus other federal, state, or local laws or regulations and the City Ordinances pertaining to the disabled individual having access to Permittee's services.

Section 47. ADVERTISING. Permittee shall have no right to use the trademarks, symbols, trade names or name of the Airport or Operations Area, either directly or indirectly, in connection with any production, promotional service, or publication without the prior written consent of the Director.

Section 48. CONFLICTS BETWEEN TENANTS. In the event of a conflict between Permittee and any other tenant, airline, permittee, licensee, concessionaire, or other user of the Airport as to the respective rights of the others, the Director shall review the applicable agreements and by

reasonable interpretation thereof determine the rights of each party, and Permittee agrees to be bound by such decision. All determinations by the Director are final.

Section 49. TIME IS OF THE ESSENCE. Time is of the essence in this Permit. The parties agree that time shall be of the essence in the performance of each and every obligation and condition of this Permit.

Section 50. ACKNOWLEDGMENT OF TERMS AND CONDITIONS. The parties affirm each has full knowledge of the terms, covenants, conditions, and requirements contained in this Permit. As such, the terms of this Permit shall be fairly construed and the usual rule of construction, if applicable, to the effect that any ambiguities herein should be resolved against the drafting party, shall not be employed in the interpretation of this Permit or any amendments, modifications or exhibits thereto.

Section 51. REQUIRED APPROVALS. When the consent, approval, waiver, or certification (“**Approval**”) of other party is required under the terms of this Permit, such Approval must be in writing and signed by the party approving. Whenever the Approval of the City or the Director is required, the Approval must be from the Director or his/her authorized or designated representative. The City and Permittee agree that extensions of time for performance may be made by the written mutual consent of the Director and the Permittee or its designee. Whenever the approval of the City, or the Director, or of Permittee is required herein, no such approval shall be unreasonably requested or withheld.

Section 52. ENVIRONMENTAL NOTICE. Permittee shall promptly notify the Director of (1) any change in the nature of the Permittee's operations on the Operations Area that will materially and/or substantially change the Permittee's or the City's potential obligations or liabilities under the environmental laws, or (2) the commencement of any governmental entity of a formal administrative proceeding before an administrative law judge or a civil or criminal action before a judicial tribunal alleging a violation of any environmental law in connection with Permittee's operations on the Operations Area.

Section 53. ENTIRE PERMIT. This Permit, together with all exhibits attached hereto, constitutes the entire Permit between the parties hereto and all other representations or statements heretofore made, verbal or written are merged herein and this Permit may be amended only in writing and executed by duly authorized representatives of the parties hereto.

Section 54. SURVIVAL OF WARRANTIES. All warranties and covenants set forth in this Permit survive the execution and performance of this Permit.

Section 55. FAA NON DISCRIMINATION.

(a) The Permittee for itself, personal representatives, successor in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

- (i) in the event facilities, structures or improvements are constructed, maintained, or otherwise operated on the Operations Area for a purpose for which a FAA activity, facility or program is extended or for another purpose involving the provision of similar services or benefits, the Permittee will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations such that no person on the grounds of race, color, or national origin, will be excluded from participating in, denied the benefits of, or otherwise subjected to discrimination in the use of the Operations Area;
- (ii) no person on the ground of race, color, or national origin will be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Operations Area or the facilities, structures or improvements within the Operations Area;
- (iii) in the construction of any improvements on, over, or under the Operations Area, and the furnishing of services thereon, no person on the ground of race, color, or national origin will be excluded from participation, denied the benefits of, or otherwise be subject to discrimination,
- (iv) the Permittee will use the Operations Area or facilities, structures, or improvements within the Operations Area in compliance with the Acts and Regulations; and
- (v) for purposes of this Section 55, references to “Acts or Regulations” will mean or include the following statutory and regulatory cities, as may be amended from time to time:
- 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); and 49 CFR part 21;
 - 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;
 - 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 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or

sex);

- The Civil Rights Restoration Act of 1987, (PL 100-209), (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, which 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 (42 U.S.C. §§ 12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and
- 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).

IN WITNESS WHEREOF, the parties hereto for themselves, their successors and assigns, have executed this Permit the day and year last written below.

The foregoing Permit was approved by the Airport Commission at its meeting on the 3rd day of August, 2016.

