

STATE OF TEXAS §
 §
 COUNTY OF DALLAS §

ADDISON AIRPORT ACCESS PERMIT
 (Permit No. 7500-____)

THIS Addison Airport Access Permit ("Permit") is issued by the Town of Addison, Texas (the "City") to _____ ("Off-Airport User"), effective as of the Effective Date as set forth herein.

Off-Airport User Contact Information And Other Salient Terms:

Name of Off-Airport User:	
Off-Airport Property Physical Address:	
Off-Airport Legal Address:	
Off-Airport User's Notice Address: <i>(If different from the Off-Airport Property Address)</i>	
Off-Airport User's Telephone Number:	
Off-Airport User's Fax Number:	
Off-Airport User's E-Mail Address:	
Off-Airport User's Stated Use:	
Gross Land Area: <i>(for Commercial Aviation Use only)</i>	
Access Fee Amount <i>(for Initial Term):</i>	
Date Aeronautical Operations May Commence:	

WITNESSETH:

WHEREAS, the City is the owner of the Addison Airport (the "Airport"); and

WHEREAS, the Airport is operated and managed for the City by URS Energy & Construction, Inc. an Ohio corporation and SAMI Management, Inc. a Texas corporation ("Airport Manager") pursuant to their respective management agreements each effective October 1, 2010 by and between the City and Airport Manager, and such Airport management may be changed by the City from time to time; and

WHEREAS, Off-Airport User is the sole, fee simple owner of certain real property described and depicted in Exhibit A attached hereto and incorporated herein (the "Off-Airport Property"), which property has a common boundary with the Airport or with an Access Taxiway (as defined in Chapter 14, Article III, Division 3 of the City's Code of Ordinances, adopted by Ordinance No. 006-054 of the City (the said Chapter 14, Article III, Division 3 of the City's Code of

Ordinances, and as the same as may be amended or superseded, being referred to herein as the "Access Ordinance"; and

WHEREAS, Off-Airport User uses or intends to use the Off-Airport Property for one of the following (the "Stated Use"):

Check only one:

Commercial Aviation Use (as defined in the Access Ordinance)

Recreational/Incidental Business Use (as defined in the Access Ordinance)

and, in accordance with the Access Ordinance, has applied for a permit to access the Airport Public Area (as defined in the Access Ordinance) from the Off-Airport Property in connection with such use.

NOW, THEREFORE, for and in consideration of the premises and mutual promises and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, the parties hereto agree as follows:

1. **Incorporation of Premises**. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

2. **Definitions**. For the purposes of this Permit, the following words and terms shall have the same meanings as those terms defined in the Access Ordinance: "Access Taxiway", "Aircraft Owner", "Airport", "Airport Public Area", "Adjusted Airport Public Area Maintenance Rate", "Access Fee", "City", "City Manager", "Commercial Aviation Use", "Commercial Aviation Use Access Fee Formula", "Off-Airport Access", "Recreational/Incidental Business Use", "initial term", "modified renewal term", "Airport Master Plan" and "Minimum Standards for the Conduct of Commercial Aeronautical Activities" (in the case of a commercial aviation use).

3. **Access**. Subject to the terms and conditions contained in this Permit, Off-Airport User is hereby permitted to access and use, solely from the Off-Airport Property, the Airport Public Area for aviation purposes. Off-Airport User's access to and use of the Airport Public Area shall be in accordance with and shall at all times conform to and comply with all of the terms and conditions of this Permit, the Airport Master Plan (as applicable), and all applicable laws, ordinances, rules, codes, standards, guidelines, policies, regulations, grant assurances and grant agreements whether in effect as of the Effective Date or as may be hereafter adopted, modified, or amended, whether federal, state or local (including, without limitation, the Access Ordinance and the Airport Master Plan, and any and all rules or regulations of the Federal Aviation Administration (FAA) and the Texas Department of Transportation (TxDOT), or any successor entities thereto), with any and all requirements, conditions, policies, permits, standards, rules, or directives in connection with or which are a part of any Airport grant or funding or any grant agreements or grant assurances (whether in effect as of the Effective Date or as hereafter agreed to, adopted, issued, modified, established, or imposed), and with aircraft weight standards and limitations established at the Airport.

4. Access from Off-Airport Property Only. No use of or access to the Airport shall be permitted pursuant to this Permit except that which originates from the Off-Airport Property as depicted and described in Exhibit A attached hereto and incorporated herein.

