

GROUND LEASE AND AGREEMENT (Air Cargo Terminal)

THIS LEASE, made and entered	into this day of
1987, by and between the City of	f St. Louis, Missouri, a municipal corporation of the
State of Missouri, herein referred to as	s the "City" or "Lessor", andSt. Louis Air Cargo
Services, Inc. , a Missouri	corporation, herein referred to as "Lessee",

WITNESSETH, THAT:

WHEREAS, the City now owns, operates and maintains a municipal airport known as "Lambert-St. Louis International Airport" (hereinafter called "Airport"), located in St. Louis County, Missouri for the use and benefit of the public; and

WHEREAS, Lessee desires to lease land on the Lambert-St. Louis International Airport and construct thereon for use by others certain buildings, facilities and improvements described as the Air Cargo Terminal, hereinafter referred to as the "Facilities"; and

WHEREAS, it is to the best interests of the City to encourage and assist in the development of increased air transportation services at the Airport in the interest of the public; and

WHEREAS, air cargo buildings and ramps at Lambert-St. Louis International Airport are inadequate and a new facility is necessary; and

WHEREAS, Lessee desires to construct and operate the Facilities and to lease certain land from the City on the terms and conditions set forth herein for such purpose; and

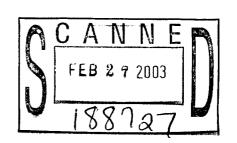
WHEREAS, City desires to enter into this Lease Agreement (hereinafter called "Agreement") with Lessee on the terms and conditions set forth herein for this purpose,

NOW, THEREFORE, for and in consideration of the premises, and of the mutual covenants and agreements herein contained, the City and Lessee do hereby mutually undertake, promise and agree, each for itself and its successors and assigns, as follows:

ARTICLE I

LEASE

Section 101. The Lease. The City hereby leases and demises to the Lessee and the Lessee hereby hires and takes from the City, a tract of land containing approximately 1,227,170 square feet therein called the "Leased Premises" or "Premises"), on the Airport as described on "Exhibit A", which is attached hereto and made a part hereof subject to the reservations set forth in Section 102 hereof. The final square footage will be determined by a Metes & Bounds survey.





Section 102. Reservations. The grant of lease hereunder is subject to the following reservations and conditions.

- (1) The City reserves the right (but shall not be obligated to Lessee) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of the Lessee in this regard.
- (2) The City reserves the right further to develop or improve the landing area and all publicly-owned air navigation facilities of the Airport as it sees fit, regardless of the desires or views of Lessee, and without interference or hindrance.
- (3) The Director of Airports reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Airport which in the opinion of the City would limit the usefulness of the Airport or constitute a hazard to aircraft.
- (4) During time of war or national emergency the City shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly-owned air navigation facilities and/or other areas or facilities of the Airport. If any such agreement is executed, the provisions of this Agreement, insofar as they are inconsistent with the provisions of the agreement with the Government, shall be suspended.
- (5) It is understood and agreed that the rights granted by this Agreement will not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the Airport.
- (6) There is hereby reserved to the City, its successors and assigns, 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 herein conveyed, together with the right to cause in said airspace such noise as may be inherent 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.
- (7) This Agreement shall become subordinate to provisions of any existing or future agreement between the City and the United States of America or any agency thereof relative to the operation, development, or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.
- (8) All gas, oil and mineral rights in and under the soil; provided, however, that the City, in the exercise of such rights, shall not interfere with the surface of the soil.
- (9) The right to grant utility and maintenance rights-of-way to itself and others over, under, through, across or on the Leased Premises provided that such use will not unreasonably or materially interfere with the Lessee's use of the Leased Premises, and provided further that such reservation or grant of rights shall not result in cost or expense to the Lessee.

(10) The Director of Airports reserves the right to require Lessee to surrender a portion of the Leased Premises shown as "Area B" on the attached Exhibit "B" in order to construct a taxiway for public use. In the event that City exercises such right, City will provide Lessee with a Substitute Area similar to "Area A" on the attached Exhibit "B". The costs of such relocation shall be borne by the City, including the construction of improvements on Area A equivalent to those which existed on Area B, including the relocation of the area shown as "Common Drive" on Exhibit "B".

Section 103. Access. Subject to Section 601 hereof, the Lessee has the right to access, ingress to and egress from the Leased Premises without charge therefor, for its employees, contractors, agents, guests, patrons and invitees, its or their suppliers of materials and furnishers of services, and its or their equipment, vehicles machinery and other property over streets, drives and walks now in existence or which may be authorized for construction.

The Lessee hereby acknowledges that the City is required by Federal Aviation Regulations (FAR), Part 107, to, "adopt and put into use facilities and procedures designed to prevent and deter persons and vehicles from unauthorized access to air operations areas (AOAs)". The Lessee understands that the City has met said requirements by developing a Master Security Plan (MSP) for the Airport, and the Lessee covenants and agrees to be fully bound by and immediately responsive to the requirements of the MSP in connection with the Lessee's exercise of the privileges granted to the Lessee hereunder for the full term hereof. The Lessee further covenants to prepare and submit for approval by the Director of Airports, the Lessee's own plans to provide facilities and procedures designed to prevent and deter persons and vehicles from unauthorized access to the AOAs from and through any premises controlled or used by the Lessee in accordance with the provisions of the aforesaid FAR, part 107, and the MSP for the Airport.

The Lessee hereby acknowledges that it understands that its security procedures and facilities on the Leased Premises to meet the requirements of the aforesaid Part 107 shall include but not be limited to:

- A. fencing and locked gates,
- B. visible identification materials for persons authorized to enter the Air Operations Areas,
- C. an electronic entry control system or a manned guard system where gates or doorways cannot reasonably be controlled by locks, and
- D. other facilities and procedures as may be required

to establish positive control preventing the entrance of unauthorized persons and vehicles onto the Air Operations Areas of the Airport.

Section 104. Condition of the Premises. The Lessee acknowledges that he has made such investigations and inspections of the Leased Premises as he deems necessary and the Lessee agrees that the premises are accepted for all purposes of this Agreement "as is" and that the City is in no way expected or required to expend any money or effort to alter or improve same except as noted herein in Section 513, and to provide utilities to the property line of the Leased Premises.

ST. LOUIS AIR CARGO SERVICES, INC.

ARTICLE II

LEASE TERM

Section 201. Term. The term of this Agreement shall be as follows:

- A. <u>Planning and Development Period</u>. The term of the Planning and Development Period shall commence on the date of this Agreement and shall end 18 months later or on such earlier date as the Lessee takes beneficial occupancy of the Facilities, whichever is earlier. The Lessee shall give written notice of such date to the Director of Airports.
- B. Lease Term. The Lease Term shall commence on the date established in "A" above which ends the Planning and Development Period and shall run for a period of thirty (30) years.

Upon request of either the City or the Lessee, the parties shall promptly execute, acknowledge and deliver a certificate in recordable form specifying the commencement date of the Lease Term as provided in "B" above.

