

**LEASE AND AGREEMENT
FOR HANGAR GROUND SITE
AT THE COLUMBIA REGIONAL AIRPORT**

THIS LEASE AND AGREEMENT, entered into this 13th day of June, 1995, by and between the City of Columbia, Missouri, a municipal corporation of the State of Missouri, (hereinafter Lessor) and Central Missouri Aviation, Inc., a Missouri corporation (hereinafter Lessee):

WITNESSETH:

In consideration of the lease of real property, covenants and agreements contained herein, the parties agree as follows:

ARTICLE I. PREMISES

Lessor hereby leases to Lessee for its exclusive use as an addition to its fixed base operations and for no other use except as agreed to by the Lessor under provisions set forth herein, a tract of land approximately 210 feet by 195 feet, which is located between the Main Terminal and the Automated Flight Service Station, and more specifically described as follows:

A tract located in Section 36, Township 47 North, Range 12 West, Boone County, Missouri, described as follows:

Commencing at the southeast corner of Section 25-47-12; thence N 78°24'57" W, 2204.67 feet to the southeast corner of Lease Tract A; thence S 3°15'28" W, with the westward extension of the east line of Lease Tract A, 780.00 feet to the Point of Beginning; thence continuing with said line, S 3°15'28" W, 210.00 feet; thence N 86°44'32" W, 195.00 feet; thence N 3°15'28" E, 210.00 feet; thence S 86°44'32" E, 195.00 feet to the Point of Beginning and containing 40,950 square feet.

ARTICLE II. OBJECTIVES AND PURPOSE OF LEASE

Subsection 2.01. Use of Leased Premises.

Lessee leases the premises described above for the construction of an aircraft hangar, at its expense, thereon, to be used as a part of Lessee's Fixed Based Operations. Lessee further agrees that:

1. Hangar shall be a minimum size of 125' wide x 190' deep.
2. Hangar shall be of all steel construction and meet the requirements of all current

building and construction codes adopted by the Lessor, which includes building, electrical, plumbing, fire prevention, mechanical and any other code hereafter adopted by Lessor. All applicable building and construction codes shall be referred to hereinafter as "building codes."

3. Plans and specifications shall be submitted to the Airport Manager (or his designee) for approval by the City of Columbia prior to beginning construction, as detailed in Article IV. The Airport Manager (or his designee) and Lessor shall not unreasonably withhold or delay approval.
4. A pre-construction conference, including Lessee, Airport Manager, and contractor(s) shall be held prior to beginning construction.

Subsection 2.02. Prohibited Uses.

The following activities are expressly prohibited:

1. Lessee will not conduct, rent or sublease all or any part of the Leased Premises or the improvements located thereon for any non-airport aviation activity or other purpose.
2. Lessee will not block the taxiways or store aircraft upon taxiways or grass areas of the Airport.
3. Automobiles, trucks and vehicles are prohibited from parking on the ramps or taxiways.

ARTICLE III. TERMS AND COMPENSATIONS

Subsection 3.01. Initial Term.

The initial term of this agreement shall commence on June 1, 1995 and shall terminate at midnight May 31, 2020, subject to earlier termination as herein provided.

Subsection 3.02. Renewal Options.

This Lease and Agreement may be automatically renewed for three (3) additional five (5) year terms, for a total lease term not to exceed forty (40) years, subject, however, to earlier termination provisions contained in this Agreement. No such automatic renewal shall occur in the event of either of the following:

1. Lessee notifies Lessor in writing at least one-hundred eighty (180) days prior to the expiration of the current term of this Agreement of its intent not to renew.

2. Lessee sells its interests in, or discontinues operations of CMA as a FBO or sells its interests in buildings or improvements constructed as a part of this agreement.
3. An event of default as defined by this agreement occurs.
4. Both parties to this Agreement agree to cancellation.

Subsection 3.03. Rent.

1. Lessee shall pay a rent of \$.08 per square foot of leased premises (40,950 sq. ft.) which is \$3,276.00 per year or \$273.00 per month, for the use of the leased property. Rent shall be due in advance on the first day of every month.
2. Lessee shall not be required to pay rent on buildings or improvements, constructed as a part of this agreement, for the life of this agreement.

Subsection 3.04. Commission.

Lessee shall pay a commission of 5% of the gross receipts received by Lessee for hangar rental or sub-leasing (if any) and current fuel flowage fee. Commissions are due on the fifth (5th) day of each month for the previous month's activities. Lessee shall keep an up-to-date list of all hangar rental customers on file at the Airport Manager's office which includes the amount of monthly rental paid by each.

Subsection 3.05. Adjustment of Rents and Commissions.

1. On or before July 1st, of each Fiscal Year (or approximately ninety (90) days prior to the end of the then current Fiscal Year), the Airport Manager shall notify Lessee of the schedule of rates for rentals and commissions proposed for the ensuing Fiscal Year.
2. Within forty-five (45) days (on or before August 15th) after the forwarding of the proposed schedule of rates for rentals, and commissions, the Airport Manager, at the request of Lessee, shall meet with the Lessee for the purpose of discussing the proposed rates for rental and commissions.
3. Proposed adjustments shall be equal to the percent increase in the Consumer Price Index (C.P.I.) for All Urban Consumers (all items) for the preceding 12-month period (July 1 - June 30), not to exceed 15% of the current payment. The Airport Manager (or his designee) will provide Lessee with a statement that details the method of rate calculation.

