

AIRPORT PROPERTY LEASE AND LICENSE AGREEMENT

This Airport Lease and License Agreement ("Lease") is entered into between the CITY OF SAN ANGELO, a Texas home-rule municipal corporation, acting by and through its duly authorized City Manager ("Landlord" or "City"), and _____, a _____ for profit corporation, acting by and through its designated Chief Executive Officer pursuant to its bylaws and a resolution of its Board of Directors ("Tenant").

RECITALS:

A. Landlord is the owner and operator of the San Angelo Regional Airport-Mathis Field located at 8618 Terminal Circle, San Angelo, Texas ("Airport"); and

B. Landlord deems it advantageous to grant to _____ the right to conduct the aeronautical activity hereinabove described;

NOW, THEREFORE, in consideration of the mutual covenants, promises and terms herein contained, Landlord and Tenant agree as follows:

1. PREMISES

1.1 Lease of Premises. In consideration of the mutual covenants, promises, terms and conditions herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord the following Premises formerly known as the Quimby Hangar or AMCOM South Hangar:

The interior of a 120 foot by 200 foot (120' x 200') hangar having approximately 24,000 square feet of hangar space, hereinafter "Hangar", located at 8534 Hangar Road, San Angelo Regional Airport-Mathis Field, Tom Green County, Texas, and including access thereto, located on a tract of land being more particularly described on **Exhibit "A"**, which is attached hereto

1.2 No Express or Implied Warranties. Said tract and hangar are hereinafter referred to as the "Leased Premises" or the "Property". TENANT HAS EXAMINED, AND ACCEPTS, THE LEASED PREMISES AND ANY FIXTURES ON THE LEASED PREMISES, IN THEIR PRESENT "AS-IS" PHYSICAL CONDITION. NO REPRESENTATION, STATEMENT, OR WARRANTY, EXPRESS OR IMPLIED, HAS BEEN MADE OR IS MADE BY OR ON BEHALF OF LANDLORD AS TO THE CONDITION OF THE LEASED PREMISES, OR AS TO THE FITNESS FOR ANY PARTICULAR USE THAT MAY BE MADE OF THE LEASED PREMISES. IN NO EVENT SHALL LANDLORD BE LIABLE FOR ANY REASONABLY APPARENT DEFECT IN THE LEASED PREMISES OR FOR ANY LIMITATION ON THE UTILIZATION OF THE LEASED PREMISES FOR THE USE PERMITTED UNDER THIS AGREEMENT NOT WITHIN THE LANDLORD'S CONTROL.

2. TERM.

2.1 Month to Month Terminable at Will. This Lease Agreement shall continue as a month-to-month tenancy commencing on the effective date of _____, 2015, terminable at will by either Landlord or Tenant by the giving of a written notice of termination to the other party at least thirty days prior to termination.

3. RENT.

3.1 Rent. Tenant shall pay rent to Landlord for the use of Leased Premises in advance, monthly, in the minimum amount of Two Thousand Five Hundred Dollars (\$2,500.00) per month

3.2 Time for Rent Payment. The first monthly rental payment shall be due and payable on the above stated effective date, and subsequent monthly rental payments shall be due and payable on the __ day of each succeeding month thereafter, until this Lease Agreement is terminated as provided for herein.

3.3 Place of Payment. All payments due by Tenant to Landlord under this Lease shall be made at the Airport Director's office at San Angelo Regional Airport–Mathis Field, 8618 Terminal Circle, Suite 101, San Angelo, Texas 76904, or at such other place as Landlord may from time to time designate by written notice to Tenant.

3.4 Delinquent Payments. Tenant shall pay to Landlord a late charge or interest for any rent past due in accordance with established City ordinances, provided however, that this provision for late charges or interest shall not be construed as a waiver of the right of Landlord to terminate this Lease at its option as authorized herein.

4. GRANT OF LICENSE.

4.1 Landlord grants Tenant a non-exclusive license, concurrent with the herein-described Lease to engage, in common with others so licensed, in an aeronautical business which may consist only of parking and storing aircraft with the Hangar, subject to all of the terms and conditions provided under this Agreement. Servicing or washing of aircraft on the Leased Premises is prohibited. Tenant shall confine his operation under this Lease and License agreement to the Leased Premises described at Section 1.1 "Lease of Premises", hereinabove, provided, however, that under exceptional circumstances, Tenant may park or store aircraft on any other part of the Airport designated by the Airport Manager, except on Premises leased exclusively to another operator. It is agreed that Tenant will not park any aircraft on the ramp when such parking obstructs airline operations. Any parking of aircraft on the ramp may be changed or stopped at any time when deemed necessary by the Airport Director.

4.2 Tenant shall confine its operation at the Airport to its exclusive area and to those portions of the aircraft ramp area that are designated by the Airport Director.

Tenant shall not solicit sales or services for aircraft that are parked or stored in any exclusive area of another fixed based operator located on the Airport.

5. UTILITIES, TAXES AND FEES.

5.1 Utilities. Landlord shall pay charges for electrical service to the Leased Premises, subject to reimbursement by Tenant within thirty days after Landlord provides a written statement to Tenant itemizing the charges to be reimbursed. Landlord's charges for reimbursement of electrical service shall be deemed additional rent and shall be payable under the same terms and conditions as provided for monthly rental hereunder. No other utilities are presently available for Tenant use on the Leased Premises. Tenant shall not initiate the use of any other utility without first securing the written consent of Landlord for such utility and providing for the terms of such utility installation, connection and use.

5.2 Taxes and Assessments. It is further understood and agreed that Tenant shall pay and discharge all taxes, general and special assessments and other charges of every description which during the term of this Lease Agreement may be levied on or assessed against the Leased Premises, inventory, personality and improvements thereon, whether belonging to Landlord or Tenant, or to which either of them may become liable. Tenant shall pay all such taxes, charges and assessments to the public officer charged with the collection thereof not less than fifteen (15) days before the same shall become delinquent, and TENANT AGREES TO INDEMNIFY AND SAVE HARMLESS LANDLORD FROM ALL SUCH TAXES, CHARGES AND ASSESSMENTS.

5.3 Incidental Fees. Tenant shall pay or cause to be paid all incidental charges, such as permit fees, incurred in connection with its operation and use of the Leased Premises.

