

Sublease

This Sublease (this "Lease") is made and entered on this ____ day of _____, 2021, by and between Columbia Jet Center, Inc., a Missouri corporation (hereinafter referred to as "Lessor"), Blackhawk Aerospace Technologies, Inc., a Texas corporation (hereinafter referred to as "Lessee").

The parties hereto agree that this Lease is made in view of the following facts:

- A. Lessor, as tenant pursuant to an Agreement for Ground Lease by the Fixed Base Operators, dated Sept 24, 1980 and attached as **Exhibit A** hereto (the "Airport Lease"), with the City of Columbia, Missouri (the "City"), presently leases the Premises described therein and related improvements thereon (the "Premises") located at Columbia Regional Airport (the "Airport").
- B. Lessee desires to sublease portions of the Premises from Lessor, which portions are shown on **Exhibit B** hereto (such portions, the "Leased Premises"), and does agree to sublease said premises from Lessor pursuant to the terms of this Lease.
- C. Lessee and Lessor acknowledge that Lessor's right to sublease the Leased Premises requires written consent of the City of Columbia, Missouri (the "City"); therefore, this Lease shall be effective as of the date this Lease is duly executed on behalf of the City, as set forth on the signature page hereto (the "Effective date").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. **Lease and Condition of Premises:** The Lessor hereby subleases the Leased Premises unto the Lessee and the Lessee hereby rents the Leased Premises from the Lessor pursuant to the terms of this Lease. Lessee agrees to use the Leased Premises for the maintenance, repair of aircraft, and the sale of and installations of aircraft modifications and avionics upgrades by Lessee (the "Permitted Use") and no other purpose. Lessor hereby represents and warrants that, to the best of its knowledge as of the date hereof, the Leased Premises is structurally sound. In all other respects, the Lessee acknowledges and agrees that it has had sufficient opportunity to inspect the Leased Premises, which is in adequate condition, and that it accepts the same "as is." Lessor makes no other representations or warranties, express or implied, either in fact or by operation of law, statute, or otherwise, regarding the condition of the Leased Premises, and Lessor specifically disclaims any and all implied or statutory warranties relating to the Leased Premises. In addition, the Lessor hereby grants the Lessee nonexclusive right of access to and from the Leased Premises across the drives and aprons on the remainder of the Leased Premises, subject to reasonable rules and regulations governing such access that may be adopted and modified by the City or Lessor from time to time.

2. **Initial Term:** The initial term of this lease shall commence on its Effective Date and shall terminate at midnight, five (5) years thereafter (the "Initial Term"). If the Effective Date is other than the first day of the month, the first year of the Initial Term shall be deemed to be extended to include such partial month and the following twelve (12) months, so as to end on the last day of the month.
3. **Renewal Option:** This Lease may be automatically renewed for one (1) additional five (5) year term (each, a "Renewal Term," and together with the Initial Term, the "Term"), for a total lease term not to exceed ten (10) years, subject however, to earlier termination provisions contained in this Lease. No such automatic renewal shall occur in the event of the following:
 - a. Lessee notifies Lessor in writing at least Ninety (90) days prior to the expiration of the Initial Term or any Renewal Term, as applicable, of its intention not to renew.
 - b. Lessee defaults under this Lease.
 - c. Both parties to this Lease agree to cancellation.
4. **Rent:** Lessee shall pay rent of Five Thousand Dollars (\$5,000) per month (the "Rent"). Rent shall be payable in monthly installments in advance, without any set off or deduction whatsoever, on the first day of every month. Beginning on the first day of the month following the first anniversary of the Effective Date, and on each anniversary of said date thereafter throughout the Term, Rent payable hereunder shall be increased by 2%.
5. **License Fees:** For any payments that are owed under the Airport Lease relating to the conduct of business in or the use or improvement of part of the Premises, such as payments for license fees and/or commissions under Article VIII or XI of the Airport Lease or for improvements under Article IV of the Airport Lease, the parties shall each be responsible for their respective businesses and improvements; in other words and for example, each party shall prepare all reports of its own gross receipts and pay all license fees and/or commissions attributable to such gross receipts, and the party making or requesting an improvement to its space shall pay all increased rent charged for such improvement."
6. **Improvements:** Lessee hereby agrees and states that any alterations or improvements conducted by Lessee to the Leased Premises shall be done at Lessee's sole cost and expense. Lessee agrees that it will invest a minimum of Two Hundred and Fifty Thousand Dollars (\$250,000) and up to Five Hundred Thousand Dollars (\$500,000) within the first twenty-four months (24) of the Initial Term for improvements to the Leased Premises in exchange for the initial Rent of Five Thousand Dollars (\$5,000) noted in Section 4 above. In the event Lessee does not complete said investment, as evidenced by documentation reasonably satisfactory to Lessor, the initial Rent payable

pursuant to Section 4 above shall be amended to Ten Thousand Dollars (\$10,000) per month, which amendment shall be retroactive to the beginning of the Initial Term (and any deficiency in Rent previously paid by Lessee resulting from such retroactive increase shall be immediately due and payable). Lessee must submit plans and specifications for any such alterations or improvements and must receive the written approval thereof from the Lessor and the City (which, for interior, non-structural alterations not affecting the hangar space, Landlord shall not unreasonably withhold) prior to the commencement of any work. The conditions with respect to alterations or improvements are as follows:

- a. All necessary building permits, licenses, and consents must be obtained from any governmental agency having jurisdiction or any public utility having an interest therein, and all work performed shall be accomplished in accordance with the requirements of any authority having jurisdiction with respect thereto.
- b. All alterations and improvements in or to the Leased Premises or which may be erected or installed during the Term shall become a part of the Leased Premises and the sole property of the Lessor at the expiration of the Term; provided, however, that all personal property, trade fixtures, movable counters, furniture, and equipment of the Lessee shall remain the property of the Lessee.

7. **Maintenance and Repairs of Premises:** It shall be the sole responsibility of Lessee to maintain and repair the Leased Premises at all times during the Term at Lessee's own cost. Lessee shall maintain the Leased Premises in a safe, clean, and sightly condition. Lessee shall at all times use all reasonable precautions to prevent waste, damage, or injury to any portion of the Leased Premises, or any structure or improvement adjacent thereto. The conditions and requirements with respect to repairs of the Leased Premises shall be as follows:

- a. The Leased Premises must be surrendered, at the end of the Term, in at least as good of condition as on the date hereof, ordinary and reasonable wear and tear and, subject to subparagraph (b) and paragraph 12 below, damages by casualty, excepted. If the Leased Premises are not surrendered at the end of the Term as hereinabove set out, Lessee shall be liable and indemnify Lessor and the City against loss or liability resulting from delay by Lessee in so surrendering the Leased Premises. Lessee's obligation to observe or perform this covenant shall survive the expiration or other termination of the Term.
- b. Lessee shall pay for the repairs of any damage caused by reason of any act or failure to act, negligent or otherwise, of the Lessee or the Lessee's agents, licensees, or invitees, unless such repairs are made with proceeds of available insurance pursuant to paragraph 15.

