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THE CITY OF ST. LOUIS
CARGO FACILITY LEASE AGREEMENT
MAJESTIC TERMINAL SERVICES, INC.
AL-125

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**ST. LOUIS LAMBERT INTERNATIONAL AIRPORT
CARGO FACILITY LEASE AGREEMENT
(MAJESTIC TERMINAL SERVICES, INC.)**

THIS LEASE AGREEMENT, made and entered into as of the 29th day of August, 2019, (the “**Effective Date**”) by and between the City of St. Louis, a municipal corporation of the State of Missouri, as Lessor, and Majestic Terminal Services, Inc., a corporation organized and existing under the laws of the State of Washington, as Lessee.

RECITALS

The City owns and operates the St. Louis Lambert International Airport, located in the County of St. Louis, State of Missouri.

The City has fee simple title to the Premises including all Existing Improvements as of the Commencement Date of the Agreement and desires to lease the Premises to the Lessee.

Lessee desires to lease the Premises from the City beginning on the Commencement Date.

The City is willing to lease the Premises to the Lessee subject to the terms, covenants, conditions and provisions of this Agreement.

The parties hereto, therefore, agree as follows:

**ARTICLE I
MEANINGS AND CONSTRUCTION**

Section 101. Meanings and Construction. Except as otherwise clearly indicated by the context, the words and phrases defined in this Section have the following meanings when used elsewhere in this Agreement.

“**Agreement**” means this Lease Agreement.

“**Agreement Airline**” means an Airline that is a party to an Airport Use and Lease Agreement or an Airport Operating Agreement and Terminal Building Space Permit with the City.

“**Aircraft Apron**” means the portion of Lessee’s Preferential Use Space located inside the AOA.

“**Aircraft Operations Area**” or “**AOA**” means those areas of the Airport used for the landing, taking-off, movement, and parking of aircraft, as the same now exist or as the same hereafter may be added to, modified, changed, or developed.

“**Airline**” means an air carrier certificated by the U.S. Department of Transportation to engage in the carriage by aircraft of persons or property as a common carrier for compensation or hire, or the

carriage of mail by aircraft in commerce, as defined in the Federal Aviation Act of 1958, as amended, that operates at the Airport.

"Airport" means the St. Louis Lambert International Airport, together with any additions, improvements, or enlargements made from time to time.

"Airport Director" means the Airport Director of the City or the person performing the functions of that office, as authorized by the City's Mayor, or that person authorized by the Airport Director to act for or on behalf of the Airport Director with respect to any particular matter under this Agreement.

"Cargo Building" means that certain air cargo structure at the Airport, and all improvements thereto, located at 6111 James S. McDonnell Blvd., Berkeley, MO, 63134, which is owned by the City.

"City" or "Lessor" means The City of St. Louis, Missouri.

"Commencement Date" means the first day of the Term of this Agreement, which is September 1, 2019 (see Article III, Section 301).

"Common Use Formula" means the formula used to prorate the total monthly rent attributable to the Common Use Space among those authorized users using such Common Use Space as follows:

- i) Rent for the Taxiway Access Lane will be calculated by dividing the total square feet of the Taxiway Access Lane by Lessee's proportionate share of total leased Aircraft Apron, less vacant space.
- ii) Rent for Landscaping will be calculated by dividing the total square feet of the Landscaping by Lessee's proportionate share of total leased Preferential Use and Exclusive Use Space, less vacant space.

"Common Use Rent" means the rental amount, calculated in accordance with the Common Use Formula, for Lessee's use of the Common Use Space, as calculated on Exhibit B as of the Commencement Date, and subject to recalculation in accordance with Section 507 entitled "Common Use Space Rent Adjustment".

"Common Use Space" means space that Lessee uses on a common basis with other authorized users using such space including but not limited to the Taxiway Access Lane and Landscaping as depicted on Exhibit A.

"Contract Year" means a consecutive twelve (12) month period commencing on the first day of the Term of this Agreement.

"Days" means consecutive calendar days unless otherwise expressly stated.

"Director" means the Director of Airports of the City of St. Louis or his/her authorized or designated representative.

“Dual Customs” means a location or locations at the Airport in which, both: (1) U.S. customs authorities provide customs clearance service to air cargo entering the U.S. from Mexico, and (2) Mexican customs authorities establish and provide customs pre-clearance services for air cargo going to Mexico from the U.S. (see Section 401 entitled “Use”).

“Effective Date” means the date in which this Agreement has been duly signed and executed by both the City and Lessee, as shown on page 1 of this Agreement.

“Environmental Laws” means all applicable federal, state, and local statutes, ordinances, regulations, rules, laws, permits, Environmental Permits, permit conditions, and orders relating to the generation, emission, discharge, release, use, storage, transportation, or disposal of pollutants, contaminants, Hazardous Materials, wastes, hazardous substances, or chemicals or the preservation or regulation of the environment or natural resources 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, 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, 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. §5101 *et seq.*; the Endangered Species Act, 16 U.S.C. §1531 *et seq.*; the National Environmental Policy Act, 42 U.S.C. §4321 *et seq.*; the Toxic Substance Control Act, 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, U.S.C. §10101 *et seq.*, as such statutes and laws may be amended from time to time, all regulations, rules, executive orders, policies and instructions pertaining to and lawfully promulgated pursuant to such statute or law as they now exist or may be amended from time to time.

“Environmental Permits” means any and all permits, licenses, approvals, authorizations, consents, or registrations required by applicable Environmental Laws, whether federal, state or local, and any duly filed environmental covenant or land use restrictions applicable to the Airport or the Premises.

“Event of Default” means an Event of Default as defined in Section 1001.

“Exclusive Use Space” means that space within the Cargo Building, including Lessee’s operational and administrative space, as depicted on Exhibit A, in which Lessee is granted the right to occupy and use to the exclusion of others, in accordance with the provisions of this Agreement including Article IV.

“Existing Improvements” means, without limitation all personal property, equipment, fixtures, structures, facilities, and related installations, and improvements including all appurtenances thereto existing within the Premises as of the Commencement Date, which are owned by the City.

“Federal Aviation Administration” or “FAA” means the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any successor agency thereto.

“Hazardous Materials” means friable asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs), petroleum, or crude oil, natural gas, or source material or byproducts thereof, special nuclear material, pesticides, hazardous waste, toxic substance, or any material defined or treated as a hazardous substance, regulated special waste, pollutant or contaminant (or comparable term) under any of the Environmental Laws.

“Lessee Improvements” means all construction, installations, modernization, refurbishment, improvements, and upgrades of all fixtures, furnishings, equipment and finishes built, installed constructed, or erected by the Lessee under this Agreement, and forming a part of and which are permanently affixed or attached to any portion of Airport real property or Existing Improvements within the Premises.

“Landscaping” means the portion of Common Use Space outside the AOA between the Vehicle Parking and James S. McDonnell Boulevard, as depicted on Exhibit A, generally described as grass, trees, and other vegetation.

“Lessee” means Majestic Terminal Services, Inc.

“Notice” means a communication between the parties to this Agreement performed in accordance with the requirements of Section 1201.

“Preferential Use Space” means that space adjacent to the Cargo Building, including Vehicle Parking and Aircraft Apron, as depicted on Exhibit A, in which Lessee holds a priority over others as to use in accordance with the provisions of Article IV.

“Premises” means the area or areas described in Section 201, and shown on Exhibit A, that has or have been leased to Lessee for its Exclusive Use and occupancy, Preferential Use, or Common Use, including all Existing Improvements within the Premises as of the Commencement Date.

“Refurbishment Costs” shall mean costs incurred by Lessee to upgrade or refurbish the Premises as noted above by replacement of furnishings, fixtures and finishes and including construction of Lessee Improvements, costs of architectural design and engineering fees, outside project management, installation and preparation of all assets for their intended use, general contractors, sub-contractors, taxes, permits, insurance and construction bonds; but excluding the costs of financing interest during construction and the internal costs of Lessee’s employees.

“Remediation Costs” means any losses, expenses, or costs incurred by the City in connection with environmental remediation: (i) required by the appropriate governmental agency responsible for enforcing applicable Environmental Laws or Environmental Permits, or (ii) attributable to Hazardous Materials left on City property in excess of applicable remediation standards derived by the U.S. Environmental Protection Agency, the U.S. Occupational Safety and Health Administration, the Missouri Department of Natural Resources or other governmental health agency as appropriate for commercial property, safe for occupational exposure or Airport use or which are in violation of applicable Environmental Laws or Environmental Permits, and caused by, or arising out of, Lessee’s operations at the Airport or the Lessee’s use or lease of the City’s property. Remediation Costs include without limitation investigation and evaluation costs, costs to implement and administer institutional controls, restrictive covenants, soil

management plans or other related reports or studies, sampling and analysis costs, reporting costs, planning and design costs, consultant and contractor costs, labor costs, equipment costs, construction costs, access costs, disposal costs, transportation costs, administrative costs, attorneys' fees and other legal fees and litigation expenses, permit fees and costs, monitoring costs, oversight and inspection costs, claims, demands, causes of action, suits, judgments, damages, compensation, debts, costs, expenses, losses, penalties, fines, stipulated penalties, punitive damages, and other similar liabilities caused by or arising out of or incidental to the Lessee's handling, use, storage, release, disposal, generation, emission, or discharge of Hazardous Materials at the Airport including the Premises.

"Removable Fixtures" means all furnishings, equipment, personal property, and fixtures installed or placed by the Lessee within the Premises that are not permanently affixed to any wall, floor or ceiling within the Premises, and identified and listed by Lessee on its Removable Fixtures list approved by the Director, as provided for in Section 1101 of this Agreement.

"Rents" means for any Contract Year, the rents payable by Lessee pursuant to Article V.

"Rules and Regulations" means those lawful, reasonable, and not unjustly discriminatory rules and regulations, including ordinances and operating directives, promulgated by the Airport Director, the Airport Commission, or the City from time to time for the orderly operation of the Airport.

"Taxiway Access Lane" means the portion of Common Use Space inside the AOA which connects the Aircraft Apron to the taxiways and runways of the Airport, as depicted on Exhibit A.

"Term" means the entire term of this Agreement as provided for in Article III Section 301.

"Transportation Security Administration" or "TSA" means the Transportation Security Administration created under the Aviation and Transportation Security Act of 2001, as amended, or any successor agency thereto.

"Vehicle Parking" means the portion of Lessee's Preferential Use Space located outside the AOA as depicted on Exhibit A.

Section 102. Interpretation. References in the text of this Agreement to articles, sections, paragraphs, or exhibits pertain to articles, sections, paragraphs, or exhibits of this Agreement, unless otherwise specified.

The terms "hereby," "herein," "hereof," "hereto," "hereunder," and any similar terms used in this Agreement refer to this Agreement.

Words importing persons include firms, associations, partnerships, trusts, corporations, and other legal entities, including public bodies, as well as natural persons.

Any headings preceding the text of the articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, are solely for convenience of reference and do not constitute a part of this Agreement, nor do they affect its meaning, construction, or effect.

Words importing the singular include the plural and vice versa. Words of any gender are deemed to include correlative words of the other gender.

The term "including" is construed to mean "including without limitation," unless otherwise expressly indicated.

All references to number of days' mean calendar days.

Words used in the present tense include the future.

ARTICLE II PREMISES

Section 201. Premises. The City hereby leases Lessee, and Lessee takes from the City, Premises located at 6111 James S. McDonnell Blvd., Berkeley, MO, 63134, consisting of 44,274 square feet of enclosed Cargo Building Exclusive Use Space, 78,224 square feet of adjoining Vehicle Parking Preferential Use Space, 95,342 square feet of adjoining Aircraft Apron Preferential Use Space, and a proportionate share of the Common Use Space all as shown on Exhibit A, attached hereto and made a part hereof.

The Premises are leased to Lessee subject to the reservations set forth in Section 202 hereof.

Lessee accepts and receives the Premises "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 agents or representatives with respect to the physical, environmental or structural conditions of the Premises or any portion thereof or otherwise including but not limited to, soil conditions of the land and structural conditions of the buildings or facilities or the presence or absence of any Hazardous Materials, or of any underground or above ground storage tanks or repositories and related equipment, water, sewage or utilities serving the Premises or any other matter or thing affecting or relating to the Premises, except as expressly set forth in this Agreement. The City without limitation expressly disclaims any expressed or implied warranty with respect to the condition of the Premises, its compliance with any zoning or other laws, statutes, rules, ordinances or regulations applicable to the Premises including but not limited to the Americans with Disabilities Act, the uses permitted on the Premises, or any other matter or thing relating to the Premises or any portion thereof.

Section 202. Reservations. The grant of lease hereunder is subject to the following reservations and conditions:

- A. The City reserves the right (but is not obligated pursuant to this Agreement) to develop, maintain, and keep in repair the Airport, including the Aircraft Operating Area and all publicly-owned facilities.
- B. Lessee shall not exercise the rights granted by this Agreement to Lessee in such a way as to interfere with or adversely affect the use, operation, maintenance, expansion or development of the Airport, or with the operations of other tenants or users of the Airport.

- C. The City reserves the right to, from time to time, temporarily or permanently close or restrict specific roadways, taxiways, taxi lanes, runways, apron areas, doorways, and any other area at the Airport. The City also reserves the right at any time or times to relocate, reconstruct, change, alter, or modify any such means of access provided for pursuant to this Agreement or otherwise, either temporarily or permanently; provided that a reasonably convenient and adequate means of access, ingress, and egress exist or be provided in lieu thereof. The City shall reasonably notify Lessee of any such action affecting Lessee.
- D. The City reserves for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises, together with the right to cause or allow in said airspace such noise, vibration, fumes, dust, fuel particles, illuminations, interference with television, radio or any other type of transmission and other effects as may be caused in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from, or operating on or about the Airport.
- E. The City reserves the right to grant utility and maintenance rights-of-way to itself and others over, under, through, across or on the Premises provided that such use will not substantially or materially interfere with Lessee's use of the Premises, and provided further that such reservation or grant of rights does not directly result in additional cost or expense to Lessee.

Section 203. Access. Subject to all of the terms, covenants, warranties and conditions of this Agreement, Lessee has the right of free access, ingress to and egress from the Premises, for Lessee's employees, contractors, subcontractors, agents, guests, patrons and invitees, its or their suppliers of materials and furnishers of service, and its or their equipment, vehicles, machinery and other property. Subject to the terms, covenants, warranties and conditions of this Agreement, City reserves and has the right to access, ingress to and egress from the Premises without charge therefor, for its employees, contractors, subcontractors, agents, guests, patrons and invitees, its or their suppliers of materials and furnishers of service, and its or their equipment, vehicles, machinery and other property, provided that such right will not unreasonably and materially interfere with Lessee's use of the Premises and upon compliance with Lessee's reasonable security and confidentiality procedures. If Lessee is not present to permit entry and entry is necessary, City may, in case of emergency, forcibly enter the Premises without rendering City liable therefor, except for any actual damage caused to Lessee's property because of such entry or any actual costs or actual damages or liabilities arising from City's negligence or willful misconduct. Nothing contained herein will be construed to impose upon City any duty of inspection or repair of the Premises except as expressly and specifically provided for herein.

Section 204. Security. Lessee hereby acknowledges that the City is required by 49 C.F.R. Part 1500, as amended from time to time ("TSA 1500"), to adopt and put into use facilities and procedures designed to prevent and detect persons and vehicles from unauthorized entry, presence and movement into the Security Identification Display Area as defined in TSA 1500 ("SIDA") or the AOA. Lessee understands that the City has met said requirements by developing an Airport Security Program ("ASP") for the Airport, and Lessee warrants, covenants and agrees to be fully bound by and immediately responsive to the requirements of TSA 1500 and the ASP in connection with Lessee's exercise of the privileges granted hereunder during the Term, and to impose similar requirements on all of its Occupants. Lessee, at its own cost, will cause facilities and procedures to be prepared, satisfactory to the City, designed to prevent and detect persons and vehicles from

unauthorized access to the SIDA or the AOA from and through any Premises in accordance with the provisions of TSA 1500 and the ASP. For purposes of this Section 204 the word "**Occupants**" means Lessee, any sublessees, any sub-sublessees, or any other persons or entities conducting business within or offering goods or services from the Premises.

At a minimum, any modifications to the Premises by Lessee shall meet the recommendations and best practices set forth in the Recommended Security Guidelines for Airport Planning, Design, and Construction Program, Applied Research in Airport Security, Report 0004 ("**PARAS 0004**"), and in the Guidebook for Air Cargo Facility Planning ACRP Report 143, unless expressly waived in writing by the Airport Security Coordinator, as designated in the ASP.