Section 202. Surrender of Possession. No notice to quit possession at the expiration date of the term of this Agreement shall be necessary. The Lessee covenants and agrees that at the expiration date of the term of its Agreement or at the earlier termination thereof it will peaceably surrender possession of the leased premises in good condition, reasonable wear and tear, acts of God, and other casualties excepted, and the City shall have the right to take possession of the leased premises at that time with or without due process of law.

ARTICLE III

USES OF LEASED PREMISES

Section 301. <u>Permitted Uses</u>. Lessee shall use the Leased Premises to construct the Facilities in accordance with plans and specifications approved by the Director of Airports to include a minimum of a 100,000 square foot building, and 561,750 square feet of aircraft apron. The Leased Premises shall be used only for the following purposes:

- (1) Such purposes as may reasonably be necessary and appropriate in preparing to use the Leased Premises and the Facilities for the purposes authorized herein;
 - (2) The parking and inside storage of materials handling equipment.
- (3) The loading, unloading, handling and storage of air freight, air express and mail carried or to be carried on an aircraft;
- (4) The parking of automotive vehicles, including trucks and automobiles belonging to persons physically working at the Facilities and others having business at the Facilities, in specifically designated parking areas;

- Such other lawful purposes as are incidental, necessary or customary to the proper use of the Leased Premises and the Facilities:
- Such other lawful purposes as may hereinafter be authorized in writing by the Director of Airports;
- The maintaining and repairing of machinery and fixed and mobile equipment used in the conduct of operations authorized herein;
- The handling and storage inside buildings of commissary and cabin service supplies and equipment carried or to be utilized on aircraft; and
- The parking, loading, unloading, minor repair and servicing of aircraft, such aircraft to be no less than Stage II and Stage III aircraft.
- Section 302. Prohibited Uses. Lessee agrees that storage of aircraft fuel upon or within the Leased Premises is prohibited and purchases of aircraft fuel for delivery on the Airport shall be made only from service contractors authorized by the Lessor to sell such fuel.
- Section 303. Exclusivity. Nothing contained herein shall be deemed to grant to Lessee any exclusive right or privilege within the meaning of Section 3.08 of the Federal Aviation Act for the conduct of any activity on the Airport except that, subject to the terms and provisions hereof, Lessee shall have the exclusive right to possession of the leased premises.

ARTICLE IV PAYMENTS

Section 401. Ground Rent. For the use and hire of the Leased Premises, the Lessee agrees to pay to the City in advance on or before the first day of each month ground rent beginning on the first day of the Lease Term as established in Section 201.B. Such rent shall be at the rate of Twenty Cents (.20) per square foot per annum or a sum of \$245,434.00 annually, payable at \$20,453.00 per month.

Should this Lease commence on a day other than the first day of the month or terminate on a day other than the last day of the month, the rent for such partial month shall be pro-rated based on a 365 day year.

Section 402. Unpaid Rent and Fees. All unpaid rent and other obligations due the City hereunder shall bear a service charge of one and one-half percent (1½%) per month if same is not paid and received by the City on or before the tenth (10th) day of the month in which said payments are due, and the Lessee agrees that it shall pay and discharge all costs and expenses including attorney's fees incurred or expended by the City in collection of delinquent amounts due including service charges.

Section 403. Additional Fees, Charges, and Rentals. The Lessee shall pay additional fees, charges and rentals under the following conditions:

If the City has paid any sum or sums or has incurred any obligations or expense which the Lessee agreed to pay or reimburse the City for; or

(2) If the City is required or elects to pay any sum or sums or incurs any obligations or expense because of the failure, neglect or refusal of the Lessee to perform or fulfill any conditions of this Agreement.

Such payments shall include all interest, costs (including attorney's fees), damages and penalties in conjunction with such sums so paid or expenses so incurred and may be added to any installment of the fees, charges, and rentals thereafter due hereunder. Each and every part of such payment shall be recoverable by the City in the same manner and with like remedies as if it were originally a part of the basic fees, charges and rentals as set forth herein on the first day of the Lease Term as established in Section 201.B.

For all purposes under this paragraph, and in any suit, action or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum or sums by the City for any work done or material furnished shall create a rebuttable presumption in favor of the City that the amount of such payment was necessary and reasonable.

Section 404. Prompt Payment of Taxes and Fees. The Lessee covenants and agrees to pay promptly all lawful general taxes, special assessments, excises, license fees, permit fees, and utility service charges of whatever nature, applicable to its operation of the Leased Premises and to acquire and keep current all municipal, state or federal licenses required for the conduct of its business at and upon the Airport, and further covenants and agrees not to permit any of said taxes, assessments, excises, fees or charges to become delinquent.

Section 405. Notice, Place and Manner of Payments. Payments shall be made at the office of the City's Director of Airports, or at such other place in the City of St. Louis, Missouri, as the City may hereafter notify the Lessee and shall be made in legal tender of the United States.

Section 406. Fee and Rent Payment Bond. The Lessee agrees to furnish a bond to the City in the principal amount of Sixty-Four Thousand Dollars (\$64,000.00) effective with the commencement of Planning and Development Period as set forth in Section 201.A. Such bond shall guarantee the payment of all of the Lessee's obligations to pay as provided herein. The bond shall be in a form agreeable to the City and shall be kept in full force and effect during the term hereof. Relative to the aforestated principal amount of said bond, the City expressly reserves the right to require the same to be increased to an amount equal to one-fourth (1/4) of the rent paid by the Lessee in the latest completed contract year hereof. Said increase to be made by Lessee upon the receipt of written notice from the Director of Airports at any time during the term of this agreement.

Section 407. Renegotiation of Rentals. The parties further mutually agree to the following:

A. That the ground rentals set out in Section 401 above shall be subject to renegotiation and change, as provided hereinafter, on the fifth (5th) anniversary of the commencement of the Lease Term established pursuant to Section 201.B and at the end of each subsequent five-year period thereafter based on the fair market value of the land, exclusive of improvements made by the Lessee.

B. The City and Lessee agree to negotiate in good faith to agree upon ground rentals to be applicable to each ensuing five (5) year period. Such agreement shall be reached no later than sixty (60) days prior to the beginning of each ensuing five (5) year period. If no such agreement is reached by such date, then the ground rentals payable by Lessee shall be established by appraisal as follows: City and Lessee, within fifteen (15) days after such date, shall each appoint a qualified disinterested appraiser familiar with property values at the Airport to determine the new ground rentals based on market value of the land without regard to improvements thereon. The two appraisers thus appointed shall endeavor to agree on such new ground rentals within thirty (30) days thereafter. If no such agreement is reached within such period, the new ground rental shall be determined by a third disinterested qualified appraiser familiar with property values at the Airport appointed by the two appraisers appointed by the parties, and if such appointment is not made within fifteen (15) days thereafter, the City and Lessee shall mutually appoint such third appraiser who will determine such new ground rental.

ARTICLE V

RESTORATION, MODIFICATION OR CONSTRUCTION OF IMPROVEMENTS

Section 501. <u>Modification or Construction by Lessee</u>. Lessee may construct, restore, or modify improvements on the Premises subject to the terms and conditions herein set forth during the term hereof. Lessee shall have the right to enter upon the Premises for such construction, restoration, or modification of improvements upon notice from the Director of Airports that proposed construction, restoration, or modifications are approved.