8. **Lessee to Pay any Taxes:** Lessee agrees to pay, on or before the last day on which payment may be without penalty or interest, all taxes or assessments assessed against

Lessee or Lessee's personal property which may be located in or be part of the Leased Premises.

9. **Lessee to pay 80% of Utilities:** The Premises is comprised of 23,400 square feet. The Leased Premises is comprised of 18,775 square feet. The Leased Premises is 80% of the square feet of the Premises. Lessee therefore agrees to pay 80% of all utilities, normal cleaning, and similar charges for the Premises such as electricity, gas, water, and sewer. Lessor shall not be liable for any disruptions in utility services to the Leased Premises nor shall any such disruptions constitute an eviction or otherwise result in any abatement of rental or relief of other obligations of the Lessee hereunder.

10. **Indemnification:** Lessee agrees to fully release, indemnify, defend and save forever harmless the Lessor, TKG Management, Inc. Western Skies Management, Inc., the City, any person or organization the foregoing parties are required under a written contract to indemnify and/or defend, and their respective predecessors, successors, partners, members, subsidiaries, affiliates, shareholders, directors, officers, managers, agents, adjusters, heirs, conservators, attorneys, representatives and employees (the "Lessor Indemnified Parties"), from and against all claims, actions, damages, losses, demands, suits, judgments, decrees, orders, liabilities and expenses (including costs, and reasonable in-house, staff and outside counsel attorneys' fees) ("Claims"), including but not limited to 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 costs assessed by any federal or state agency), based on or arising out of any occurrence, in, upon or about the Leased Premises, or Lessee's use or occupancy of the Leased Premises or any part thereof, or occasioned wholly or in part by any act or omission of Lessee, its agents, contractors or employees or an other party for whom Lessee may be liable, even if caused in part by Lessor Indemnified Parties; provided, however, that Lessee shall not be liable for any claims, actions, injuries, damage or loss occasioned solely by negligence or intentional acts of Lessor Indemnified Parties. Lessee shall indemnify, defend and save and hold the Lessor Indemnified Parties 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 the negligence or intentional acts of Lessor Indemnified Parties.

11. **Hold Harmless Agreement:** To the fullest extent not prohibited by law, Lessee shall indemnify and hold harmless the City, its directors, officers, agents, and employees from and against all claims, damages, losses, and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of Lessee, of any subcontractor (meaning anyone, including but not limited to consultants having a contract with Lessee or a subcontractor for part of the services), of anyone directly or indirectly employed by Lessee or by any subcontractor, or of anyone for whose acts Lessee or its subcontractor may be liable, in connection with providing these services. This provision does not, however, require Lessee to indemnify, hold harmless, or defend the City from its own action, inactions, (willful or otherwise), or its own negligence.

12. **No Waiver of Sovereign Immunity:** In no event shall the language of this Lease constitute or be construed as a waiver or limitation for a party's rights or defenses with regard to a party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitution or law.

13. **Subordination to U.S. Government:** This Lease shall be subordinate to the provisions of any existing or future agreement(s) between the City 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 City for Federal funds for the development of the Airport.

14. **Liability Insurance:**

a. **Workers' Compensation Insurance:** Lessee shall, at its expense, procure and keep in force at all times during the Term and any extension from a financially sound and reputable company acceptable to Lessor, Workers' compensation insurance for protection of Lessee, its owners, partners and employees as required by law and Employer's Liability insurance with the following minimum limits: Each accident: \$1,000,000.00, Each occupational disease: \$1,000,000.00, Occupational disease aggregate: \$1,000,000.00.

b. **Commercial General Liability Insurance:** Lessee shall, at its expense, procure and keep in force at all times during the Term from a financially sound and reputable company acceptable to Lessor, Commercial General Liability insurance, with independent contractor's coverage and contractual liability endorsement insuring Lessee, Lessor and the City for bodily injury and property damage, and such other insurance necessary to protect Lessor and the City from such claims and actions aforesaid. Without limiting its liability, Lessee agrees to carry and keep in force insurance with amounts not less than Ten Million Dollars (\$10,000,000) per occurrence which may be met through a combination of primary and excess coverage.

c. **Commercial Business Automobile Liability Insurance:** Lessee shall, at its expense, procure and keep in force at all times during the Term and any extension from a financially sound and reputable company acceptable to Lessor, Commercial Business Automobile Liability insurance in amounts not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury and property damage covering owned, hired and non-owned vehicles.

d. **Hangar Keeper's Liability Insurance:** Lessee shall, at its expense, procure and keep in force at all times during the Term and any extension from a financially sound and reputable company acceptable to Lessor, Hangar Keeper's Liability Insurance in an amount not less than Ten Million Dollars

(\$10,000,000) to include property damage for all non-owned Aircraft under the care, custody, and control of the Lessee.

Lessee shall furnish Lessor and the City with a certificate of insurance as evidence of coverage. Said insurance shall provide thirty (30) days advanced notice of cancellation or non-renewal to Lessor and the City. Coverage is to be written on the broadest liability form which is customarily available at reasonable cost. Lessor Indemnified Parties shall be named as additional insureds on all Lessee liability policies (except Workers' Compensation) with such insurance providing primary and non-contributory coverage before any insurance available to Lessor Indemnified Parties and a waiver of subrogation in favor of Lessor Indemnified Parties.

Approval, disapproval or failure to act by the Lessor or Lessor's agents regarding any insurance required of the Lessee shall not relieve Lessee of full responsibility for its obligations under this Lease, and the bankruptcy, insolvency or denial of coverage by the insurance company shall not exonerate the Lessee from liability.

15. **Property Coverage Insurance:** Lessee shall, at its expense, procure and keep in force at all times during the Term insurance on all of its possessions, fixtures, improvements, and betterments, personal property, furniture, equipment and inventory (collectively "Lessee's Property") on the Premises and Leased Premises with a standard policy or policies or property insurance insuring against perils of fire, aircraft, extended coverage, vandalism, malicious mischief, special extended coverage ("All Risk") and sprinkler leakage. Lessee shall furnish evidence of insurance in an amount not less than the replacement cost of the improvements. Lessor will not carry insurance on Lessee's Property and shall not be responsible for any loss or damage thereto. Such coverage will include Machinery & Equipment Breakdown, replacement cost coverage of 100% and business income and extra expense including rental value equal to the expected gross annual revenue.

Lessee shall, and shall cause their insurance carrier to, by way of subrogation, release and relieve the Lessor Indemnified Parties, and waive all claims for recovery for loss, damage, injury, and all liability of every kind and nature on account of any loss or damage occasioned to Lessee and Lessee's Property, including, but not limited to, all loss cost, damage or expense arising out of or due to interruption of business arising from any risk under policies of insurance whether carried or not, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder.