In order to meet the requirements set forth above, Lessee's security procedures and facilities on the Premises shall include but not be limited to:

- A. Continuous fencing and locked gates that meets or exceeds the requirements in the ASP;
- B. A City-approved employee credentialing system that is compatible with the City's system; and badge display, escort, and challenge procedures applicable to persons authorized to enter the SIDA or the AOA;
- C. A City-approved electronic access control system that is compatible with the City's system, including electronic-controlled gates and doorways, and one way revolving personnel gates or a manned guard system where gates or doorways cannot reasonably be controlled by locks, as determined by the Airport Security Coordinator;
- D. Other facilities, equipment and procedures as may be required to control the entrance of unauthorized persons and vehicles onto the SIDA or the AOA; and
- E. A City-approved and City compatible Closed Caption Television ("**CCTV**") system that can be integrated into the City's existing CCTV system, and that at a minimum provides for up to thirty (30) days of video recording and storage containing surveillance area views of the locations listed in PARAS 0004 7.5.11.5, and sufficient area lighting to ensure that the CCTV system has ample ambient lighting to monitor and record the required surveillance area views.

Lessee shall not do or permit other Occupants and its or their agents, employees, contractors and suppliers, to do anything at the Airport that would be in conflict with or violate the requirements of any federal, state, or local law, regulation or security directive regarding airport security, TSA 1500, or the ASP, as they may be amended from time to time. Lessee shall be responsible for obtaining and coordinating any City issued security badging, vehicle decals, or any other actions required to ensure that Lessee's and Occupant's agents, employees, contractors, and suppliers are in compliance with all security requirements. Lessee shall be responsible for all costs associated with obtaining such badge or access privileges.

Section 205. Premises Adjustments. If Premises are increased, reduced or changed by mutual written consent of the City and Lessee, revised exhibits may be substituted for those herein without the necessity to amend this Agreement, which substitution may be made by Notice to Lessee from the City.

ARTICLE III AGREEMENT TERM

Section 301. Term. The Term of this Agreement commences on September 1, 2019 (“**Commencement Date**”) and ends on August 31, 2022 unless sooner terminated in accordance with other provisions of this Agreement.

The City or Lessee may terminate this Agreement without cause by giving three hundred sixty five (365) days’ Notice to the other party with no liability to the terminating party and such termination will be deemed a no fault cancellation.

Section 302. Holding Over. If Lessee holds over after the expiration or early termination of this Agreement, the resulting tenancy will be for an indefinite period of time on a month-to-month basis, during which tenancy the parties to this Agreement shall continue to adhere to all covenants, conditions and provisions of this Agreement. Notwithstanding the foregoing, Lessee shall, subject to the provisions of Section 506 herein, pay the prevailing Rent then in effect during any holdover period. Acceptance by the City of payment of Rents or other fees or charges after expiration or early termination of this Agreement will be deemed to be payment on account, and will not operate to waive or modify any provision of this Section.

Section 303. Surrender of Possession. No notice to quit possession at the expiration date of the term of this Agreement, or at the earlier termination hereof, will be necessary. Lessee warrants, covenants, and agrees that at the expiration date of the term of this Agreement, or at the earlier termination hereof, it will peaceably surrender possession of the Premises in as good condition, reasonable wear and tear excepted, subject to the terms and provisions of this Agreement, and City will have the right to take possession of the Premises with or without due process of law. In the event Lessee does not vacate the Premises during the prescribed time period, Lessee does hereby agree that City may use any remedy at law or in equity including but not limited to a Writ of Possession to carry out the transfer of possession (see Article XI entitled “Surrender of Premises”).

Section 304. Removal of Storage Tanks. Lessee warrants, covenants, stipulates, and agrees that at the expiration date of the term of this Agreement, or as soon as practicable after the earlier termination hereof, unless otherwise agreed to in writing by the Director, Lessee shall promptly and timely: (i) remove all products or wastes stored by Lessee under this Agreement in underground and aboveground storage tanks located on the Premises, which were installed, owned, operated, or used by Lessee under this Agreement during the term of this Agreement; (ii) perform tank tightness testing on all underground and aboveground storage tanks and connecting piping, tubing, structures, facilities, or other related equipment or fixtures installed, operated or used by the Lessee under this Agreement; (iii) either close in place or remove, as allowable under and in accordance with all applicable federal, state or local laws, statutes, rules, ordinances, orders, permits, or regulations, all underground and above ground storage tanks or depositories including, without limitation, all connected piping, tubing, or other related equipment, structures, or facilities located on the Premises that was installed, owned, operated, or used by Lessee under this Agreement during the term of this Agreement, unless otherwise agreed to in writing by the Director; and (iv) timely remediate any soil, groundwater, or surface water affected by leaks, spills, discharges, or releases from such storage tanks or connecting piping installed, operated, or used by Lessee under this Agreement. Such remediation must be performed by Lessee in a manner consistent with any applicable Environmental Laws, statutes, rules, ordinances, orders, permits or regulations, as provided for herein.

Section 305. Remediation of Hazardous Materials. Lessee warrants, covenants, stipulates, and agrees that, at the expiration date of the term of this Agreement, or at the earlier termination of the Agreement, to the extent that any Hazardous Materials were placed, released, discharged, disposed, and/or spilled on, under, or about the Premises by Lessee, or Lessee's officers, agents, employees, sublessees, consultants, contractors, subcontractors, licensees, independent contractors, guests, patrons, licensees, and invitees since the time of Lessee's initial entry upon the Premises or the Airport, under this Agreement or any other prior use of the Airport or Premises, Lessee, at its costs, shall undertake steps to promptly and timely remove or remediate any such Hazardous Materials if necessary to bring the Premises into compliance with all applicable Environmental Laws, federal, state, or local laws, statutes, rules, ordinances, orders, permits or regulations (see **Article VIII** entitled "Compliance with Environmental Laws"). For the avoidance of doubt, the provisions of this Section 305 shall in no way apply to any Hazardous Materials that existed on the Premises prior to the Effective Date.

ARTICLE IV USE OF PREMISES

Section 401. Use. The City hereby grants to Lessee, subject to all the terms, covenants, warranties and conditions of this Agreement, permission to occupy and use the Premises for any and all purposes reasonably necessary or convenient in connection with the conduct by Lessee of its air cargo transportation business, excepting the loading or unloading of passengers or Dual Customs services, but including without limitation receiving, delivering, dispatching, processing, handling, and storing air cargo, mail, and other property being transported in air commerce; the loading, unloading, and short term parking of automobiles and trucks; ground service equipment maintenance and repair; ground handling of air cargo aircraft (including parking, towing, deicing, cleaning, and light maintenance); and for no other purpose, unless expressly authorized by the City. Lessee acknowledges that such uses shall only occur within the Premises, unless specifically authorized by the Airport Director, and that deicing shall only take place in accordance with Airport rules and regulations. If maintenance is required in the future that may involve the release of Hazardous Materials, such Hazardous Materials must be disposed of in accordance with the Environmental Laws and any required Environmental Permits (see Article VIII entitled "Compliance with Environmental Laws."). Lessee will install whatever modifications are required in order to comply with the aforementioned laws and permits, which will further be subject to the City's reasonable approval.

Lessee acknowledges that no fueling rights are conveyed in this Agreement.

Lessee acknowledges, stipulates and agrees that nothing in this Agreement shall be deemed or interpreted to allow Lessee or an Airline operating within the Premises to develop, construct, or provide space within any premises leased by Lessee at the Airport, whether leased directly from the City or from third parties, for purposes of accommodating Dual Customs services or Mexican customs pre-clearance services. Notwithstanding anything else in this Agreement to the contrary, Lessee shall not offer services or associated facilities to any third parties for the loading, unloading, processing, and warehousing of air cargo subject to Mexican customs that is part of Dual Customs; provided however that Lessee retain the right to service itself.

- A. Use of Exclusive Use Space. The City hereby grants to Lessee, subject to all the terms, covenants, warranties, and conditions of this Agreement, the exclusive use of the Cargo Building or portion of the Cargo Building contemplated under this Agreement.
- B. Use of Preferential Use Space. Lessee will have a priority over others in using its Preferential Use Space as follows:
- 1) Lessee has the right to park, service, load, and unload its aircraft and vehicles only in Lessee's designated Preferential Use Space or in other areas designated by the City for that purpose, subject to the availability of space.
 - 2) Lessee has the right to permit the occasional use of any of its Preferential Use Space by other users to accommodate non-routine irregular operations. Such use shall not be considered a sublease arrangement.
 - 3) The City may grant to third-parties the right to use all or designated portions of Lessee's Preferential Use Space, in common with Lessee, including the right of ingress and egress; provided that such right of use will not interfere with Lessee's permitted uses as set forth herein; and further provided that as a condition to any such grant of right, the City shall require such third-party to pay Lessee, and Lessee will be entitled to collect from such third-party, fair, reasonable, and nondiscriminatory fee, as reasonably established by Lessee, for the use of the Preferential Use Space.
 - 4) If City requires Lessee to relinquish some or all of its Preferential Use Space, City and Lessee will confer to determine whether space should be relinquished, and if so, which space should be relinquished. If after 15 days of good faith negotiations no agreement is reached, the City shall select the space to be relinquished. In making such selection, the City shall take into consideration the best interest of the traveling public and the operations of the Airport, and will also be guided by the following factors:
 - i) all known planned space uses in the 180 days immediately after the relinquishment;
 - ii) Lessee's historical space utilization;
 - iii) Lessee's operational space adjacencies;
 - iv) specialized fixtures required for Lessee's operations; and
 - v) the compatibility of any new proposed operations and work force with Lessee's operations and work force.
- C. Use of Common Use Space. Lessee has the right to use and traverse the Common Use Space in coordination and conjunction with other authorized users of Common Use Space.

Section 402. Repairs and Maintenance.

- A. The City shall maintain and keep in good repair the structural portions of the Cargo Building, including building roof and exterior structure, common utility lines and systems, exterior lighting, and perimeter fencing. The City shall also maintain and keep in good repair the Common Use Space and perform repairs to the Premises in accordance with Section 402.D below. If Lessee determines that the City has failed to respond and to perform any of the immediately preceding repair and maintenance obligations, and such

failure is causing material interference to Lessee's business operations at the Premises, Lessee shall provide to City a list of the deficiencies, including the amount of time reasonably required to allow the City to correct said deficiencies (not less than thirty (30) days, except with respect to deficiencies that may reasonably be categorized as emergencies). If the City fails to correct such deficiencies within the time allowed under this Section 402.A and has not timely registered a reasonable objection as to its obligation to do so, the Lessee, following five (5) days further notification by the Lessee to the City (except in emergencies, in which case no additional notification is required), may correct the listed deficiencies in accordance with Article VI. The cost of Lessee's reasonable actions to perform such City obligation will be reimbursed to Lessee by the City subject to Lessee providing commercially reasonable documentation of the costs and expenses incurred by Lessee pursuant to this Section 402.A.

- B. Lessee shall, throughout the Term of this Agreement, at its own cost and without any expense to the City, maintain and keep in good repair, excepting only acts of God, fire, and other casualties, and reasonable wear and tear (taking into account repair and maintenance required to be done by Lessee), the interior and exterior, non-structural portions of the Premises, including all Lessee Improvements, HVAC systems, utility systems including, without limitation fire suppression lines or systems, painting, doors and windows, and any other structures, equipment, facilities, or fixtures erected within the Premises. Lessee shall, at its sole cost and expense, provide for all snow and ice removal from the Premises, excluding the Taxiway Access Lane. Lessee shall, at its sole cost and expense, take such measures as may be necessary to keep the Premises secure; the City has no obligation or responsibility to keep the Premises secure.

Within thirty (30) days following the Commencement Date, Lessee shall submit to City for its review and approval a **Preventative Maintenance Schedule** in a form substantially similar to the sample Preventative Maintenance Schedule attached hereto as Exhibit "D." Upon approval of this Preventative Maintenance Schedule, Lessee, except as otherwise stated in this Agreement, shall at its sole cost adhere to the work plan as approved.

- C. Lessee warrants, covenants and agrees, without cost or expense to the City during the Term hereof, to perform the following:
1. Housekeeping of Premises. Remove from the Premises all trash and refuse, and dispose of it in a manner approved by the City.
 2. Maintenance Standards. Maintenance and repairs shall be in quality and class equal to or better than the original work to preserve the Premises in good order and condition, based on a standard of care reflecting prudent property management. Lessee shall repair all damage to the Premises caused by Lessee or its employees, contractors, subcontractors, agents, and invitees; this requirement includes immediate replacement of broken windows, doors and locks with like materials.
 3. Care of Unenclosed Space. Keep all papers and debris picked up, and provide for snow and ice removal to allow, at a minimum, emergency or fire protection access. No exterior unscreened storage is allowed.
 4. Drainage Facilities. Comply with the Airport's Storm water Detention Design Criteria and Guidelines dated December 1986, as revised from time to time, as well as any and all applicable federal, state, and municipal regulations. Lessee

shall establish a system of periodic inspection, cleaning and maintenance to keep watercourses, catch basins and other drainage structures on the Premises functioning at full design capacity. Inspection, cleaning and maintenance intervals will be established by the Airport Director with reports to be submitted within 30 days of completion of each inspection, cleaning and maintenance. Lessee shall pile removed snow in locations that will permit the water generated by the melting of such snow piles to flow into the drainage system of the Premises.

5. Pavement Maintenance. Provide crack sealing, line painting, and breakout repair of pavement in Lessee's Preferential Use Space.
6. Trade Fixtures. Lessee shall keep all trade fixtures on the Premises in good and safe condition, order and repair at all times. Should damage occur, repair or replacement will be made by Lessee on a timely basis. All trade fixtures that become damaged so as not to present a good appearance or that become incapable of being kept in good and safe working order must be removed and, if applicable, replaced by Lessee. All maintenance, repair and replacement of trade fixtures will be at Lessee's sole cost and expense.
7. Environmental Responsibilities. Lessee will have the sole obligation to make such timely reports or notifications to governmental authorities as may be required by law, rule, regulation or ordinance in the event of a release or discharge of a Hazardous Material, or oil product on or from the Premises, in the event of which Lessee must also immediately inform the City of such release or discharge and, except as otherwise set forth in this Agreement, proceed to promptly clean up such release or discharge (see Section 801.C entitled "Environmental Remediation"). Upon discovery by Lessee, Lessee must immediately notify the City of any release or discharge of oil or Hazardous Materials if there is a reasonable possibility that the release or discharge would move off-site or affect Coldwater Creek or other navigable waters of the State of Missouri or the United States of America. Lessee will be solely responsible for any follow-up reports, notifications, corrective action or remediation required as a result of any spill, release, or discharge described above. Lessee will immediately provide copies of any reports, notifications, correspondence, or clean-up verification to the Airport Director (see Section 801.B entitled "Duty to Notify City").
8. Dust Control. Lessee covenants, stipulates, and agrees that the Lessee shall take appropriate dust control measures in accordance with Environmental Laws and Environmental Permits (see Section 801) in regard to its activities within the Premises or at the Airport.
9. Storm Water Pollution Prevention Plan ("SWPPP"). Lessee covenants, stipulates, and agrees that Lessee shall comply with the Airport's National Pollutant Discharge Elimination System permit ("NPDES") and any storm water management plan prepared in conformance with the NPDES requirements in regard to its activities within the Premises or at the Airport. Lessee shall prepare and submit a SWPPP to the Airport Environmental Office within thirty (30) calendar days of the City's written request for the City's review and possible comments (see Section 801.H entitled "Pollution Control").