6. LAWS, REGULATIONS AND LIMITATIONS.

6.1 Observance. Tenant shall observe and obey all applicable federal, state and local laws and regulations, including all Environmental Requirements, in the operation of Tenant's aeronautical business on Airport property and in the performance of its obligations under this Lease Agreement. Tenant also agrees to observe and obey all Airport rules and regulations promulgated and enforced by the City of San Angelo and by any other governmental authority having jurisdiction over the conduct of operations at the Airport. Additional, rules hereby agreed to by Tenant and Landlord that are applicable to Tenant's use and occupancy of the Leased Premises are:

- a. Tenant shall permit only owners or employees of Tenant or Airport personnel and persons authorized by Airport to enter or occupy the Hangar at any time, and shall exclude all other persons at all times from entering the hangar.
- b. A minimum of two exits must be provided in the Hangar, leading directly to the outside and utilizing a Fire Marshal approved exit door not requiring the

use of a key, other tool or special knowledge or effort for exiting from inside the Hangar at any time that the Hangar is occupied. Overhead doors shall not qualify as exit doors under this requirement.

- c. Tenant shall conduct at least one fire drill during each month for the term of this Lease, and shall maintain for each such fire drill a log for inspection by Landlord and Fire Marshal, identifying employees in attendance, as well as describing the method and manner of the fire drill, the exit doors utilized for the fire drill, and the amount of time taken to safely exit the Hangar by all persons.
- d. Maximum occupancy applicable for Tenant's permitted use of the Hangar has been determined by the Fire Marshal to be 24 persons; Tenant shall not permit occupancy of the Hangar to exceed this limitation at any time.
- e. Tenant shall place and maintain in accordance with the National Fire Protection Association standard titled "Portable Fire Extinguishers", NFPA-10 and approved by the Fire Marshal, fire extinguishers at intervals such that not more than seventy-five feet (75') of travel from any place within the Hangar is required in any direction to reach a fire extinguisher.

6.2 Lease Limited. It is agreed that this Lease shall be limited, notwithstanding its terms, by the provision of any existing or future agreement between Landlord and the United States government, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditures of federal funds for the maintenance or development of the Airport.

6.3 Waste Water. If Tenant's use of the Leased Premises results in the discharge or potential discharge of waste water, Tenant shall immediately apply to the Texas Commission on Environmental Quality (TCEQ) for a waste water discharge permit. Tenant shall also advise the Airport Director of the drains or other waste water facilities Tenant intends to use in disposing of waste waters. The Airport Director may designate sewers or other facilities for Tenant to use for disposal of waste water.

6.4 Hazardous Material/Contaminants. Tenant agrees that Tenant will not cause or permit release, discharge or spillage by Tenant, its licensees, officers, agents, employees, sublessees, business invitees or guests of any hazardous material or contaminants, either intentionally or accidentally, by act or omission, onto Leased Premises or Airport property. If any such release, discharge, or spillage does occur, Tenant shall immediately notify the Airport Director and the TCEQ, promptly followed by written documentation of the notice and shall, at Tenant's expense, comply with all removal and cleanup directives or requirements issued. As between Landlord and Tenant, Tenant shall be solely liable for remedial costs and damages relating to any release, discharge or spillage of hazardous substances or contaminants as a result of the operation of Tenant's aeronautical business.

TENANT WARRANTS THAT IT HAS INSPECTED THE LEASED PREMISES TO ITS SATISFACTION AND THAT TENANT IS SATISFIED

THAT THERE ARE NO HAZARDOUS WASTES OR CONTAMINANTS LOCATED THEREON. TENANT UNDERSTANDS THAT TENANT SHALL REMOVE ANY HAZARDOUS WASTE OR CONTAMINANT FROM LEASED PREMISES BEFORE TERMINATION OR ABANDONMENT OF THIS LEASE.

- 6.5 Easements. It is understood and agreed that this Lease is made subject and subordinate to the terms of any oil, gas and other mineral lease and right-of-way easements of any nature which may have been executed prior to this Lease or which may be executed hereafter by Landlord, in Landlord's sole discretion. If, however, any exploration or production occurs that materially interferes with the conduct of Tenant's business at the Leased Premises, Tenant may terminate this Lease by delivering written notice to Landlord as herein provided.
- 6.6 Non-discrimination. The Tenant for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree that: (1) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Airport facilities; (2) that in the construction or use of any improvements on, over or under such land and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination on the grounds of race, creed, color, national origin or sex.
- In the event of breach of any of the preceding nondiscrimination covenant, Landlord shall have the right to declare Tenant to be in breach of this Lease agreement, to terminate this Lease, and to reenter and repossess said Leased Premises.
- 6.7 Compliance with ADA. Tenant agrees to comply fully with the provisions of the Americans with Disabilities Act.
- 6.8 Compliance with the Department of Homeland Security. Tenant agrees to comply fully with the guidelines set forth in 49 CFR Part-1542 Airport Security in all pertinent parts as directed either by representatives of the federal government or the Airport Director or his designee.
- 6.9 Relationships. Tenant, its agents, servants and employees agree to maintain a friendly and cooperative, though competitive, relationship with other companies engaged in similar or like business on Airport Premises. Except in connection with judicial proceedings, Tenant shall not engage in open public disputes, disagreements, or conflicts regarding activities at the Airport which would tend to deteriorate the quality of the service of Tenant or its competitors or which would be incompatible with the best interest of the public at the Airport.