16. **Abatement of Rental:** In the event the Lease Premises are damaged or destroyed by fire or other casualty and in the further event this Lease is not terminated by Lessee or Lessor as the result thereof pursuant to the other provisions of this Lease, the rent due Lessor hereunder shall equitably abate during the period of repairs based on that portion of the Leased Premises, if any, that Lessee continues to use and occupy during the

period of such repairs, which abatement shall continue until the Leased Premises are fully restored. However, if the Lessor from time to time elects to maintain loss of rents insurance covering the rental due hereunder, Lessor shall be entitled to keep and retain the proceeds thereof.

17. **Property Loss, Damage, Etc.:** Lessor, Lessor's agents, and the City shall not be liable for any damage to any property stored or located on the Leased Premises and owned by Lessee or anyone else, unless solely caused by the negligence or intentional acts of the Lessor, Lessor's agents, and/or the City. Lessor, Lessor's agents, and the City shall not be liable for any injury or damage to any person or property in, on, or about the Leased Premises, resulting from any condition or cause whatever, unless solely caused by the negligence or intentional acts of the Lessor, Lessor's agents, and/or the City. The Lessor, Lessor's agents, and the City shall not be liable for any damages to the Lessee or Lessee's agents, licensees, and/or all other persons whom Lessee permits to be in or about the Leased Premises or to any of their property.
18. **Damage, Destruction or Condemnation of Premises:** If the Leased Premises shall be so damaged by fire or other casualty or happening as to be substantially destroyed, then Lessor shall have the option to terminate this Lease by giving Lessee written notice within 30 days after such destruction. If Lessor does not elect to terminate this Lease as aforesaid, then the same shall remain in full force and effect and Lessor shall proceed with all reasonable diligence to repair and replace the Leased Premises to the condition they were in prior to the date of such destruction. If the Leased Premises shall be partially or wholly damaged or destroyed by fire or other casualty to the extent that Lessee cannot reasonably be expected to continue to operate Lessee's business in the Leased Premises in substantially the same fashion a prior to the occurrence of such damage, Landlord elects to restore the Leased Premises, and the Leased Premises is not restored within 180 days after the occurrence of such damage, then Lessee shall have the right to terminate this Lease effective immediately by giving Lessor written notice within 30 days after the expiration of such 180-day period.
19. **Uses, Restrictions, Compliance with Laws:** Lessee shall use the Leased Premises only for the Permitted Use and no other purpose and shall not use the Leased Premises for any unlawful purpose nor operate or conduct its business in a manner constituting a nuisance of any kind. Lessee agrees to comply with all laws, ordinances, and regulations of any governmental authority applicable to the Lessee or the Leased Premises, as well as all regulations of insurance applicable to the Leased Premises.
20. **Events of Default by Lessee:** Each of the following events shall constitute a default or breach of this Lease by Lessee:
 - a. If Lessee or any successor or assignee of Lessee while in possession, shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors.

- b. If voluntary proceedings under bankruptcy law or insolvency act shall be instituted against Lessee, or if a receiver or trustee shall be appointed of all or substantially all of the property of Lessee, and such proceedings shall not be dismissed, or the receivership or trusteeship vacated within sixty (60) days after the institution or appointment.
- c. If Lessee shall fail to pay Lessor, any rent or additional rent when due and shall not make the payment within twenty (20) days after notice thereof by Lessor to Lessee.
- d. If Lessee shall fail to perform or comply with any material terms or conditions of the Lease and if the nonperformance shall continue for a period of thirty (30) days after notice thereof by Lessor to Lessee or, if the performance cannot be reasonably had within the thirty (30) day period, if Lessee shall not diligently proceed to completion of performance.
- e. If Lessee vacates or abandons the Leased Premises.
- f. If this Lease or the estate of Lessee hereunder shall be transferred to, assigned to, or shall pass to devolve on any other person, entity, or party, except in the manner herein permitted; or If Lessee shall be in default under any other lease agreements with Lessor.

21. **Lessor's Right in the Event of Default by Lessee:** In the event of any default hereunder, as set forth in paragraph 17, the rights of Lessor shall be as follows (which shall be cumulative and in addition to any other rights Lessor may have under applicable law):

- a. Lessor shall have right to cancel and terminate this Lease, as well as all of the right, title, and interest of Lessee hereunder after not less than five (5) days' notice of the cancellation and termination. On expiration of the time fixed in the notice, the Lease and the right, title, and interest of Lessee hereunder shall terminate in the same manner and with the same force and effect, except as to Lessee's continued liability for all amounts due hereunder, as if the date fixed in the notice of cancellation and termination were the end of the Term.
- b. Lessor may elect, but shall not be obligated, to make any payments required of Lessee herein or perform any agreement, term, or condition required hereby to be performed by Lessee, and Lessor shall have the right to enter the Leased Premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, and any expenditure for the correction by Lessor shall be payable by Lessee but shall not be deemed to waive or release the default of Lessee or the right of Lessor to take any action as may be otherwise permissible hereunder in the case of any default.

- c. Lessor may reenter the Leased Premises immediately and remove property and personnel of Lessee, and store the property in public warehouse or at a place selected by Lessor, at the expense of Lessee. After reentry, Lessor may terminate the lease on giving five (5) days' written notice of termination to Lessee. Without the notice, reentry will not terminate the lease. On termination, Lessor may recover from Lessee all damages proximately resulting from the breach, including the cost of recovering the Leased Premises, and the worth of the balance of this Lease over the reasonable rental value of the Leased Premises for the remainder of the specific Term in place, which shall be immediately due Lessor from Lessee. After reentry, Lessor may relet the Leased Premises or any part thereof for any term without terminating the Lease, at the rent and on the terms as Lessor may choose. Lessor may make alterations and repairs to the Leased premises. In addition to Lessee's liability to Lessor for breach of the Lease, Lessee shall be liable for all expenses of the reletting, for the alterations and repairs made, and for the difference between the rent received by Lessor under the new lease agreement and the rent installments that are due for the same period under this Lease.
 - d. Lessor shall have the right, but shall not be required, to apply the rent received from reletting the Leased Premises to reduce the indebtedness for rent, to expenses of the reletting and alterations and repairs made, to rent due under this lease, or to payment of future rent under this Lease as it becomes due.
 - e. The Lessor shall be entitled to recover from the Lessee, in addition to the Lessor's actual damages as a result of any default by Lessee, such additional expenses as are incurred by the Lessor in enforcing the terms of this lease against the Lessee. Such additional expenses shall include all attorney's fees incurred by the Lessor, all court costs, and other reasonably related expenses incurred in enforcing this Lease and the provisions hereof.
 - f. Any sums not paid to the Lessor when properly due pursuant to the terms of this Lease shall accrue interest at the lesser of the rate of eighteen percent (18%) per annum or the maximum amount permitted by law until paid.
22. **Payments by Lessee after Default not to Reinstate Lease:** No receipt of money by Lessor from Lessee after default or cancellation of this Lease in any lawful manner shall (1) reinstate, continue, or extend the Term or affect any notice given to Lessee, (2) operate as a waiver of the right of Lessor to enforce the payment of rent and additional rent then due or falling due, or (3) operate as a waiver of the right of the Lessor to recover possession of the Leased Premises by proper suit, action, proceeding or other remedy or (3) final order or judgment for the possession of the Leased Premises, Lessor may demand, receive, and collect any monies due, without in any manner affecting such notice, order or judgment. Any and all such monies so collected shall be deemed to be payment on account of the use and occupation of the Leased Premises or at the election of Lessor, on account of the liability of the Lessee hereunder.