10. Spill Prevention Control and Countermeasures ("SPCC"). Lessee covenants, stipulates and agrees that Lessee shall comply with all applicable Environmental Laws pertaining to the proper storage of any Hazardous Materials including, without limitation, oil or petroleum based products within the Premises. Lessee shall submit its SPCC to the Airport Environmental Office within thirty (30) calendar days of the City's written request for the City's review and possible comments. If requested, the SPCC must provide information concerning the proper storage and use of any Hazardous Materials on the Premises.
 11. Hazardous and Solid Waste Management Covenants. Lessee covenants, stipulates and agrees that Lessee will timely and promptly provide the City with copies of non-privileged documents and materials Lessee has prepared pursuant to any applicable Environmental Laws or Environmental Permits, or submitted to any governmental agency, which document or relate to Hazardous and Solid Waste Management or related environmental issues and which pertain to the Premises and which would be discoverable in litigation (see Section 801.B, 801.D, and 801.F). Lessee covenants, stipulates and agrees that in regard to Lessee's activities within the Premises or the use of the Premises, Lessee will not generate or use any fill materials, spoils, clean fill or other materials without first obtaining the City's written approval.
 12. Obstruction Lights. Lessee shall, at its sole cost and expense, provide and maintain obstruction lights and all similar equipment or devices now or at any time required by any applicable Rules and Regulations, law, rule or regulation or ordinance, or any municipal, state or federal regulation.
 13. Foreign Object Debris (FOD). Lessee shall, at its sole cost and expense, maintain all outdoor areas on the Premises to reduce the occurrence and presence of FOD in the vicinity of aircraft operations on the Premises. Lessee agrees to cooperate with City as needed on FOD reduction and elimination programs.
- D. Notwithstanding Lessee's ongoing and routine maintenance requirements under the foregoing Sections 402.B and 402.C, should repairs to the Premises be needed that exceed Ten Thousand and 00/100 Dollars (\$10,000.00) per occurrence to any utility or building system (including, by way of example, HVAC systems, electrical systems, plumbing, and the fire suppression system) in Lessee's Exclusive Use Space or to pavement in Lessee's Preferential Use Space, Lessee shall notify City in writing of the need for such repair and request the City perform such repair. Lessee's notice to City must include a cost estimate of the repairs provided by a licensed contractor, as well as any and all documentation of ongoing maintenance performed by Lessee of such item needing repair. City will review Lessee's request and, at City's sole discretion and absent Lessee's negligence in maintaining such item, take actions necessary to perform or cause to be performed the requested repairs in a timely manner. Should the actual cost of the repairs be less than Ten Thousand and 00/100 Dollars (\$10,000.00), as evidenced by City's contractor's invoice for the repairs, Lessee must reimburse City for the cost of the repairs plus ten percent (10%) within thirty (30) days of receipt of invoice from the City.

Section 403. Utilities. Lessee shall provide for and pay for all utilities used on the Premises.

Section 404. Interference to Air Navigation. Lessee warrants, represents and agrees that no obstruction to air navigation, as such are defined from time to time by application of the criteria

of FAR Part 77 or subsequent and additional regulations of the Federal Aviation Administration ("FAA"), will be constructed or permitted to remain on the Premises. Lessee warrants, represents and agrees that, upon notification by the City, it will immediately remove any obstructions at its expense. Lessee 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 may interfere with the line of sight of the control tower and its operations. Lessee further warrants, represents and agrees not to install any structures, objects, machinery or equipment that would interfere with the operation of navigation aids or that would interfere with the safe and efficient operations of the Airport.

Section 405. Compliance with Laws and Regulations. Lessee must comply with all Rules and Regulations which City or the Director may establish from time to time, including but not limited to, the requirements of the Airport Certification Manual and the Airport Layout Plan on file at Director's office. In addition, Lessee must comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governmental authorities, now or hereafter applicable to the Premises or to any adjoining public ways, as to the manner of use or the condition of the Premises or of adjoining public ways.

Lessee further warrants, covenants, stipulates, and agrees to abide by all federal, state, and local laws, rules, regulations, orders, permits, and ordinances related to: (1) the transportation, storage, use, manufacture, generation, treatment, recovery, disposal, discharge, spilling or release of any Hazardous Materials; (2) the discharge of effluents, pollutants and/or toxic pollutants to publicly owned treatment works, storm water systems, or to waters of the United States or tributaries thereof; (3) the emission of any regulated substance into the air; (4) the transportation, storage, use, manufacture, generation, treatment, recovery, recycling, reclamation, disposal, discharge, spilling or release of waste tires, waste oil, used oil, and/or used lead-acid batteries; and (5) the transportation, storage, operation, use, removal, disposal, remediation, and compliance issues regarding any and all above or underground storage tanks or depositories installed, owned, operated, or used by Lessee during the term of this Agreement, and any connecting piping, tubing or other related equipment until said storage tanks including any connecting piping, tubing or other related equipment are closed in place or removed by the Lessee at its cost (unless otherwise agreed to by the City in writing, see Section 304 entitled "Removal of Storage Tanks"). In addition, Lessee shall be responsible at its cost for securing all applicable operating permits for conducting its operations at the Premises to the extent such permits or approvals are required for the Premises by federal, state or local laws, rules, regulations, Environmental Laws, orders, and ordinances, including, without limitation, air, water and waste disposal permits.

City shall give written notice to Lessee detailing any claimed failure to comply with any provision of this section. Should Lessee not exert diligent efforts to resolve the claimed failure within thirty (30) calendar days from receipt of such notice, Lessee's failure will be considered a material breach of this Agreement. If such a material breach occurs, City, at its sole discretion, may terminate this Agreement, and seek other remedies at law or in equity subject to the terms of Article X below.

Section 406. Nondiscrimination.

- A. Lessee for itself, its personal representatives, successors in interest, and assigns, agrees that no person on the grounds of race, creed, color, national origin, sex, age, or disability will be excluded from participation in, denied the benefits of, or be otherwise subjected to

discrimination in (i) the use of the Premises; or (ii) the construction of any Lessee Improvements on, over, or under the Premises, and the furnishing of services thereon.

- B. Lessee shall comply with all applicable nondiscriminatory requirements that may be imposed pursuant to the Federal Aviation Act of 1958, as amended; the Civil Rights Act of 1964, as amended; 49 C.F.R. Parts 21, 23, and 26, as said regulations may be amended; and state and local laws.

Section 407. Prevailing Wage. If applicable, Lessee shall include in all service contracts pertaining to the Premises 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 in accordance with the provisions of the Revised Code of The City of St. Louis, Chapter 6.20.

Section 408. City Right to Enter, Inspect, and Require Corrective Action.

- A. The City has the right at reasonable times, subject to the provisions of Section 408, to enter upon Premises for any of the purposes listed below:
1. to inspect the Premises for any purpose necessary for or incidental to or connected with the City's obligations hereunder, or in the exercise of the City's capacity as Airport owner;
 2. to identify those actions required of the Lessee or the City, pursuant to this Agreement;
 3. for fire protection, safety, or security purposes;
 4. to make structural additions and alterations to the Airport;
 5. as provided in Section 409;
 6. upon the expiration or early termination of this Agreement; and
 7. to make repairs.
- B. The City shall provide reasonable notification and such right of entry must not unreasonably interfere with Lessee's use or occupancy of its Premises, except if an emergency or the situation endangers the health or safety of persons or the safety of operations on the Premises (see Section 203 entitled "Access"). The right of inspection reserved to the City imposes no obligation on the City to make inspections to ascertain the condition of the Premises and imparts no liability upon the City for failure to make such inspections. The failure of the City to inspect or monitor or notify Lessee of a default or of a hazardous or unsafe condition with respect to Lessee operations hereunder does not release Lessee from its liability to perform its obligations hereunder or impose any liability on the City, and in any other event where the City determines that it is necessary or desirable to do so to preserve the Airport or the City's property or any portion thereof or to correct any conditions likely to cause injury or damage to persons or property.

- C. Unless otherwise provided herein, Lessee shall perform all corrective work required of it that is identified in such inspection(s) within thirty (30) days of receipt of a notification from the City. If correction cannot reasonably be completed within such 30-day period, this period may be extended at the sole discretion of the City. Matters affecting public health, safety, and welfare, including trash and debris problems, must be corrected promptly after the City notifies the Lessee's manager or the manager's designee either orally or in writing via hand-delivery. All emergency repair costs incurred by the City for which the Lessee is responsible for under the terms of this Agreement must be paid or reimbursed by Lessee within thirty (30) calendar days of the City's written request.

Section 409. Failure to Maintain by Lessee. If City determines that Lessee has failed to properly clean, remove trash and refuse, maintain, or repair the Premises as required in Section 402, the City shall provide to Lessee a list of deficiencies, reflecting the amount of time to be reasonably allowed for Lessee to correct same. If Lessee fails to correct such deficiencies within the time allowed and has not timely registered a reasonable objection as to its obligation to do so, the City, following 5 days' further notification by the City to Lessee, may enter upon the Premises and correct the listed deficiencies. The City will add the cost of such work, plus actual administrative costs, to the Rents due hereunder on the first day of the month following the date of such work, and such cost will be and constitute a part of the Rents. Subsequent to receipt of the further notification of intent to perform repairs, maintenance, or cleaning from the City, Lessee shall not undertake performance of such repairs, maintenance, or cleaning without specific prior authorization from the City.

Section 410. City Obligations. Except as specifically provided for in Section 402, the City shall not be under any duty or obligation to Lessee to repair, maintain, or clean the Premises or any portion thereof, or any facilities or equipment constructed thereon. The City shall not be responsible or liable to Lessee for any claims for compensation for any losses, damages, or injury, including lost profits, sustained by Lessee resulting from failure of the Airport structures or utility systems, or caused by the natural physical conditions on the Airport, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, act of God, state of war, terrorism, civilian commotion or riot, or any other cause or peril beyond the control of the City, except to the extent covered by the City's insurance or as may be caused by the City's gross negligence or willful misconduct or bad faith.

Section 411. Third-Party Supplier or Operator Obligations.

The City reserves the right to require third-party suppliers or operators providing any commercial goods or services at the Airport to secure a permit from the City, to comply with all applicable Rules and Regulations, and to pay any applicable fees to the City to conduct such activity at the Airport.

ARTICLE V RENT AND FEES

Section 501. General. Lessee, for and in consideration of the rights and privileges granted herein, agrees to promptly and timely pay the Rents set forth in this Agreement, without demand during the term of this Agreement.

Section 502. Rent Payment. Commencing on the first day of the Term of this Agreement, Lessee will pay in advance to City the following rental rates:

Cargo Building Exclusive Use Space rent:

44,274 square feet x \$9.75 per sq. ft. = \$431,671.50

Vehicle Parking Preferential Use Space rent:

78,224 square feet x \$0.33 per sq. ft. = \$25,813.92

Aircraft Apron Preferential Use Space rent:

95,342 square feet x \$0.45 per sq. ft. = \$42,903.90

Common Use Space rent = \$18,447.10

(As calculated on Exhibit B as of the Commencement Date, and subject to recalculation in accordance with Section 507 entitled "Common Use Space Rent Adjustment".)

Total rent = \$518,836.42 annually / 12 = \$43,236.37 per month. All payments must be paid monthly on or before the first day of each month of the Term of this Agreement.

Section 503. Interest Charges and Late Charges on Overdue Payment. If Lessee fails to make payment of any sums due hereunder by the due dates set forth herein, Lessee shall pay to the City, in addition to all other remedies available to the City and all other payments to be made by Lessee to the City, an interest charge equal to 1.5% for each month of the overdue amount, and costs and attorney's fees and other litigation costs reasonably incurred by the City in attempting to obtain payment, if any. Payments received later than 30 days from their respective due date will be assessed an additional one-time late charge of 5% of the amount due, in addition to applicable interest charges.

Section 504. Form of Payment. Lessee shall pay all sums due hereunder in lawful money of the United States of America, without notice or demand, without deduction or setoff, by wire transfer or check made payable to the "Treasurer, City of St. Louis," which check must be delivered postage or other charges prepaid to:

By U.S. Mail:

Airport Assistant Director of Finance
St. Louis Lambert International Airport
P.O. Box 10036
St. Louis, Missouri 63145

By Express Mail:

Airport Assistant Director of Finance
St. Louis Lambert International Airport
10701 Lambert International Boulevard
St. Louis, Missouri 63145

By Wire Transfer:

Routing Number: 081000210-1001018702

Bank Name: U.S. Bank (Checking)

Account Name: Airport Revenue Fund

(include a description of the transfer (e.g.
"Majestic Cargo Facility Rent")

or as hereafter the City may designate by Notice to Lessee.

Section 505. Security Deposit.

- A. Amount and Form of Security Deposit. Upon execution of this Agreement, Lessee shall provide the City with an irrevocable letter of credit, cash payment, or other security or instrument acceptable to the City ("**Security Deposit**") in an amount equal to three (3) months of estimated Rents. The Security Deposit must guarantee the faithful performance by Lessee of all of its obligations hereunder and the payment of all Rents due to the City. The Security Deposit must be in such form and with such company licensed to do business in the State of Missouri and must be acceptable to the City, within its reasonable discretion. The Security Deposit is not the sole or exclusive remedy of the City and is not construed, in and of itself, as adequate assurance of Lessee's future performance.
- B. Term of Security Deposit. Lessee shall maintain the Security Deposit until the termination of this Agreement. Such Security Deposit must remain in full force and effect throughout the Term of this Agreement and must extend at least ninety (90) days following the expiration or early termination of this Agreement. Lessee shall provide at least sixty (60) days prior Notice of the date on which any Security Deposit expires or is subject to cancellation.
- C. City's Right to Use Security Deposit; Replenishment. If Lessee commits or is under an Event of Default pursuant to Section 901, then the City has the right to use the amounts of such Security Deposit to pay Lessee's Rents or any other amounts owed to the City by Lessee then due and payable, or to apply the proceeds to any cost or expense or material damages incurred by the City as a result of Lessee's default, or Event of Default under Section 901. If any such Security Deposit, or portion thereof, is used as stated in this Subsection, Lessee shall replenish or provide a renewal or replacement Security Deposit up to the full amount set forth in Subsection 505(A) within 10 days of being notified to do so by the City. The City's rights under this Section are in addition to all other rights and remedies provided to the City hereunder.
- D. Waiver of Security Deposit Requirement. Notwithstanding the provisions of Subsections 505(A)-(C), the City will waive the Security Deposit obligation if it determines that Lessee qualifies for relief from such obligation. To qualify for such relief, Lessee must:
- 1) not be under an Event of Default pursuant to, and not have received Notice in accordance with, Section 1001;

- 2) have made timely payments of all applicable Rents during the previous 12-month period under its Airport Use and Lease Agreement and this Agreement, if and when applicable.

If, after having waived the Security Deposit obligation in accordance with this Subsection, the City determines that Lessee has not continued to satisfy the requirements for relief, or if Lessee commits or is under an Event of Default pursuant to Section 1001, Lessee shall immediately provide a Security Deposit in accordance with the provisions of Subsection 505(A).

Section 506. Covenant Not To Grant More Favorable Rents.

- A. The City shall not charge any lesser Rent being paid by Lessee to any other similarly situated tenants for premises within the Cargo Building under an agreement having comparable leased premises, facilities, rights, and privileges and imposing similar obligations to those of Lessee hereunder, unless the City also makes a substantially similar agreement available to Lessee.
- B. The provisions of Subsection 506(A) shall not be construed to apply to any air service incentive program, or similar programs, that the City may choose to offer, as allowed by applicable federal law, regulation, or policy.

Section 507. Common Use Space Rent Adjustment. Lessee's proportionate share of rent for Common Use Space will be adjusted from time to time for the following reasons:

- i) If Lessee or any other tenant leasing space at the cargo facility increases or decreases their leased space;
- ii) If a new tenant begins leasing space at the cargo facility

When the Common Use Rent is adjusted, the City will send Notice to Lessee, including a new calculation of the Common Use Rent and the effective date thereof, certifying the new total Rent owed by Lessee.

Section 508. Collection of Fees. Lessee shall collect from any Airline that is not an Agreement Airline and from Airlines which City has designated to be on a cash basis to which Lessee provides Ground Handling Services (list of Agreement Airlines to be provided by the City), and shall promptly and timely remit to the City, the following **Fees and Charges**:

- A. Landing Fee;
- B. Ramp Parking Fee;
- C. Federal Inspection Service Fee;
- D. Fuel Flowage Fee;
- E. Airport Facility Use Fee; and
- F. Other Airport fees or charges as may be in effect from time to time.

The City's current Schedule of Fees and Charges is attached hereto as Exhibit "C" entitled "Schedule of Fees and Charges." Lessee understands and hereby acknowledges that the Airport Director, on behalf of the City, may modify or amend Exhibit "C" at any time without the need to amend this Agreement by providing Notice to the Lessee (see Article XII of this Agreement).

Section 509. Right to Audit.