7. CONDITION AND USE OF LEASED PREMISES.

- 7.1 NO WARRANTY. LESSOR MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE LEASED PREMISES, OR ANY IMPROVEMENTS THEREON, INCLUDING WARRANTY OF HABITABILITY OR FITNESS FOR A PARTICULAR USE. EXCEPT AS TO THE LEASED PREMISES DESCRIBED ON **EXHIBIT “A”** ATTACHED, LESSOR WARRANTS THAT AT THE EFFECTIVE DATE OF THIS LEASE AGREEMENT SAID PREMISES ARE NOT IN VIOLATION OF APPLICABLE ENVIRONMENTAL REGULATIONS.
- 7.2 Acceptance and Use. Landlord and Tenant agree that the Leased Premises will be used for the limited purposes of aircraft parking and storage facility. Any other use must have the prior written consent of the City, evidenced by a written amendment to this Lease. Tenant accepts Leased Premises as suitable for such purpose.
- 7.3 Standards. Landlord 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 maintain standards relative to maximum heights for buildings or other structures and set-back building lines in relation to the runways, taxiways, navigational airspace, parking aprons, or other facility conditions, which would limit or impair the usefulness of the Airport Master Plan or constitute a hazard to aircraft.
- 7.4 Improvements and Modifications.
- 7.4.1 Tenant shall not alter or improve Leased Premises in any respect without Landlord’s prior written consent. Any such alteration or improvement to which Landlord consents must fully comply with all laws, rules, regulations, codes, standards, and policies (including, without limitation, local Hangar codes and ordinances) of any governmental authority with jurisdiction over the Airport (including, without limitation, the City of San Angelo, Texas).
- 7.5 Ingress and Egress. Tenant and its employees, patrons, guests, invitees, contractors and subcontractors, shall have the right of ingress to and egress from the Leased Premises and the right, in common with others so authorized, to use common areas of the Airport, including runways, taxiways, aprons, navigational facilities, roadways, parking areas, subject to federal, state, City and Airport rules and regulations.
- 7.6 Storage and Parking. Outside storage of any property including, but not limited to, equipment, parts, accessories, vehicles (whether operable, abandoned or inoperable), is expressly prohibited. Other uses, including temporary parking of motor vehicles, incident to Tenant’s operation, unless specifically approved herein, shall be upon the Leased Premises only. Tenant shall not use or permit employees, patrons, invitees or guests to use Airport property in a manner contrary to the rules and regulations of the Airport.

7.7 Aircraft and Vehicle Identification. Tenant agrees to register all aircraft and vehicles to be used in its business on the Airport property, with the Airport Director.

7.8 Noise Abatement. Tenant shall actively participate in and comply with all noise abatement procedures, policies and programs as set forth by Landlord.

8. REPAIRS AND MAINTENANCE.

8.1 Tenant's Duties.

8.1.1 Tenant agrees to keep and maintain the Leased Premises in a neat, clean and respectable condition by prompt removal of all trash, litter, debris and junk, and shall keep said Premises cleared of all objectionable matter. In the event Tenant shall fail to keep and maintain the Leased Premises as herein required, as determined in the sole discretion of Landlord, then the Landlord, after notice to Tenant of the default and providing time to comply as herein provided, shall have the power and express authority to cause or require the labor and materials to be expended that are reasonably necessary to accomplish the required maintenance, and Tenant expressly agrees that the reasonable cost of any such labor and materials shall be deemed additional rent, becoming past due thirty (30) days from the date on which any such maintenance work is completed and notice of the amount due is given to Tenant,

8.2 Landlord's Duties.

8.2.1 Landlord shall maintain in good condition the Hangar building in its condition as exists on the commencement of the Lease term.

8.2.2 Landlord shall maintain the common areas of the Airport facilities.

8.2.3 Landlord shall maintain and operate the Airport in compliance with the safety and security regulations established by the Federal Aviation Administration and other appropriate regulatory authorities.

8.2.4 Landlord shall maintain and operate San Angelo Regional Airport–Mathis Field with adequate and efficient personnel, keep in good repair the airport appurtenances and facilities, and keep access ways and approaches reasonably free from obstruction, congestion and interference.

8.2.5 If any such maintenance or repairs are necessitated solely by the acts of Tenant or its employees, agents, contractors, sub-contractors, licensees, invitees or guests, Tenant shall reimburse Lessor for the reasonable cost thereof, as additional rent, to be paid within thirty (30) days after notice of such cost is given to Tenant as herein provided.

8.3 Force Majeure/National Emergency. Neither party hereto shall be liable to the other for any failure, delay, or interruption in the performance of any of the terms, covenants or conditions of this Lease due to causes beyond the control of that party including, without limitation, strikes, boycotts, labor disputes, embargoes, shortage of material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage, or any other circumstances for which such party is not responsible or which is not in its power to control. During a time of war or national emergency, City reserves the right to alter, amend or suspend this Lease upon demand of military, naval or other proper authorities of the United States government or the State of Texas.

8.4 Damage or Destruction of Leased Premises.

8.4.1 If the Leased Premises are partially damaged by fire, explosion, the elements, public enemy, or other casualty, but the Hangar is not rendered untenable, in whole or in part, the Landlord shall proceed to complete the repair of damage at its cost and expense with due diligence.

8.4.2 If the damage shall be so extensive as to render the Hangar on the Leased Premises untenable, in whole or in part, Tenant may elect to continue occupancy of any tenantable part of the hangar and monthly rent payable herein shall be abated in proportion to the diminished utility of the Leased Premises as agreed to by the Parties from the time the damage occurs until Landlord completes repair of the Hangar; or, Tenant may provide Landlord with a notice of termination effective from date of Tenant's vacation of the Leased Premises.

8.3 Right of Entry. Landlord or its designee may enter Leased Premises and Hangar at any time upon reasonable notice to Tenant, for any purpose necessary, incidental to, or connected with the exercise of its duties and obligations as Landlord and the Airport Owner, including, but not limited to the following: fire protection, security purposes, repairs, additions, alterations, or inspections for compliance with applicable law, regulation, or lease compliance.

9. INSURANCE.

9.1 General Conditions. The following conditions shall apply to all insurance policies obtained by Tenant for the purpose of complying with this Lease.

9.1.1 Satisfactory Companies. Coverage shall be maintained with insurers and under forms of policies satisfactory to City and with insurers licensed to do business in Texas.