4. Lessor agrees that Airport Manager (or his designee) will fully consider the comments and recommendations of the Lessee prior to finalizing its schedule of rates for rentals and commissions for the ensuing fiscal period.
5. Prior to the end of the current Fiscal Year, the Manager shall notify Lessee of the rates to be established for the ensuing period.

Subsection 3.06. Security for Payment.

If Lessee becomes delinquent, Lessor's Airport Manager may require Lessee to provide security for the rentals and commissions due hereunder, Lessee shall comply with any one of the following three options within fourteen (14) days following the receipt of the written notice by the Lessor, for an amount equal to three (3) months' rentals, fees and charges:

1. Post with the City a surety bond, to be maintained throughout the term hereof. Such bond shall be issued by a sound indemnity company and shall be in a form and content satisfactory to City.
2. Deliver to City an irrevocable letter of credit drawn in favor of City. Said irrevocable letter of credit shall be kept in force throughout the term of this Agreement and shall contain terms and conditions satisfactory to City.
3. Prepay estimated total fees due.

Subsection 3.07. Past Due Amounts.

A 1.5% per month Late Charge will be assessed on all rents and commissions that are over thirty (30) days past due.

ARTICLE IV. LESSEE'S CONSTRUCTION REQUIREMENTS

Subsection 4.01. Requirement for Improvements on Leased Premises.

Lessee shall, at its sole expense, construct on the Leased Premises, as provided in Subsections 4.04 and 4.08 of this Section, such buildings, structures, fencing, roadways, utility lines, additions, and improvements in furtherance of the purposes set forth in Article II, and Lessee shall install herein and thereon such equipment and facilities as Lessee or Lessor may deem necessary or desirable. Provided, however, that no building, structure, fencing, roadway, utility lines, addition or improvement of any nature shall be made or installed by Lessee without the prior written consent of the Lessor as herein provided. Lessee can make internal improvements on the Leased Premises without Lessor's consent as long as said changes meet the City of Columbia building codes requirements.

Subsection 4.02. Construction Dates.

Construction of improvements may begin not later than June 10, 1995 and shall be completed no later than January 1, 1996. In the event Lessee shall fail to complete construction by November 1, 1995, Lessor shall have the right to terminate this Agreement pursuant to the provisions of Article IX herein.

In the event that the construction of the building is not substantially completed within said period due to causes or conditions beyond the control of Lessee (hereinafter referred to as "Force Majeure"), as, by way of example but not limitation, strikes, acts of God, inability to obtain labor or materials, governmental restriction, enemy action, civil commotion, fire or other casualty, or failure of Lessor to carry out its obligations, then the period for completion of construction shall be extended by the number of days of delay resulting from the Force Majeure.

Subsection 4.03. Approval of Plans.

Lessee covenants and agrees that prior to the preparation of detailed construction plans, specifications and architectural renderings of any such building, structure, roadway, addition or improvement, it shall first submit plans showing the general site plan, design and character of improvements and their locations, including drainage and roadways to Lessor for approval. Lessee's plans shall meet City of Columbia design standards for the type of development proposed. Lessee covenants and agrees that prior to the installation or construction of any such building, roadway, structure, addition or improvement on the Leased Premises, it shall first submit to the Lessor for approval, final detailed construction plans and specifications and architectural renderings prepared by registered architects and engineers, and that all construction will be in accordance with such plans and specifications.

Lessee agrees to submit to the Federal Aviation Administration, FAA Form 7460-1, Notice of Proposed Construction or Alteration, and receive a favorable determination prior to any commencement of any construction or alteration, as required by Part 77 of the Federal Aviation Regulations.

Subsection 4.04. Extension of Utilities or Special Facilities.

Lessee shall construct, at its expense, all necessary utility lines for the Leased Premises. Lessee shall construct for the Leased Premises, at its expense, connecting roadways and taxiways to the existing roadway and taxiway systems.

Subsection 4.05. Construction of Additional Facilities.

Lessee has the right to construct additional buildings or facilities on the demised premises. Prior to such construction, Lessee agrees to submit to the Lessor for approval, final plans, specifications and architectural renderings prepared by registered architects and engineers, and comply with all other requirements of Subsection 4.03 of this Section.

Subsection 4.06. Alterations or Repairs to Premises.

Lessee shall not construct, install, remove and/or modify any of the buildings or premises leased hereunder without prior written approval of the Lessor. Lessee shall submit for approval by Lessor, its plans and specifications for any proposed project as well as complying with such other conditions considered by the Lessor to be necessary. Lessee can make internal improvements to the Leased Premises without Lessor's consent as long as said changes meet the City of Columbia building code requirements.

Subsection 4.07. Lien Indemnification.

In the event any person or corporation shall attempt to assess a Mechanic's Lien against the Leased Premises, Lessee shall hold Lessor harmless from such claim, including the cost of defense.

Subsection 4.08. Cost of Construction and Alterations.

Within thirty (30) days of completion of the construction or alterations, Lessee shall present to Lessor for examination and approval a sworn statement of the construction and/or alteration costs. Construction and/or alteration costs for the purpose of this Section, are hereby defined as all money paid by Lessee for actual site preparation, construction or alteration, including architectural and engineering costs plus pertinent fees in connection therewith.