- A. Lessee's and sublessee's "**records**" for the purpose of verifying Landing Fees, Fuel Flowage Fees or other payments, rents or charges payable to the City under Section 508 of this Agreement, will be open to inspection and subject to audit and/or reproduction during normal working hours (upon not less than five (5) business days' prior notice) and **made available within the greater St. Louis metropolitan area.** A City representative may perform such audits or an outside representative engaged by the City. The City or its designee may conduct such audits or inspections, at the City's own expense, throughout the term of this Agreement, and for a period of two (2) years after the early termination or the expiration of the Agreement, or longer if required by law.
- B. Lessee's and sublessee's "**records**" as referred to in this Agreement will include any and all information, materials, and data, including without limitation, records, books, papers, documents, receipts, vouchers, and memoranda as may be reasonably necessary in order for the City to verify Landing Fees, Fuel Flowage Fees or other payments, rents or charges payable to the City under Section 508 of this Agreement.
- C. If the result of an audit(s) reveals an underpayment by Lessee or sublessee of more than five percent (5%) between the Landing Fees, Fuel Flowage Fees or other payments, rents, or charges payable by Lessee or sublessee under Section 508 of this Agreement and Landing Fees, Fuel Flowage Fees, or other payments, rents, or charges under Section 508 of this Agreement and determined by the audit, the reasonable and actual cost of the audit will be the joint responsibility of Lessee and sublessee. In the event such an audit reveals an overpayment by Lessee or sublessee, such amount will be credited against amounts owing pursuant to this Agreement.
- D. If, as a result of an audit by the City or any other entity, Lessee or sublessee is required to restate Landing Fees, Fuel Flowage Fees, or any other payments, rents, or charges payable to the City under Section 508 of this Agreement, Lessee or sublessee will, within thirty (30) days of finalization of the audit, report the change to the City. If the change in Landing Fees, Fuel Flowage Fees, or other payments rents or charges payable to the City under Section 508 of this Agreement results in Lessee or sublessee owing additional fees, Lessee or sublessee will, within thirty (30) days remit to the City the additional fees.

ARTICLE VI
CONSTRUCTION OR ALTERATION OF IMPROVEMENTS

Section 601. Construction or Modification by Lessee

- A. Except as otherwise set forth in this Agreement, Lessee takes the Premises "**AS IS**" and may at its sole cost and expense, construct, refurbish or make Lessee Improvements on the Premises in accordance with plans and specifications prepared by Lessee and approved by the Director of Airports and subject to the requirements of this Article VI.

- B. Lessee agrees that all Lessee Improvements that require the Director's approval will be completed according to the Tenant Design Standards, which are filed of record in the office of the Director.
- 1) Lessee shall submit a signed Tenant Construction or Alteration Application ("TCA") including complete construction drawings and specifications for the proposed Lessee Improvements, as required by Section 602 below to the Airport Properties Division. City will approve or disapprove of all requests for consent to Lessee Improvements within ten (10) business days of receipt of Lessee's request to perform the Lessee Improvements, such request to include plans and specifications for (or a reasonably detailed description of) the proposed Lessee Improvements.
 - 2) Lessee shall submit to the Airport Properties Division a building permit number from any and all municipalities, political jurisdictions and regulatory agencies not more than thirty-days (30) following TCA approval by the Airport Properties Division and prior to beginning any Lessee Improvements.
 - 3) Lessee shall submit the contractor's liability insurance certificates and payment bonds, required by Section 605 and Section 606 below to the Airport Properties Division not more than forty-five (45) days following the TCA approval by the Airport Properties Division and prior to beginning of any Lessee Improvements.
 - 4) Lessee shall submit to the Airport Properties Division a copy of an occupancy permit from any and all municipalities, political jurisdictions and regulatory agencies, as required by Section 607 below prior to occupancy.
 - 5) Lessee shall submit to the Airport Properties Division a copy of its Environmental Impact Statement not more than thirty (30) days following submission of the TCA, if an Environmental Impact Statement is required by any municipality, political jurisdiction, or federal or state regulatory agency with respect to the Premises.

Section 602. Preparations of Plans and Specifications. Lessee shall submit detailed drawings, plans and specifications for any Lessee Improvements. Subject to the provisions of Section 601.A.1, Lessee will begin work on proposed Lessee Improvements only after it has received the written approval for the Lessee Improvements from the Director or his/her designee.

Section 603. Federal Aviation Administration Review. Prior to commencement of any work, all preliminary plans, drawings and specifications must be submitted to the FAA for review and approval, if required, with a copy to the Airport Properties Division. The preliminary plans must show plot plans, the location and elevations of buildings and other structures and improvement locations and their elevations, and must indicate proposed exterior materials and finishes for all structures. It will be the responsibility of Lessee to file all necessary alteration and construction forms with the FAA for review and approval, as may be required, with a copy to the Airport Properties Division.

Section 604. Landscaping and Screening. Lessee shall provide and install appropriate landscaping and screening, including lawn, shrubbery, trees, bushes, vines and other plantings and screenings on the Premises as a part of the construction of any new improvements. All proposed landscaping plans and screening designs must be submitted to Director for review and

approval. Lessee further agrees to provide any further landscaping and fencing that may be reasonably required, during the term hereof, by the Director, for the purposes of screening the Premises.

Section 605. Contractor's Liability Insurance. In any construction contract appertaining to the Premises, Lessee shall require the contractor to cause 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 and unjust, by third parties, with bodily injury limits of not less than \$3,000,000 as to any one person and \$10,000,000 as to any one occurrence, and with property damage limits of not less than \$10,000,000 as to any one occurrence to the extent such claims and liabilities arise out of the negligence of the contractor. Said insurance must be in a form agreeable to City, and Certificates showing proof of coverage must be delivered to the Director.

Section 606. Performance and Payment Bonds. In order to insure the faithful performance of all of the provisions of the Agreement and the payment of all laborers and material suppliers of projects requiring the City's Approval, Lessee shall require the contractor performing such work to furnish a Performance Bond and a Payment Bonds each in the amount of the contract in a form reasonably acceptable to the City. The Payment Bonds must comply with the coverage requirements and conditions of Section 107.170 R.S.Mo., (2000, as amended). Copies of the bonds must be given to the City for approval before work begins. Any sum or sums derived from said Performance Bond and/or Payment Bond will be used for the completion of said construction and the payment of laborers and material suppliers, as the case may be.

Section 607. Certificates of Completion. Upon the completion of the Lessee Improvements hereunder, Lessee shall submit to Director a copy of its acceptance letter certifying completion, and a copy of any certificate or permit which may be required by any federal, state or local government or agency in connection with the completion or occupancy thereof by Lessee. Lessee at its cost shall deliver to City duplicate copies of "as built" drawings of the new Improvements on the Premises within sixty days (60) after the date on which Lessee has certified completion thereof.

Section 608. Signs. Lessee agrees that no signs or advertising display will be painted on or erected in any manner upon the Premises without the prior written approval of Director (such approval will not to be unreasonably withheld, conditioned, or delayed), and that such new signs will conform to reasonable standards established by Director with respect to wording, type, size, design, color and location.

Section 609. Title to Lessee Improvements. Title to the Premises and all Lessee Improvements constructed or placed in or on the Premises by Lessee including all alterations, modifications and enlargements thereof will become part of the Premises with title vesting in City upon expiration or earlier termination of this Agreement; provided, however, that this Section 609 does not apply to Lessee's Removable Fixtures, the title to which will remain in Lessee both during and after the term of this Agreement and which Lessee will be entitled to remove from the Premises upon the expiration, early termination, or cancellation of this Agreement (see Sections 302, 303, and 304).

Section 610. Mechanics' and Materialmen's Liens. Lessee warrants, represents and agrees not to permit any mechanic's or materialmen's or any other lien or encumbrances of any kind what so ever to be foreclosed upon the Premises or any part or parcel thereof, or the Lessee

Improvements thereon, by reason of any work or labor performed or materials furnished by any mechanic or materialman or for any other reason. Should a mechanics' lien or any other lien or encumbrance be filed against the Premises, Lessee shall provide the City with notice thereof within fifteen (15) calendar days of receipt of same and shall cause such lien or encumbrance to be fully discharged and released immediately upon the demand of the City.

Section 611. Minimum Investment. In connection with Lessee's use of the Premises under this Agreement, Lessee shall expend or cause to be expended for Refurbishment Costs not less than **Five Hundred Thousand and 00/100 Dollars (\$500,000.00)** (the "**Minimum Investment**"). Lessee shall complete or cause to be completed such Lessee Improvements subject to and in accordance with all the Provisions of this Agreement. Lessee's Refurbishment shall be completed upon the later of one (1) year after (i) the Commencement Date of the Agreement (unless delayed or postponed at the Director's written direction), and (ii) approval by the City of the Lessee Improvements, if such City approval is required under the Agreement.

Lessee shall furnish the Director with satisfactory proof of Refurbishment Costs for the Premises within one hundred eighty (180) days following completion of work to the Premises. This proof of Refurbishment Costs must include, at a minimum, an itemized account of all included costs, supported by paid invoices (copies to be provided only if specifically requested by the Director) and certified by an Independent Certified Public Accountant, and will supply the resulting audit report to the Director. Lessee shall provide to the Director any other reasonable proof or documentation required by the Director to ensure compliance with the Provisions of this Article VI.

Lessee is encouraged by City to productively expend the entire Minimum Investment; however, in the event Lessee's actual expenditures for Refurbishment Costs are less than the Minimum Investment, the difference shall be an item of additional payment due and payable to City within thirty (30) days after the receipt of an invoice for such difference from City.

ARTICLE VII INSURANCE, DAMAGE, AND INDEMNIFICATION

Section 701. Insurance.

(A) General. Lessee at all times during the term hereof, shall cause St. Charles County, Missouri, St. Clair County, Illinois, St. Louis County, Missouri, the City, their officers, agents and employees and Lessee to be insured on an occurrence basis against the risk of claims and demands by third persons for bodily injury (including wrongful death) and property damage arising or alleged to arise out of the acts or omissions of Lessee, its officers, agents, and employees pursuant to this Agreement both on the Premises and the Airport.

(B) Risks and Minimum Limits of Coverage. Lessee shall procure and maintain the following policies of insurance:

- (i) Aviation General Liability Insurance with minimum limits of \$10 million per occurrence and in aggregate, where applicable.

(ii) Automobile Liability Insurance in an amount not less than \$10 million primary (no excess), combined single limit per occurrence for automobiles used by Lessee in the course of its performance hereunder, including Lessee's non-owned and hired autos.

(iii) Workers' Compensation and Employer's Liability Insurance in accordance with Missouri laws and regulations. With respect to Workers' Compensation Insurance, if Lessee elects to be self-insured, Lessee shall comply with the applicable requirements of law. Lessee shall require that all its subcontractors or licensees similarly provide such coverage (or qualify as a self-insured) for their respective employees. City, its officers, employees, or agents shall not be liable or responsible for any claims or actions occasioned by Lessee's failure to comply with the provisions of this Subparagraph. The indemnification provisions hereof shall apply to this Section. It is expressly agreed that the employees of Lessee are not employees of the City for any purpose, and that employees of the City are not employees of Lessee.

(iv) Contents Insurance. Lessee shall be solely responsible for obtaining insurance policies that provide coverage for losses of Lessee owned property. The City shall not be required to provide such insurance coverage or be responsible for payment of Lessee's cost for such insurance.

(v) Builders Risk Insurance. During any period of construction, alteration, refurbishment, demolition, excavation, installation, renovation, or reconstruction for which Lessee contracts, Lessee shall carry, or shall require its contractor or contractors to carry, a policy of Builders Risk Insurance in an amount sufficient to insure the value of the work. The City shall be named Loss Payee on Builders Risk coverage to the extent of the City's interest therein (except to the extent coverage relates to Lessee's equipment and personal property). Lessee may elect to self-insure for individual projects with a total cost of \$50,000 or less. In addition, Lessee or its contractor(s) shall carry not less than \$3 million of commercial general liability (combined single limit liability) and not less than \$3 million per accident combined single limit of automobile liability insurance coverage (including owned, non-owned and hired vehicles) during the period of construction, alteration, refurbishment, demolition, excavation, installation, renovation, or reconstruction.

(vi) Other Property Coverage. Lessee shall provide an "All Risk" insurance policy providing protection from direct loss arising out of any fortuitous cause other than those perils or causes specifically excluded by norm and which covers Lessee Improvements, Lessee's Removable Fixtures or personal property. The City shall be named Loss Payee on such coverage to the extent of the City's interest therein (except to the extent coverage relates to Lessee's equipment and personal property or loss of use).

(vii) City's Insurance. City shall procure and maintain in effect at all times all risk property insurance covering the full replacement cost of the Premises.

(C) Issuers of Policies. The issuer of each policy required herein shall be a financially sound insurance company authorized to do business in the State of Missouri. Acceptable insurers include insurance companies with an "A.M. Best Company" rating of at least an "A-," or other insurers or insurance syndicates of similar recognized responsibility.

(i) Form of Policies. The insurance may be in one or more policies of insurance.

(ii) Non-waiver. Nothing the City does or fails to do shall relieve Lessee from its duties to provide the required coverage hereunder, and the City's actions or inactions shall not be construed as waiving the City's rights hereunder.

(iii) Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability shall name the City, its officers, agents, and employees as "additional insured" on the certificate of insurance, including all renewal certificates, to the extent of Lessee's indemnification obligations hereunder. Upon City's request, Lessee shall provide City with an endorsement (unless policy allows for blanket endorsement, of which Lessee shall provide reasonable proof) and a certificate consistent with the requirements of this Subsection. Inclusion as an "additional insured" is not intended to, and shall not, make the City a partner or joint venturer with Lessee in its operations.

(iv) Deductibles. Lessee shall assume and bear any claims or losses to the extent of any deductible amounts and waives any claim it may ever have for the same against the City, its officers, agents, or employees; provided, however, that nothing herein stated shall diminish Lessee's rights or increase Lessee's obligations in respect to its undertakings or hold harmless defense and indemnification set forth in Section 704 hereof.

(v) Cancellation. Each liability policy, except Worker's Compensation and Employer's Liability Insurance, shall expressly state that it may not be cancelled or materially modified unless 30 days advance Notice is given to the City by the insurance company or authorized representative of Lessee.

(vi) Subrogation. Each policy shall contain an endorsement by which the issuer waives any claim or right in the nature of subrogation to recover against the City, its officers, agents, or employees.

(vii) Certification of Primary Insurance. Each policy hereunder except Workers' Compensation shall be primary insurance to any other insurance available to the Additional Insured.

(viii) Liability for Premium. Lessee shall be solely responsible for payment of all insurance premiums required pursuant to this Agreement, and the City shall not be obligated to pay any premiums; provided, however, that if Lessee fails to obtain the insurance as required herein or make premium payments, the City may, with written notification, effect such insurance or make such payments on Lessee's behalf and, after Notice to Lessee, the City may recover the cost of those payments with the installment of Rents, Fees, and Charges next due, plus 15% administrative charge, from Lessee.

(ix) Proof of Insurance. Within thirty (30) days of the Commencement Date of this Agreement and at any time during the term hereof, Lessee shall furnish the City with certificates of insurance. Lessee shall use its best efforts to submit to the City a certificate showing that such insurance coverage has been renewed at least 5 days prior to the expiration of any such policy. If such coverage is canceled or materially modified, Lessee shall, within 15 days after the date of such notice from the insurer of such cancellation or material modification, file with the City a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon

reasonable notification by the City to Lessee, the City shall have the right to examine Lessee's insurance policies at Lessee's offices at the Airport.

(D) Maintenance of Coverage. Notwithstanding the proof of insurance requirements set forth above, it is the intention of the parties hereto that Lessee, continuously and without interruption, maintain in force the required insurance coverages set forth above.

(E) City Right to Review and Adjust Coverage Limits. The City reserves the right at reasonable intervals throughout the Term to cause the insurance requirements of this Article to be reviewed, at its sole cost, by an independent insurance consultant experienced in insurance for public airports, taking into consideration changes in statutory law, court decisions, or the claims history of the airline industry as well as that of Lessee, and, based on the written recommendations of such consultant, after providing adequate notice to and in consultation with Lessee, to reasonably adjust the insurance coverages and limits required herein but not more often than every 24 months.

Section 702. Lessee Actions Affecting Insurance. Lessee shall not knowingly do or permit to be done anything, either by act or failure to act, that may cause the cancellation or violation of the provisions, or any part thereof, of any policy of insurance for the Airport, or that may cause a hazardous condition so as to increase the risks normally attendant upon operations permitted by this Agreement. If such Lessee's act, or failure to act, causes cancellation of any policy, then Lessee shall immediately, upon notification by the City, do whatever is necessary to cause reinstatement of said insurance. Furthermore, if Lessee does or permits to be done any act or fails to do any act which causes an increase in the City's insurance premiums, Lessee shall immediately remedy such actions and pay the increase in premiums, upon Notice from the City to do so; but in any event, Lessee will hold the City harmless for any expenses or damage resulting from any such action.

Section 703. Damage to Premises.

- A. Minor Damage. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the Premises, is partially damaged by fire or other casualty, but said circumstances do not render the Premises untenable as determined by the City, the same will be repaired to usable condition with due diligence by the City as provided in this Section.
- B. Substantial Damage. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the Premises, is so extensively damaged by fire, or other casualty, as to render any portion of said Premises untenable but capable of being repaired, as determined by the City, the same will be repaired to usable condition with due diligence by the City as provided in this Section. In such case, the rents payable hereunder with respect to affected Premises will be paid up to the time of such damage and thereafter be abated ratably in the proportion that the untenable area bears to the total Premises of the same category or type of space. Such abatement in rent will continue until the affected Premises are restored adequately for Lessee's use. The City shall use its reasonable efforts to provide alternate facilities to continue Lessee's operation while repair, reconstruction, or replacement is being completed, at a rental rate not to exceed that provided herein for comparable space, provided that Lessee's rental costs do not increase as a result of any such alternate facilities unless Lessee requests

additional space or space replacement of a classification at higher rental rates concurrent with such reassignment to alternate facilities.