Section 502. <u>Preparation of Plans and Specifications</u>. Detailed drawings, plans and specifications shall be developed for such modification or construction of improvements by Lessee.

Section 503. <u>Design Control</u>. Prior to commencement of working drawings and specifications, Lessee shall submit to the Director of Airports for review all proposed design concepts, including architectural renderings showing appearances, types of materials and colors proposed for all <u>exterior</u> improvements to be modified or constructed, including, but not limited to buildings, bridges, viaducts, approaches, gates, fences, lamps, signs, marquees, works of art and other structures to be erected upon the Premises.

Final plans and specifications for modification or construction of improvements shall be submitted in triplicate to the Director of Airports for his written approval prior to commencement of construction or modification of improvements.

Section 504. <u>Requirements</u>. All modification, reconstruction or construction of structures on the Premises shall be subject to the Building Code, general ordinances, rules and regulations of the County or other agencies having jurisdiction and the approval of the Director of Airports.

Section 505. Federal Aviation Administration Review. All preliminary plans, prior to commencement of working drawings and specifications, delivered to the Director of Airports in accordance with Section 503, will be submitted by him for review and approval

of the Federal Aviation Administration, as may be required. The preliminary plans shall show plot plans, buildings and other structures, objects and improvement locations and their elevations, and shall indicate proposed exterior materials and finishes on all structures and objects. It shall be the responsibility of Lessee to file all necessary alteration and construction forms with the Director of Airports for submission to the Federal Aviation Administration for approval, as may be required.

Section 506. <u>Landscaping and Screening</u>. 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 improvements. All proposed landscaping plans and screening designs shall be submitted to the Director of Airports for review and approval. Lessee further agrees to provide any further landscaping and fencing that may be required, during the term hereof, by the Director of Airports for the purposes of screening from view any area of the Premises.

Section 507. Contractor's Liability Insurance. In any construction contract appertaining to the Facilities, the Lessee shall require the contractor to cause City and the Lessee, its board of directors, and their respective officers, agents, and employees, to be insured against the risk of claims and demands, just and unjust, by third parties against City and Lessee, its Board of Aldermen, and their respective officers, agents and employees, directors, and their respective officers, agents and employees, arising or alleged to arise out of the performance of such construction and also to indemnify City and Lessee, its board of directors, and their respective officers, agents, and employees against and from all such claims and demands, with bodily injury limits of not less than \$500,000 as to any one person and \$1,000,000 as to any one occurrence, and with property damage limits of not less than \$1,000,000 as to any one occurrence. Said insurance shall be in a form agreeable to Lessee and the Director of Airports.

Section 508. Performance and Payment Bonds. In order to insure the completion of the improvements and the payment of all laborers and material suppliers, Lessee will require each firm, corporation or person with whom it may contract for labor or for materials in connection with modification or construction to furnish Performance and Payment Bonds in a form satisfactory to the City, in the full amount of any contract. Copies of said bonds shall be supplied to the City for approval. Any sum or sums derived from said Performance and Payment Bonds shall be used for the completion of said construction and the payment of laborers and material suppliers.

Section 509. Completion of the Facilities. Lessee agrees to diligently pursue the construction of the Facilities as provided herein and to accomplish the completion thereof within eighteen (18) months from the date of this Lease. Lessee understands and agrees that, unless the Facilities are completed within the time herein provided, the Director of Airports may declare the Lessee in default and terminate this Lease in accordance with Article IX hereof. The City's right to terminate is subject to the provisions of Section 1208 concerning delays beyond the control of the Lessee.

Section 510. <u>Certificates of Completion</u>. Upon the completion of the Facilities on the Leased Premises, the Lessee shall submit to the Director of Airports a copy of its acceptance letter certifying completion, and a certified copy of any certificate or permit which may be required by any federal, state or local government or agency in connection with the completion or occupancy thereof by the Lessee.

The Lessee shall deliver to the City duplicate copies of "as constructed" plans and specifications of the Facilities on the Leased Premises within thirty (30) days after the date on which the Lessee has certified completion thereof. The Lessee shall at the same time submit to the Director of Airports an itemized statement prepared and certified by the architect and engineer for the design and construction of the connecting Taxiway provided for in Section 513 and certified by an officer of the Lessee, showing the actual cost of such improvements, and shall, if so requested by the Director of Airports, produce copies of all invoices and other records in connection therewith.

Section 511. <u>Title to Leased Premises and the Improvements</u>. Title to the Leased Premises shall at all times remain in the City, subject to Lessee's title to the Improvements. At the termination of this Agreement, title to the Lessee's leasehold improvements, excepting Lessee's trade fixtures, shall vest in the City, free and clear of all liens and encumbrances.

Section 512. <u>Mechanic's and Materialmen's Liens</u>. The Lessee agrees not to permit any mechanic's or materialman's or any other lien to be foreclosed upon the Leased Premises or any part or parcel thereof, or the improvements thereon, by reason of any work or labor performed or materials furnished by any mechanic or materialman or for any other reason.

Section 513. Construction of the Airport Improvements. In accordance with plans prepared by Lessee with the guidance and approval of the Director of Airports, Lessee shall, concurrently with its construction of the Facilities, perform certain other construction work (the "Connecting Taxiway"), as shown on the attached Exhibit "B", consisting of excavation, sub-base, drainage, edge lights, pavement and related work. Lessee shall be entitled to reimbursement by the City of the total certified cost of the Connecting Taxiway (supported by paid invoices for all design, construction and inspection and other costs reasonably incidental to such construction). Reimbursement shall be accomplished by the City giving Lessee credit for such cost against ground rent payable under Section 401 hereof. Such credits shall commence with the first ground rent due hereunder, and shall continue until the entire cost is recouped.

ARTICLE VI

USE AND MAINTENANCE OF PREMISES AND IMPROVEMENTS

Section 601. Compliance with Laws and Regulations. Lessee shall comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, city, local and other governmental authorities, now or hereafter applicable to the Premises and improvements or to any adjoining public ways, or to the manner of use or the condition of the Premises and improvements or of adjoining public ways; provided that nothing herein contained shall be construed as estopping or preventing Lessee from contesting in good faith the validity or applicability to Lessee's operations hereunder of any such law, ordinance, rule, regulation, directions and requirements including the exhaustion of all appeal rights.

Section 602. Interference to Air Navigation. Lessee agrees that no obstructions to air navigation, as such are defined from time to time by application of the criteria of Part 77 of the Federal Aviation Regulations or subsequent and additional regulations of the Federal

Aviation Administration, will be constructed or permitted to remain on the Premises. Any obstructions erected by the Lessee shall be removed by Lessee at its expense. Lessee agrees not to increase the height of any structure or objects or permit the growth of plantings of any kind or nature whatsoever that would interfere with the line of sight of the control tower and its operations. Lessee further agrees not to install any structures, objects, machinery or equipment that would interfere with operation of navigation aids or would interfere with the safe and efficient operation of the Airport, or interfere with the operations of other tenants and users of the Airport.