In the event that Lessee makes further improvements or alterations on the Leased Premises, the use thereof shall be enjoyed by Lessee during the term hereof without the additional rental therefore, but such additions, alterations or improvements shall become the property of Lessor upon the completion of the term.

Subsection 4.09. As-built Drawings.

Within ninety (90) days following completion of the initial construction and any subsequent additions, alterations or improvements, Lessee shall present to Lessor a complete set of "as-built" drawings including, but not limited to, architectural renderings, specifications, plumbing, and electrical plans.

Subsection 4.10. Mortgage of Leasehold Interest.

Lessee shall have the right to place a first mortgage lien upon its leasehold interest and all lease obligations are binding on the assignee of the lender in an amount not to exceed the appraised value of the improvements as determined by a mutually selected Member of Appraisal Institute appraiser. The terms and conditions of such mortgage loan shall be subject to the approval of Lessor. Lender's duties and rights are as follows:

1. The Lender shall have the right, in case of default, to assume the rights and obligations of Lessee herein, with the further right to assign the Lessee's interest to a third party, subject to approval of Lessor. Lender's obligations under this Agreement, as substituted Lessee, shall cease upon assignment to a third party and approval by Lessor.
2. As a condition precedent to the exercise of the right granted to Lender by this paragraph, Lender shall notify Lessor of all action taken by it in the event payments on such loans shall become delinquent. Lender shall also notify Lessor, in writing, of any change in the identity or address of the Lender.
3. All notices required by Subsection 14.14 to be given by Lessor to Lessee shall also be given to Lender at the same time and in the same manner. Upon receipt of such notice, Lender shall have the same rights as Lessee to correct any default.
4. Within ten days after Lessee's request, Lessor shall deliver an Estoppel Certificate, a declaration to any person designated by Lessee (a) ratifying this Lease; (b) stating the commencement and termination dates and the rent commencement date; and (c) certifying (i) that this lease is in full force and effect and has not been, to the knowledge of Lessor, assigned, modified, supplemented or amended (except by such writings as shall be stated); (ii) that all conditions under this Lease to be performed by Lessee have been satisfied (stating exceptions, if any) (iii) no defenses or offsets against the enforcement of this Lease by Lessee exist (or stating those claimed); (iv) the date to which rent has been paid, and such other information as Lessee reasonably requires.

Subsection 4.11. Ownership of Improvements.

Upon completion of the full lease term, any building, fixture, structure, addition or improvement, excluding personal property as defined in Article XI, Subsection 11.02, on the Lease Premises shall immediately become the property of Lessor, as owner, subject only to the right of Lessee to use during the term of this Agreement and shall remain the property of Lessor thereafter with the sole right, title and interest thereto.

Subsection 4.12. Airfield Improvements

Lessees agree, as a part of the construction of the hangar and other improvements (hereinafter "hangar") on the leased premises, to remove the asphalt service road which currently exists adjacent to the east boundary of the leased premises and to construct a concrete apron connecting the hangar with the currently existing ramp. Lessees further agree that these airfield improvements shall be made at Lessees' sole expense and to current construction code specifications.

ARTICLE V. OBLIGATION OF LESSEE

Subsection 5.01. Net Lease.

The use and occupancy of the Leased Premises by Lessee will be without cost or expense to Lessor. It shall be the sole responsibility of Lessee to maintain, repair and operate the entirety of the Leased Premises and any improvements and facilities constructed thereon at Lessee's sole cost and expense.

Subsection 5.02. Maintenance and Operation.

Lessee shall maintain the Leased Premises at all times in a safe, neat and attractive condition, and shall not permit the accumulation of any trash, paper, or debris on the Airport premises. Lessee shall repair all damages to the Leased Premises caused by its employees, patrons, or its operation thereon; shall maintain and repair all equipment thereon, including any buildings and improvements, and shall repaint the buildings as necessary.

Lessee shall be responsible for and perform all maintenance, including but not limited to:

1. Janitorial services, providing janitorial supplies, window washing, rubbish, and trash removal.
2. Supply and replacement of light bulbs in and on all buildings, obstruction lights and replacement of all glass in building, including plate glass.
3. Cleaning of stoppages in plumbing fixtures, drain lines and septic system to the first manhole outside the Leased Premises.
4. Replacement of floor covering.
5. Maintenance of all building and overhead doors and door operating systems, including weather stripping and glass replacement.

6. Building interior and exterior maintenance, including painting, repairing and replacement.
7. Repair or replacement of equipment and utilities to include electrical, mechanical and plumbing in all buildings, including but not limited to air conditioning and heating equipment. All repairs to electrical and mechanical equipment are to be made by licensed personnel. Other repairs are to be made by craftsmen skilled in work done and performing such work regularly as a trade.
8. Lessee shall be responsible for all snow removal on the Leased Premises and shall do so in a manner which does not interfere with airport operations or damage to property.
9. Lessee shall perform all maintenance on Lessee-constructed structures, pavements, equipment and utilities to the point where connected to the main source of supply or the first manhole outside of the Leased Premises, or to the utility corridor.
10. Lessee shall advise Lessor and obtain Lessor's consent in writing before making changes involving structural changes to building or premises, modifications or additions to plumbing, electrical or other utilities. To prevent the voiding of roof bond(s) and to maintain correct records by Lessor, any penetration of the roof shall be considered a structural change.
11. Lessee is responsible for maintaining electric loads within the designed capacity of the system. Prior to any change desired by Lessee in the electrical loading which would exceed such capacity, written consent shall be obtained from the Airport Manager.
12. Lessee shall maintain and re-lamp all lights in and on the building and on the Leased Premises.
13. Lessee shall provide and maintain hand fire extinguishers for the interior of all buildings, shop parking and storage areas in accordance with applicable safety codes.
14. Lessee shall maintain and replace all landscaping and grounds as originally approved and installed.