C. Total Damage.

1. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the Premises, is damaged by fire or other casualty, and is so extensively damaged as to render any portion of said Premises incapable of being repaired, as determined by the City, the City shall notify Lessee as soon as practicable under the circumstances after the date of such damage of its decision whether to reconstruct or replace said space. However, the City is under no obligation to replace or reconstruct such premises. The Rents payable hereunder with respect to affected Premises will be paid up to the time of such damage and thereafter cease until such time as replacement or reconstructed space is available for use by Lessee.
2. If the City elects to reconstruct or replace affected Premises, the City shall use its reasonable efforts to provide alternate facilities to continue Lessee's operation while repair, reconstruction, or replacement is being completed, at a rental rate not to exceed that provided herein for comparable space. However, if such damaged space is not replaced or reconstructed, or the City is not diligently pursuing such replacement or reconstruction, within 6 months after the date of such damage or destruction, Lessee has the right, upon giving the City 30 days advance Notice, to delete the affected Premises from this Agreement, but this Agreement will remain in effect with respect to the remainder of said Premises, unless such damaged or destroyed premises prevent Lessee from operating in its Premises under this Agreement.
3. If the City elects not to reconstruct or replace affected Premises, the City shall meet and consult with Lessee on ways to permanently provide Lessee with adequate replacement space for affected Premises. Lessee has the right, upon giving the City 30 days' advance Notice, to delete the affected Premises from this Agreement, but this Agreement will remain in full force and effect with respect to the remainder of said Premises, unless the loss of such premises prevents Lessee from using its Premises under this Agreement, in which event Lessee may terminate this Agreement.

D. Scope of Restoration of Premises.

1. The City's obligations to repair, reconstruct, or replace affected Premises under the provisions of this Section are in any event limited to using due diligence and best efforts to restore affected Premises to substantially the same condition that existed prior to any such damage and are further limited by the provisions of Subsections 703(A)-(C). If the City elects to repair, reconstruct, or replace affected Premises as provided in this Section, then Lessee shall proceed with due diligence and at its sole cost and expense to repair, reconstruct, or replace its Lessee Improvements, Removable Fixtures, and signs provided or installed by Lessee in or about the Premises in a manner and in a condition at least equal to that which existed prior to said damage or destruction.

2. In lieu of the City's repair, reconstruction, or replacement of the affected Premises, as provided in this Section, if Lessee requests to perform said function with respect to damage under Subsections 703(A) and (B), the City may, in its sole discretion, allow Lessee to do so. Any such authorized work by Lessee must be done in accordance with the requirements of Section 601. The City shall reimburse Lessee for the cost of such authorized work performed by Lessee as agreed to in writing by Lessee and the City. Lessee will be considered to be doing such work on its own behalf and not as an agent or contractor of the City.

- E. Damage From Lessee Negligence. Notwithstanding the provisions of this Section, if damage to or destruction of the Premises is due to the negligence or willful misconduct of Lessee, its agents, servants, or employees, or those under its control, there will be no abatement of rent during the restoration or replacement of affected Premises. In addition, Lessee will have no option to delete the affected Premises from this Agreement. To the extent that the costs of repairs pursuant to this Section exceed the amount of any insurance proceeds payable to the City by reason of such damage or destruction, Lessee shall pay the amount of such additional costs to the City.

Section 704. Indemnification.

- A. Lessee shall defend, indemnify, and hold harmless St. Charles County, Missouri, St. Clair County, Illinois, St. Louis County, Missouri, the City, their respective officers, agents and employees (the "**Indemnified Parties**") from and against any and all loss, liability, penalties, damages of whatever nature, causes of action, suits, claims, demands, judgments, injunctive relief, awards, settlements, costs, and expenses, including payments of claims of liability resulting from any injury or death of any person or damage to or destruction of any property including all reasonable costs for investigation and defense thereof (including but not limited to attorneys' fees, court costs and expert fees) of any nature, arising out of and in connection with this Agreement, or Lessee's use of its Premises or other areas or facilities at the Airport by Lessee, its agents, employees, contractors, or subcontractors, including, but not limited to:

1. the acts or omissions of Lessee, its agents, employees, contractors, or suppliers;
2. Lessee's use or occupancy of the Airport and the Premises; and
3. any violation by Lessee in the conduct of Lessee's business or its use or occupancy of the Premises or other areas or facilities at the Airport of any provision, warranty, covenant, or condition of this Agreement.

Lessee shall, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not.

- B. Lessee shall defend, indemnify, pay, and hold harmless the Indemnified Parties from and against all applicable taxes and assessments for which the City may become liable and which by law may be levied or assessed on the Premises, or which arise out of the operations of Lessee or by reason of Lessee's occupancy of its Premises except for any taxes or assessments based on the gross or net income or gross or net receipts of the City

that are not allocable to Lessee-related receipts. However, Lessee may, at its own risk, cost, and expense, and at no cost to the City, contest, by appropriate judicial or administrative proceedings, the applicability or the legal or constitutional validity of any such tax or assessment, and the City will, to the extent permitted by law, execute such documents as are necessary to permit Lessee to contest or appeal the same. Lessee is responsible for obtaining bills for all of said taxes and assessments directly from the taxing authority and shall promptly deliver to the City, upon request by the City, copies of receipts of payment. If the City receives any tax billings falling within the scope of this paragraph, it will forward said billings to Lessee. Lessee shall, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not.

- C. Lessee shall defend, indemnify, and hold harmless the Indemnified Parties from and against any claim, suit, demand, action, liability, loss, damage, judgment, or fine, and all costs and expenses of whatever kind or nature associated therewith in any way arising from or based in whole or substantial part upon claim or allegation of a violation of any federal, state, or local laws, statutes, resolutions, regulations, ordinance, or court order affecting the Airport, by Lessee, its agents, employees, contractors, or suppliers, in conjunction with Lessee's use or occupancy of the Premises or its operations at the Airport. Lessee will, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not. Lessee shall include the substance of this Subsection (C) in every sublease, contract or other agreement which Lessee may enter into related to its activities on the Premises, and any such sublease, contract or other agreement must specifically provide that the City is a third-party beneficiary of this and related provisions. This provision does not constitute a waiver of any other condition of this Agreement prohibiting or limiting assignments, subletting or subcontracting.
- D. Lessee shall defend, indemnify, and hold harmless the Indemnified Parties from and against any claim, suit, demand, action, liability, loss, damage, judgment, or fine, and all costs and expenses of whatever kind or nature arising from or based in whole or part upon the presence in, or the release into, the environment, including the Premises or the Airport of any Hazardous Materials to the extent caused by, or resulting from, the acts or omissions of Lessee or its agents, employees, contractors, invitees, licensees, or suppliers at the Airport whether resulting from negligent conduct or otherwise.
- E. If a prohibited incursion into the air operations area occurs, or if the Aircraft Operations Area or sterile area security is breached, by or due to the negligence or willful misconduct or omission of any of Lessee's employees, agents, contractors, or suppliers, and such incursion or breach results in a civil penalty action against the City, Lessee shall assume the defense of any such action and be responsible for any civil penalty or settlement amount required to be paid by the City as a result of such incursion or breach. The City shall notify Lessee of any allegation, investigation, or proposed or actual civil penalty sought for such incursion or breach. Civil penalties and settlement and associated expenses reimbursable under this paragraph include but are not limited to those paid or incurred as a result of violation of FAA or TSA regulations or security directives.
- F. Lessee's obligation to defend and indemnify past officers, employees, and agents of the City apply to such persons only for claims, suits, demands, actions, liability, loss,

damages, judgments, or fines arising from events, occurrences, and circumstances during which said officers, employees, and agents held their office or position with the City.

- G. The City shall promptly notify Lessee of each claim, action, proceeding, or suit in respect of which indemnity may be sought by the City against Lessee hereunder, setting forth the particulars of such claim, action, proceeding or suit; shall furnish Lessee with a copy of all judicial filings and legal process and any correspondence received by the City related thereto; and shall tender the defense of same to Lessee.
- H. The duty to defend, indemnify, hold harmless, and reimburse applies to any claim, demands, or suits made against the City for which Lessee is responsible pursuant to this Section. Provided, however, that upon the filing by anyone of a claim with the City for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the City harmless, the City shall promptly notify Lessee of such claim and, if Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and on behalf of the City, at Lessee's expense; provided, however, that Lessee shall immediately notify City if a conflict between the interests of Lessee and City arises during the course of such representation. Lessee shall use counsel reasonably acceptable to the City Counselor of the City or his or her designee, after consultation with the Airport Director, in carrying out its obligations hereunder. The provisions of this section survive the expiration or early termination of this Agreement. It is specifically agreed, however, that the City, at its option and at its own expense, may participate in the legal defense of any claim defended by Lessee in accordance with this Section. Any final judgment rendered against the City for any cause for which Lessee is liable hereunder is conclusive against Lessee as to amount upon the expiration of the time for appeal therefrom. Nothing in this Article is deemed a change or modification in any manner whatsoever of the method or conditions of preserving, asserting, or enforcing any claim of legal liability against the City. This Section does not in any way waive any of the City's sovereign or other immunity.
- I. The City, at its own expense except as otherwise provided herein, shall be invited to attend and participate in all meetings (including those related to settlement) and to appear and participate in all judicial proceedings and to the extent of its interests, approve, in writing, the terms of any settlement related to any claim, action, proceeding or suit set forth in this Section.
- J. Notwithstanding the provisions of this Section 704, Lessee has no obligation to defend, indemnify, or hold harmless the City for any consequential damages or for any amounts to be paid in connection with losses, liabilities, penalties, damages of whatever nature, causes of action, suits, claims, demands, injunctive relief, judgments, awards and settlements because, and to the extent, of the negligence or willful misconduct of the City, but only if the City is conclusively determined to be more than 10% liable due to contributory negligence.
- K. This Section survives the expiration or early termination of this Agreement. Lessee understands and agrees that any insurance protection furnished by Lessee pursuant to Section 701 in no way limits Lessee's responsibility to indemnify and hold harmless the City under the provisions of this Agreement.

Section 705. City Not Liable. Unless otherwise expressly provided for in this Agreement, the City is not in any event liable to Lessee for:

- A. any acts or omissions of Lessee, its officers, directors, employees, agents, contractors, or suppliers, or for any conditions resulting from the operations or activities of Lessee's directors, officers, employees, agents, contractors, or suppliers;
- B. Lessee's failure to perform any of the obligations hereunder or for any delay in the performance thereof;
- C. any environmental condition in existence at the Airport, or any part thereof, which condition may interfere with Lessee's business or other operations or activities, or which might otherwise cause damages to Lessee through loss of business, destruction of property, or injury to Lessee, its officers, directors, employees, agents, contractors, suppliers, invitees, customers, or licensees except to the extent such conditions are caused by the City, its employees or agents; or
- D. bodily injury or any loss or damage to real or personal property or business income occasioned by flood, fire, smoke, earthquake, lightning, windstorm, hail, explosion, riot, strike, civil commotion, vandalism, malicious mischief, or acts of war or terrorism, or for any injury, loss or damage not caused by the negligence, willful misconduct, or bad faith of the City.

ARTICLE VIII COMPLIANCE WITH ENVIRONMENTAL LAWS

Section 801. Compliance with Environmental Laws. Lessee warrants and covenants that in conducting any activities or business on Airport property, including any activities directly related or incidental to its use and occupancy of Premises under this Agreement or any prior use of the Airport or the Premises, Lessee shall comply with any and all applicable Environmental Laws including any plans, monitoring, recordkeeping or programs prepared in conformance with Environmental Laws. Lessee further covenants and warrants as follows:

A. Environmental Permits.

- 1. Lessee shall obtain and maintain any and all Environmental Permits required by applicable Environmental Laws to conduct the activities in which Lessee engages on the Premises.
- 2. Lessee shall comply with any requirement imposed by an Environmental Permit obtained by the City that is or are applicable to Lessee or Lessee's activities on the Premises under this Agreement or any other prior use of the Airport or the Premises, including any plans, monitoring, recordkeeping or programs prepared in conformance with such Environmental Permits or Environmental Laws; provided however, that the City shall adequately notify Lessee of such Environmental Permit and associated requirements, including all applicable deadlines for compliances.

3. The City and Lessee shall cooperate to ensure compliance with the terms and conditions of any Environmental Permit, Environmental Law and any associated requirements to ensure safety.
- B. Duty to Notify City. In the event of any release or threatened release of Hazardous Materials caused, handled, or owned by Lessee, its employees, agents, contractors, suppliers, guests, or invitees, and which is required by applicable Environmental Laws, Environmental Permits, Rules and Regulations, or any plan or program prepared in response to Environmental Laws, or Environmental Permits to be reported by Lessee, whether as a result of negligent conduct or otherwise, at, on, about, or under the Premises, or in the event any written claim, demand, complaint or action is made or taken against Lessee that pertains to Lessee's failure or alleged failure to comply with Environmental Laws or Environmental Permits at the Premises or which pertains to the release of Hazardous Materials by Lessee at the Premises or the Airport under this Agreement, Lessee shall notify the City as soon as reasonably practical of all known facts pertinent to such release, threatened release, claim, demand, complaint, action, or notice, and shall provide the City with copies of any and all such claims, demands, complaints, notices, or actions so made. If Lessee is required, by any Environmental Laws, Environmental Permits, or governmental agency, to file any written notice or report of a release or threatened release of Hazardous Materials on or under the Premises, Lessee shall simultaneously provide a copy of such notice or report to the City.
- C. Environmental Remediation. Lessee shall promptly and timely undertake all necessary steps required under applicable Environmental Laws and Environmental Permits to remedy and remove at its cost any Hazardous Material, or environmental condition or damage to the extent caused by, or resulting from, the activities, conduct, or presence of Lessee or its agents, employees, contractors, independent contractors, lessees, invitees, licensees, or suppliers at the Premises or Airport under this Agreement or any prior use of the Airport or Premises, whether resulting from negligent conduct or otherwise ("Remediation Work"). Such Remediation Work must be consistent with remediation standards established by or derived from the appropriated government agency responsible for enforcing Environmental Laws or Environmental Permits. Lessee shall perform such Remediation Work at Lessee's expense. Except in the event of an emergency, such Remediation Work will be performed after Lessee, taking into consideration the circumstances, timely and promptly submits to the City a written plan for completing such Remediation Work and receives the prior approval of the City through Notice; provided, however, that the City's approval will not be unreasonably withheld or delayed. The City expressly reserves the right to review and approve any proposed: remedial investigations, remedial work plans, interim and final remedies, institutional controls, including environmental covenants, or other associated documents prior to submittal to the relevant governmental agencies responsible for enforcing Environmental Laws or Environmental Permits and be consistent with the commercial use of the Airport, as determined by the governmental agency responsible for enforcing Environmental Laws and Environmental Permits or for establishing cleanup levels. Lessee agrees that neither Remediation Work or an ongoing remediation, including any testing or monitoring, nor the use of institutional controls, will either unreasonably or materially impair or interfere with the City's current or future use and enjoyment of its property including the Premises, or that of current and future tenants. The City must review and approve any proposed use of institutional controls. The City has the right to conduct a reasonable review and inspect all such Remediation Work at any time using consultants and representative of its choice.