Section 603. <u>Lessee's Property</u>. Any trade fixtures, equipment and other personal property brought, installed or placed by Lessee in, on or about the Premises shall be and remain the property of Lessee, except as otherwise provided herein; and Lessee shall have the right at any time during the term hereof, when not in default hereunder, to remove any or all of its property, subject to Lessee's obligation to repair all damage, if any, resulting from such removal.

Section 604. Disposition of Lessee's Property at End of Lease Term. All such trade fixtures, equipment and other property of Lessee shall be removed by Lessee from the premises by the expiration or earlier termination of the letting provided that Lessee may leave such fixtures and equipment on the premises if the parties mutually agree.

Section 605. Repairs and Maintenance. The cost of maintenance and repair of the Leased Premises and the Lessee's improvements and equipment thereon shall be borne by the Lessee. If, during the term hereof, it shall become necessary to perform maintenance on any part of the Leased Premises affecting runways, taxiways, roads, streets, or apron areas or areas affecting other tenants, or the public, the Lessee shall first obtain the written consent of the Director of Airports and shall, without cost or expense to the City, restore the affected area to the satisfaction of the Director of Airports.

After occupying the premises and the improvements, Lessee covenants and agrees without cost or expense to the City during the term hereof:

- (1) Good Condition. To keep all improvements in good and safe order and condition.
- (2) Obstruction Lights. To provide and maintain obstruction lights and all similar equipment or devices now or at any time required by any applicable law or ordinance, or any municipal, state or federal regulation.
- (3) Housekeeping of Premises. To provide for complete, proper and adequate sanitary handling and disposal, away from the Airport, of all trash, garbage and other refuse caused as a result of the operation of the improvements; to provide and use suitable, covered metal receptacles, to be approved by the Director of Airports, for all garbage, trash and other refuse on or about the Premises and the improvements; and not to pile boxes, cartons, crates, drums or the like on the outside of the building or dump any waste matter of any nature, in a liquid state or otherwise, on the Premises nor to permit contamination of the sewers or the Airport's drainage control systems.
- (4) <u>Maintenance of Buildings and Structures</u>. The Lessee will maintain all buildings and structures to preclude exterior or interior damage from water or other

elements. This requirements includes prompt replacement of broken windows, doors and locks with like materials.

- (5) Care of Premises and Streets. To keep all papers and debris picked up from the Premises and to sweep the pavements thereon as often as necessary to keep them clean, and to keep all grass mowed, and shrubbery and other plantings pruned, trimmed and maintained to high standards. To provide for essential street, walk, pavements maintenance within the Premises and, in addition, to provide for snow removal within the Premises to allow fire protection access.
- (6) Drainage Facilities. Lessee shall comply with the Airport's Stormwater Detention Design Criteria and Guidelines dated December, 1986 as well as any and all 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 functioning at full design capacity. Lessee shall see that special care is taken to pile removed snow in a location that will permit the water generated by the melting of such snow piles to flow into the drainage system of the Premises.
- (7) Storage. No unscreened storage will be permitted on the exterior areas of the Premises.
- (8) Environmental Responsibilities. The Lessee hereby assumes all responsibility and liability related to or arising from any and all obligation for environmental protection, compatability and responsibility related to the Lessee's use of the Premises.

The Lessee shall immediately report and clean up all fuel or chemical spills or other forms of contamination resulting from the Lessee's operation. The Lessee will accomplish and report the cleanup regardless of the actual location of the incident on the Airport.

Section 606. Right to Enter, Inspect and Make Repairs. The City and its authorized agents, employees, contractors, subcontractors and other representatives shall have the right (at such times as may be reasonable under the circumstances and with as little interruption of the Lessee's operations as is reasonably practicable) to enter upon and in the Premises and the improvements for the following purposes:

- (1) <u>Inspection</u>. To inspect such Premises to determine whether Lessee has complied and is complying with the terms and conditions of this Agreement.
- (2) Maintenance. To perform maintenance and make repairs in any case where Lessee is obligated, but has failed to do so, after the City has given Lessee reasonable notice so to do, in which event Lessee shall reimburse the City for the reasonable cost thereof promptly upon demand.

Section 607. Signs. Lessee agrees that no signs or advertising display shall be painted on or erected in any manner upon the Premises without the prior written approval of the City's Director of Airports, and that such signs shall conform to reasonable standards established by the Director of Airports with respect to wording, type, size, design, color and location.

Section 608. <u>Utilities</u>. Lessee agrees that all utilities required by it during the Lease Term for the Leased Premises must be paid for by Lessee. Lessee will install and the City will grant Lessee the right to construct necessary utility lines or mains across such reasonable routes as the City may designate.

ARTICLE VII

INDEMNIFICATION AND INSURANCE

Section 701. <u>Liability Insurance</u>. The Lessee, at its expense, at all times during the term hereof, shall cause the City and the Lessee to be insured on an occurrence basis, under policies no more restrictive than the standard form of comprehensive general liability policy (including automobile on the Airport only), against the claims of any and all persons for personal or bodily injury (including wrongful death) and property damage occurring on the Leased Premises, or the Airport incidental to the operations of the Lessee hereunder. Such insurance shall specifically insure the obligations of the Lessee to indemnify the City under Section 702 hereof.

The minimum limits of coverage for the above classes of insurance shall equal a single limit of One Million Dollars (\$1,000,000.00) comprised of such primary and excess policies of insurance as the Lessee finds it most feasible to purchase during the term of this Agreement.

The Lessee and the City understand and agree that the minimum limits of the insurance herein required may become inadequate, and the Lessee agrees that it will increase such minimum limits upon receipt of notice in writing from the Director of Airports. Such notices to change shall, in general, be issued with no more frequency than every fifth year of the lease term; however, the Director of Airports may, at any time, take note of indemnification awards being granted by the courts and direct an increase in the minimum limits of the insurance requirements at any time during the term hereof.

Insofar, as said insurance provides protection against liability for damages to a third party for bodily injury, death and property damage, the City shall be included as an additional named insured. In addition, such liability insurance coverage shall also extend to damage, destruction and injury, to City-owned or leased property and City personnel, and caused by, or resulting from work, acts, operations, or omissions of the Lessee, its officers, agents, employees, and independent contractors on the Airport through the use of a unilateral liability endorsement allowing the City to bring suit against said Lessee for these same purposes. The City shall have no liability for any premiums charged for such coverage, and the inclusion of the City as an additional named insured is not intended to, and shall not, make the City a partner or joint venturer with the Lessee in its operations hereunder.

Section 701. <u>Indemnification</u>. Lessee shall protect, defend, and hold the City, its Airport Commission, Board of Aldermen, officers, agents and employees completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this Agreement and/or the use or occupancy of the Leased Premises or the acts

or omissions of Lessee's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, or damage may occur, unless such injury, death or damage is caused by the sole negligence of the Lessor. The Lessor shall give to Lessee reasonable notice of any such claims or actions. The Lessee shall also use counsel reasonably acceptable to City Counselor in carrying out its obligations hereunder. The provisions of this section shall survive the expiration or early termination of this Agreement.