- 9.1.2 Named Insureds. All insurance policies required herein shall be drawn in the name of Tenant, with City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees named as additional insureds, except on Workers' Compensation coverage.
- 9.1.3 Waiver of Subrogation. Tenant shall require its insurance carrier(s), with respect to all insurance policies, to waive all rights of subrogation against City, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees. Landlord shall waive all claims against Tenant for damages covered normally by Fire and Casualty damage insurance with standard extended coverage.
- 9.1.4 Certificates of Insurance. At or before the time of execution of this Lease, Tenant shall furnish City's Risk Manager with certificates of insurance as evidence that all of the policies required herein are in full force and effect and provide the required coverage and limits of insurance. All certificates of insurance shall clearly state that all applicable requirements have been satisfied. The certificates shall provide that any company issuing an insurance policy shall provide to City not less than thirty (30) days advance notice in writing of cancellation, non-renewal or material change in the policy of insurance. In addition, Tenant and insurance company shall immediately provide written notice to City's Risk Manager upon receipt of notice of cancellation of any insurance policy, or of a decision to terminate or alter any insurance policy. Copies of required endorsements will be attached to the certificates to confirm the required endorsements are in effect. Certificates of insurance and notices of cancellations, terminations or alterations shall be furnished to City's Risk Manager at City Hall, 72 West College or P.O. Box 1751, San Angelo, Texas 76903.
- 9.1.5 Tenant's Liability. The procurement of such policy of insurance shall not be construed to be a limitation upon Tenant's liability or as a full performance on its part of the indemnification provisions of this Lease. Tenant's obligations are, notwithstanding any policy of insurance, for the full and total amount of any damage, injury or loss caused by or attributable to its activities conducted at or upon the Premises. Failure of Tenant to maintain adequate coverage shall not relieve Tenant of any contractual responsibility or obligation.
- 9.1.6 Sub lessees' Insurance. Tenant shall cause each Sub lessee of Tenant to purchase and maintain insurance of the types and in the amounts specified below. Tenant shall require Sub lessees to furnish copies of certificates of insurance to Landlord's Risk Management Department evidencing coverage for each Sub lessee.
- 9.2 Types and Amounts of Insurance Required. Tenant shall obtain and continuously maintain in effect at all times during the term hereof, at Tenant's sole expense,

insurance coverages on a primary basis, non-contributory with any other insurance coverage, as follows with limits not less than those set forth below:

9.2.1 Commercial General Liability (CGL) or equivalent Aviation Liability.

This policy shall be an occurrence-type policy and shall protect the Tenant and additional insureds against all claims arising from bodily injury, sickness, disease or death of any person (other than the Tenant's employees) and damage to property of the City or others arising out of the act or omission of the Tenant or its agents and employees. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under the Lease or liability arising from pollution, explosion, collapse, underground property damage, or damage to the premises or improvements. This policy shall also include protection against claims for the contractual liability assumed by Tenant under the parts of this Lease entitled "Indemnification" and "Environmental Indemnification", including completed operations, products liability, contractual coverage, broad form property coverage, explosion, collapse, underground, Premises/operations, and independent contractors (to remain in force for two years after final payment). Coverage shall not be less than:

\$ 2,000,000.00	General Aggregate
\$ 1,000,000.00	Products- Completed Operations Aggregate
\$ 1,000,000.00	Personal & Advertising Injury
\$ 1,000,000.00	Each Occurrence
\$ 500,000.00	Fire Damage (any one fire)

9.2.2 Business Automobile Liability. This policy shall be written in comprehensive form and shall protect Tenant and the additional insureds against all claims for injuries to members of the public and damage to property of others arising from the use of motor vehicles and shall cover operation on and off the Premises of all motor vehicles licensed for highway use, whether they are owned, non-owned or hired. Coverage shall not be less than:

\$ 1,000,000.00	Combined Single Limit
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9.2.3 Comprehensive Aircraft Liability. This policy shall be an occurrence-type policy, written in comprehensive form and shall protect Tenant and additional insureds against all claims arising from bodily injury, sickness, disease or death of any person (other than Tenant's employees) and damage to property of Landlord or others arising out of the act or omission of the Tenant or Tenant's agents and employees. This policy shall also include protection against claims normally insured by personal injury liability coverage and claims pertaining to: the contractual liability assumed by Tenant under the paragraph of this Lease entitled "Indemnification", completed operations, products liability, contractual liability, leased premises/operations, and independent contractors and shall

include broad form property coverage. Coverage shall remain in force for two years after termination of this Lease and shall be as follows:

\$ 500,000.00 Each Passenger
\$2,000,000.00 Each Occurrence

9.2.4 Workers' Compensation and Employer's Liability. If Tenant hires any employees, Tenant shall maintain Workers' Compensation and Employer's Liability insurance, which shall protect the Tenant against all claims under applicable state workers' compensation laws and employer's liability. The insured shall also be protected against claims for injury, disease or death of employees which, for any reason, may not fall within the provisions of a workers' compensation law. Coverage shall not be less than:

Statutory Amount	Workers' Compensation
\$ 500,000.00	Employer's Liability, Each Accident
\$ 500,000.00	Employer's Liability, Disease - Policy Limit
\$ 500,000.00	Employer's Liability, Disease - Each Employee

The foregoing requirement will not be applicable if, and so long as, Tenant qualifies as a self-insurer under the rules and regulations of the commission or agency administering the workers' compensation program in Texas and furnishes evidence of such qualification to Landlord in accordance with the notice provisions of this Lease.

If Tenant uses contract labor, Tenant shall require its contractor to maintain the above referenced coverage and furnish copies of certificates of insurance as required herein.

9.2.4 Environmental Liability. This insurance shall be maintained in force for the full period of this Contract and cover losses caused by pollution conditions including, but not limited to, any spill, underground pollution or any other environmental impairment. It shall apply to bodily injury; (including death) property damage, including loss of use of damaged property or of property that has not been physically injured; cleanup costs; including, but not limited to, any costs required under CERCLA; and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims. If coverage is written on a claims made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract, and continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning from the time the Contract has expired. Coverage shall not be less than:

\$1,000,000.00 per loss

\$2,000,000.00 Annual aggregate

10. INDEMNIFICATION.

10.1 GENERAL INDEMNIFICATION. TENANT AGREES TO INDEMNIFY, DEFEND, REIMBURSE AND HOLD CITY, ITS COUNCIL MEMBERS, BOARD AND COMMISSION MEMBERS, OFFICIALS, AGENTS, GUESTS, INVITEES, CONSULTANTS AND EMPLOYEES FREE AND HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, PROCEEDINGS, SUITS, JUDGMENTS, COSTS, PENALTIES, FINES, DAMAGES, LOSSES, ATTORNEYS' FEES AND EXPENSES ASSERTED BY ANY PERSON OR PERSONS, INCLUDING AGENTS OR EMPLOYEES OF TENANT OR CITY, BY REASON OF DEATH OR INJURY TO PERSONS, OR LOSS OR DAMAGE TO PROPERTY, RESULTING FROM OR ARISING OUT OF, THE VIOLATION OF ANY LAW OR REGULATION OR IN ANY MANNER ATTRIBUTABLE TO ANY ACT OF COMMISSION, OMISSION, NEGLIGENCE OR FAULT OF TENANT, ITS AGENTS OR EMPLOYEES, OR THE JOINT NEGLIGENCE OF TENANT AND ANY OTHER ENTITY, AS A CONSEQUENCE OF ITS EXECUTION OR PERFORMANCE OF THIS LEASE OR SUSTAINED IN OR UPON THE PREMISES, OR AS A RESULT OF ANYTHING CLAIMED TO BE DONE OR ADMITTED TO BE DONE BY TENANT HEREUNDER. THIS INDEMNIFICATION SHALL SURVIVE THE TERM OF THIS LEASE AS LONG AS ANY LIABILITY COULD BE ASSERTED. NOTHING HEREIN SHALL REQUIRE TENANT TO INDEMNIFY, DEFEND OR HOLD HARMLESS ANY INDEMNIFIED PARTY FOR THE INDEMNIFIED PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

10.2 ENVIRONMENTAL.

10.2.1 Definitions.

- (a) Hazardous Material. Hazardous Material means any substance:
- (i) the presence of which requires investigation, notice or remediation under any federal, state or local statute, regulation, ordinance, order, action, policy or common law; or
 - (ii) which is or becomes defined as a "hazardous material," "hazardous waste," "hazardous substance," "regulated substance," "pollutant" or "contaminant" under any federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. (S)9601 et seq.), Toxic Substances Control Act (15 U.S.C. (S)2601 et seq.), and/or the Resource

Conservation and Recovery Act (42 U.S.C. (S)6901 et seq.);
or

- (iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, or of the State in which the Premises are located or any political subdivision thereof; or
- (iv) the presence of which on the Premises causes or threatens to cause a nuisance upon the Premises or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Premises; or
- (v) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or
- (vi) which contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or
- (viii) radon gas.

(b) Environmental Requirements. Environmental Requirements means all applicable present and future statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, concessions, franchises, and similar items, of all governmental agencies, departments, commissions, boards, bureaus, or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, including, without limitation:

- (i) All requirements, including but not limited to those pertaining to reporting, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or threatened releases of Hazardous Materials, chemical substances, pollutants, contaminants, or hazardous or toxic substances, materials or wastes whether solid, liquid, or gaseous in nature, into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of chemical substances, pollutants, contaminants, or hazardous or toxic substances, materials, or wastes, whether solid, liquid, or gaseous in nature; and

(ii) All requirements pertaining to the protection of the health and safety of employees or the public.

(c) Environmental Damages. Environmental Damages means all claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability), encumbrances, liens, costs, and expenses of investigation and defense of any claim, whether or not such claim is ultimately defeated, and of any good faith settlement or judgment, of whatever kind or nature, contingent or otherwise, matured or not matured, foreseeable or unforeseeable, including without limitation reasonable attorneys' fees and disbursements and consultants' and witnesses' fees, any of which are incurred at any time as a result of the existence of Hazardous Material upon, about, beneath the Premises or migrating or threatening to migrate to or from the Premises, or the existence of a violation of Environmental Requirements pertaining to the Premises, including without limitation:

(i) Damages for personal injury, or injury to property or natural resources occurring upon or off of the Premises, foreseeable or unforeseeable, including, without limitation, lost profits, consequential damages, the cost of demolition and rebuilding of any improvements on real property, interest and penalties including but not limited to claims brought by or on behalf of employees of Tenant;

(ii) Fees incurred for the services of attorneys, consultants, contractors, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such Hazardous Materials or violation of Environmental Requirements including, but not limited to, the preparation of any feasibility studies or reports or the performance of any cleanup, remediation, removal, response, abatement, containment, closure, restoration or monitoring work required by any federal, state or local governmental agency or political subdivision or court, or reasonably necessary to make full economic use of the Premises and any other property in a manner consistent with its current use or otherwise expended in connection with such conditions, and including without limitation any attorneys' fees, costs and expenses incurred in enforcing this agreement or collecting any sums due hereunder;

(iii) Liability to any third person or governmental agency to indemnify such person or agency for costs expended in connection with the items referenced herein; and

(iv) Diminution in the value of the Premises and adjoining property, and damages for the loss of business and restriction on

the use of or adverse impact on the marketing of rentable or usable space or of any amenity of the Premises and adjoining property.

10.2.2 Tenant's Obligation to Remediate. Notwithstanding the obligation of Tenant to indemnify Landlord pursuant to this agreement, Tenant shall, upon demand of Landlord, and at its sole cost and expense, promptly take all reasonable and necessary actions to remediate the Premises which are reasonably necessary to mitigate Environmental Damages or to allow full economic use of the Premises, or are required by Environmental Requirements, which remediation is necessitated by the (1) introduction of a Hazardous Material upon, about or beneath the Premises, except as otherwise permitted in the use provisions hereof, or (2) a violation of Environmental Requirements, either of which is caused by the actions of Tenant, its employees, agents, contractors, subcontractors, guests, invitees or licensees. Such actions shall include, but not be limited to, the investigation of the environmental condition of the Premises, the preparation of any feasibility studies, reports or remedial plans, and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or restoration work, whether on or off of the Premises. Tenant shall take all actions necessary to restore the Premises in accordance with applicable environmental regulations to the condition existing prior to the introduction of Hazardous Material upon, about or beneath the Premises, notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies. All such work shall be performed by one or more contractors, selected by Tenant and approved in advance and in writing by Landlord. Tenant shall proceed continuously and diligently with such investigatory and remedial actions, provided that in all cases such actions shall be in accordance with all applicable requirements of governmental entities. Any such actions shall be performed in a good, safe and workmanlike manner and shall minimize any impact on the business conducted at the Premises. Tenant shall pay all costs in connection with such investigatory and remedial activities, including but not limited to all power and utility costs, and any and all taxes or fees that may be applicable to such activities. Tenant shall promptly provide to Landlord copies of testing results and reports that are generated in connection with the above activities, and copies of any correspondence with any governmental entity related to such activities. Promptly upon completion of such investigation and remediation, Tenant shall permanently seal or cap all monitoring wells and test holes to industrial standards in compliance with applicable federal, state and local laws and regulations, remove all associated equipment, and restore the Premises to the maximum extent possible, which shall include, without limitation, the repair of any surface damage, including paving, caused by such investigation or remediation hereunder. Provided, however, that Tenant shall not be obligated to remediate environmental damages which result from seepage of Hazardous Materials onto the Premises from adjacent property unless the presence on the adjacent property was caused by Tenant or its employees, agents, contractors, subcontractors, guests, invitees or licensees.