- D. Access for Environmental Inspection. Upon reasonable notification to Lessee, the City is entitled to reasonable access to the Premises to inspect the same in order to confirm that Lessee is using the Premises in accordance with this Section 801. Lessee shall cooperate fully with any such inspections provided that such inspections do not unreasonably interfere with Lessee's operations. If the City's inspection results in any type of written report, the City shall provide Lessee a reasonable opportunity to timely review and comment on a draft of the report. Lessee shall provide to the City for its review and comment copies of: any and all notices of alleged non-compliance issued by governmental agencies responsible for enforcing Environmental Laws or Environmental Permits; non-privileged draft official submittals (proposed final drafts) prepared by, or on behalf of, Lessee responding to such alleged non-compliance; and any and all consent orders or administrative determinations, whether preliminary or finals, issued by such governmental agencies. The City agrees to maintain the confidentiality of the documents produced in accordance with the Subsection to the extent consistent with the City's legal obligations.
- E. Corrective Action by City. If Lessee fails to comply with any applicable Environmental Laws or Environmental Permits governing its activities on the Premises under this Agreement or any other prior use of the Airport or the Premises, or if Lessee fails to conduct necessary Remediation Work in a timely manner as required under the terms of this Agreement, the City, in addition to the rights and remedies described elsewhere herein and any other rights and remedies otherwise available to the City, may enter the Premises and take all reasonable and necessary actions to conduct Remediation Work to remove Hazardous Materials or other contaminants which lessee is responsible for under this Agreement or any prior use of the Premises, and remedy Lessee's non-compliance with the Agreement. All Remediation Costs incurred by the City must be timely paid or reimbursed by Lessee within thirty (30) calendar days of the City's written notice. Remediation Work, if necessary, must be performed in accordance with the provisions of Section 801.C, but only after first having provided notice to Lessee of such failure to comply, and thirty (30) days within which Lessee may demonstrate why no such alleged failure is present, or to timely remedy such alleged failure that may be present. If Lessee's compliance reasonably requires more than thirty (30) calendar days to complete, the City may enter the Premises and take such reasonable and necessary measures to achieve compliance only upon the Lessee's failing to timely begin curing such noncompliance within such thirty (30) day period and to continue diligently working to achieve compliance thereafter.
- F. Review of Environmental Documents. At the reasonable request of the City, Lessee shall make available for inspection and copying, at reasonable times, any and all non-privileged documents and materials Lessee has prepared pursuant to any applicable Environmental Laws or Environmental Permits, or submitted to any governmental agency, which documents and materials relate to environmental issues, Environmental Laws or Environmental Permits and which pertains to the Premises under this Agreement, and which would be discoverable in litigation.
- G. Cumulative Remedies. All remedies of the City as provided herein with regard to environmental pollution, contamination, damage, or any actual or threatened violations of any Environmental Laws or Environmental Permits are deemed to be cumulative in nature. The City's right to indemnification as provided for under this Article VIII survives the expiration or early termination of this Agreement.

- H. Pollution Control. In addition to all other requirements of this Agreement, Lessee, at its cost, shall manage all its operations at the Premises in compliance with all applicable Environmental Laws, Environmental Permits, and with applicable best management practices outlined and delineated in the Airport's Storm Water Pollution Prevention Plan and Storm Water Management Plan, which will be provided to Lessee at Lessee's written request.
- I. Environmental Covenants. Lessee will not object to and, if requested by the City, will subordinate, at no costs to the City, any rights it has under this Agreement to an environmental covenant or environmental land use restriction which (i) restricts the use of groundwater underlying the Premises; (ii) limits the use of the Premises to nonresidential uses; (iii) restricts access to or disturbance of soil underlying the Premises, or (iv) any other environmental use restriction.

ARTICLE IX MERGERS, ASSIGNMENT, AND SUBLETTING

Section 901. Mergers and Consolidations. If Lessee consolidates with or merges into another company or permits one or more other companies to consolidate with or merge into it, or transfers or conveys all or substantially all of its property, assets and licenses to another company, the business entity resulting from or surviving such merger (if other than Lessee) or consolidation or the company to which such transfer or conveyance is made must (i) expressly assume in writing and agree to perform all of Lessee's obligations hereunder, (ii) be qualified to do business in the State of Missouri, and (iii) if such business entity is not organized and existing under the laws of the United States of America or any state or territory thereof or the District of Columbia, furnish to the City an irrevocable consent to service of process in, and to the jurisdiction of, the courts of the State of Missouri with respect to any action or suit, in law or at equity, brought by the City to enforce this Agreement. If Lessee is the surviving business entity in such a merger, the express assumption referred to in this Section is not required.

Section 902. Lessee Assignments. Lessee is not permitted to assign, transfer, convey, sell, mortgage, pledge, or encumber (hereinafter collectively referred to as "Assignment") this Agreement other than in connection with a transaction referenced in Section 901 or sublet its Premises without the advance approval of the City, which is to be given by Notice to Lessee. No Assignment of this Agreement or sublet of the Premises is effective without approval of the City; provided that the City agrees its approval for an Assignment request will not be unreasonably withheld, conditioned, or delayed. If Lessee fails to obtain approval from the City of any such Assignment or sublet, the City, in addition to the rights and remedies set forth in Article IX and by law, has the right, in its sole discretion, to hold Lessee responsible for continued performance of its obligations throughout the Term, or to immediately terminate this Agreement without the assignee or sublessee acquiring any interest herein or any rights to use the Premises.

Section 903. City Approval of Assignments. No Assignment of this Agreement other than in connection with a transaction referenced in Section 901 is effective without approval of the City, which may approve, condition or deny such Assignment in its sole discretion pursuant to Ordinance 63687 (see Section 1214, entitled "Approvals").

Section 904. City Approval of Subleases. No sublease of Lessee's Premises is effective without advance approval by the City, which approval is to be given to Lessee by Notice, and will take

into consideration the best interest of the traveling public and the operations of the Airport. All subleases are subordinate to this Agreement. Without in any manner limiting the City's general right to approve, disapprove, or condition subleases, it is not unreasonable for the City to disapprove or condition a sublease of Lessee's Premises on any or all of the following circumstances, among others:

- A. The proposed sublease imposes excessive or otherwise unfair terms and conditions on the sublessee.
- B. A lessee which is not leasing space directly from the City, proposes to sublease, in whole or in part, the Premises, and the City determines that there is space in the Cargo City Buildings available for lease directly from the City by the proposed sublessee.
- C. The proposed sublease does not contain a provision which permits it to be terminated upon Notice from the City to the parties thereto of the availability of City-controlled space.
- D. The proposed sublease does not recognize explicitly that it is subordinate to this Agreement.

Section 905. Method of Obtaining Approval of Subleases. When requesting approval of a sublease under Sections 902 and 904, Lessee must include with its request a copy of the proposed agreement, if prepared, or a reasonably detailed summary of the material terms and conditions to be contained in such agreement. Any proposed agreement or reasonably detailed summary thereof must provide information required by the City, including the following:

- A. the Premises to be sublet;
- B. the terms;
- C. the rents and fees to be charged; and
- D. any other material term and condition of the sublease.

If approved, Lessee shall submit a fully executed copy of such agreement to the City within 30 days after the commencement of the sublease.

Section 906. Charges to Sublessees. The City will not approve any sublease that includes charges other than the following:

- A. a reasonable charge for any services, equipment, and property provided by Lessee;
- B. actual costs other than rental costs incurred by Lessee; and
- C. reasonable rents not to exceed 115% of Lessee's Rents and fees allocable to the subleased portion of the Premises.

Section 907. Lessee to Remain Liable. Lessee remains fully and primarily liable throughout the Term for the payment of all of the Rents and fees due and payable to the City for the Premises

that are subject to a sublease, and remains fully responsible for the performance of all the other obligations hereunder, unless otherwise agreed to in writing by the City.

ARTICLE X DEFAULT AND TERMINATION

Section 1001. Events of Default. Each of the following constitutes an “Event of Default” under this Agreement:

- A. Lessee fails to punctually pay when due any Rents or any other sum required to be paid hereunder, and such failure continues for a period of 15 days after Notice of non-payment has been given to Lessee by the City.
- B. Lessee fails to keep, perform and observe any promise, covenant or other provision of this Agreement 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, will not give rise to the City's right to terminate this Agreement if corrective action is instituted by Lessee within such 30-day period and diligently pursued until the failure is corrected.
- C. Any representation or warranty of a material fact made by Lessee 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. Lessee discontinues its conduct of business at the Premises for a period of 30 consecutive days or, after exhausting or abandoning any further appeals, Lessee 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 Premises.
- E. Lessee fails to meet and maintain any of the Security Deposit requirements in accordance with Section 505.
- F. Lessee fails to maintain the minimum required insurance coverage as required by Section 701 for a period of 30 days after Notice specifying such failure by the City, provided that the City has the right to immediately suspend Lessee's right to operate at the Airport until Lessee has obtained the minimum required insurance coverage.
- G. Lessee fails to maintain true and accurate books, records, and accounts resulting in an underpayment of Rents to the City, and such underpayment continues for a period of six months.
- H. Lessee 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. Lessee 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 Lessee under any chapter of the Bankruptcy Code.
- J. Lessee is adjudged a debtor or bankrupt or an order is made approving a petition filed by any of Lessee's creditors or stockholders seeking Lessee'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 Lessee 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 Lessee and such possession or control continues in effect for a period of 60 days.
- M. Lessee becomes a business entity in dissolution.
- N. The letting, license, or other interest of or rights of Lessee 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.
- O. Lessee enters into an Assignment or sublease which is not approved by the City in accordance with the provisions of Article IX, and, if a sublease, it is not terminated within 10 days after Notice from the City.

Section 1002. Termination by the 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:
 - I. Terminate this Agreement or Lessee's rights granted hereby, but without discharging any of Lessee's obligations hereunder and, at the City's further option, exclude Lessee from its Premises. If Lessee 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, Lessee may be deemed a tenant at sufferance during the period of such use or failure and, in such event, Lessee shall pay Rents established by the City during such period. In such event, the City has, 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.

2. Without terminating this Agreement, exclude Lessee from its Premises and use its best efforts to lease such Premises to a replacement lessee. Lessee remains liable for all Rents and other payments due hereunder for the remainder of the Term of this Agreement; provided, however, that any rents received from a replacement Lessee will be credited against the amounts owed by Lessee.
- 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 Lessee, unless otherwise mutually agreed by Lessee and the City.
 - C. In accordance with the provisions of 14 C.F.R. Part 158, App. A(B)(7), as it may be amended from time to time, if Lessee is considered an "air carrier" or "foreign air carrier" as defined by Federal law, and if any of Lessee's Premises is financed in whole or in part with PFC revenue, and if Lessee has an exclusive lease or use agreement for facilities at the Airport ("**Exclusive Facilities**"), and if any portion of such Exclusive Facilities is not fully utilized and is not made available for use by potentially competing companies, this Agreement may be terminated by the City.
 - D. The remedies set forth in this Article are 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 Lessee hereunder, including collection of amounts due.
 - E. All rights and remedies given to the City herein and all rights and remedies granted to the City by law are cumulative and concurrent. No termination of this Agreement or the taking or recovering of the Premises will deprive the City of any of the City's remedies or actions against Lessee for Rents or for damages or for the breach of any covenant herein contained, nor will the bringing of any action for Rents or breach of covenant, the resort to any other remedy herein provided for the recovery of Rents or any delay in exercising such rights, be construed as a waiver of the right to obtain possession of the Premises.
 - F. In no event is this Agreement or any rights or privileges hereunder an asset of Lessee under any bankruptcy, insolvency, or reorganization proceedings.

Section 1003. Change of Term.

Notwithstanding the provisions of Section 301, automatically and immediately upon the occurrence of an Event of Default described in Subsections 1001 (F) - (K), the Term of this Agreement will convert to month-to-month; provided, however, that the conversion of the Term of this Agreement pursuant to this Section will not discharge any of Lessee's obligations hereunder nor affect any of the City's remedies set forth herein.

Section 1004. Termination by Lessee.

At any time that Lessee is neither in default nor has committed an Event of Default hereunder, Lessee may terminate this Agreement to the extent set forth below, at Lessee's option, prior to the scheduled expiration date set forth in Section 301, by giving the City 30 days' advance Notice upon or after the happening and during the continuance of any of the following events:

- A. Any action of the FAA or any federal, state, county, or municipal governmental agency refusing to permit Lessee to operate into, from, or through the Premises as Lessee has previously operated regularly thereon, and the remaining in force of such refusal for a period of at least 60 days;
- B. Any failure by the City to keep, perform and observe any material promise, covenant, or other provision of this Agreement for a period of 30 days after Notice specifying such failure and requesting that it be remedied is given to the City by Lessee; provided, however, that any such failure which can be cured, but which cannot with due diligence be cured within such 30 day period, will not give rise to Lessee's right to terminate this Agreement if corrective action is instituted by the City within such 30 day period and diligently pursued until the failure is corrected; or
- C. Lessee is prevented from conducting its business at the Premises for a period in excess of 90 consecutive days for any reason other than causes directly controlled by Lessee.

ARTICLE XI
SURRENDER OF PREMISES

Section 1101. Surrender of Premises.

- A. Surrender of Premises. On expiration of the Term of this Agreement or earlier termination as hereinafter provided, or on reassignment or reallocation of the Premises as provided herein, Lessee shall:
 - 1. peaceably surrender possession of the Premises and other space made available to Lessee hereunder in a clean, sanitary, and good condition, excepting only reasonable wear and tear (taking into account repair and maintenance required to be done by Lessee), acts of God, fire, and other casualties, and conditions that can be conclusively shown by Lessee existed prior to Lessee's occupancy or use of said Premises under this Agreement or any subsequent agreement with the City, and the City has the right to take possession of said Premises and other space made available to Lessee hereunder; and
 - 2. return the Premises to the City in a condition such that Hazardous Materials which were placed, stored, used, generated, treated, released, discharged, disposed, or spilled on, under, or about the Premises by Lessee, its officers, directors, employees, agents, contractors, or suppliers are remediated and removed in accordance with Subsection 406(C). If the City is required under applicable Environmental Laws to undertake actions to bring the Premises into compliance with this provision, or any applicable Environmental Laws or

Environmental Permits as a result of Lessee's failure to timely correct same in accordance with Subsection 406(C), Lessee shall reimburse the City for any Remediation Costs incurred by the City, as provided for in Subsection 406(E).

The City is not required to notify Lessee to quit possession at the expiration date of the Term of this Agreement.

- B. Removal of Personal Property. Provided Lessee is not in default for non-payment of Rents or any other payment due hereunder, Lessee has the right, on expiration or early termination of this Agreement and within 30 days thereafter, to remove or dispose of all Removable Fixtures installed or placed by Lessee, in, on, or about the Airport. Lessee is not entitled to remove non-trade fixtures without the advance consent of the City. If, following the expiration or early termination of this Agreement, the City has immediate need to accommodate a new tenant, the City may remove and store Lessee's Removable Fixtures, at Lessee's risk.
- C. Removal Damages. Lessee shall repair any damage caused by the removal of its Removable Fixtures. Removal is at Lessee's expense. Notwithstanding the above, consideration will be given to the intended long-term use of the Premises and if the City determines that such premises would not be maintained for a period warranting the repairs indicated above, the City may alter or waive the repair requirement of this Subsection. If the Premises are yielded or delivered to the City in need of repair, reconditioning, or restoration to the condition that existed when Lessee first used the Premises pursuant to this Agreement or any preceding agreement (reasonable wear and tear taking into account repair and maintenance required to be done by Lessee excepted), after reasonable notification by the City to Lessee, the City will repair or recondition said Premises and the cost thereof, plus a charge of fifteen percent (15%) for overhead, will be invoiced to Lessee and payable immediately, unless otherwise agreed to in writing by the Director. The City will determine the condition of the Premises at the expiration or early termination of this Agreement.
- D. Ownership of Fixtures and Personal Property Not Removed. If, after 30 days following any of the actions or remedies authorized by Subsection 1002(A) or the expiration of this Agreement, Lessee fails to remove its Removable Fixtures from the Premises, such Removable Fixtures may be deemed abandoned by the City. In addition to whatever other rights are available to the City, with prior notification of Lessee, the City may: (i) remove and store all or any portion of the Removable Fixtures at Lessee's expense, or (ii) take title to, use, sell, or otherwise dispose of all or any portion of the Removable Fixtures. If the City takes title to any Removable Fixtures or otherwise disposes of the property, the City is entitled to all proceeds of sale of any Removable Fixtures as liquidated damages for the Lessee's breach of its covenant to timely remove its Removable Fixtures.

ARTICLE XII MISCELLANEOUS PROVISIONS

Section 1201. Notice. Except as herein otherwise expressly provided, all notices required to be given to City hereunder must be in writing and must be delivered personally, or must be sent by

United States Registered or Certified Mail, return receipt requested, postage prepaid, or must be sent by telex, telegram, telecopy, fax or other similar form of rapid transmission confirmed by the mailing (by first class or express mail, postage prepaid) written confirmation at substantially the same time as such rapid transmission; and, must be addressed to the parties at the respective addresses set forth below. A party may change its address for receipt of notice by service of notice of such change in accordance herewith. Notice will be deemed received at the earlier of actual receipt or three (3) calendar days after being sent in the manner provided for above.

If to the City:

Director of Airports
St. Louis Lambert International Airport
P.O. Box 10212
10701 Lambert International Blvd.
St. Louis, MO 63145

with a copy to the Airport Properties Division Manager at the same address.

If to the Lessee:

Brian Cella, Sr.
Majestic Terminal Services, Inc.
900 Meridian Avenue East, Suite 19, #114
Milton, WA 98354

with a copy to Karen.Eneas@majesticterminalservices.com.