Lessor's Airport Manager, at his discretion, shall be the sole judge of the quality of maintenance; and Lessee, upon written notice by Lessor to Lessee, shall be required to perform whatever maintenance Lessor deems necessary. If said maintenance is not undertaken by Lessee within thirty (30) days after receipt of written notice, Lessor shall have the right to enter upon the Leased Premises and perform the necessary maintenance, the cost of which shall be borne by Lessee. No waste shall be committed or damage done to the property of Lessor.

Subsection 5.03. Utilities.

Lessee shall assume and pay for all costs or charges for utilities services furnished to Lessee during the term hereof; provided, however, that Lessee shall have the right to connect to any and all storm and sanitary sewers and water and utility outlets at its own cost and expense; and Lessee shall pay for any and all service charges incurred therefore.

Subsection 5.04. Trash, Garbage, Etc.

Lessee shall pick up, and provide for, a complete and proper arrangement for the adequate sanitary handling and disposal, away from the Airport, of all trash, garbage, and other refuse caused as a result of the operation of its business. Lessee shall provide and use suitable covered metal receptacles for all such garbage, trash, and other refuse.

Piling of boxes, cartons, barrels, pallets, debris, or similar items in an unattractive or unsafe manner, on or about the Leased Premises, shall not be permitted.

Subsection 5.05. Signs.

Lessee shall not erect, maintain, or display upon the outside of any improvements on the Leased Premises any billboards or advertising signs; provided, however, that Lessee may maintain on the outside of said buildings, its own name(s) on signs, the size, location and design of which shall be subject to the requirements of the City of Columbia Sign Ordinance.

Subsection 5.06. Nondiscrimination.

The lessee for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease, for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958.

Lessee agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, that lessee may make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

Subsection 5.07. Affirmative Action.

The lessee for itself, its personal representatives, successors in interest, and assigned, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the lessee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

Subsection 5.08. Observance of Statutes, etc.

The granting of this Agreement and its acceptance by Lessee is conditioned upon the right to use the Airport facilities in common with others authorized to do so, provided, however, that Lessee shall observe and comply with any and all requirements of the constituted public authorities and with all Federal, State, or Local statutes, ordinances, regulations and standards applicable to Lessee for its use of the Leased Premises, including but not limited to, rules and regulations promulgated from time to time by the Lessor/Manager for the administration of the Airport.

Subsection 5.09. Hazard Lights.

Lessee shall, at its expense, provide and maintain hazard lights on any structure erected by Lessee on the Leased Premises, if required by Lessor or Federal Aviation Administration regulations. Any hazard lights so required shall comply with the specifications and standards established for such installations by the FAA.

Subsection 5.10. Airport Security.

Lessee recognizes Lessor's required compliance with Federal Air Regulations concerning airport security and agrees to comply with Lessor's directives concerning airport security in relation to its use of the demised premises.

ARTICLE VI. OBLIGATIONS OF LESSOR

Subsection 6.01. Operation as a Public Airport.

Lessor covenants and agrees that at all times it will operate and maintain the Airport facilities, as defined hereinabove, as a public Airport consistent with and pursuant to the Sponsor's Assurances given by Lessor to the United States Government under Federal Airport Act.

Subsection 6.02. Ingress and Egress.

Upon paying the rental hereunder and performing the covenants of this Agreement, Lessee shall have the right of ingress to and egress from the Leased Premises for the Lessee, its officers, employees, agents, servants, customers, vendors, suppliers, patrons, and invitees over the roadway serving the area of the Leased Premises. Airport roadways shall be used jointly with other tenants of the Airport, and Lessee shall not interfere with the rights and privileges of other persons or firms using said facilities and shall be subject to such weight and type use restrictions as Lessor deems necessary.

Subsection 6.03. Construction by Lessor.

No facilities or improvements are to be constructed by Lessor under this Agreement.

ARTICLE VII. LESSOR'S RESERVATIONS

Subsection 7.01. Improvement, Relocation or Removal of Structure.

Lessor, at its sole discretion, reserves the right to further develop or improve the aircraft operating area and other portions of the Airport, including the right to remove or relocate any structure on the Airport, as it sees fit, and to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions, together with the right to prevent Lessee from erecting or permitting to be erected, any buildings or other structure on the Airport which, in the opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft.

In the event Lessor requires the Leased Premises for expansion, improvements, development of the Airport, Lessor reserves the right, on a six (6) months notice, to relocate or replace Lessee's improvements in substantially similar form at another generally comparable location on the Airport. In the event of such relocation or replacement, Lessor agrees to reimburse Lessee for costs incurred in moving its equipment and operations to a new location or building. Lost profits and other incidental damages shall not be included in this sum.

Subsection 7.02. Inspection of Leased Premises.

Lessor, through its duly authorized agent, shall have at any reasonable time, the full and unrestricted right to enter the Leased Premises for the purpose of periodic inspection for fire protection, maintenance and to investigate compliance with the terms of this Agreement.

Subsection 7.03. Subordination to U.S. Government.