23. Miscellaneous Rights of Lessor:

- a. In the event of a breach or threatened breach by Lessee of any of the terms and conditions hereof, Lessor shall have the right of injunction to restrain Lessee and the right to invoke any remedy allowed by law or in equity, as if the specific remedies of indemnity or reimbursement were not provided herein.
- b. The rights and remedies given to Lessor in this Lease are distinct, separate and cumulative, and no one of them, whether or not exercised by Lessor, shall be deemed to be exclusive of any of the others herein, by law, or by equity provided.
- c. In all cases hereunder, and in any suit, action, or proceeding of any kind between the parties, it shall be presumptive evidence of the fact of the existence of a charge being due if Lessor shall produce a bill, notice, or certificate of any public official entitled to give that notice to the effect that such charge appears of record on the books in its office and has not been paid.

24. **Inspection of Premises by Lessor:** Lessee shall permit Lessor or its agents to enter the Leased Premises at all reasonable hours to inspect the Leased Premises or make repairs that Lessee may neglect or refuse to make in accordance with the provisions of this Lease, and also to show the Leased Premises to prospective buyers, at any reasonable time, Lessor may show the Leased Premises to persons wishing to rent the Leased Premises.

25. **Subordination of Lease to Mortgages and Deeds and Trust:** This Lease and all rights of Lessee hereunder shall be subject and subordinate to the lien of any and all mortgages that may now or hereafter affect the Leased Premises, or any part hereof, and to any and all renewals, modifications, extensions, or refinancing or replacements of any such mortgages. Lessee shall on demand execute, acknowledge, and deliver to Lessor, without expense to Lessor, any and all instruments that may be necessary or proper to subordinate this Lease and all rights therein to the lien of any such mortgage or mortgages and each renewal, modification, extension, or refinancing or replacement thereof, subject to the execution and delivery of a reasonable and customary non-disturbance agreement by the lender under such subordination instrument, Lessor, in addition to any other remedies available in consequence thereof, may execute, acknowledge, and deliver the same as Lessee's attorney-in-fact and in Lessee's name. Lessee hereby irrevocably makes, constitutes, and appoints Lessor, its successors and assigns, his attorney-in-fact for that purpose. In the event of a foreclosure on any mortgage or Deed of Trust to which this Lease is subject, the mortgagee or the purchaser at any such foreclosure sale shall be entitled to substitution as Lessor of this Lease, and as substitute Lessor shall be entitled to enforce all terms and conditions hereof, and Lessee shall attorn to such substitute Lessor.

26. **Lessee Bound by Encumbrances of Record and Ground Lease:** The parties shall be bound by all existing agreements, easements, restrictions, and encumbrances of record relating to the Leased Premises, and Lessor shall not be liable to Lessee for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder thereunder. In addition, Lessee acknowledges that Lessor's and its rights to the Leased Premises are subject to the existing restrictions and obligations relating to the Premises contained in the Airport Lease and related documents and all rights of the City (including early termination rights), as landlord, thereunder, and that Lessee shall abide by all of said restrictions and obligations. Without limiting the generality of the foregoing, Lessee agrees to: (i) provide aircraft repair and maintenance services as generally described in Article VI and VII of the Airport Lease, and (ii) provide Lessor with copies of any notices of default or otherwise to Lessee under the Airport Lease immediately upon receipt thereof and correct any alleged defaults caused by Lessee under the Airport Lease as promptly as reasonably practicable and in no event later than the end of the relevant cure period thereunder. If the Airport Lease expires or is terminated for any reason prior to the expiration or other termination of this Lease, this Lease shall terminate concurrently therewith without any liability of Lessor to Lessee and, except for any Lessee obligations hereunder arising on or prior to the termination of this Lease, following Lessee's surrender of the Leased Premises in compliance with this Lease, Lessee's obligations hereunder shall terminate, except with respect to any indemnification or hold harmless obligations of Lessee, which shall survive such termination.

27. **Noncompetition Covenant:** As a material inducement and condition precedent to Lessor entering into and performing under this Lease, Lessee and any affiliated parties ("Restricted Parties") agree as follows:

- a. During the Term and during the period commencing on the effective date of the termination of this Lease and ending five (5) years thereafter, subject to extension pursuant to subparagraph (b) below (the "Restricted Period"), none of the Restricted Parties shall, directly or indirectly, engage in any Competitive Activity, as defined in subparagraph (c) below:
- b. If a court of competent jurisdiction determines that any of the Restricted Parties has breached this Covenant, the Restricted Period shall automatically be extended for a period equal to the time period commencing on the date such Restricted Party first violated the Covenant and ending on the date when an order of such court is entered finding such violation.
- c. Competitive Activities. Each of the following shall constitute a "Competitive Activity":
 1. The ownership, control, joinder, managements, or operation of, or participation in the ownership, control, joinder, management, or operation of, or the employment by or consulting with, or any other financial affiliation (other than an arms-length vendor-vendee relationship) with, any person or entity directly or

indirectly engaged in the FBO Business, in each case at the Airport; and

2. The hiring or the solicitation to hire any employee who was in the employ of Lessor at any time during the previous twelve (12) months (i.e., within the twelve (12) months immediately preceding being so hired or solicited).

For purposes hereof, the “FBO Business” means the business provided fuel sales, pilots, instruction, hangar leasing or subleasing, and all other “fixed based operations” services for aircraft (other than repair and maintenance services).

- d. This Covenant is for the benefit of and may be enforced by Lessor (or any affiliate, successor, or assign of Lessor) against each of the Restricted Parties, and Lessee hereby agrees to be liable and responsible for any violations of this Covenant by way of the Restricted Parties. The parties agree that it will be impossible to measure in money the damages which will be incurred and suffered by Lessor should any of the Restricted Parties violate this Covenant. Accordingly, this Covenant may be specifically enforced by Lessor against the Restricted Parties, and a court of competent jurisdiction may enter an injunction or equitable order against the Restricted Parties restraining them from violating this Covenant, This equitable right of Lessor shall be cumulative and in addition to any other rights or remedies which it may have at law or at equity. Further, Lessor shall be entitled to exercise this right and to obtain temporary restraining orders and preliminary injunction without the necessity of posting bond, and the Restricted Parties hereby waive the requirement of any such bond. However, should a court determine that this waiver is unenforceable, the Restricted Parties agree that a One Thousand Dollar (\$1000.00) bond shall be adequate for such purpose.
- e. The Parties further agree that, in addition to the above equitable right of Lessor, the prevailing party in any litigation or other proceeding brought to enforce this Covenant shall be entitled to recover as damages from the other party to such proceeding all costs and expenses incurred by such prevailing party, including all attorneys’ fees , court costs, and other litigation expenses,; provided, that Lessor shall be considered the prevailing party in any such proceeding if the court finds a violation of this Covenant (without regard to any limitations on duration or geographical area that may be imposed by the court or other finding of unenforceability).
- f. Stipulation; Savings Clause. Covenantors stipulate that there is full and adequate consideration for this Covenant and that it is conscionable, reasonable, and fair in all respects, including in duration and geographical area. However, in the event any of the provisions of this Covenant are determined by a court of competent jurisdiction to be unenforceable because they are deemed by such court to be unreasonable in terms of durations or geographical area, such court

shall enforce such provisions to the maximum extent the same would be reasonable if more limited in duration or geographical area.