Section 703. Property Insurance. Except to the extent the Lessee's improvements on the Leased Premises are insured during the construction and installation, Lessee agrees that all times during the term of this Agreement, at its own cost and expense, it shall keep all of such real property on the Leased Premises insured against loss or damage by perils as set forth in the Missouri approved forms for fire, lightning, and the perils of the Missouri Approved Extended Coverage Endorsement, including vandalism and malicious mischief and sprinkler leakage (to 10% of replacement value of such property) in amounts not less than ninety per centum (90%) of the insurable replacement value of such property. The insurable value of such real property shall be re-established at intervals of not less than twelve (12) months or more than three (3) years, commencing on or before the 30th day following the certified completion of the structures and improvements, by an independent, qualified appraiser employed by the Lessee and approved by the Director of Airports.

In case of any material damage to or destruction of the Lessee's structures and improvements or any part thereof, Lessee will give prompt notice to the City, and the Lessee will promptly commence and complete with due diligence and in accordance with plans approved by Lessee and the Director of Airports, the restoration of such property as nearly as reasonably practicable to the value and condition thereof immediately prior to such damage or destruction (with alterations, at Lessee's election, and with prior consent and approval of the Director of Airports). In the event of such damage or destruction, the proceeds from all property insurance policy or policies shall be devoted exclusively to the restoration of the damaged property. To the extent of any loss or damage where the insurance proceeds are insufficient for such restoration, Lessee assumes the risk of such uninsured loss or damage or insufficiency of the insurance proceeds, and shall be obligated to pay the costs or balance of costs of restoration.

In the event of damage to or destruction or loss of the Lessee's improvements which damage, destruction or loss is not capable of being repaired within ninety (90) days, the Lessee shall have the option, exercisable by notice given to the City within sixty (60) days after the occurrence of such event to terminate this Agreement forthwith, such termination to be effective as of the date of such damage, destruction or loss. In the event the Lessee exercises the foregoing option to terminate this Agreement, the net amount of the insurance proceeds received by it, after deducting therefrom the cost of removing the debris and leveling the site, and subject to the provisions of the next succeeding paragraph, shall be divided between the Lessee and the City as follows: The amount of such insurance proceeds to be paid to the Lessee shall bear the same proportion to the total amount of such insurance proceeds as the unexpired term of this Agreement (computed in full calendar months) from the date of such damage, destruction or loss bears to the entire term of this Agreement (computed in full calendar months), and the balance of said insurance proceeds shall be paid to the City.

In the event the Lessee places a first Mortgage upon the Lessee's improvements, the policies of insurance required by this Section 703 shall provide that loss, if any, payable hereunder, shall be payable to the Lessee and/or Mortgagee as their respective interests shall appear. The Mortgage securing the obligation to the Mortgagee shall provide that so long as the Lessee shall not be in default and this Agreement shall remain in full force and effect, the proceeds of insurance shall be made available to the Lessee for the purpose of repairing, restoring, rebuilding or replacing the Facilities.

Section 704. Form and Evidence of Insurance. All policies of insurance required herein shall be in a form and in a company or companies approved by the Director of Airports, and qualified to do insurance business in the State of Missouri. Each such policy shall provide that the policy may not be materially changed, altered or cancelled by the insurer during its term without first giving ten (10) days' notice to the City's Director of Airports.

The Certificates or other evidence of insurance coverage required of the Lessee in this Article shall be delivered to the Director of Airports in form and content satisfactory to the City.

Prior to the expiration of any policy, the Lessee shall submit to the Director of Airports a certificate of insurance showing that such insurance coverage has been renewed. If such coverage is cancelled or reduced, the Lessee shall, within five (5) days after the date of such written notice from the insurer of such cancellation or reduction in coverage, file with the Director of Airports a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies.

Section 705. <u>Conditions of Default</u>. If, at any time, the Lessee shall fail to obtain the insurance as required herein, the City may effect such insurance by taking out policies in companies satisfactory to the City. The amount of the premium or premiums paid for such insurance by the City shall be payable by the Lessee to the City with the installment of rent thereafter next due under the terms of this Lease with interest thereon at the rate of one and one-half percent (1.5%) per month or at the lower legal maximum.

Section 706. <u>Adjustment of Claims</u>. The Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage, or theft arising out of the activities of the Lessee under this Lease.

ARTICLE VIII

ASSIGNMENT AND SUBLETTING

Section 801. <u>Subletting to Air Cargo Carriers</u>. Lessee may sublet space in the Facility to air cargo carriers or freight forwarders on terms and conditions consistent with the provisions of this Agreement. Lessee shall require all such sublessees to conform to all provisions of this Agreement relating to the use of the Leased Premises. Lessee shall not sublet the Facility or any portion of the Leased Premises for any other purpose without first obtaining the written approval of the Director of Airports.

Section 802. <u>Assignment</u>. Lessee shall not assign this Agreement without first obtaining the written approval of the Director of Airports, such approval shall not be unreasonably withheld. At least 90 days prior to any contemplated assignment of this Agreement, Lessee shall notify the Director of Airports. No assignment shall be made or shall be effective unless Lessee shall not be in default on any of the other terms, covenants and conditions herein contained. The party to whom such assignment is made shall expressly assume in writing the terms, covenants and obligations contained in the Agreement. If the assignment is approved by the Director of Airports, Lessee shall be released and discharged from any and all obligations contained in this Agreement.

ARTICLE IX

REMEDIES

Section 901. Remedies: Cancellation by City. The City shall have the right, subject to the conditions herein set forth and in accordance with Section 904, upon written notice to the Lessee to cancel this Agreement in its entirety, upon or after the happening of any of the events set forth in this section, subsections (1) through (6) and the lapse of time as herein set forth.

- (1) Nonpayment. If the rentals, charges or other money payments which the Lessee herein agrees to pay, or any part thereof, shall be unpaid after the date the same shall become due.
- (2) <u>Default</u>. If the Lessee shall have failed in the performance of any covenant or condition herein required to be performed by it.

In the date set forth in the notice of termination, all right, title and interest of the Lessee in and to this Agreement and the Leased Premises shall expire, except as otherwise provided herein.

Failure by the City to take any authorized action upon such default by the Lessee shall not be construed to be or act as a waiver of said default or any subsequent default by the Lessee. The acceptance of rentals by the City from the Lessee for any period or periods after a default by the Lessee shall not be deemed a waiver or estoppel of any right on the part of the City to terminate this Agreement for failure of the Lessee to perform, keep or observe any of the terms, covenants or conditions hereof.

- (3) Upon the suspension or revocation of any act, power, license, permit or authority that has the effect of preventing the Lessee from fully complying with all of the rights and obligations hereunder for any period in excess of thirty (30) days.
- (4) If, by operation of law or otherwise, the right, title or interest of the Lessee under this Agreement is transferrred to, passes to or devolves upon any other person, firm or corporation without the written consent of the Director other than the result of becoming a successor or merged corporation through merger or a constituent corporation in a consolidation.

- (5) Upon the levy of any attachment or execution of any process of a court of competent jurisdiction which does or, as a direct consequence of such process, will interfere with the Lessee's occupancy of the Leased Premises and will interfere with its operations under this Agreement, and which attachment, execution or other process of such court is not enjoined, vacated, dismissed or set aside within a period of thirty (30) days.
- (6) If the Lessee shall voluntarily abandon, desert, vacate or discontinue all or part of its operation hereunder or the Leased Premises.