This Agreement shall be subordinate to the provisions of any existing or future agreement(s) between Lessor and the United States, relative to the operation and maintenance of the Airport, the

terms and execution of which have been or may be required as a condition precedent to the expenditure or reimbursement to Lessor for Federal funds for the development of the Airport.

Subsection 7.04. War or National Emergency.

During the time of war or national emergency, Lessor shall have the right to lease the Airport or any part thereof to the United States Government for military use, and if any such lease is executed, the provisions of this Agreement insofar as they are inconsistent with the lease to the Government shall be suspended, and in that event, a just and proportionate part of the rent hereunder shall be abated.

ARTICLE VIII. INDEMNITY AND INSURANCE

Subsection 8.01. Indemnification.

Lessee agrees to fully indemnify, and save forever harmless the Lessor, its agents and employees, from and against all claims and actions and all reasonable expenses incidental to the investigation and defenses thereof, based on or arising out of claims for damages to property or injuries to persons, including wrongful death, or damages to the environment including but not limited to investigation, field study, and clean-up cost assessed by any federal or state agency against the City of Columbia, Airport Management, or any of its agents or employees, and arising out of Lessee's use or occupancy of the Leased Premises; provided, however, that Lessor shall give to Lessee prompt and reasonable notice of any such claims or actions, and Lessee shall have the right to investigate, compromise and defend the same; and provided, however, that Lessee shall not be liable for any claims, actions, injuries, damage or loss occasioned solely by any negligence or intentional acts of Lessor, its agents or employees. Lessee shall indemnify and save and hold Lessor harmless from and against any claims by carriers serving Lessee, provided, however, Lessee shall not be liable for any claims, actions, injuries, damage or loss occasioned solely by any negligence or intentional acts of Lessor, its agents or employees.

Subsection 8.02. Public Liability Insurance

Lessor shall, at its expense, procure and keep in force at all times during the term of this Agreement from a financially sound and reputable company acceptable to Lessor, public liability insurance, with independent contractor's coverage and contractual liability endorsement, insuring Lessee, the City of Columbia, and the Lessor for personal injury and property damage, and such other insurance necessary to protect Lessor from such claims and action aforesaid. Without limiting its liability, Lessee agrees to carry and keep in force insurance with single limit liability for personal injury or death and property damage in a sum not less than \$1,000,000. Lessee shall furnish Lessor with a certificate of insurance as evidence of coverage. Said insurance shall not be cancelled or materially modified or non-renewed except upon thirty (30) days advance written notice to Lessor. Coverage is to be written on the broadest liability form which is customarily available at reasonable cost.

Subsection 8.03. Environmental Impairment Insurance.

Lessee shall, at its expense, procure and keep in force at all times during the term of this agreement, from a financially sound and reputable company acceptable to Lessor, environmental impairment insurance, with contractual liability endorsement, insuring Lessee for claims alleging environmental impairment, to protect Lessee, and the Lessor from such claims and actions aforesaid. Without limiting its liability, Lessee agrees to carry and keep in force insurance with single limit liability for personal injury or death and property damage in a sum not less than \$1,000,000. Lessee shall furnish Lessor with a certificate of insurance as evidence of coverage. Said insurance shall not be cancelled or materially modified or non-renewed except upon thirty (30) days advance written notice to Lessor. Coverage is to be written on the broadest liability form which is customarily available at reasonable cost.

Subsection 8.04. Fire and Extended Coverage Insurance.

Lessee shall, at its expense, procure and keep in force at all times during the term of this Agreement with a company suitable to Lessor, insurance on the improvements on the Leased Premises against loss and damage by fire, aircraft and extended coverage perils. Lessee shall furnish evidence of insurance in an amount no less than the replacement cost of the improvements.

Subsection 8.05. Application of Insurance Proceeds.

If the fixed improvements placed upon the Leased Premises shall be totally destroyed or extensively damaged and if Lessor and Lessee shall elect not to restore the same to their previous condition, the proceeds of insurance payable by reason of such loss shall be apportioned between Lessor and Lessee, with Lessor receiving the same proportion of such proceeds as the then expired portion of the Agreement term bears to the full Agreement term, and Lessee receiving the balance. The Agreement shall then be cancelled. If the damage results from an insurable cause and the Lessee shall elect to restore the same with reasonable promptness, it shall be entitled to receive and apply the entire proceeds of any insurance covering such loss to said restoration, in which event this Agreement shall continue in full force and effect.

Subsection 8.06. Performance Bonds.

Lessee shall deliver to Lessor a surety bond in the favor of the City of Columbia, in the amount of 100% of the building construction costs, prior to beginning construction.

Subsection 8.07. Destruction of Premises - Termination.

In the event of damage to or destruction or loss of the building or buildings by an insured or uninsured risk, Lessee shall promptly repair, restore and rebuild said building or buildings as nearly as possible to the condition they were in immediately prior to such damage or destruction.

If the building or buildings shall be damaged in such manner as to render them unusable in whole or in part, the rental provided to be paid under the terms of this Agreement shall be abated or reduced proportionately during the period from the date of such damage or destruction until the work of repairing, restoring or reconstructing said building or buildings is completed.