10.2.3 Notification. If Tenant shall become aware of or receive notice or other communication concerning any actual, alleged, suspected or threatened violation of Environmental Requirements, or liability of Tenant for Environmental Damages in connection with the Premises or past or present activities of any person thereon, or that any representation set forth in this agreement is not or is no longer accurate, including but not limited to notice or other communication concerning any actual or threatened investigation, inquiry, lawsuit, claim, citation, directive, summons, proceeding, complaint, notice, order, writ, or injunction, relating thereto, then Tenant shall deliver to Landlord, within ten days of the receipt of such notice or communication by Landlord, a written description of such violation, liability, correcting information, or actual or threatened event or condition, together with copies of any such notice or communication. Receipt of such notice shall not be deemed to create any obligation on the part of Landlord to defend or otherwise respond to any such notification or communication.

10.2.4 Negative Covenants.

(a) No Hazardous Material on Premises. Except in strict compliance with all Environmental Requirements, and except as otherwise permitted in the use provisions hereof, Tenant shall not cause, permit or suffer any Hazardous Material to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used upon, about or beneath the Premises by Tenant, its agents, employees, contractors, subcontractors, guests, licensees or invitees, or any other person. Tenant shall deliver to Landlord copies of all documents which Tenant provides to any governmental body in connection with compliance with Environmental Requirements with respect to the Premises, such delivery to be contemporaneous with provision of the documents to the governmental agency.

(b) No Violations of Environmental Requirements. Tenant shall not cause, permit or suffer the existence or the commission by Tenant, its agents, employees, contractors, subcontractors or guests, licensees or invitees, or by any other person a violation of any Environmental Requirements upon, about or beneath the Premises or any portion thereof.

(c) No Environmental or Other Liens. Tenant shall not create or suffer or permit to exist with respect to the Premises, any lien, security interest or other charge or encumbrance of any kind, including without limitation, any lien imposed pursuant to section 107(f) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. section 9607(l) or any similar state statute to the extent that such lien arises out of the actions of Tenant, its agents, employees, contractors, subcontractors or guests, licensees or invitees.

10.2.5 Landlord's Right to Inspect and to Audit Tenant's Records. Landlord shall have the right in its sole and absolute discretion, but not the duty, to enter and

conduct an inspection of the Premises and to inspect and audit Tenant's records concerning Hazardous Materials at any reasonable time to determine whether Tenant is complying with the terms of the Lease, including but not limited to the compliance of the Premises and the activities thereon with Environmental Requirements and the existence of Environmental Damages as a result of the condition of the Premises or surrounding properties and activities thereon. If Landlord has reasonable cause to believe Tenant is in default with respect to any of the provisions of this Lease related to Hazardous Materials, Environmental Requirements or Environmental Damages, then Landlord shall have the right, but not the duty, to retain at the sole expense of Tenant an independent professional consultant to enter the Premises to conduct such an inspection and to inspect and audit any public records or reports prepared by or for Tenant concerning such compliance. Tenant hereby grants to Landlord the right to enter the Premises and to perform such tests on the Premises as are reasonably necessary in the opinion of Landlord to assist in such audits and investigations. Landlord shall use reasonable efforts to minimize interference with the business of Tenant by such tests inspections and audits, but Landlord shall not be liable for any interference caused thereby.

10.2.6 Landlord's Right to Remediate. Should Tenant fail to perform or observe any of its obligations or agreements pertaining to Hazardous Materials or Environmental Requirements, then Landlord shall have the right, but not the duty, without limitation upon any of the rights of Landlord pursuant to this agreement, to enter the Premises personally or through its agents, consultants or contractors and perform the same. TENANT AGREES TO INDEMNIFY LANDLORD FOR THE COSTS THEREOF AND LIABILITIES THERE FROM AS SET FORTH IN THIS LEASE.

10.2.7 Landlord's Obligation to Remediate. Landlord agrees to remediate all Environmental Damages (1) caused by Landlord, its agents, employees, contractors, subcontractors, guests, licensees or invitees, or (2) not so caused but arising prior to Commencement Date hereof and not caused by Tenant, its agents, employees, contractors, subcontractors, guests, licensees or invitees.

10.2.8 Landlord's Responsibility for Environmental Matters. Landlord, its successors, assigns and guarantors, for Environmental Damages arising from activities of Landlord or its employees, agents, contractors, subcontractors or guests, licensees, invitees; or which occurred prior to the Commencement Date (and were not caused by Tenant, its agents, employees, contractors, subcontractors, guests, licensees or invitees which (1) result in the presence of Hazardous Materials upon, about or beneath the Premises or migrating to or from the Premises, or (2) result in the violation of any Environmental Requirements pertaining to the Premises and the activities thereon.

10.2.9 Survival of Environmental Obligations. The obligations of Landlord and Tenant as set forth in this Part 10 and all of its subparagraphs shall survive termination of this Lease.