28. Peaceable Surrender of Possession at End of Term, Improvements and Property:

All leasehold improvements which are permanently attached to the Leased Premises will, at the end of the Term, become the sole and separate property of the Lessor, and Lessee shall have no further claim thereon. Furthermore, Lessee agrees that Lessee will not mortgage, grant a security interest in, or pledge in any manner any such improvements. Lessee shall, on the last day of the Term, peaceably and quietly surrender and deliver the Leased Premises to Lessor, including all buildings, improvements, and fixtures constructed or placed thereon by Lessee, except movable personal property and trade fixtures, all in good condition and repair. Any such movable personal property and trade fixtures belonging to Lessee, if not removed at the end of the Term, shall, if Lessor so elects, be deemed abandoned and become the property of Lessor without any payment or offset therefor. If Lessor shall not so elect, Lessor may remove such abandoned personal property from the Leased Premises and store it at the risk and expense of Lessee. Lessee shall repair and restore all damage to the Leased Premises caused by the removal of any such personal property.

29. Holding Over: If the Lessee remains on the Leased Premises after the end of the Term, then and in that event, the Lessee hereby waives all notice to quit and agrees to pay to the Lessor for the period that Lessee is in possession after the end of the Term, a monthly rental payment which is equal to two hundred percent of the monthly rental plus all additional rental set forth herein. The Lessee agrees to indemnify and hold the Lessor and the City harmless from and against all damages, loss, costs, and expenses, direct and consequential, which the Lessor and/or the City may suffer in defense of claims by other parties against the Lessor and/or the City arising out of such holding over by Lessee, including without limitation attorneys' fees which may be incurred by the Lessor and/or the City in defense of such claims. Acceptance of rent by the Lessor after the end of the Term shall not constitute consent to a holding over, and the Lessor, at the Lessor's option, may forthwith re-enter and take possession of the Leased Premises by process of law or otherwise.

30. No Waiver of Lessor's Right to Strict Performance: The failure of Lessor to insist on a strict performance of any of the terms and conditions hereof at any time or from time to time shall be deemed a waiver of the rights and remedies that Lessor may have regarding such specific instance or instances only, and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

31. Notices: All notices to be given with respect to this Lease shall be in writing. Each notice shall be sent registered or certified mail, postage prepaid and return receipt requested, to the party to be notified at the address set forth herein or at such other address as either party may from time to time designate in writing.

Lessor: Columbia Jet Center Inc.

11200 Airport Road
Columbia, MO 65201
Attention: John Nadolny

Lessee: Blackhawk Aerospace Technologies, Inc.
11200 Airport Road
Columbia, MO 65201
Attention: Mark Wilken

32. **No Assignment, Encumbrance or Subletting by Lessee:** Neither Lessee nor Lessee's successors or permitted assigns shall assign or encumber this Lease or its interest herein or sublet the Leased Premises in whole or in part, or permit the Leased Premises used or occupied by others, nor shall this Lease be assigned or transferred by operation of law, without prior consent, in writing, of Lessor and the City in each instance. If an attempt is made by Lessee to assign or encumber this Lease or its interest herein, or if all or any part of the Leased Premises is sublet or occupied by any person or entity other than Lessee, this Lease is considered breached by the Lessee, but Lessor may, after such default by Lessee, collect rent from the assignee, subtenant, or occupant, and apply the net amount collected to the rent reserved herein, but no such assignment, subletting, occupancy, or collection shall be deemed a waiver of any term or condition hereof, or the acceptance of the assignee, subtenant, or occupant as Lessee. Lessee shall continue to be liable hereunder in accordance with the terms and conditions of this Lease and shall not be released from the performance of the terms and conditions hereof. The consent by Lessor to an assignment, encumbrance, or sublease shall not be constructed to relieve Lessee from obtaining the express written consent of Lessor to any such future transaction.
33. **Entire Agreement:** This Lease contains the entire agreement between the parties and cannot be changed or terminated except by a written instrument subsequently executed by the parties hereto.
34. **Binding Effect:** This Lease and the terms and conditions hereof shall apply to and are binding on, and shall inure to the benefit of, the successors and permitted assigns of the parties hereto.
35. **Construction of Lease:** This Lease shall be governed and construed in accordance with the laws of the State of Missouri. The language in all parts of this Lease shall be construed in all cases, according to its fair meaning. The parties acknowledge that each party and its counsel have reviewed and had equal input with respect to this Lease and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease. Furthermore, as used herein the term "including" (and its derivations) shall mean including without limitation, the headings herein are for reference purposes only and shall not affect in anyway the meaning or interpretation of this Lease, and references herein to "this Lease" and the words "herein," "hereof," and words of similar import refer to this Lease in its entirety.

36. **Time:** Time is of the essence in all provision of this Lease.
37. **Multiple Copies:** This Lease has been executed in multiple copies, each of which shall be considered as an "original."
38. **Payments of Rental to Lessor:** All payments of rental shall be made to Lessor at the following address (unless Lessee is notified by Lessor of a different address in writing thereafter):

Columbia Jet Center, Inc.
11200 Airport Rd
Columbia, Mo 65201

39. **Authority:** Lessor and Lessee each represent that they are qualified to do business in the State of Missouri, that they have full rights and authority to enter into this Lease, and that the person(s) signing on their behalf were authorized to do so by appropriate actions.
40. **Lease Contingency:** Notwithstanding that Lessor may execute this Lease, this Lease shall be contingent upon Lessor's receipt of evidence reasonably satisfactory to Lessor of the consummation of the sale transaction contemplated by that certain Asset Purchase Agreement dated May 17, 2021 (the "Blackhawk/Columbia Avionics Agreement") between Lessee and Columbia Avionics, Inc., a Missouri corporation ("Columbia Avionics"), and if such evidence is not received by Lessor within sixty (60) days of the Effective Date, this Lease shall not be effective, and Lessor shall have no liability to Lessee under this Lease.
41. **Termination of Columbia Avionics Sublease:** Upon the consummation of the sale transaction contemplated by the Blackhawk/Columbia Avionics Agreement, that certain Sublease, dated July 12, 2006 (as amended, the "Columbia Avionics Sublease"), by and between Lessor (f/k/a Central Missouri Aviation, Inc.), Columbia Avionics and Lance P. Fox, shall automatically terminate with no further action required by any party thereto, and thereafter the parties thereto shall have no further rights or obligations under said Columbia Avionics Sublease except those rights and obligations which specifically survive termination. Columbia Avionics and Lance P. Fox have executed this Lease for the sole purpose of agreeing to the provisions of this Section 41.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS Sublease at effective as of the day and year first above written.