ARTICLE IX. CANCELLATION BY LESSOR

Subsection 9.01. Events of Default by Lessee

Each of the following events shall constitute an "Event of Default by Lessee":

1. Lessee fails to pay rentals, fees and charges when due, and such default continues for a period of ten (10) days after receipt of written notice from Lessor that such non-payment constitutes an event of default.
2. Lessee fails after receipt of written notice from Lessor to keep, perform or observe any term, covenant or condition of this Agreement, other than as set forth in sub-section A (above) and such failure continues for thirty (30) days after such receipt, or if by its nature such Event of Default by Lessee cannot be cured within such thirty (30) day period, Lessee fails to commence to cure or remove such Event of Default by Lessee within said thirty (30) days and to cure or remove same as promptly as reasonably practicable.
3. Lessee shall become insolvent, shall take the benefit of any present or future insolvency statute, shall make a general assignment for the benefit of creditors, shall file a voluntary petition in bankruptcy or a petition or answer seeking a reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under another law or statute of the United States or of any state thereof, or shall consent to the appointment of a receiver, trustee, or liquidation of all or substantially all of its property.
4. An Order for Relief shall be entered at the request of Lessee or any of its creditors under the federal bankruptcy or reorganization laws or under any law or statute of the United States or any state thereof.
5. A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against Lessee and shall not be dismissed within thirty (30) days after the filing thereof.
6. By or pursuant to or under any legislative act, resolution or rule of the City, or any order of decree of any court or governmental board or agency, an officer, receiver, trustee, or liquidator shall take possession or control of all or substantially

all of the property of Lessee and such possession or control shall continue in effect for a period of fifteen (15) days.

7. Lessee shall become a corporation in dissolution or voluntarily or involuntarily forfeit its corporate charter other than through merger with a successor corporation.
8. The rights of Lessee hereunder shall be transferred to, pass to, or devolve upon, by operation of law or otherwise, any other person, firm, corporation, or other entity, as a result of any bankruptcy, insolvency, trusteeship, liquidation, or other proceedings or occurrence described in paragraph 3 through paragraph 7 above.
9. Lessee shall voluntarily discontinue its Fixed Base Operations at Airport for a period of thirty (30) days unless otherwise agreed to by Lessor and Lessee; provided, however, a work stoppage or strike by Lessee's employees shall not constitute a voluntary discontinuance by Lessee of its operations at Airport until and unless efforts on the part of Lessee to resolve such work stoppage or strike are discontinued.
10. Failure of Lessee to complete the hangar within the time allowed and under the terms and conditions set out in Article II of this Agreement.

Subsection 9.02. Remedies for Lessee's Default.

1. Upon the occurrence of an Event of Default by Lessee, Lessee shall remain liable to Lessor for all arrearages of rentals, fees and charges payable hereunder and for all preceding breach(es) of any covenant herein contained. Lessor, in addition to the right of termination and to any other rights or remedies it may have at law or in equity, shall have the right of reentry and may remove all Lessee's persons and property from the leased premises. Upon any such removal, Lessee's property may be stored in a public warehouse or elsewhere at the cost of, and for the account of, Lessee. Should Lessor elect to reenter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided by law, it may, at any time subsequent to an Event of Default by Lessee, either terminate this Agreement or relet the leased premises and any improvements hereof or any part thereof for such term or terms (which may be for a term extending beyond the term of this Agreement) and at such rentals, fees and charges and upon such other terms and conditions as Lessor in its sole discretion may deem advisable, with the right to make alterations, repairs or improvements on said leased premises. No reentry or reletting of the Leased Premises by Lessor shall be construed as an election on Lessor's part to terminate this Agreement unless a written notice of such intention is given to Lessee. In reletting the Leased Premises, Lessor shall be obligated to make a good faith effort to obtain terms and conditions no less favorable

to itself than those contained herein and otherwise seek to mitigate any damage it may suffer as a result of Event of Default by Lessee.

2. Unless Lessor elects to terminate this Agreement, Lessee shall remain liable for and promptly pay all rentals, fees and charges accruing hereunder until termination of this Agreement at the expiration date set forth hereinbefore.
3. In the event that Lessor relets the Leased Premises, rentals, fees and charges received by Lessor from such reletting shall be applied: first, to the payment of any indebtedness other than rentals, fees and charges due hereunder from Lessee to Lessor; second, to the payment of any cost of such reletting; third, to the payment of rentals, fees and charges due and unpaid hereunder; and the residue, if any, shall be held by Lessor and applied in payment of future rentals, fees and charges as the same may become due and payable hereunder. Should that portion of such rentals, fees and charges received from such reletting applied to the payment of rentals, fees and charges due hereunder be less than the rentals, fees and charges payable during applicable period by Lessee hereunder, then Lessee shall pay such deficiency to Lessor. Lessee shall also pay to Lessor, as soon as ascertained, any costs and expenses incurred by Lessor in such reletting not covered by the rentals, fees and charges received from such reletting.
4. Notwithstanding anything to the contrary in this Agreement, if a dispute arises between Lessor and Lessee with respect to any obligation or alleged obligation of Lessee to make payment(s) to Lessor, the payment(s) under protest by Lessee of the amount claimed by Lessor to be due shall not waive any of Lessee's rights, and if any court or other body having jurisdiction determines all or any part of the protested payment was not due, then Lessor shall as promptly as reasonably practicable reimburse Lessee any amount determined as not due plus interest on such amount at the highest rate allowable under applicable state law.
5. Lessee shall pay to Lessor all reasonable costs, fees, and expenses incurred by Lessor in the exercise of any remedy upon an Event of Default by Lessee.