Section 1202. Environmental Notice. Lessee shall promptly notify the Director or his/her designee in writing of the commencement by 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 by Lessee of environmental law in connection with Lessee's operations on the Premises (See section 801.B of this Agreement).

Section 1203. No Personal Liability.

- A. The City will not be liable for any acts or omissions of any airline, or any condition resulting from the operations or activities of tenants or their representatives. Except as expressly set forth in this Agreement or as a matter of law, Lessee will not be liable for any acts or omissions of any other airline or the City or any condition resulting from the operations or activities of other tenants of the City or their representatives.
- B. No director, officer, employee, or agent of the City or Lessee will be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or because of any breach hereof or because of its or their execution of this Agreement. Any administrative complaint brought against the City relating to any aspect of this Agreement will be brought against the City and not against named individual respondents.

Section 1204. Force Majeure.

- A. Neither party hereto will be liable to the other for any failure, delay, or interruption in performing its obligations hereunder due to acts, events or conditions beyond its control, including acts of God, weather conditions, shortages of energy or materials, embargoes, riots, rebellions, sabotage, acts of a public enemy, war, terrorism, insurrection, strikes, boycotts, picketing, slow-downs, work stoppages or other labor actions affecting the rights or obligations of the City or Lessee hereunder, their respective contractors or subcontractors, except to the extent that such failure, delay or interruption directly or indirectly results from failure on the part of the City or Lessee, as applicable, to use reasonable care to prevent, or make reasonable efforts to cure, such failure, delay or interruption; provided, however, that, except as herein specifically provided, nothing in this Section is intended or will be construed to abate, postpone or in any respect diminish Lessee's obligations to make any payments due to the City pursuant to this Agreement.
- B. The City will be under no obligation to supply any service if and to the extent and during any period that the supplying of any such service or the use of any component necessary therefor will be prohibited or rationed by any law, ordinance, rule, regulation, requirement, order or directive of any federal, state, county or municipal government having jurisdiction.

Section 1205. Successors and Assigns. All of the terms, provisions, covenants, stipulations, conditions and considerations of this Agreement extend to and bind the legal representatives, successors, sublessees and assigns of the respective parties hereto. Notwithstanding any other term or provision in this Agreement, the City may assign this Agreement at its sole discretion by providing Notice to Lessee as described in Section 1201 herein.

Section 1206. Quiet Enjoyment. Upon payment of all amounts due hereunder and performance of the covenants and agreements on the part of Lessee to be performed hereunder, the City will not act or fail to act, except as otherwise provided by this Agreement, in a manner that will prevent Lessee from peaceably having and, in accordance with the terms hereof, enjoying the Premises and all rights, licenses, services, and privileges of the Airport and its appurtenances and facilities granted herein.

Section 1207. Operation and Maintenance of Airport. City shall at all times operate the Airport properly and in a sound and economical manner; and 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 1208. Title to Site. The Premises from the date hereof until the expiration or early termination of this Agreement will be owned in fee simple title by City or in such lesser estate as in the opinion of the City Counselor is sufficient to permit the letting thereof by City as herein provided for the full term provided in this Agreement.

Section 1209. Subordination to Agreements with the United States.

- A. This Agreement will be subordinated to the provisions of any existing or future agreement between the City and the United States Government or governmental authority, relating to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal funds or the approval to impose or use PFCs for the improvement or development of the Airport. Lessee will not cause the City to violate any assurances made by the City to the United States Government in connection with the granting of such federal funds or the approval of such PFCs.
- B. All provisions of this Agreement will be subordinate to the rights of the United States of America to operate all of the Airport or any part thereof during time of war or national emergency. Such rights will supersede any provisions of this Agreement inconsistent with the operation of the Airport by the United States of America.

Section 1210. Governing Law. This Agreement is made and entered into in the State of Missouri, and Missouri law will govern and apply to this Agreement. Any cause of action, claim, suit, demand, or other case or controversy arising from or related to this Agreement will be brought only in a federal or state court in the City of St. Louis, Missouri. Lessee and the City hereby admit and consent to the jurisdiction and venue of such courts. The provisions of this section survive the expiration or termination of this Agreement.

Section 1211. Headings. The headings of the Articles and Sections of this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provisions of this Agreement and will not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

Section 1212. Amendments. Except as expressly provided for herein, this Agreement may be amended from time to time by written agreement, duly authorized and executed by all the signatories to this Agreement.

Section 1213. Previous Agreements. The terms of this Agreement supersede the terms and provisions of any prior leases as of the effective date of this Agreement.

Section 1214. Approvals.

- A. Unless otherwise required by state or local law, wherever in this Agreement the approval, authorization, consent, certification, determination, waiver, or any other action of the City is required, it may be performed by the Airport Director, unless otherwise provided herein. In taking such actions, the Airport Director shall act reasonably, and take into consideration the best interest of the traveling public and the operations of the Airport.
- B. In all instances in this Agreement where consent or approval of one party is required for an action by the other party, such consent must be in writing unless otherwise agreed by the parties.
- C. Whenever in this Agreement any approval is required, such decision will be promptly rendered and will not be unreasonably withheld or conditioned. No disapproval will be valid

if such disapproval constitutes an anticompetitive act as described by a federal agency having jurisdiction over such matters.

Section 1215. No Waiver. No provision of this Agreement will be deemed to have been waived by either party unless such waiver is in writing, signed by the party making the waiver and addressed to the other party, nor will any custom or practice that may evolve between the parties in the administration of the terms of this Agreement be construed to waive or lessen the right of either party to insist upon the performance of the other party in strict accordance with the terms of this Agreement.

Section 1216. Invalid Provisions. If any covenant, condition, or provision in this Agreement is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, or conclusively determined to be inconsistent with federal law or FAA grant assurances, such covenant, condition, or provision will be deemed amended to conform to applicable laws so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it will be stricken. If stricken, all other covenants, conditions and provisions of this Agreement will remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the City or Lessee in its respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement.

Section 1217. Americans with Disabilities Act ("ADA"). Lessee shall be responsible for compliance with the Federal ADA, plus any federal, state or local laws or regulations and City Ordinances pertaining to the disabled individual having access to the Premises or the Lessee's services.

Section 1218. Advertising. Lessee will have no right to use the trademarks, symbols, trade names or name of the Airport, either directly or indirectly, in connection with any production, promotion service or publication without the prior written consent of Director.

Section 1219. Timing. The parties expressly agree that time is of the essence in this Agreement. Failure by a party to complete performance within the time specified, or within a reasonable time if no time is specified herein, will relieve the other party, without liability, of any obligation to accept such performance.

Section 1220. Construction of Agreement. The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein. The parties further acknowledge that this Agreement is the result of extensive negotiations between the parties and will not be construed against the City by reason of the preparation of this Agreement by the City.

Section 1221. Conflicts Between Tenants. In the event of a conflict between Lessee and any other tenant, licensee or concessionaire, as to the respective rights of the others, Director will review the applicable agreements and by reasonable interpretation thereof determine the rights of each party, and Lessee agrees to be bound by such decision. All determinations by Director are final.

Section 1222. Entire Agreement. This Agreement, together with all exhibits attached hereto, and documents or agreements incorporated herein by reference, constitutes the entire agreement between the parties hereto and all other representations or statements heretofore made, verbal or written are merged herein and this Agreement may be amended only in writing and executed by duly authorized representatives of the parties hereto, unless otherwise expressly authorized herein.

Section 1223. FAA Non Discrimination.

- A. The Lessee 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 Premises 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 Lessee 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 Premises;
 - 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 Premises or the facilities, structures or improvements within the Premises;
 - iii. in the construction of any improvements on, over, or under the Premises, 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 Lessee will use the Premises or facilities, structures, or improvements within the Premises in compliance with the Acts and Regulations; and
 - v. for purposes of this Section 1223, 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 (also see 49 CFR Part 27 and 28 CFR Parts 35 and 36);
- 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).

Section 1224. No Third Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein expressed or implied will give or be construed to give to any person or entity (including other Signatory Airlines) other than the parties hereto and their assigns any legal or equitable rights hereunder.

Section 1225. Binding Contract; Counterparts; Facsimile Signatures. This Agreement will become effective and binding only upon the execution and delivery hereof by the City and Lessee. This Agreement and any companion document or instruments referred to herein, may be executed in any number of counterparts, each of which will be original, by all of which together will constitute one document or instrument, and will constitute sufficient proof for this agreement to present any copy, electronic copies or facsimiles signed by parties hereto..

Section 1226. Exhibits. All certificates, documents, exhibits, attachments, riders, and addenda referred to herein, including the exhibits referred hereto, are hereby incorporated into this Agreement by reference and made a part hereof as though set forth in full in this Agreement to the extent they are consistent with its conditions and terms. The City and Lessee shall reasonably and in good faith finalize and attach all such exhibits and attachment to this Agreement, which may not have been in final form as of the Commencement Date.

Section 1227. Survival of Warranties. All warranties and covenants set forth in this Agreement will survive the execution and performance of this Agreement.

Section 1228. City's Rights and Remedies are Cumulative. All rights and remedies of the City as provided herein and under law are cumulative in nature.

Section 1229. Waiver of Consequential Damages. Neither City nor Lessee shall be liable to the other for consequential damages or lost profits, such as interruption of either party's business.

IN WITNESS WHEREOF, the parties hereto for themselves, their successors and assigns, have executed this Agreement the day and year first above written.

The foregoing Agreement was approved by the Airport Commission at its meeting on the 7th day of August, 2019.

THE CITY OF ST. LOUIS BY:

[Signature] 8/5/19
Commission Chairperson
and Director of Airports

APPROVED AS TO FORM ONLY BY:

[Signature] 8/6/19
City Counselor,
City of St. Louis

COUNTERSIGNED BY:

Darlene Green 8/27/19
Comptroller,
City of St. Louis

ATTESTED TO BY:

[Signature] 8/29/19
Register,
City of St. Louis

COMPTROLLER'S OFFICE
DOCUMENT # 74752

The Board of Estimate and Apportionment approved the foregoing Agreement in substance at its meeting on the 21st day of August, 2019.

Stephanie M. Green 08/21/2019
Secretary,
Board of Estimate & Apportionment

MAJESTIC TERMINAL SERVICES, INC.:

By: Brian Cella
Title: President
Date: August 2nd, 2019

Federal Tax ID # 91-2018 453

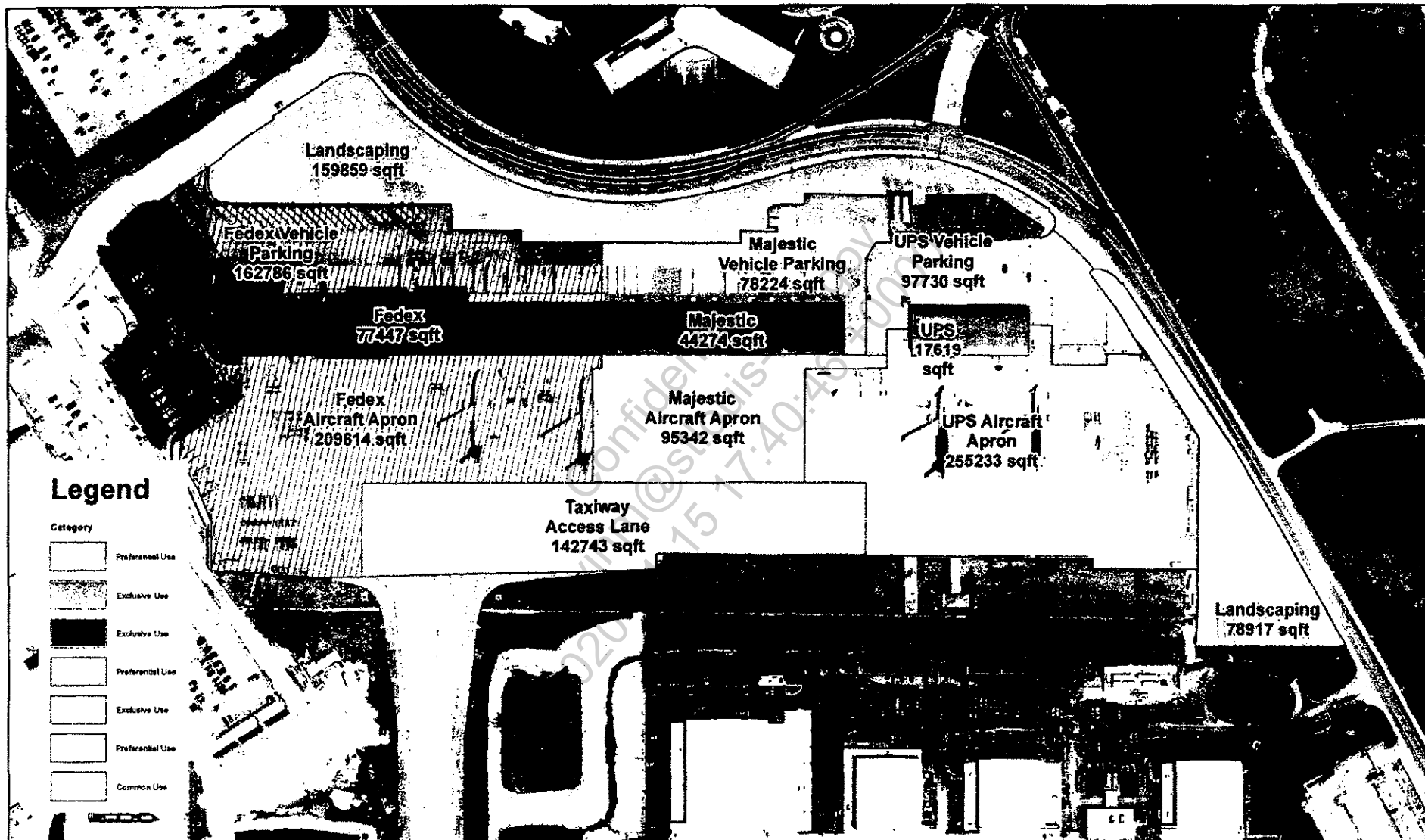
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EXHIBIT A

PREMISES

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EXHIBIT B

COMMON USE RENT CALCULATION

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ST. LOUIS LAMBERT
INTERNATIONAL AIRPORT

Exhibit B

Cargo Facility Rent Calculations

Annual Rental Rates	
Description	Rate
Cargo Building	\$9.75 psf
Aircraft Apron	\$0.45 psf
Vehicle Parking	\$0.33 psf
Landscaping	\$0.15 psf

Majestic Rental Amounts		
Description	Square Feet	Rent
Building	44,274	\$431,671.50
Aircraft Apron	95,342	\$42,903.90
Vehicle Parking	78,224	\$25,813.92
Common Use		\$18,447.10
Total Annual Rent =		\$518,836.42
Total Monthly Rent =		\$43,236.37

Common Use Rent Allocation			
Taxiway Access Lane			
Square Feet	142,743		
Rate	\$0.45		
Rent	\$64,234.35		
Apron Leased			
	Apron Leased	Percentage	Rental
FedEx	209,614	37.4%	\$24,035.49
UPS	255,233	45.6%	\$29,266.42
Majestic	95,342	17.0%	\$10,932.44
Landscaping			
Square Feet	238,776		
Rate	\$0.15		
Rent	\$35,816.40		
Total Leased			
	Total Leased	Percentage	Rental
FedEx	449,847	43.3%	\$15,518.04
UPS	370,582	35.7%	\$12,783.69
Majestic	217,840	21.0%	\$7,514.67
Total Annual Common Use Rent			
FedEx	\$39,553.53		
UPS	\$42,050.11		
Majestic	\$18,447.10		

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EXHIBIT C

SCHEDULE OF FEES AND CHARGES

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The City of St. Louis
Lambert-St. Louis International Airport®
Schedule of Fees and Charges

Effective February 1, 2017

This Schedule of Fees and Charges is hereby established by The City of St. Louis ("City"), for the use of the Lambert-St. Louis International Airport ("Airport"), its landing field and passenger terminal facilities. The fees and charges established herein are applicable to all users of the Airport, unless such activity is expressly governed by the provisions of a contract, lease, permit, or other agreement entered into under Section 18.08.060 of the Revised Code of The City of St. Louis.

LANDING FEES¹:

For aircraft not providing scheduled commercial service with a gross landed weight of:

1 lb. to 15,000 lbs.	\$20
15,001 lbs. to 30,000 lbs.	\$40
30,001 lbs. to 45,000 lbs.	\$70
45,001 lbs. to 65,000 lbs.	\$100
65,001 lbs. to 85,000 lbs.	\$150

More than 85,000 lbs. or providing scheduled commercial service:

125 percent of the signatory rate then in effect per
1,000 lbs. of maximum certified gross landing
weight, as certified by the Federal Aviation
Administration for such aircraft

FUEL FLOWAGE FEE¹:

\$0.07/gallon of fuel into the aircraft at the
Airport

¹ Military and other government-owned (federal, state, county or city) aircraft are exempt from Landing Fees and Fuel Flowage Fees.