The Lessee, at any time before the rights of the Lessee shall have been forfeited, under provisions of paragraphs (1) through (6) above, may prevent forfeiture of this agreement by paying any of the rents or other amounts due hereunder, or effecting any insurance, or paying any taxes and assessments, or making any repairs or improvements, or making any deposits, or doing any other act or thing required of the Lessee by the terms of this Agreement or doing any act or thing which may be necessary and proper to correct that default as set forth in the City's notice.

In the event of the existence of a Mortgage upon the Leased Premises, and in case a forfeiture occurs in favor of the Mortgagee, the said Mortgagee may enter upon the Leased Premises in such manner as may be provided under the terms of the Mortgage and perform as the Lessee.

Section 902. Remedies: Cancellation by Lessee. The Lessee shall have the right, which right shall not preclude the assertion of any rights herein set forth and consistent therewith, upon written notice to the City and in accordance with Section 904, to cancel this Agreement in its entirety upon or after the beginning of any of the following events:

- (1) The issuance by any court of competent jurisdiction of an injunction preventing or restraining the use by the Lessee of all or a substantial part of the Leased Premises for the purposes provided for hereunder and such injunction shall remain in force unvacated or unstayed for a period of at least sixty (60) days, provided that, if such injunction is stayed or vacated within sixty (60) days after giving of notice of cancellation, such cancellation shall be and become null and void.
- (2) The default of the City in its performance of any of the terms, covenants or conditions to be performed by it hereunder.
- (3) If the City shall have abandoned the Airport for a period of at least 30 days and shall have failed to operate and maintain the Airport in such manner as to permit landings and takeoffs of planes by scheduled air carriers.

Section 903. <u>Rights Cumulative</u>. It is understood and agreed that the rights and remedies of the City and Lessee specified in this article are not intended to be, and shall not be, exclusive of one another or exclusive of any common law right of either of the parties hereto.

Section 904. <u>Procedure for Cancellation or Repossession</u>. No cancellation declared by either party shall be effective and the City shall not take possession of the Leased Premises

unless and until not less than thirty (30) days have elapsed after notice by either party to the other specifying the date upon which such cancellation will take effect, and the cause for which this Agreement is being cancelled or for which the Leased Premises is being repossessed, and no such cancellation shall be effective nor shall the City retake possession of the Leased Premises if such cause or default by its nature cannot be cured within such thirty (30) days, and if the party at default commences to correct such default within said thirty (30) days and corrects the same as promptly as is reasonably practicable.

In the event that suit shall be instituted by the City upon the default of payment of rent, charges and fees as provided herein, then Lessee agrees also to pay a reasonable attorney's fee.

ARTICLE X

ENCUMBRANCES

Section 1001. Encumbrances. The Lessee may encumber its leasehold estate by mortgage, deed of trust or other instrument in the nature of a mortgage or deed of trust, such debt instrument shall herein be called a Mortgage. In such event the Trustee in said instrument, or payee or beneficiary in the note or other obligation secured by such instrument, may deliver to the City written notice showing the name and past office address of such beneficiary, payee or Trustee. In the event such notice shall be given, then thereafter the City shall serve on such mortgagee, beneficiary, Trustee or payee, by certified mail at the address given, or to any subsequent address thereafter given, a copy of every notice of default thereafter served by the City upon the Lessee, under the terms of this Lease, during the existence of such mortgage or deed of trust. Such copy shall be mailed not later than one (1) day after service or the original upon the Lessee.

Section 1002. Mortgagee's Rights. In the event the Lessee shall subject its leasehold estate to the lien of a Mortgage (the owner of the debt being herein called the "Mortgagee") as security for the payment of a loan as aforesaid, the City will accept performance by any such Mortgagee of any covenant, condition, or agreement on Lessee's part to be performed hereunder with the same force and effect as though performed by Lessee, if at the time of such performance, the City shall be furnished with evidence reasonably satisfactory to the City of the interest in this Lease claimed by the person tendering such performance. In the event that the Lessee shall fail, while said Mortgage is a lien on the leasehold estate created hereby, to perform any of the covenants and agreements in this Lease by it to be performed, or shall cause or permit the happening of any event set forth in Section 901 hereof, then and in such event this Lease shall not be deemed to have terminated for a default of the Lessee unless:

- (a) The Lessee shall have failed to remedy the default in the time allotted therefor to the Lessee in and by the terms of this Lease; and
- (b) The City shall have given written notice of such failure on the part of the Lessee to rectify the default by certified mail, return receipt requested, the postage prepaid, addressed to the person, and the address specified from time to time by the Mortgagee; and

- (c) Mortgagee shall have failed within sixty (60) days after the receipt of such notice to:
 - (I) cure the default or defaults, if such default or defaults can be cured, by the payment of a sum certain in money (e.g., the payment of rent, taxes or insurance premiums), or
 - (II) cure the default or defaults, or commence and properly proceed with diligence toward the cure of such default or defaults which cannot reasonably be completed in sixty (60) days, if such default or defaults cannot be cured by the payment of a sum certain in money, or
 - (III) commence foreclosure proceedings in the case such default or defaults cannot be cured as provided in subdivision (I) and (II) of subsection (c) of this paragraph; provided, that such commencement of foreclosure proceedings shall not be deemed to preclude any such termination of this Lease unless (A) Mortgagee shall prosecute such foreclosure proceedings with diligence; (B) Mortgagee shall cure every such default or defaults arising or continuing during the pendency of such foreclosure proceedings as can be cured by the payment of a sum certain in money (e.g., the payment of rent, taxes or insurance premiums), within the sixty (60) day period specified in Article IX; and (C) Mortgagee or its assigns shall commence to remedy each such default under this Lease as cannot be cured by the payment of a sum certain in money within thirty (30) days after acquiring in said foreclosure proceedings title to said leasehold estate and possession of the premises demised hereby. Mortgagee shall notify the City immediately when foreclosre is commenced.

Upon the curing of all defaults in this Lease, Mortgagee may, at its option, terminate or abandon any pending foreclosure proceedings. Mortgagee may, during the times above provided, require, suffer or permit the Lessee to cure defaults in this Lease. The provisions hereof shall inure to the benefit of the Mortgagee, its successors and assigns. The provisions hereof shall not become operative until Mortgagee shall give the City notice in writing of the consummation of a loan to the Lessee secured by a Mortgage upon the Lessee's leasehold estate, and the same shall cease to be operative, except as to rights and obligations then accrued thereunder, when and as soon as said loan shall be paid.

In the event of a Mortgage foreclosure sale as above provided, it is agreed by and between the parties that:

With respect to defaults which occurred prior to such sale, the purchaser at the sale shall have the right to continue to cure such pre-existing defaults; provided, that it shall proceed under and in strict compliance with the provisions of this Section; and

The purchaser at any such foreclosure sale (even though it may be the Mortgagee) shall, from and after its purchase, be entitled to possession of the Premises and the Facilities subject always to the terms and conditions of this Lease; saving to such purchaser the right to continue to cure pre-existing defaults as hereinbefore specified; and

Defaults consisting of a filing of a voluntary petition in bankruptcy by the Lessee or the making of a general assignment by the Lessee for the benefit of creditors shall be deemed to be cured by a foreclosure sale at which the leasehold estate shall be sold to a solvent purchaser whose assets are not in the hands of an assignee for the benefit of its creditors.