ARTICLE X. CANCELLATION BY LESSEE EVENTS OF DEFAULT BY LESSOR

Subsection 10.01. Events of Default by Lessor.

Each of the following events shall constitute an "Event of Default by Lessor":

1. Lessor fails after receipt of written notice from Lessee to keep, perform or observe any term, covenant or condition herein contained to be kept, performed, or observed by Lessor and such failure continues for thirty (30) days, or if by its nature such Event

of Default by Lessor cannot be cured within such thirty (30) day period, Lessor fails to commence to cure or remove such Event of Default by Lessor within said thirty (30) days and to cure or remove the same as promptly as reasonably practicable.

2. Lessor closes Airport to flights in general or to the flights of Lessee, for reasons other than weather, acts of God or other reasons beyond its control, and fails to reopen Airport to such flights within sixty (60) days of such closure.
3. The Lessor is permanently closed as an airport by act of any federal, state or local government agency having competent jurisdiction.
4. Lessor is unable to use Airport for a period of at least sixty (60) days due to any law or any order, rule or regulation of any appropriate governmental authority having jurisdiction over the operations of Airport, or any court of competent jurisdiction issues an injunction in any way preventing or restraining the use of Airport or any part thereof for Airport purposes, and such injunction remains in force for a period of at least sixty (60) days.
5. The United States Government or any authorized agency of the same (by executive order or otherwise) assumes the operation, control or use of Airport and its facilities in such a manner as to substantially restrict Lessee from conducting its operations, and such restrictions shall continue for a period of at least sixty (60) days.

Subsection 10.02. Remedies for Lessor's Defaults.

Upon the occurrence of an Event of Default by Lessor, Lessee shall have the right to suspend or terminate this Agreement and all rentals, fees and charges payable by Lessee under this Agreement shall abate during a period of suspension or shall terminate, as the case may be. In the event that Lessee's operations at Airport should be restricted substantially by action of any governmental agency having jurisdiction thereof, then Lessee shall, in addition to the rights of termination herein granted, have the right to a suspension of this Agreement, or part thereof, and abatement of an equitable proportion of the payments due hereunder, from the time of giving written notice of such election until such restrictions shall have been remedied and normal operations restored.

ARTICLE XI. RIGHTS UNDER TERMINATION

Subsection 11.01. Fixed Improvements.

It is the intent of this Agreement that the real estate, leasehold improvements and any alterations thereto shall be and remain the property of Lessor during the entire term of this Agreement and thereafter.

Subsection 11.02. Personal Property.

Upon termination of this Agreement, Lessee shall remove all personal property from the Demised Premises within thirty (30) days after said termination and restore the Demised Premises to its original condition. If Lessee fails to remove said personal property, said property may thereafter be removed by Lessor at Lessee's expense.

ARTICLE XII. ASSIGNMENT AND SUBLETTING

Lessee shall not assign this Agreement or any part thereof in any manner whatsoever or assign any of the privileges recited herein without the prior written consent of Lessor (Subsection 14.13), provided, however, in the event of such assignment, Lessee shall remain liable to Lessor for the remainder of the term of the Agreement to pay to Lessor any portion of the rental and fees provided for herein upon failure of the assignee to pay the same when due. Said assignee shall not assign said Agreement except with the prior written approval of the Lessor and the Lessee herein, and any assignment by the Lessee shall contain a clause to this effect.

ARTICLE XIII. QUIET ENJOYMENT

Lessor covenants that Lessee, upon payment of the rentals reserved herein and the performance of each and every one of the covenants, agreements, and conditions on the part of Lessee to be observed and performed, shall and may, peaceably and quietly, have, hold and enjoy the Leased Premises for the term of aforesaid, free from molestation, eviction or disturbance.

ARTICLE XIV. GENERAL PROVISION

Subsection 14.01. Non-Interference with Operations of Airport

Lessee, by accepting this Agreement, expressly agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft at Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the Lessor reserves the right to enter upon the premises hereby leased and cause the abatement of such interference at the expense of the Lessee.

Lessor shall maintain and keep in repair the Airport landing areas, including taxiways and aircraft parking apron and shall have the right to direct and control all activities of the Lessee in this regard.

Subsection 14.02. Attorney's Fees.

In any action brought by either party for the enforcement of the obligations of the other party, Lessor shall be entitled to recover interest and its reasonable attorney's fees.

Subsection 14.03. Taxes.

Lessee shall pay any leasehold interest tax assessed and all personal property taxes which may be assessed against equipment, merchandise, or other personal property belonging to Lessee located on the Leased Premises, or other permitted portions of the Airport.

Subsection 14.04. Right to Contest.

Lessee shall have the right to contest the validity or amount of any tax, assessment or charge, lien, or claim of any kind in respect to the Premises. Lessee shall, if Lessor requires the same in writing and if the taxes or other assessments have not been paid under protest or otherwise escrowed or provided for, furnish reasonable security for the payment of all liability, costs and expenses at the end of the litigation, and Lessee, so long as the matter shall remain undetermined by final judgment, shall not be considered in default hereunder by the nonpayment thereof; provided, however, that Lessee shall not, under these provisions, permit the Premises or any buildings or improvements situated thereon, to be sold or forfeited, and failure by Lessee to do what is necessary to prevent any such sale or forfeiture within ten (10) days from the publication or receipt of notice for sale or forfeiture, shall be deemed to be a default hereunder, and Lessor may, at its option, pay any such sum as may be required to avoid the sale or forfeiture and seek reimbursement for its cost from Lessee.