Columbia Jet Center, Inc.
("Lessor")

By: [Signature] Date: 5/3/2021
Printed Name: Thomas M. Hamlin
Title: President

Blackhawk Aerospace Technologies, Inc.
("Lessee")

By: (see attached signature) Date: _____
Printed Name: _____
Title: _____

Columbia Avionics, Inc. and Lance P. Fox hereby consent to Section 41 of this Sublease.

Columbia Avionics, Inc.

By: (see attached signature) Date: _____
Printed Name: _____
Title: _____

By: _____ Date: _____
Lance. P. Fox

The City of Columbia hereby consents to the sublease of the Leased Premises by the Lessor to the Lessee.

City of Columbia
("City")

By: _____ Date: 5/5/21
Printed Name: John Glascock
Title: City Manager

ATTEST:

APPROVED AS TO FORM:

Sheela Amin, City Clerk

Nancy Thompson, City Counselor/MDB

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS Sublease at effective as of the day and year first above written.

Columbia Jet Center, Inc.
("Lessor")

By: (see attached signature) Date: _____
Printed Name: _____
Title: _____

Blackhawk Aerospace Technologies, Inc.
("Lessee")

By: Matt Shigman Date: APRIL 29, 2021
Printed Name: MAST SHIGMAN
Title: CHAIRMAN

Columbia Avionics, Inc. and Lance P. Fox hereby consent to Section 41 of this Sublease.

Columbia Avionics, Inc.

By: (see attached signature) Date: _____
Printed Name: _____
Title: _____

By: _____ Date: _____
Lance, P. Fox

The City of Columbia hereby consents to the sublease of the Leased Premises by the Lessor to the Lessee.

City of Columbia
("City")

By: (see attached signature) Date: 5/5/21
Printed Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

Sheela Amin, City Clerk

Nancy Thompson, City Counselor/MDB

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS Sublease at effective as of the day and year first above written.

Columbia Jet Center, Inc.
("Lessor")

By: (see attached signature) Date: _____
Printed Name: _____
Title: _____

Blackhawk Aerospace Technologies, Inc.
("Lessee")

By: (see attached signature) Date: _____
Printed Name: _____
Title: _____

Columbia Avionics, Inc. and Lance P. Fox hereby consent to Section 41 of this Sublease.

Columbia Avionics, Inc.

By: [Signature] Date: 7/29/2021
Printed Name: LANCE FOX
Title: President

By: [Signature] Date: 9/29/2021
Lance P. Fox

The City of Columbia hereby consents to the sublease of the Leased Premises by the Lessor to the Lessee.

City of Columbia
("City")

By: (see attached signature) Date: 7/29/21
Printed Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

Sheela Amin, City Clerk

Nancy Thompson, City Counselor/MDB

EXHIBIT A
TO SUBLEASE

Airport Lease

[to be attached]

AN AGREEMENT FOR GROUND LEASE BY THE
FIXED BASE OPERATORS AT THE COLUMBIA REGIONAL AIRPORT

THIS LEASE entered into 24th day of September, 1980,
between the City of Columbia, Missouri "Lessor" and Central Missouri Aviation, Inc.,
and Terry Rackers, Bill Ward and George Perry, "Lessees":

ARTICLE I
(Hangar)

The City does hereby lease to Central Missouri Aviation, Inc. for its exclusive use as a fixed base operator and for no other use except as agreed to by the City under provisions set forth herein, a tract of land upon the Columbia Regional Airport consisting of 60,000 square feet more or less lying north of the FAA/ESSA Building and more particularly described in Exhibit "A" attached hereto and made a part hereof by reference, and the building and hangar facilities thereon, for a term of twenty-five (25) years from and after the date of this Agreement, subject only to the termination provisions herein provided. The rent for the above-described property shall be paid monthly in advance on the 15th of each month in the following amounts:

\$1,917 per month for each month of the five-year period
beginning June 15, 1977;

\$2,393 per month for each month of the five-year period
beginning June 15, 1982;

\$2,750 per month for each month of the five-year period
beginning June 15, 1987;

\$3,167 per month for each month of the five-year period
beginning June 15, 1992.

On June 16, 1997, and for each succeeding three-year period of this Agreement, the last applicable monthly rental payment will be adjusted by the percentage change in the consumer price index for the preceding three-year period. Such adjustment shall not exceed 15% of the then current rental payments.

ARTICLE II
(Options)

Lessor shall have three five-year options to renew this Agreement in writing prior to the expiration of the lease or respective option term, with the rental to be negotiated based on then current economic conditions and values. If parties cannot mutually agree an appraiser will be selected from a list of ten recognized commercial appraisers with five names from each party. Each party will alternately strike names from the list. Lessee will strike the first name. The cost of such appraisal will be borne mutually by each party.

ARTICLE III
(Fuel Farm)

The City does hereby lease to Central Missouri Aviation, Inc., the immediate area in which the fixed base operator fuel tanks are located, for use as a part of its fixed base operations to locate and maintain said fuel tanks for the period of this lease, subject to the termination provisions provided herein,

for the rent of \$167.00 per month payable monthly in advance. Lessee agrees to relocate said fuel tanks on request of City. In the event said fuel tanks must be relocated due to City's request, City agrees to provide a suitable area to relocate said fuel tanks on the same terms and conditions as the present location and to pay 50% of such relocation expense (50% of the local share if matching funds are available) or 50% of the depreciated value of the fuel farm, whichever is less. The depreciated value of the fuel farm shall be computed based on a value of the fuel farm of \$10,000 on the date of this Agreement with straight line depreciation over a ten-year period, said period to begin on the date of this Agreement.

Lessee agrees that it will be solely responsible for maintenance of the fuel farm and will bear the total expense of replacement or relocation of the fuel farm which is not made at City's request. Lessee agrees that said fuel tanks will be Lessee's property during the period of this lease but will revert to City on termination or cancellation of this Agreement.

ARTICLE IV (Improvements)

The Lessee may make improvements to the demised premises as agreed upon by the City. Lessee shall submit plans, specifications, and the estimated cost of all requested improvements to the City for its approval. The City agrees to reimburse Lessee for all improvements made by Lessee which are agreed to by City. The City may reimburse said improvement cost to Lessee over a three-year period without interest by reduction in Lessee's rental payments under this Agreement. On completion of reimbursement by City to Lessee for said improvements the annual rental due under Paragraph I of this Agreement will automatically increase in an amount equal to 12% of the cost of the improvement.