In any and all events, the Lessee and Mortgagee and those claiming or to claim under either of them shall have no right in or to the freehold, or to any improvements erected thereon, by reason of anything stated herein or inferable from any provisions hereof, and no authority, express or implied, to create, place or claim any lien or encumbrance of any kind or nature whatsoever upon, or in any manner or by any act, bind or affect, the interest, estate or title of the City in the Premises or the improvements thereon.

Section 1003. <u>Rights and Obligations on Foreclosures</u>. In the event of the foreclosure of the lien secured by any Mortgage on the leasehold estate, this Lease shall remain in full force and effect and the purchaser in foreclosure shall succeed to all the rights of the Lessee hereunder. The purchaser at any foreclosure sale, whether the Mortgagee or a third party, may continue the operation of the Facilities only for the use set forth herein.

ARTICLE XI

EQUAL EMPLOYMENT/AFFIRMATIVE ACTION

Section 1101. Equal Employment.

- A. The Lessee hereto understands and agrees that the City in operation and use of Lambert-St. Louis International Airport will not on the grounds of race, creed, color, religion, sex, national origin or ancestry, discriminate or permit discrimination against any person or group of persons in a manner prohibited by Part 21 of the Federal Aviation Regulations of the Office of the Secretary of Transportation. Lessee hereby agrees that his premises shall be posted to such effect as required by such regulation.
- B. Lessee agrees that in performing under this Agreement, neither he nor anyone under his control will permit discrimination against any employee, worker or applicant for employment because of race, creed, color, religion, sex, national origin or ancestry. Lessee will take affirmative action to insure that applicants are employed and that employees are treated fairly without regard to race, creed, color, religion, sex, national origin or ancestry. Such action must include, but shall not be limited to action to bar, employ, upgrade or recruit; expel, discharge, demote or transfer; layoff, terminate or create intolerable working conditions, rates of pay or other forms of compensation and selection for training including apprenticeship.
- C. Lessee will in all printed or circulated solicitations or other advertisement or publication for employees placed by or on behalf of the Lessee state that all qualified applicants shall receive meaningful consideration for employment without regard to race, creed, color, religion, sex, national origin or ancestry. All advertisements or solicitations for applicants for employment must contain the phrase "An Equal Opportunity Employer". Lessee shall not make inquiry in

- connection with prospective employment which expresses directly or indirectly any limitation, specification or discrimination because of race, creed, color, religion, sex, national origin or ancestry.
- D. Lessee agrees that should it be determined by the Lessee or City that he will be unable to conform to his approved positive employment program submitted to determine eligibility under the fair employment practices provisions of the City Code, he will notify the Fair Employment Practices Division of the Civil Rights Enforcement Agency (CREA) within 10 days of such determination, as to the steps to be taken by Lessee to achieve the provisions of his program.
- E. Lessee will permit reasonable access by City to such persons, reports and records as are necessary for the purpose of ascertaining compliance with fair employment practices.
- F. Lessee further agrees that these clauses (B through E) covering discrimination and equal opportunity practices in all matters of employment and training for employment will be incorporated by Lessee in all contracts or agreements he enters into with suppliers of materials or services, contractors and subcontractors, and all labor organizations, furnishing skilled, unskilled and craft union skilled labor, or who may perform any such labor or service in connection with this Agreement.
- G. Whenever the Lessee is sued by a subcontractor, vendor, individual, group or association as a result of compliance with the clauses (A through F) of these provisions relating to fair employment practices, Lessee shall notify the City Counselor in writing of such suit or threatened suit within 10 days.
- H. In event of the Lessee's noncompliance with nondiscrimination clauses of this Agreement, or to furnish information or permit his books, records and account to be inspected within 20 days from date requested, this Agreement may be cancelled, terminated or suspended, in whole or in part, and Lessee may be declared ineligible for further City contracts for a period of one year by option of the City, provided, further, if this Agreement is cancelled, terminated or suspended for failure to comply with fair employment practices, Lessee shall have no claims for any damages against the City.
- Lessee will establish and maintain for the term of this Agreement an affirmative action program according to the Mayor's Executive Order on Equal Opportunity in Employment and the City reserves the right to take such action as the City of St. Louis and the United States Government may direct to enforce the above covenants.
- J. The Lessee assures that it will undertake an affirmative action program as required by 14 CFR, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered

suborganizations provide assurances to the Lessor that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1201. Quiet Enjoyment. Subject to the provisions of this Agreement, the City covenants that the Lessee, on paying the rentals and otherwise performing its covenants and other obligations hereunder, shall have quiet and peaceable possession of the Leased Premises.

Section 1202. <u>No Personal Liability</u>. No alderman, director, officer, employee or other agent of either party shall be personally liable under or in connection with this Agreement.

Section 1203. Agreements with the United States. This Agreement is subject and subordinate to the provisions of any careements heratofore made between the City and the United States relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to the City for Airport purposes, or to the expenditure of federal funds for the development of the Airport, in accordance with the provisions of the Federal Aviation Act as it has been amended from time to time. Any agreement hereafter made between the City and the United States will not be inconsistent to rights granted to the Lessee herein.

Section 1204. <u>Modifications for Granting FAA Funds</u>. In the event that the Federal Aviation Administration requires modifications or changes to this document, as a condition precedent to granting funds for the improvement of the Airport, the Lessee agrees to consent to such reasonable amendments, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Agreement as may be reasonably required to enable the City to obtain said Federal Aviation Administration funds, provided that in no event shall such changes impair the rights of the Lessee hereunder.

Section 1205. Governing Law. This Agreement shall be deemed to have been made in, and be construed in accordance with the laws of the State of Missouri.

Section 1206. Notices. Except as herein otherwise expressly provided, all notices required to be given to the City hereunder shall be in writing and shall be sent by certified mail, return receipt requested, to the Director of Airports, P.O. Box 10212, Lambert Station, St. Louis, Missouri, 63145; all notices, demands and requests by the City to the Lessee shall be sent by certified mail, return receipt requested, to St. Louis Air Cargo Services, Inc., a Subsidiary of Haith & Company, Inc., 11415 W. 87th Terrace, Overland Park, Kansas, 66214.

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

Section 1207. <u>Amendments</u>. This Agreement may be amended from time to time by written agreement, duly authorized and executed by representatives of both parties herto.

Section 1208. Force Majeure. Neither the City nor the Lessee shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, sabotage or any other circumstances for which it is not responsible or which are not within its control.

Section 1209. <u>Invalid Provisions</u>. In the event any covenant, condition or provision herein contained is held to be invalid by a court of competent jurisdiction, the invalidity of any such covenant, condition or provision contained, provided the invalidity of any such covenant, condition or provision does not materially prejudice either the City or the Lessee in its respective rights and obligations contained in the valid covenants, conditions and provisions of this Agreement.

