

AIR SERVICE GUARANTEE PARTICIPATION AGREEMENT

This agreement is entered into on this _____ day of _____, 20____ between the City of Columbia, Missouri, a constitutional charter city ("Columbia"), and _____ (the "Participant"); The parties agree as follows:

1. **Background.** Improved air service at the Columbia Regional Airport is in the best interest of Columbia, Participant, and other Mid-Missouri private and public businesses and entities. In an effort to secure additional air service between Columbia Regional Airport and other destinations, a revenue guarantee fund is being established at Columbia. The fund will be utilized by Columbia to minimize economic risk by one or more airline and assist with startup costs which may serve as an impediment to establishing new air service at the airport. In order to provide flights between Columbia Regional Airport and other destinations, Participant wishes to pool their resources and establish a fund for such purposes.
2. **Revenue Guarantee.** Columbia represents to Participant that the revenue guarantee fund has a two (2) year term commencing on _____. Columbia represents to Participant that it has secured additional contributions from various Central Missouri public and private entities and will be deposited by Columbia in an interest bearing account known as the Central Missouri Air Service Fund (the "Fund"), to be administered and used by Columbia to assist in meeting any potential revenue guarantee obligations to one or more airline under an Air Service Agreement which will be negotiated at a future date.
3. For the purpose of providing additional funds to the Fund, Participant hereby agrees to contribute \$_____ to the Fund, said contribution to be paid to the Fund no later than _____.
4. **Limitation on Liability.** The maximum liability of Participant hereunder shall be the amount of Participant's contribution to the Fund described above in Section 3 and Participant shall have no further obligations hereunder.
5. **Payment of Funds.** Columbia shall use the Fund solely for paying an airline(s) for any revenue shortfalls as required by the Air Service Agreement. If Columbia fails to enter into an Air Service Agreement with an airline(s) by _____, Participant can request that Columbia shall return the funds contributed by Participant hereunder or opt to keep their funds in the Fund for an additional six (6) month period (through _____).
6. **Excess Funds.** Any funds remaining at the end of the two (2) year term of the Air Service Agreement or upon any other termination of the guarantee requirements under the Air Service Agreement shall be dispersed pro rata to all of the parties contributing to the Fund.

7. **Records/Reports.** All records available to Columbia under the Air Service Agreement shall be made available to the other parties upon request. Columbia shall provide Participant and all other parties contributing to the Fund, quarterly accountings for all financial activities of the Fund, including, but not limited to all interest earned on the Fund and all payments made from the Fund to the airline(s) under the Air Service Agreement.

8. **Audits.** Columbia may, at the request of any party, exercise its right under the Air Service Agreement to conduct an audit of the airline's records. The party requesting the audit shall pay all costs of the audit.

9. **Benefit of Parties.** This Agreement is for the sole benefit of Columbia and Participant. Nothing in this agreement is intended to confer any rights or remedies on any other person.

10. **Authority of Signatories.** The signatories to this Agreement, by signing this Agreement, represent that they have obtained authority to enter into this Agreement on behalf of the respective parties to this Agreement and bind such parties to all terms and conditions contained in this Agreement.

11. **Counterparts.** This Agreement may be executed by the parties in several counterparts, each of which shall be deemed an original instrument.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.

CITY OF COLUMBIA, MISSOURI

By: _____
De'Carlton Seewood, City Manager

ATTEST:

By: _____
Sheela Amin, City Clerk

APPROVED AS TO FORM:

By: _____
Nancy Thompson, City Counselor

PARTICIPANT:

(Print Name)

By: _____

Printed Name: _____

Title: _____