5. Term.

A. *Initial Term.* The term of this Permit shall commence on that certain date given evidenced by the Airport Director's written "Notice to Commence Off-Airport Aeronautical Operations" delivered by the Airport Director as provided for herein, which shall be withheld at his sole discretion until and not before each of the following has been satisfied:

- (1) the Access Fee for the Initial Term has been paid as required herein;
- (2) receipt and acceptance of the Off-Airport User's Registration of Aircraft required under Section 10 below;
- (3) receipt by Airport Director of all valid certificates of insurance and respective endorsements required under Section 15 below; and
- (4) the Off-Airport User has demonstrated the need to access the Airport from the Off-Airport Property for aeronautical purposes pursuant to the terms and conditions of this Permit;

Or, as otherwise first set forth above as the "Date Aeronautical Operations May Commence" and, unless otherwise earlier terminated as provided for herein, this Permit shall continue in effect for a period of ten (10) years from the Date Aeronautical Operations May Commence (the "Initial Term").

B. *Renewals and Extensions of this Permit.*

At the end of the Initial Term, provided there is not then an uncured default of this Permit by Off-Airport User, this Permit shall be automatically renewed without further action of either the City or the Off-Airport User for an additional period of five (5) years (the "Renewal Term").

At the City's sole discretion, this Permit may be continued or extended beyond the Renewal Term to a maximum of twenty-five (25) years (the "Modified Renewal Term") provided:

- (1) the City anticipates it will still own and control the airport during the Modified Renewal Term;
- (2) any continuation of the Permit is consistent with the City's and/or Airport's purposes and objectives;
- (3) where no more than fifteen (15) years remain under the prevailing Term and such renewal or extension does not exceed any duration of term authorized by law;
- (4) that at the time of such continuance of this Permit, the Off-Airport User is not in default of the Permit;
- (5) any extension or continuance of this Permit shall be made in compliance and accordance with the terms, conditions, and standards set forth in the Code of Ordinances of the City, the Airport Master Plan, as applicable, and applicable laws, ordinances, rules, standards, codes, guidelines, policies, regulations, grant assurances

and grant agreements as the same may be amended or modified in whole or in part from time to time, as they pertain to this Permit.

C. Off-Airport User hereby acknowledges and agrees that Off-Airport User has no right(s) to use the Airport from the Off-Airport Property except as expressly set forth herein and that unless this Permit is extended by the written mutual agreement of the parties, all such rights shall terminate as of the expiration or termination of this Permit.

6. Access Fee.

As consideration for Off-Airport Access to the Airport Public Area from the Off-Airport Property as set forth herein, Off-Airport User agrees to pay to the City an annual fee (the "Access Fee") as follows:

A. If the Stated Use of the Off-Airport Property as set forth above is a **Recreational/Incidental Business Use:**

- (1) The Access Fee during the Initial Term shall be the prevailing rate or amount determined by the City on or about the Date Aeronautical Operations May Commence for a Recreational/Incidental Business Use pursuant to the Access Ordinance. The Access Fee for the Initial Term is subject to the consumer price index adjustment as set forth in subsection E. of this Section ("CPI Adjustment").
- (2) At the beginning of any Renewal or Modified Renewal Term, the annual Access Fee shall be adjusted so that it equals the then current Access Fee for a Recreational/Incidental Business Use as determined by the City from time to time in accordance with the Access Ordinance, which Access Fee is subject during the Modified Renewal Term to the CPI Adjustment as set forth herein.

B. If the Stated Use of the Off Airport Property as set forth above is a **Commercial Aviation Use:**

- (1) The Access Fee shall be determined by using and applying the Commercial Aviation Use Access Fee Formula, as follows:

$$\begin{aligned} & \text{Adjusted Airport Public Area Maintenance Rate (then current)} \\ & \qquad \qquad \qquad \times (\text{times}) \\ & \text{Off-Airport Property (gross land area in square feet)} \\ & \qquad \qquad \qquad = (\text{equals}) \\ & \text{Access Fee} \end{aligned}$$

- (2) The Access Fee for the Initial Term shall be the prevailing rate or amount determined by the City on or about the Date Aeronautical Operations May Commence for Commercial Aviation Use. At the beginning of each Modified Renewal Term, the Access Fee shall be adjusted and determined by using and applying the Commercial Aviation Use Access Fee Formula

- (3) The Access Fee for the Initial Term and each Modified Renewal Term is subject to a CPI Adjustment as set forth herein.
- (4) If the Off-Airport Property's gross square footage is modified in accordance with law, the Off-Airport User owning the Off-Airport Property shall promptly give written notice thereof to the City. Upon such notice and confirmation of such modification by the City, the Access Permit shall be amended to reflect the modified land area and applicable Access Fee, and a pro-rata adjustment to the Access Fee shall be made as appropriate.