Section 1210. <u>Headings</u>. The headings of the several 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 shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

Section 1211. <u>Withholding Approvals</u>. Whenever the approval of the City or the Director or of the Lessee is required herein, no such approval shall be unreasonably requested or withheld.

Section 1212. <u>Title to Site</u>. The Premises leased hereunder, from the commencement date until the termination hereof, shall be owned in fee simple by the City or in such lesser state as in the opinion of the City Counselor, is sufficient to permit the letting thereof by the City for the full term provided in this Agreement.

Section 1213. Entire Agreement. This Agreement, together with all exhibits attached hereto, constitutes the entire agreement between the parties hereto, and all other representations or statements heretofore made, verbal or written, are merged herein.

Section 1214. <u>Previous Agreements</u>. It is expressly understood that the terms and obligations of this Agreement shall in no way affect or impair the terms, obligations or conditions of any existing or prior agreement between the Lessee and the City.

Section 1215. <u>Successors and Assigns</u>. All of the terms, provisions, covenants, stipulations, conditions and considerations of this Agreement shall extend to and bind the legal representatives, successors, sublessees and assigns of the respective parties hereto.

Section 1216. Operation and Maintenance of Airport. So long as the City continues to operate the Airport as an airport, the City shall operate the Airport properly and in a sound and economical manner; the City shall use reasonable effort to maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, with the appurtenances in good repair, working order and condition, and shall from time to time use reasonable effort to make or cause to be made all necessary and proper repairs, replacements and renewals so

that at all times the operation of the Airport may be properly and advantageously conducted in conformity with standards customarily followed by municipalities operating airports of like size and character.

Section 1217. <u>Waivers</u>. No waiver of default by either party of any of the terms, covenants and conditions hereto to be performed, kept and observed by the other party shall be construed as, or operate as, a waiver of any subsequent default of any of the terms, covenants or conditions herein contained to be performed, kept and observed by the other party.

Section 1218. Estoppel Certificates. City agrees that it will provide to Lessee at any time, and from time to time, upon reasonable request, an estoppel certificate evidencing whether or not (a) this Agreement is in full force and effect; (b) this Agreement has been amended, and identifying any such amendments; and (c) there are any existing defaults by Lessee, and specifying the nature of such defaults, if any.

Section 1219. Recording of this Agreement. The parties agree that this Agreement shall be executed in Recordable form, and that Lessee may record this Agreement in the Real Estate Records of the Office of the Recorder of Deeds for the City of St. Louis.

	IN WITNESS WHEREOF, the parties has assigns, have executed this Agreement the day	ereto for themselves, their successors of and year first above written.	and
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	ATTEST	ST. LOUIS AIR CARGO SERVICES, INC.	
1	Secretary) Jan 3/10/87 Date -23-	My Daith 3-108, President Date	∑ Te

LAMBERT AIR CARGO AREA LEASE

A tract of land in Fractional Section 4 and U.S. Survey 2524, Township 46 North, Range 6 East of the Fift Principal Meridian, St. Louis County, Missouri, described as follows:

Beginning at a concrete monument located at the intersection of the northerly right-of-way line of Old Airport Road with the easterly right-of-way line of Old Brown Road; thence northerly along the easterly right-of-way line of Old Brown Road on a line bearing North 0 degrees 42 minutes 09 seconds West a distance of 186.47 feet to the beginning point of this tract; thence on a line bearing South. 58 degrees 53 minutes 45 seconds East a distance of 107.48 feet to a point on the southwesterly right-of-way of McDonnell Boulevard (130 feet wide); thence following McDonnell Boulevard right-of-way on a line curving to the left having a radius of 633.69 feet for an arc distance of 233.78 feet, the chord of which is 232.46 feet bearing South 55 degrees 28 minutes 50 seconds East, to a point; thence continuing along the McDonnell Boulevard right-of-way line curving to the left having a radius of 820.15 feet an arc distance of 107.92 feet, the chord of which is 107.84 feet bearing South 69 degrees 51 minutes 15 East, to a point; thence on a line bearing South 73 degrees 37 minutes 25 seconds East 139.10 feet to a point; thence on a line curving to the right having a radius of 700.26 feet an arc distance of 92.13 feet the chord of which is 92.06 feet bearing South 69 degrees 51 minutes 17 seconds East, to a point; thence on a line curving to the right having a radius of 513.69 feet an arc distance of 519.04 feet. the chord of which is 497.24 feet bearing South 37 degrees 08 minutes 21 seconds East, to a point; thence on a line curving to the right having a radius of 700.26 feet an arc distance of 92.13 feet, the chord of which is 92.06 feet bearing South 4 degrees 25 minutes 25 seconds East, to a point; thence on a line bearing South 0 degrees 39 minutes 17 seconds East a distance of 50.01 feet to a point; thence on a line bearing North 89 degrees 20 minutes 43 seconds East a distance of 10 feet to a point; thence on a line bearing South 0 degrees 39 minutes 17 seconds East a distance of 87.75 feet to a point; thence on a line bearing North 89 degrees 20 minutes 43 seconds East a distance of 10 feet to a point; thence on a line bearing South 0 degrees 39 minutes 17 seconds East a distance of 256.52 feet to a point; thence on a line curving to the right having a radius of 11,960 feet an arc distance of 341.85 feet, the chord of which is 341.84 feet bearing South O degrees 09 minutes 51 seconds West, to a point, said point

being the northeasterly corner of the tract leased to Mid Coast Aviation; thence on a line departing from McDonnell Boulevard right-of-way on and along the northerly line of the Mid Coast Aviation tract bearing North 58 degrees 53 minutes 45 seconds West a distance of 477.59 feet to a point; thence on a line bearing North 31 degrees 06 minutes 15 seconds East a distance of 167.50 feet to a point; thence on a line bearing North 58 degrees 53 minutes 45 seconds West a distance of 1,634.82 feet to a point; thence on a line bearing North 31 degrees 06 minutes 15 seconds East a distance of 604.44 feet to a point; thence on a line bearing North 2 degrees 03 minutes 45 seconds West a distance of 105.44 feet to a point on the southerly line of Genair Drive (50 feet wide); thence on a line along the southerly line of Genair Drive bearing North 87 degrees 56 minutes 15 seconds East a distance of 50 feet to a point; thence on a line bearing South 2 degrees 03 minutes 45 seconds East a distance of 83.53 feet to a point; thence on a line bearing South 58 degrees 53 minutes 45 seconds East a distance of 496.63 feet to the point of beginning, containing 28.983 acres, including the Shell Oil Company pipe line easement near McDonnell Boulevard right-of-way.

GUARANTEE OF PERFORMANCE

In consideration of the benefits accruing to St. Louis
Air Cargo Services, Inc. under the foregoing Ground Lease and
Agreement, Haith & Company, Inc., a company owned by the same
shareholders who own St. Louis Air Cargo Services, Inc., guarantees
to the City of St. Louis, Missouri, the full and faithful performance
by St. Louis Air Cargo Services, Inc. of all of the covenants,
terms, conditions and provisions of such Ground Lease and Agreement.

Dated this 10" day of Macy. 198

HAITH & COMPANY, INC.

Bv:

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