ARTICLE V (Similar Agreements)

The City further agrees that it will not lease land or enter into any fixed base operator agreement providing for the rendition of any services provided for in this Agreement with any other person, firm or corporation during the life of this Agreement under any terms and conditions more favorable to said fixed base operator than the terms and conditions of this Agreement. This provision does not mean that the terms and conditions of all future leases and agreements with other fixed base operators must be identical to the terms and conditions of this Agreement but rather that terms and conditions of such future leases and agreements will be based on needs of said other fixed base operators.

ARTICLE VI (Fixed Base Operator Services)

On execution of this Agreement and continuously during the term of the Agreement, except for periods of war, national emergency, strike, action of government, or as a result of damaging fire, flood, windstorm or other condition beyond the control of Lessee, Lessee covenants and agrees to furnish or cause to be furnished at the Columbia Regional Airport the following general aviation services:

- A. Hangar storage for general aviation aircraft and tie down services on aprons and other areas as may be designated by the City, Lessee to provide ropes and be responsible for maintaining and supervising tie downs;
- B. Adequate ramp service for general aviation aircraft users utilizing qualified personnel who shall be on duty at all times, unless otherwise agreed to by Lessee and City's Airport Manager;
- C. Operation of a FAA approved flight school; including ground instruction for primary, commercial, instrument and instructor classes for pilots;
- D. Sale of new and used aircraft, aircraft air frames, power plants, propellers, electronic equipment, aircraft instrument and aircraft accessories;
- E. Sale of aviation fuel, oils, and lubricants of those kinds and types commonly or customarily sold to general aviation aircraft users;
- F. FAA approved maintenance, repair, servicing and inspection of general aviation aircraft, air frames, power plants, propellers, electronic equipment and aircraft accessories; in the case of specialized equipment which cannot be serviced on site, Lessee will arrange or help arrange for repairs;
- G. Maintain an adequate inventory and lines of credit necessary to assume the ready availability of aircraft parts and accessories necessary to maintain, repair and service general aviation aircraft;
- H. Terminal service for transient general aviation aircraft and for non-scheduled commercial aircraft;
- I. Rental of aircraft to qualified pilots; and
- J. Operation of non-scheduled and charter transportation of passengers and air freight.

It is further understood and agreed that if the City finds that as a result of the change in technology or applicable aircraft regulations, the provisions of any of the foregoing services has become obsolete they shall allow Lessee on request to discontinue its provision and in the event of a disagreement between the parties as to the occurrence of this event, the decision of Chief FAA officials of the area in which the Columbia Regional Airport is located shall be determinative of the occurrence or nonoccurrence.

ARTICLE VII
(Quality of Services and Rates)

Lessee covenants and agrees to continuously offer the above services and facilities, subject only to the limitations specified, in an efficient and business-like manner; at all times promoting the best interest of the City, the Regional Airport and general aviation. Lessee further covenants and agrees to establish rates and prices for its services which are competitive with the prices and rates charged by fixed base operators for similar services and facilities at airports of comparable size and location. Any violation of these provisions shall be grounds for termination under the provisions of this Agreement.

ARTICLE VIII
(License Fee)

In addition to the rent set forth in Paragraphs I and II, Lessee agrees to pay to City for the use of the premises leased to it hereunder and for the rights and privileges herein granted by City to Lessee a license fee equal to the sum of the following:

<u>Service or Activity</u>	<u>License Fee for Activity</u>
A. Inside hangar storage of aircraft	3.75% of gross receipts
B. Tie down rental on apron	60% of gross receipts
C. The number of gallons of aviation fuel delivered	1.3¢ per gallon through June 15, 1982*
D. Sale of parts when individual part has retail price not in excess of \$5,000	3% of gross receipts
E. Sale of parts when individual part has retail price in excess of \$5,000	1% of gross receipts
F. Flight School including ground instruction	3% of gross receipts
G. Aircraft service, repair and maintenance	5% of gross receipts
H. Aircraft sales, rental and charter	0% of gross receipts
I. Miscellaneous, including sales of aircraft accessories and instruments, sales of aviation oils and lubricants, subleasing of the demised premises, and any and all sales, commissions or receipts from services or activities by the Lessee, whether or not such services or activities are a part of the Fixed Base Operations, at Columbia Regional Airport	5% of gross receipts

The term "gross receipts" wherever used in this Agreement mentioned, shall not include any tax paid or collection by Lessee upon or in relation to the transaction which results in such receipts, but shall include any and all other receipts of Lessee on account of or as a result of its services or activities at Columbia Regional Airport.

On or before the 15th day of each month Lessee shall provide City with a written statement reporting all gross receipts for the preceding calendar month. The statement shall aver as to the accuracy and completeness of the report of gross receipts and shall be signed by the Lessee.

On or before March 1 of each year, Lessee shall provide City with a written statement of the gross receipts of Lessee for the preceding calendar year, that is, the preceding 12-month period ending December 31st of the preceding year. The statement shall be signed by Lessee and shall be certified by a certified public accountant or notarized by a notary public. Payment for gross receipts for the prior calendar year which were previously unreported shall accompany this report.

*Thereafter, the amount for succeeding three-year periods shall be adjusted on the basis of changes in the Consumer Price Index provided that no such adjustment shall exceed 15% in any three-year period. The base for each adjustment shall be the last applicable rate.

Lessee agrees to make available to City the books and records of Lessee for purposes of inspection and audit. Such books and records shall be available on request.

All sums shall be paid or made by delivery to the Finance Director of the City of Columbia, Missouri, on or before the 15th day of each month, except for office rent which shall be paid in advance.

ARTICLE IX
(Utilities)

Lessee shall pay for all heat, utilities and janitorial services rendered to it. Lessee further agrees to maintain the interior and exterior portions of the hangar building and the leased premises in a manner reasonably satisfactory to the City, except that the City agrees to maintain the roof of the hangar building. City agrees to pay the cost of parts exceeding \$50.00 necessary, in City's opinion, to the repair of the heating or air conditioning systems. No costs of service will be borne by City. City agrees to bear the cost of replacement of the plumbing or sewer system when said replacement is necessary in City's opinion.

ARTICLE X
(Nonassignability)

The City and Lessee agree that Lessee shall not or will not at any time during the term of this Agreement, or any extension thereof, in any manner either directly or indirectly, assign, hypothecate or transfer this Agreement or any interest therein, without the written consent of the City. Lessee may sublease the herein described premises subject to written approval of the City. Any sublease approved by the City must be terminated if in the City's opinion it substantially interferes with the provision of fixed base operations or interferes or conflicts with activities at the Columbia Regional Airport.

ARTICLE XI
(Use)

Lessee agrees to use the herein demised premises exclusively as a fixed base operator and for no other use except as agreed to in writing by City. Any use of the demised premises for purposes other than the provision of fixed base operations shall be subject to written approval by the City as to such use and the percent of gross receipts to be paid by Lessee to City for said use. Any such use agreed to by City must be terminated if in the City's opinion said use substantially interferes with the provision of fixed base operations or interferes or conflicts with activities at the Columbia Regional Airport.