C. The annual Access Fee shall be paid by personal or corporate check or money order (cash cannot be accepted) in advance by Off-Airport User, made payable to the Town of Addison in care of the Airport Manager at the address set forth below. Payments of the Access Fee shall be made:

- (1) in a lump sum (on or before January 1 of each year) if the annual Access Fee is less than \$5,000.00; or
- (2) no more frequently than semi-annually (on January 1 and July 1 of each year) in two (2) equal installments (each such installment being equal to 1/2 of the full annual Access Fee) if the annual Access Fee is \$5,000.00 or more

D. If the Effective Date is other than January 1, the Access Fee payment shall be a ratable amount of the Access Fee for the first year (or one-half of the first year, if semi-annual payments are applicable) of this Permit determined by multiplying such Access Fee times a fraction, the numerator of which is the number of days remaining in the calendar year (or one-half of the calendar year, if semi-annual payments are applicable) of the Effective Date and the denominator of which is 365 (or 183, if semi-annual payments are applicable). In the final year of this Permit, the final Access Fee payment shall be a ratable amount of the then current annual Access Fee times a fraction, the numerator of which is the number of days remaining for this Permit in the final calendar year (or one-half of the calendar year, if semi-annual payments are applicable) and the denominator of which is 365 (or 183, if semi-annual payments are applicable).

E. Periodic Adjustment to the Access Fee Adjustment. Periodically the Access Fee is to be adjusted as follows:

- (1) Mid-term Access Fee Adjustment: Commencing on the second January 1 next following (i) the Effective Date or (ii) the then applicable Renewal Date, as the case may be, and on January 1 every two years thereafter (hereinafter referred to as the "Adjustment Date"), the annual Access Fee shall be adjusted to reflect changes in the Consumers' Price Index - All Items for Dallas, Texas Metropolitan Area (hereinafter referred to as the "Consumer Price Index"), as quoted in the publication *Consumer Price Index for All Urban Consumers (CPI-U)* for the Dallas-Fort Worth Consolidated Metropolitan Statistical Area which is issued by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI Adjustment"). For purposes hereof, the basic index ("Basic Index") is the Consumer Price Index existing on January 1 of the year of the Effective Date or of the then applicable Renewal Date, as the case may be. The current index ("Current Index") is the most current Consumer Price Index already published by the U.S. Department of Labor, Bureau of Labor Statistics as of the then applicable Adjustment Date. The adjustment is made as follows:

Beginning with the calendar year of the then applicable Adjustment Date, the Access Fee shall be adjusted so that it equals the product of the Access Fee multiplied by a fraction, the numerator of which is the Current Index and the denominator of which is the Basic Index, but in no event shall the Access Fee ever be decreased below the initial amount of the Access Fee for the Initial Term or Modified Renewal Term, as applicable.

In the event that the Consumer Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Consumer Price Index as closely as feasible (as reasonably determined by the City) shall be substituted therefore.

(2) Access Fee adjustment at beginning of the Modified Renewal Term or any other renewal or extension: At the beginning of the Modified Renewal Term or any other renewal or extension to the Term of this Permit, the Access Fee shall be re-established to the prevailing rate as determined in accordance with sub-paragraph A(2) or, sub-paragraph B of this Paragraph 6 (depending upon the permitted or Stated Use of the Off-Airport Property). Thereafter the Access Fee continues to be subject to bi-annual adjustments as set forth in subsection E.(1) of this Section 6.

F. If the Stated Use of the Off-Airport Property is a Commercial Aviation Use, and if the same is changed to a Recreational/Incidental Business Use, Off-Airport User shall report the same in writing to the Airport Manager, and the Airport Manager shall investigate the report; if the Airport Manager concludes that such use has in fact changed, this Permit shall be amended to reflect the change in use and the modification of the Access Fee, if any, and a pro-rata adjustment to the Access Fee for the year of such change shall be made as appropriate.

If the Stated Use of the Off-Airport Property is a Recreational/Incidental Business Use, and if the Off-Airport User desires to change the same to a Commercial Aviation Use, the Off-Airport User shall submit a written request to the Airport Manager, which request shall be considered and processed in accordance with and as provided for in the Access Ordinance. If the City approves the requested change, this Permit shall be amended to reflect the change in use and an adjustment to the Access Fee, and a pro-rata adjustment to the Access Fee for the year of such change shall be made as appropriate.