THE CITY OF ST. LOUIS

By: [Signature] 8/3/16
Commission Chairman Date
and Director of Airports

APPROVED AS TO FORM ONLY BY:

COUNTERSIGNED BY:

[Signature] 8-3-2016
City Counselor Date
City of St. Louis

[Signature]
Comptroller Date
City of St. Louis

ATTESTED TO BY:

[Signature] 09-26-16
Register Date
City of St. Louis

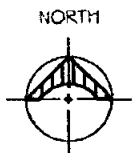
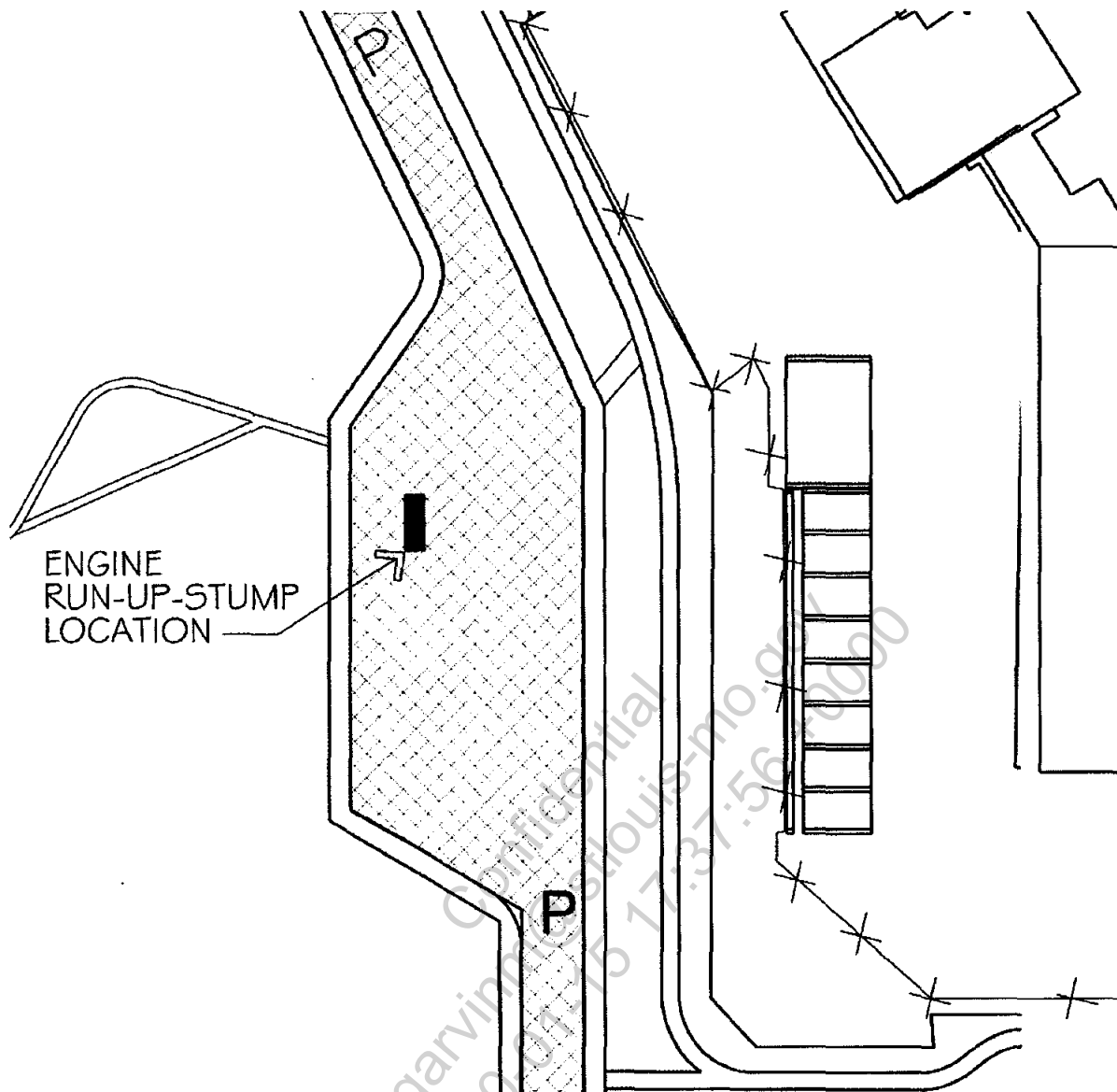
The foregoing Permit was approved in substance by the Board of Estimate and Apportionment at its meeting on the 3rd day of August, 2016.

[Signature] 8-23-16
Secretary Date
Board of Estimate & Apportionment

The Boeing Company

BY: [Signature]
Title: Authorized Signatory
Date: July 11, 2016

COMPTROLLER'S OFFICE
DOCUMENT # 70629



SITE LOCATION

OPERATIONS AREA - Boeing Company

St. Louis Airport Papa Pad

Engineering Department

Exhibit A

August 1, 2016