10.2.10 ENVIRONMENTAL INDEMNIFICATION. TENANT AGREES TO INDEMNIFY, DEFEND, REIMBURSE AND HOLD CITY AND ITS COUNCIL MEMBERS, BOARD AND COMMISSION MEMBERS, OFFICIALS, AGENTS, GUESTS, INVITEES, CONSULTANTS AND EMPLOYEES FREE AND HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, PROCEEDINGS, SUITS, JUDGMENTS, COSTS, PENALTIES, FINES, DAMAGES, LOSSES, ATTORNEYS' FEES AND EXPENSES ASSERTED BY LOCAL, STATE OR FEDERAL ENVIRONMENTAL AGENCIES OR PRIVATE INDIVIDUALS OR ENTITIES IN CONNECTION WITH ENVIRONMENTAL DAMAGES OCCURRING ON OR OFF THE LEASED PREMISES OR AIRPORT PROPERTY , INCLUDING THE EXPENSE OF THE REMEDIATION THEREOF, RESULTING FROM OR ARISING OUT OF ACTS OR OMISSIONS OF TENANT OR TENANT'S AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, GUESTS, LICENSEES OR INVITEES. TENANT SPECIFICALLY AGREES TO INDEMNIFY, DEFEND, REIMBURSE AND HOLD HARMLESS CITY AGAINST ALL CLAIMS, DAMAGES AND LIABILITIES OF WHATEVER NATURE ASSERTED UNDER CERCLA. TENANT SHALL BE RESPONSIBLE AND LIABLE FOR ANY SPILL, UNDERGROUND POLLUTION OR ANY OTHER ENVIRONMENTAL IMPAIRMENT INCIDENT CAUSED BY ACTS OR OMISSIONS OF TENANT OR ANY PERSON ACTING ON BEHALF OF TENANT REGARDLESS OF WHEN SUCH INCIDENT IS DISCOVERED. LANDLORD SHALL BE RESPONSIBLE AND LIABLE FOR ANY SPILL, UNDERGROUND POLLUTION OR ANY OTHER ENVIRONMENTAL IMPAIRMENT INCIDENT CAUSED BY ACTS OR OMISSIONS OF LANDLORD REGARDLESS OF WHEN SUCH INCIDENT IS DISCOVERED. IT IS THE INTENT OF THE PARTIES THAT THIS SECTION SHALL IN NO WAY LIMIT OTHER COVERAGE HEREIN AS IT MAY RELATE TO ANY ENVIRONMENTAL CLAIM, DAMAGE, LOSS OR LIABILITY OF ANY KIND.

10.3 PROSPECTIVE APPLICATION. ANY AND ALL INDEMNITY PROVIDED FOR IN THIS LEASE SHALL SURVIVE THE EXPIRATION OF THIS LEASE AND THE DISCHARGE OF ALL OTHER OBLIGATIONS OWED BY THE PARTIES TO EACH OTHER HEREUNDER AND SHALL APPLY PROSPECTIVELY NOT ONLY DURING THE TERM OF THIS LEASE BUT THEREAFTER SO LONG AS ANY LIABILITY (INCLUDING BUT NOT LIMITED TO LIABILITY FOR CLOSURE AND POST CLOSURE COSTS) COULD BE ASSERTED IN REGARD TO ANY ACTS OR OMISSIONS OF TENANT IN PERFORMING UNDER THIS LEASE.

10.4 APPLICATION TO SURROUNDING PROPERTY. THE INDEMNIFICATION PROVISIONS OF THIS LEASE EXTEND TO CLAIMS AND ASSESSMENTS RELATING TO RUNOFF, LEACHATE, OR OTHER INFILTRATION THAT MAY OCCUR OR HAS OCCURRED AT OR NEAR THE SITE OF

LANDFILLS, TRANSFER STATIONS, OR OTHER SOLID WASTE FACILITIES AND SURROUNDING AREAS AND FOR WHICH LIABILITY IS ASSERTED TO HAVE EXISTED FROM OPERATION OF THE LEASED PREMISES BY TENANT.

11. TERMINATION OF LEASE.

- 11.1 Termination. A finding of violation of any applicable law or regulation by a trial court or state or federal regulatory agency having jurisdiction is a material breach of this Lease for which Landlord may terminate the Lease or elect such other remedy as Landlord may be entitled to hereunder, at law or in equity..
- 11.2 Bankruptcy or Insolvency. In the event Tenant: (1) files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent, or takes the benefit of any relevant legislation that may be in force for bankrupt or insolvent debtors or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation, or proceedings are taken by Tenant under any relevant Bankruptcy Act in force in any jurisdiction available to Tenant, or Tenant seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises, or makes any general assignment for the benefit of creditors, or (2) a petition is filed against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation, and shall remain not dismissed for an aggregate of one hundred twenty (120) days, or if any trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises is appointed without the consent or acquiescence of Tenant and such appointment remains un-vacated for an aggregate of twenty (20) days; then either such event shall constitute a default by Tenant and Landlord shall have the right to terminate this Lease.
- 11.4 Re-entry By Landlord. In the event Landlord elects to re-enter or take possession of the Leased Premises, Tenant shall quit and peaceably surrender the Leased Premises to Landlord, and Landlord may enter upon and re-enter the Leased Premises and possess and repossess itself thereof, by force, summary proceedings, ejection or otherwise, and may dispossess and remove Tenant and may have, hold and enjoy the Leased Premises and the right to receive all rental income of and from the same. Upon termination of this Lease, Landlord may re-enter and take immediate possession of the Leased Premises and remove Tenant's effects, property and improvements, with or without process of law, without being deemed guilty of trespassing. Any property, effects or improvements left by Tenant and not removed or retrieved within thirty (30) days of termination of this Lease, shall be deemed abandoned by Tenant and subject to disposal at the discretion of Landlord. Tenant shall reimburse Landlord for any storage fees incurred by Landlord in temporarily holding property of Tenant. Landlord shall not be liable for damages by reason of re-entry.