7. Use of Off-Airport Property and Airport.

A. The use of the Off-Airport Property and the Airport shall be in accordance with and subject to the terms, conditions, and provisions of this Permit and with and subject to all ordinances (including, without limitation, the Access Ordinance), laws, rules, orders, directives, regulations, standards, plans, policies and permits of the City, the FAA, TxDOT, and any government (whether federal, state, or local) entity, agency, department, commission or board having jurisdiction over, at, or in connection with the Airport, as the same may exist on the Effective Date or as may hereafter be amended, modified, superseded, established, created, or enacted.

B. Off-Airport User shall not keep anything on or within the Off-Airport Property, nor shall Off-Airport User permit any portion of the Off-Airport Property to be occupied or used, for any purpose in violation of any applicable law, rule, permit, policy, standard, order, or regulation, or

which is deemed by the City to be extra-hazardous, or which increases the insurance premium costs or invalidates any insurance policies carried on or at the Airport by the City or the Airport Manager.

8. Assignment. Off-Airport User shall not, and has no authority or right to, sell, assign, sublet, pledge, convey, or otherwise transfer (together, "assign" or "Assignment"), by any means whatsoever, this Permit or any of its rights, duties, or obligations hereunder, without the prior written consent of the City, which consent shall not be unreasonably withheld, and not to be withheld on the basis of a lawful use of the Off-Airport Property existing as of July 10, 2007. Any such Assignment without the prior written approval of the City is void. In the event of any Assignment, Off-Airport User shall not convey any of such rights, duties or obligations hereunder without first obtaining a written agreement from each person or party to whom an Assignment is made whereby each such person or party agrees to be bound by the terms and provisions of this Permit, and a true and correct copy of such agreement shall be provided to the City. Any such person or party to whom an Assignment is made shall be required to comply with all of the terms and conditions of this Permit.

9. Fuel.

A. The sale of fuel for aviation or other purposes and activities in connection therewith on, from, or in connection with the use of the Off-Airport Property is prohibited, and the sale of fuel for aviation purposes shall occur only on the Airport. No business offering to the general public the sale of fuel shall operate on the Off-Airport Property. No person, including an Off-Airport User, shall be permitted or allowed to self-fuel or sell fuel (whether on or off the Airport) for aviation or any other purpose at or in connection with the Off-Airport Property. No automotive or aviation fuel or other volatile gases or liquids of any kind shall be delivered to, stored upon or sold or conveyed from the Off-Airport Property, or any part thereof, or sold for use in any aircraft, automobile or other equipment operated from or on the Off-Airport Property. Notwithstanding the above, a person or entity authorized by the City to sell fuel at Addison Airport to the public may be permitted to sell fuel and dispense such fuel solely into aircraft located on the Off-Airport Property.

B. Off-Airport User shall not install, store, use, treat, transport, discharge or dispose (or permit or acquiesce in the installation, storage, use, treatment, transportation, discharge or disposal by Off-Airport User, its agents, employees, invitees, independent contractors, or subtenants) on the Airport any chemical, material, air pollutant, toxic pollutant, waste, or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by any federal, state, county, regional, local or other governmental authority, laws, rules or regulation, or which, even if not so regulated may or could pose a hazard to the health and safety of the occupants or users of the Airport or the public ("Hazardous Materials"). Off-Airport User shall comply in all respects and at all times with any and all environmental laws, rules, regulations and/or policies (whether federal, state or local) affecting or applicable to the Off-Airport Property, and shall provide as often as may be required by the City (and in accordance with any applicable requirements) a storm water retention plan with respect to the Off-Airport Property and comply at all times with such plan.

10. Aircraft; Noise Abatement; Inspection of Off-Airport Property. Off-Airport User, simultaneously with the execution of this Permit, shall provide to the Airport Manager the following information regarding any aircraft (whether belonging to Off-Airport User or otherwise) stored or located on the Off-Airport Property:

- aircraft owner and owner's mailing address,
- the lessee of the aircraft and lessee's address (if any), and
- the make, model, aircraft type and "N" number,

and such information shall be kept current at all times. Off-Airport User shall comply with noise abatement standards at the Airport and shall notify any aircraft operator using the Off-Airport Property of such standards. For ad valorem tax purposes and as may be required by law, any aircraft stored on the Off-Airport Property shall be reported to the appropriate governmental authority. The City shall have the right to enter the Off-Airport Property from time to time to inspect the same for conformance with this Permit, for ongoing airport security required under Section 14-103 of the Access Ordinance, or to perform other regulatory requirements.