ARTICLE XII
(Records)

Lessee agrees to operate the business of a Fixed Base Operator at Columbia Regional Airport separate and independent from any other business or activities of Lessee. Lessee agrees to keep separate records and books of account on its operations at the Columbia Regional Airport. Lessee agrees that it will not transfer or direct customers or business at Columbia Regional Airport to another competing business owned by Lessee.

ARTICLE XIII
(Insurance and Indemnity)

Lessee shall procure, carry and pay the premiums for public liability insurance covering all parts of the demised premises and written in the name of and protecting both the City and Lessee against loss, property damage or injury to persons due to any operations carried on by Lessee in the conduct of its business as fixed base operator.

The policy limits of such insurance shall be a minimum of one million dollars (\$1,000,000) for all occurrences. Lessee shall also carry adequate workmen's compensation insurance and shall maintain insurance protecting third persons and City against risks of extended coverage to aircraft and other personal property of third persons stored, placed or otherwise lawfully located in any building or area of said public airport within the control, occupancy or possession of said Lessee and protecting City and such third persons in the event of any negligent or wrongful act or omission by Lessee or any of its agents, servants or employees in the performance of any operations by Lessee upon said airport. Certificates of all insurance carried by Lessee shall be delivered to the City together with the receipts from time to time showing payment of the premiums thereon.

Lessee specifically agrees to hold City free and harmless from loss and from each and every claim and demand of whatsoever nature made on behalf of or by any person or persons, firm, partnership, corporation or otherwise for any wrongful act or omission on the part of Lessee, its agents, servants and/or employees and from all loss and damage by reason of such acts or omissions, this to include any operations by Lessee upon the airport, and including, but not being limited to tie-down, the conduct of charter flight service, conduct of flight schools, custom crop spraying, crop seeding, insect control programs, aerial farm survey programs, and aerial commercial advertising programs of all types.

Lessee agrees to bear, pay and discharge when and as the same become due and payable, all judgments and lawful claims for damage or otherwise, including fines resulting from violation of FAA security regulations, against said City arising from Lessee's occupancy of the leased premises and will assume the burden and expense of defending all such suits, or prosecutions whether brought before or after the expiration of this Agreement and will protect, indemnify and save harmless the said City and leased premises from all such claims for damages or otherwise, either to persons or property by reason of, or on account of, Lessee's use or occupancy of said demised premises or for any failure on Lessee's part to comply with the statutes and ordinances of any governmental body or agency, either Federal, State or Municipal, wherein the demised premises are situated. City agrees to carry fire insurance on the herein described premises.

ARTICLE XIV
(Cancellation)

The City and Lessee further agree that in the event of the failure of Lessee to comply fully with the terms of this Agreement, including full and complete payment of all rents and license fees when due and settlement of all accounts at the regular accounting period or Lessee's failure to diligently and faithfully perform the terms of this Agreement to the end that the operations hereunder shall

be operated efficiently and properly, shall constitute grounds for the cancellation and termination of the rights of Lessee by the City, at its option, without further legal proceedings. Provided, however, before so cancelling and terminating this Agreement, the City shall give a written notice to Lessee at its office at the Airport specifying the particulars in which Lessee has failed to comply with the terms of this Agreement and shall extend to Lessee a reasonable time, but not less than thirty days, in which to correct the objections made as grounds for cancellation and termination.

In the event the City shall fail or refuse to comply fully with the terms of this Agreement, or in the event the City should enter into an agreement with the United States Government, during a time of war or national emergency, for the military or naval use of part or all of the landing area, the publicly owned air navigation facilities and/or other areas or facilities of the airport, whereby provisions of this Agreement may be suspended, Lessee shall have the same rights, and subject to the same conditions, to terminate and cancel this Agreement.

In the event the hangar building leased under this Agreement should be substantially damaged by fire or other casualty or taken by public authority by the exercise or threat of the exercise of eminent domain or other cause making the same untenable, City may, at its option, repair, rebuild or terminate and cancel this Agreement.

ARTICLE XV
(Miscellaneous)

The City and Lessee further mutually agree as follows:

1. 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 nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
2. 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.
3. City reserves the right (but shall not be obligated to Lessee) to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard.
4. City reserves the right further to develop or improve the landing area and all publicly owned air navigation facilities of the airport as it sees fit, regardless of the desires or views of Lessee, and without interference or hindrance.
5. City reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected, any building or other structure on the airport which in the opinion of the City would limit the usefulness of the airport or constitute a hazard to aircraft.

6. During time of war or national emergency the City shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly owned air navigation facilities and/or other areas or facilities of the airport. If any such agreement is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the agreement with the Government, shall be suspended.
7. This Agreement shall be subordinate to the provisions of any outstanding agreement between the City and the United States relative to the maintenance, operation or development of the airport.
8. Lessee will not, on the grounds of race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 21 of Regulations of the Office of the Secretary of the Transportation Department. The City reserves the right to take such action as the United States Government may direct to enforce this covenant.
9. It is understood and agreed that the rights granted by this Agreement will not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the airport.
10. There is hereby reserved to the City of Columbia, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the air space above the surface of the premises herein demised together with the right to cause in said air space such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said air space or landing at, taking off from or operating on or about the Regional Airport.
11. Lessee agrees to abide by all FAA rules and regulations including security regulations.

Nothing herein contained or the failure on the part of the City, or its officers, employees or agents, to strictly enforce either or any of the terms or provisions hereof, or the acceptance of rent or license fees, shall operate or be deemed as a waiver by the City of any such terms or provisions of any part of this Agreement or of any rights, which may accrue to the City by reason of the failure or neglect of Lessee strictly to comply with each and every one of the terms and provisions hereof, on Lessee's part to be kept, observed or performed, and time shall be of the essence of this Agreement.

This Agreement shall be binding on said parties, their successors and assigns.

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. This lease agreement shall supersede all prior leases and agreements between the parties hereto relating to the premises demised herein, and all such prior leases or agreements shall be null and void.

CENTRAL MISSOURI AVIATION, INC.

By *[Signature]*
Sec. + Treas.

ATTEST:

and

Secretary

CITY OF COLUMBIA

By *Raymond A Beck*
ACTING CITY MANAGER

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
City Counselor

EXHIBIT B
TO SUBLEASE

Leased Premises

Lessor, as tenant pursuant to an Agreement for Ground Lease by the Fixed Base Operators, dated Sept 24, 1980 with the City of Columbia, Missouri presently leases the Premises described a steel frame hangar of 14,400 square feet and attached office space of 9,000 square feet. The premises is located at the Columbia, Missouri airport with an address of 11200 S. Airport Dr. Columbia, Missouri 65201

Lessee desires enter into an exclusive lease agreement for the steel frame hangar and its 14,400 square feet of space located in the Premises.

Lessee also desires to lease 4,375 +/- square feet in the attached office space consisting of a library and break room, a general shop area, a sheet metal shop, an avionics shop and general office also located in the Premises

The combined area would encompass 18,775 +/- square feet.

The Leased Premises would have an address of 11200 S. Airport Dr Columbia, Missouri 65201