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AIRPORT FACILITY USE FEE
FOR NON-AGREEMENT AIRLINES
USING CITY CONTROLLED GATES:

\$1.60 per Enplaned Passenger without Ticket Counter (\$240 per turn minimum payment)
\$2.40 per Enplaned Passenger with Ticket Counter (\$360 minimum payment)

\$2.30 per Deplaned Passenger (\$345.00 per turn minimum payment); **Note:** If deplaning at an International Gate and using the Federal Inspection Service facility, then the rate is \$1.23 per Deplaned Passenger (\$185 per turn minimum payment).

Additional Facility Use Fee of \$100 for each additional hour or portion thereof for the use of a City Gate in excess of 2 hours, up to \$1,500 per 24 hour period.

FEDERAL INSPECTION SERVICE
FEE:

\$4.85 per Deplaned Passenger

RAMP PARKING FEE
FOR NON-AGREEMENT AIRLINES:

\$125 fee if parking aircraft over 4 hours in any 24 hour period or 6 hours in any 24 hour period if a cargo carrier

CITY GATE PER
TURN USE FEE FOR AGREEMENT
AIRLINES:

\$370 without Ticket Counter or \$495 with Ticket Counter for the first two hours or portion thereof; \$100 for each additional hour or portion thereof, up to \$1,500 per 24-hour period

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(Note: If deplaning at an International Gate and using the Federal Inspection Service facility, then the initial fee is \$185 without Ticket Counter or \$248 with Ticket Counter for the first two hours or portion thereof.)

At the request of the user, the applicable Airport Facility Use Fee for Non-Agreement Airlines Using City Controlled Gates or the City Gate Per Turn Use Fee for Agreement Airlines, or portion thereof, may be waived by the Director of Airports if the City Gate is used to accommodate a flight that is forced to land due to medical, mechanical, or other emergencies

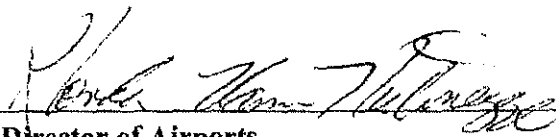
It is the policy of the Airport that all airlines providing scheduled operations (as defined by 14 C.F.R. § 110.2) at the Airport must enter into an Airport Use and Lease Agreement ("AUA") or an Airport Operating Agreement and Terminal Building Space Permit ("AOA") with the City, except if such use is for less than 4 consecutive months or less than 6 months in any 12 month period. Airlines that do not operate at the Airport pursuant to a valid AUA or AOA, whether using the passenger Terminal Buildings or not, must be handled by an entity that has a valid handling permit from, or is otherwise authorized to provide that service by, the Airport.

The Schedule of Fees and Charges may be modified from time to time in accordance with the provisions of Sections 18.08.050 and 18.08.070 of the Revised Code of the City of St. Louis.

This Schedule of Fees and Charges is established pursuant to the authority granted by Sections 18.08.050 and 18.08.070 of the Revised Code of the City of St. Louis, and supersedes all prior schedules adopted by the Airport Commission.

Approved by the Airport Commission at its meeting on January 4, 2017, 2016.

BY:


Director of Airports

Date

Chairperson, St. Louis Airport Commission

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EXHIBIT D

PREVENTATIVE MAINTENANCE SCHEDULE

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		DATE AND SIGN PER QUARTER, SEMIANNUAL AND ANNUAL				
BUILDING INTERIOR - ANNUAL CHECKS		ANNUAL CHECKS - EVERY 12 MONTHS		ANNUAL CHECKS - EVERY 12 MONTHS		COMMENT
1	VISUALLY INSPECT FOR DETERIORATION OF INTERIOR FINISHES, INCLUDING PAINT, FLOORING MATERIALS, CEILING TILES AND SEALED CONCRETE. REPLACE DAMAGED MATERIALS					
2	CHECK AND LUBE ALL DOOR LOCKS AND CHECK CLOSERS					
3	INSPECT GYPSUM DRYWALL FIRE WALLS FOR DAMAGE OR PENETRATIONS. REPAIR HOLES.					
4	VERIFY EXISTING FIRE EXTINGUISHERS HAVE BEEN INSPECTED, TAGGED, HUNG AND SIGNAGE PROVIDED. PROVIDE NEW AS REQUIRED.					
5	VISUALLY INSPECT INTERIOR FIRE SHUTTERS ABOVE WINDOWS. ENSURE FUSIBLE LINK IS INSTALLED.					
6	PHYSICALLY OPERATE AND INSPECT DOCK LEVELERS FOR PROPER OPERATION					
7	PHYSICALLY OPERATE AND INSPECT MAN DOOR AND OVERHEAD DOOR HARDWARE FOR PROPER OPERATION.					
SITE - SEMIANNUAL CHECKS		EVERY 6 MONTHS	EVERY 6 MONTHS	EVERY 6 MONTHS	EVERY 6 MONTHS	COMMENTS
1	VISUALLY INSPECT PARKING LOT AND SIDEWALKS FOR LOOSE OR DETERIORATED MATERIALS. REPAIR AS REQUIRED.					
2	VISUALLY AND PHYSICALLY INSPECT STAIRS, HANDRAILS AND GUARDRAILS FOR STABILITY. TIGHTEN/REPAIR AS REQUIRED.					
BUILDING EXTERIOR - ANNUAL CHECKS		ANNUAL CHECKS - EVERY 12 MONTHS		ANNUAL CHECKS - EVERY 12 MONTHS		COMMENTS
3	VISUALLY INSPECT SEALANT JOINTS AROUND EXTERIOR WINDOW AND DOOR FRAMES AND REPLACE FAILING OR DETERIORATED SEALANT					
4	VISUALLY INSPECT FOR DETERIORATION OF EXTERIOR FINISHES, INCLUDING PAINT AND SEALED CONCRETE. REPLACE DAMAGED MATERIALS					
5	LUBRICATE EXTERIOR HINGES AND FIXTURES					

COMMERCIAL AIR-CONDITIONING SERVICE									
		DATE AND SIGN PER QUARTER, SEMI-ANNUAL AND ANNUAL							
MECHANICAL EQUIPMENT HEATING AND COOLING SYSTEMS		QUARTERLY CHECKS		EVERY 6 MONTHS		EVERY 12 MONTHS		COMMENTS	
1	INSPECT AIR FILTERS WITH REPLACEMENT OR CLEANING - QUARTERLY								
MECHANICAL EQUIPMENT ANNUAL CHECKS		EVERY 6 MONTHS		EVERY 12 MONTHS		COMMENTS			
2	INSPECT THE BLOWER WHEEL HOUSING AND MOTOR - ANNUALLY								
3	INSPECT BELTS, PULLEYS, BEARINGS, AND LUBRICATE MOTORS AND BEARINGS AS NEEDED - ANNUALLY								
4	CHANGE DRIVE BELT - ANNUALLY								
5	INSPECT AND CLEAN THE FINNED SURFACES OF THE OUTDOOR COILS FOR FOULING - ANNUALLY								
6	CHECK THE VENTILATION SETTINGS AND DAMPERS LOCATED THROUGHOUT THE DUCTWORK SYSTEM - ANNUALLY								
7	INSPECT THE INDOOR DRAIN PAN AND CONDENSATE DRAIN LINES - ANNUALLY								
8	INSPECT ECONOMIZER - ANNUALLY								
9	CHECK AND ADJUST THE REFRIGERANT CHARGE AND CHECKING THE UNIT'S GAS PRESSURE PER MANUFACTURER'S GUIDELINES - ANNUALLY								
10	CHECK THE HIGH AND LOW VOLTAGE ELECTRICAL CONNECTIONS - ANNUALLY								
11	CHECK FOR VOLTAGE IMBALANCES - ANNUALLY								
12	CONDUCT AMPERAGE CHECKS - ANNUALLY								
13	INSPECT FLUE GAS PASSAGES, BURNERS, HEAT EXCHANGERS, COUPLING BOXES, AND INDUCER ASSEMBLY - ANNUALLY								
14	INSPECT GAS BURNERS, IGNITER, AND COMBUSTION SECTION (GAS HEAT ONLY) - ANNUALLY								
15	TEST FOR GAS LEAKS SHOULD ALSO BE PERFORMED - ANNUALLY								

BUILDING MAINTENANCE CHECKLIST						
COMMERCIAL AIR CARGO BUILDING, BERKELEY		DATE AND SIGN PER QUARTER, SEMIANNUAL AND ANNUAL				
	MECHANICAL EQUIPMENT SEMIANNUAL CHECKS	EVERY 6 MONTHS	EVERY 6 MONTHS	EVERY 6 MONTHS	EVERY 6 MONTHS	COMMENTS
16	MAKE SURE ALL PANELS ARE FASTENED SECURELY IN PLACE - SEMIANNUALLY					
17	PERFORM A VISUAL INSPECTION FOR LOOSE PARTS THAT COULD CAUSE EXCESSIVE WEAR - SEMIANNUALLY					
18	PERFORM OVERALL OPERATIONAL CHECK					
19	CHECK FAN BLADES FOR CHIPS OR CRACKS THAT MAY CAUSE NOISE OR VIBRATION - SEMIANNUALLY					
MECHANICAL EQUIPMENT - VENTILATION SYSTEMS (VENT FANS, EXHAUST FANS, LOUVERS, ETC.) - ANNUAL CHECKS		ANNUAL CHECKS - EVERY 12 MONTHS		ANNUAL CHECKS - EVERY 12 MONTHS		COMMENTS
1	CHANGE DRIVE BELT - ANNUALLY					
2	CHECK THE VENTILATION SETTINGS AND DAMPERS LOCATED THROUGHOUT THE DUCTWORK SYSTEM - ANNUALLY					
3	CHECK THE HIGH AND LOW VOLTAGE ELECTRICAL CONNECTIONS - ANNUALLY					
4	CHECK FOR VOLTAGE IMBALANCES - ANNUALLY					
5	CONDUCT AMPERAGE CHECKS - ANNUALLY					
6	INSPECT LOUVER BIRD SCREEN AND CLEAN AS REQUIRED - ANNUALLY					
7	LUBRICATE MOTORIZED DAMPER ACTUATORS AND VERIFY FULL OPERATIONS - ANNUALLY					

COMMERCIAL AIR CARGO BUILDING - BERKELEY		DATE AND SIGN PER QUARTER, SEMIANNUAL AND ANNUAL								
MECHANICAL EQUIPMENT - SEMIANNUAL CHECKS		EVERY 6 MONTHS		EVERY 6 MONTHS		EVERY 6 MONTHS		EVERY 6 MONTHS		COMMENTS
8	INSPECT THE BLOWER WHEEL HOUSING AND MOTOR - SEMIANNUALLY									
9	INSPECT BELTS, PULLEYS, BEARINGS, AND LUBRICATE MOTORS AND BEARINGS AS NEEDED - SEMIANNUALLY									
10	CHECK FAN BLADES FOR CHIPS OR CRACKS THAT MAY CAUSE NOISE OR VIBRATION - SEMIANNUALLY									
11	PERFORM A VISUAL INSPECTION FOR LOOSE PARTS THAT COULD CAUSE EXCESSIVE WEAR - SEMIANNUALLY									
MECHANICAL EQUIPMENT - VENTILATION SYSTEMS AND HEATERS - ANNUAL CHECKS		EVERY 12 MONTHS		EVERY 12 MONTHS		EVERY 12 MONTHS		EVERY 12 MONTHS		COMMENTS
1	INSPECT FLUE GAS PASSAGES, BURNERS, HEAT EXCHANGERS, COUPLING BOXES, AND INDUCER ASSEMBLY - ANNUALLY									
2	INSPECT GAS BURNERS, IGNITER AND COMBUSTION SECTION (GAS HEAT ONLY) - ANNUALLY									
3	TEST FOR GAS LEAKS SHOULD ALSO BE PERFORMED - ANNUALLY									
4	INSPECT THE BLOWER WHEEL HOUSING AND MOTOR - ANNUALLY									
5	INSPECT BELTS, PULLEYS, BEARINGS AND LUBRICATE MOTOR AND BEARINGS AS NEEDED - ANNUALLY									
MECHANICAL EQUIPMENT - VENTILATION SYSTEMS AND HEATERS - SEMI-ANNUAL CHECKS		EVERY 6 MONTHS		EVERY 6 MONTHS		EVERY 6 MONTHS		EVERY 6 MONTHS		COMMENTS
6	PERFORM A VISUAL INSPECTION FOR LOOSE PARTS THAT COULD CAUSE EXCESSIVE WEAR - SEMIANNUALLY									
7	CHECK FAN BLADES FOR CHIPS OR CRACKS THAT MAY CAUSE NOISE OR VIBRATION - SEMIANNUALLY									
MECHANICAL EQUIPMENT - QUARTERLY CHECKS		EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	COMMENTS
8	PERFORM OVERALL OPERATIONAL CHECK - QUARTERLY									

COMMERCIAL AIRCRAFT BUILDING FIRE PROTECTION		DATE AND SIGN PER QUARTER, SEMIANNUAL AND ANNUAL								
PLUMBING EQUIPMENT (SUPPLY, DRAIN, FIXTURES, TUBS, SINKS, EQUIPMENT, ETC.) - SEMIANNUAL CHECKS		EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	COMMENTS
1	VISUAL INSPECTION OF PLUMBING FIXTURES FOR OPERATING CONDITION, CRACKS, CAULK, AND CLEANLINESS - SEMIANNUALLY									
2	VERIFY HOT WATER TEMPERATURE AND ADJUST WATER HEATER AND MIXING VALVES ACCORDINGLY - SEMIANNUALLY									
PLUMBING EQUIPMENT - ANNUAL CHECKS		ANNUAL CHECKS - EVERY 12 MONTHS				ANNUAL CHECKS - EVERY 12 MONTHS				COMMENTS
3	TEST BACKFLOW PREVENTION DEVICES - ANNUALLY									
4	FLUSH WATER HEATER - ANNUALLY									
5	TEST FIRE SUPPRESSION SYSTEM - ANNUALLY									
6	VERIFY OPERATION OF SUBMERSIBLE PUMP - ANNUALLY									
7	INSPECT SUBMERSIBLE PUMP IMPELLORS FOR DAMAGE - ANNUALLY									
8	INSPECT SUBMERSIBLE PUMPS FOR COOLANT LEAKS - ANNUALLY									
9	CHECK WIRING CONNECTINS, VOLTAGE AND AMPERAGE DRAW FOR SUBMERSIBLE PUMPS - ANNUALLY									
PLUMBING CHECKS - QUARTERLY CHECKS		EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	EVERY 3 MONTHS	COMMENTS
10	TEST EMERGENCY SHOWER/EYEWASH - QUARTERLY OR WEEKLY									
11	FILL FLOOR DRAIN TRAPS WITH MINERAL OIL - QUARTERLY OR AS NEEDED									

ELECTRICAL MAINTENANCE CHECK			
COMMERCIAL AIR CARGO BUILDING, BERKELEY		DATE AND SIGN PER QUARTER, SEMIANNUAL AND ANNUAL	
ELECTRICAL - ANNUAL CHECKS		ANNUAL CHECKS - EVERY 12 MONTHS	ANNUAL CHECKS - EVERY 12 MONTHS
COMMENTS	ANNUAL CHECKS - EVERY 12 MONTHS	ANNUAL CHECKS - EVERY 12 MONTHS	COMMENTS
1	INSPECT AND REPLACE LAMP FIXTURES AS REQUIRED INCLUDING: 1.) INTERIOR 2X4 FIXTURES, 2.) INTERIOR LOW BAY HID FIXTURES, 3.) BUILDING MOUNTED EXTERIOR FIXTURES, 4.) APRON HID FIXTURES, 5.) PARKING LOT AREA LIGHT FIXTURES.		
2	TEST AND INSPECT EGRESS LIGHTING FIXTURES INCLUDING EXIT SIGNS.		
3	TEST GROUND FAULT CIRCUIT INTERRUPTER RECEPTACLES.		
4	TEST AND CERTIFY THE FIRE DETECTION SYSTEM.		
5	ENSURE SPACE IN FRONT OF ELECTRICAL PANELS IS CLEAR.		
6	AT FEDEX AREA, INCLUDE AN ANNUAL SERVICE AGREEMENT TO SERVICE THE STANDBY GENERATOR SET. THIS SHOULD INCLUDE MANUFACTURER'S RECOMMENDATIONS AND REQUIREMENTS.		

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