- 11.5 Possession. Tenant agrees at the termination of this Lease to deliver possession peacefully to the Landlord or its agents or employees; and if it fails to give peaceful possession, Landlord may take forceful possession of the leased property and eject all parties there from without being guilty of trespass; and all resulting damages are hereby waived.
- 11.6 Attorneys' Fees and Expenses. In the event of the breach of any of the covenants, conditions or obligations contained herein by the Tenant, or if it becomes necessary for the Landlord to employ attorneys to enforce its rights accruing as a result of such default, Tenant agrees to pay Landlord reasonable attorneys' fees and all costs of court and expenses incurred as a result.
- 11.7 Other Remedies. Any termination of this Lease arising from Tenant's default shall not relieve Tenant from the payment of any sum or sums that are due and payable to Landlord under this Lease, or any claim for damages then or thereafter accruing against Tenant under this Lease. Any such termination shall not prevent Landlord from enforcing the payment of any such sum or sums or claim for damages by any remedy provided for by law or from recovering damages from Tenant for any default under this Lease. All rights, options, and remedies of Landlord contained in this Lease or otherwise shall be construed and held to be cumulative, and no one of them shall be exclusive of the other; and Landlord shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease. No waiver by Landlord of a breach of any of the covenants, conditions, or restrictions of this Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction contained in this Lease.
- 11.8 Removal of Improvements. All equipment, machinery, and trade fixtures installed on the Leased Premises by Tenant shall remain the property of Tenant and shall be removed within thirty (30) days after the termination of this Lease, provided Tenant is not then in default in the performance of any of its obligations or covenants herein contained, and provided further that any damage to the realty or structure upon which such items are situated or installed from their removal is fully repaired by Tenant at time of removal. No equipment, machinery, or trade fixtures installed on the Leased Premises by Tenant shall be removed by Tenant until all rentals due Landlord by Lessee shall have been paid in full. Notwithstanding the foregoing, all property remaining on the Leased Premises after the expiration of thirty (30) days following the termination of this Lease, however terminated, shall be deemed abandoned by Tenant and shall automatically become the property of Landlord.

12. WARRANTY OF TITLE AND QUIET ENJOYMENT.

12.1 Landlord covenants that Landlord has the right to lease the Premises in the manner described herein and that Tenant shall peaceably and quietly have, hold, occupy, and enjoy the Premises during the term of the lease subject to the terms and conditions hereof.

13. MISCELLANEOUS.

13.1 Relationship of Landlord and Tenant. The relationship between Landlord and Tenant at all times shall remain solely that of landlord and tenant and shall not be deemed a partnership or joint venture.

13.2 Parties Bound. This agreement shall be binding upon and inure to the benefit of the parties of this Lease and their respective successors and assigns.

13.3 Headings. The paragraph headings contained herein are for convenience and reference and are not intended to define, extend or limit the scope of any provision of this Lease.

13.4 Assignment. Except as otherwise provided herein, Tenant shall not transfer, assign, sublet, encumber or pledge the Leased Premises, License or this Lease, in whole or in part, without the prior written consent of Landlord.

13.5 Texas Law to Apply. The parties hereby agree that Texas law will control the interpretation or enforcement of this Lease. This Lease has been executed in Texas, and all obligations hereunder are performable in Tom Green County, Texas.

13.6 Invalid or Illegal Provisions. If any one or more provisions of this Lease are for any reason held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability will not affect any other provision of the Lease, which will be construed as if it had not included the invalid, illegal or unenforceable provision.

13.7 No Waiver of Breach. No assent, or waiver expressed or implied, or failure to enforce, as to any breach of any one or more of the covenants or agreements herein shall be deemed or taken to be a waiver of any succeeding or additional breach.

13.8 Notices. Any formal notice required or permitted under this Lease shall be deemed sufficiently given if it is in writing and personally delivered, or sent by overnight express delivery service or deposited in the United States mail, postage prepaid and sent by registered or certified mail (return receipt requested) to the party to whom said notice is to be given. Notices delivered in person, or by overnight express delivery service, shall be deemed to be served effective as of

the date the notice is delivered. Notices sent by registered or certified mail (return receipt requested) shall be deemed to be served three (3) days after the date said notice is postmarked to the addressee, postage prepaid.

Until changed by written notice given by one party to the other, the addresses of the parties shall be as follows:

LANDLORD: CITY OF SAN ANGELO
San Angelo Regional Airport–Mathis Field
Attn: Airport Director
8618 Terminal Circle, Ste. 101
San Angelo, Texas 76904

TENANT _____

- 13.9 Venue. Parties agree that venue shall be in Tom Green County, Texas.
- 13.10 Inurements. The covenants and agreements herein contained shall bind and inure to the benefit of Landlord and Tenant and their respective successors and permitted assigns. This Lease shall be signed by the parties in duplicate, each of which shall be a complete and effective original lease.
- 13.11 Survival of Claims. The provisions of the Agreement relating to indemnification from one party hereto to the other party shall survive any termination or expiration of this Lease. Additionally, any provisions of this Lease which require performance subsequent to the termination or expiration of this Lease shall also survive such termination or expiration.
- 13.12 Remedies. Any termination of this Lease shall not relieve either party from the payment of any sum or sums that are due and payable under this Lease or any claim for damages then or thereafter accruing under this Lease. Any such termination shall not prevent either party from enforcing the payment of any such sum or sums or claim for damages by any remedy provided for under the terms hereof, or by law, or from recovering damages under this Lease. All rights, options, and remedies of either party contained in this Lease or otherwise shall be construed and held to be cumulative, and no one of them shall be exclusive of the other; and either party shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease. No waiver of breach of any of the covenants, conditions, or restrictions of this Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction contained in this Lease.

13.13 Entire Agreement/Amendments. This Lease constitutes the entire agreement between the parties; and Landlord is not bound by any agreement, condition or stipulation, understanding or representation made by any of Landlord's agents not contained herein. No amendment to this Lease shall be effective unless such is in writing and signed by both parties

[Signature Page to Follow]

DRAFT

EXECUTED in duplicate originals on the dates specified below.

LESSOR: CITY OF SAN ANGELO

By: _____
Daniel Valenzuela, City Manager

Date: _____

ATTEST:

Bryan Kendrick, City Clerk

By: _____
President

Date: _____

ATTEST:

By: _____

Name: _____

Title: _____

STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the ____ day of _____, 2015, by Daniel Valenzuela, as City Manager of the City of San Angelo, a Texas home-rule municipal corporation on behalf of said corporation.

Notary Public, State of Texas

THE STATE OF TEXAS §
COUNTY OF TOM GREEN §

This instrument was acknowledged before me on the ____ day of _____, 2015, by _____ as President of _____, a Texas for profit corporation.

Notary Public, State of Texas

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:

Luis E. Elguezabal, Airport Director

Dan T. Saluri, Interim City Attorney

APPROVED FOR INSURANCE AND INDEMNIFICATION:

Marion McMinn, Risk Manager

DRAFT