Subsection 14.05. License Fees and Permits.

Lessee shall obtain and pay for all licenses, permits, fees or other authorization or charges as required under Federal, State or local laws and regulations insofar as they are necessary to comply with the requirements of this agreement and the privileges extended hereunder.

Subsection 14.06. Non Exclusive Rights.

It is hereby specifically understood and agreed between the parties that nothing herein contained shall be construed as granting or authorizing the granting of exclusive rights to Lessee or others, as defined in Section 308 of the Federal Aviation Act of 1958, as amended.

Subsection 14.07. Paragraph Headings.

The paragraph headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of the Agreement.

Subsection 14.08. Interpretations.

This Agreement shall be interpreted in accordance with the laws of the State of Missouri. Should any part of this agreement be adjudicated, venue shall be proper only in the Circuit Court of Boone County, Missouri.

Subsection 14.09. Non-Waiver.

No waiver of any condition or covenant in this instrument contained or of any breach thereof, shall be taken to constitute a waiver of any subsequent condition, covenant or breach.

Subsection 14.10. Severability.

If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each other term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Subsection 14.11. Binding Effect.

This lease, including all of its covenants, terms, provisions, and conditions, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

Subsection 14.12. No Partnership.

Nothing contained in this Lease shall be deemed to create the relationship of principal and agent or of partnership or joint venture or any relationship between Lessor and Lessee other than the relationship of Lessor and Lessee.

Subsection 14.13. Duty to be Reasonable.

Wherever in this Agreement the Lessor is to give its consent, approval or otherwise exercise discretion in judgment, such consent, approval or judgment shall not be unreasonably exercised or unreasonably withheld.

Subsection 14.14. Notices.

Whenever any notice or payment is required by this Agreement to be made, given or transmitted to the parties hereto, such notice or payment shall be enclosed in an envelope with sufficient postage attached to insure delivery and deposited in the United States Mail, addressed to:

Airport Manager
Columbia Regional Airport
Route 1
Columbia, Missouri 65201

and notices, consents and approvals to Lessee addressed to:

Central Missouri Aviation, Inc.
Columbia Regional Airport
Route 1
Columbia, Missouri 65201

or such place as either party shall, by written directive, designate in the manner herein provided.

IN WITNESS WHEREOF, Lessee has caused this instrument to be executed on its behalf by its duly authorized officers and its corporate seal affixed and the City of Columbia, by ordinance of its City Council giving authority so to do, has caused this instrument to be executed by its City Manager on its behalf and its corporate seal affixed, on the day and year first above written. This instrument has been executed in duplicate.

**LESSOR:
CITY OF COLUMBIA, MISSOURI**

BY: Raymond A. Beck
Raymond A. Beck, City Manager

ATTEST:

Laura H. Daniel
City Clerk

APPROVED AS TO FORM:

Fred Bechum
City Counselor

**LESSEE:
CENTRAL MISSOURI AVIATION, INC.**

BY: [Signature]
TITLE President

ATTEST:

Secretary

STATE OF MISSOURI)
COUNTY OF BOONE)

On this 12th day of JUNE, 1995, before me, a Notary Public in and for said state, personally appeared Raymond A. Beck, the City Manager of the City of Columbia, Missouri, known to me to be the person who executed the within agreement in behalf of said municipal corporation and acknowledged to me that he executed the same for the purpose therein stated.

Phyllis A. Hardin
Notary Public, State of Missouri

My commission expires: July 4, 1997

PHYLLIS A HARDIN
NOTARY PUBLIC STATE OF MISSOURI
BOONE COUNTY
MY COMMISSION EXP. JULY 4, 1997

STATE OF MISSOURI)
COUNTY OF BOONE)

On this 15 day of June, 1995, before me, a Notary Public in and for said state, personally appeared Ben Ames Jr., the President of Central Missouri Aviation, Inc., known to me to be the person who executed the within agreement in behalf of said corporation and acknowledged to me that he executed the same for the purpose therein stated.

Joseph A. Rutherford
Notary Public, State of Missouri

My commission expires:

JOSEPH A RUTHERFORD
NOTARY PUBLIC STATE OF MISSOURI
BOONE COUNTY
MY COMMISSION EXP. APR. 8, 1997

LEGAL DESCRIPTION FOR CMA LEASE FOR HANGAR

APRIL 19, 1995
REVISED: APRIL 25, 1995

A TRACT LOCATED IN SECTION 36, TOWNSHIP 47 NORTH, RANGE 12 WEST, BOONE COUNTY, MISSOURI DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 25-47-12; THENCE N78° 24'57"W, 2204.67 FEET TO THE SOUTHEAST CORNER OF LEASE TRACT A; THENCE S3° 15'28"W, WITH THE WESTWARD EXTENSION OF THE EAST LINE OF LEASE TRACT A, 780.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING WITH SAID LINE, S3° 15'28"W, 210.00 FEET; THENCE N86° 44'32"W, 195.00 FEET; THENCE N3° 15'28"E, 210.00 FEET; THENCE S86° 44'32"E, 195.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 40,950 SQUARE FEET.

RON C. [Signature]
DATE

LS-1509

STATE OF MISSOURI
DEPARTMENT OF REVENUE
LAND SURVEYOR
APR 25 1995
LS-1509