11. Contiguous Property. Property located adjacent and contiguous to the Off-Airport Property in which Off-Airport User has an interest shall not be used in conjunction or in connection with the Off-Airport Property so as to constitute a violation of the terms hereof. By way of example, no aviation fuel shall be stored upon any such property for the purpose of using such fuel for aircraft located or stored upon the Off-Airport Property.

12. Airport Use; Compliance with Laws, Grant Agreements.

A. No use of the Airport shall be permitted pursuant to this Permit except as specifically set forth in this Permit. Off-Airport User agrees and obligates itself to abide by, and this Permit is subject to, all of the ordinances, laws, rules, orders, regulations, standards, directives, and policies covering the operation and use of the Airport, including, but not limited to, such ordinances, laws, rules, orders, regulations, standards, directives, and policies as have been or may be promulgated or adopted by the City (including, without limitation, the Access Ordinance), the FAA, TxDOT, or by any other governmental authority having jurisdiction over or in connection with the Airport now or hereafter.

B. This Permit is and shall be subject to and conform and comply with any and all requirements, conditions, policies, standards, rules, or directives in connection with or which are a part of any Airport grant or funding, or any grant agreements or grant assurances (whether in effect as of the Effective Date or as hereafter agreed to, adopted, issued, modified, established, or imposed).

C. THIS PERMIT IS AND SHALL BE SUBJECT TO THE INITIAL AND ONGOING CONSENT AND OVERSIGHT OF THE FAA, TXDOT, AND ANY OTHER GOVERNMENT ENTITY, QUASI-GOVERNMENT ENTITY, OR REGULATORY AUTHORITY OR AGENCY HAVING JURISDICTION OVER THE AIRPORT AS MAY BE REQUIRED OR AS DETERMINED TO BE NECESSARY BY THE CITY IN THE CITY'S SOLE DISCRETION. IF ANY SUCH ENTITY OR REGULATORY AGENCY FORMALLY OBJECTS TO THIS PERMIT OR ITS CONTINUANCE, THIS PERMIT SHALL BE NULL AND VOID AND OFF-AIRPORT USER SHALL HAVE NO RIGHT TO ACCESS THE AIRPORT AS SET FORTH HEREIN.

13. Construction, Reconstruction. During any period of construction on the Off-Airport Property (whether new construction or reconstruction in the event any improvement located on the Off-Airport Property is damaged or destroyed), the Airport Manager may require that the Off-Airport User erect a fence or other barrier on the Off-Airport Property to prevent unauthorized access to the Airport from that area under construction or reconstruction.

14. Termination; Reinstatement; Additional Remedies.

A. Off-Airport User may terminate this Permit upon giving the City at least thirty (30) days advance written notice of its desire and intent to terminate the Permit. Such written notice shall (1) set forth a specific effective date when all aviation operations on the Off-Airport Property will cease, and (2) provide a forwarding address where any prepaid but unearned Access Fee amounts may be refunded. Upon the termination of this Permit under this sub-section, the City may, at its sole discretion, erect or place a fence or other barrier to prevent unauthorized access to the Airport from the Off-Airport Property.

B. The Airport Director may, in his or her sole discretion, terminate, cancel and revoke this Permit upon the occurrence of any one or more of the following (which shall be events of default of this Permit):

- (1) Off-Airport User fails to pay the applicable fee, or fails to comply with any provision of the Access Permit and any applicable laws, rules, codes, standards, regulations, policies or permits; and including, without limitation, fails to comply with the Minimum Standards for the Conduct of Commercial Aeronautical Activities (applicable to commercial aviation use); or
- (2) Off-airport user fails to pay prior to delinquency the lawfully assessed and levied city ad valorem taxes on the applicable off-airport property; or
- (3) Off-airport user fails to use or discontinues the use of the off-airport property that is the subject of this Access Permit for Recreational/Incidental Business Use or Commercial Aviation use as described in this Access Permit.
- (4) if Off-Airport User fails to maintain and keep in full force and effect any insurance required hereunder; or
- (5) if Off-Airport User or any guarantor of Off-Airport User's obligations hereunder shall file a petition or be adjudged bankrupt or insolvent under any applicable federal or state bankruptcy or insolvency law or admit that it cannot meet its financial obligations as they become due, or a receiver or trustee shall be appointed for all or substantially all of the assets of Off-Airport User or any guarantor of Off-Airport User's obligations hereunder and the same is not dismissed within sixty (60) days; or
- (6) if Off-Airport User or any guarantor of Off-Airport User's obligations hereunder shall make a transfer in fraud of creditors or shall make an assignment for the benefit of creditors; or

- (7) if Off-Airport User shall do or permit to be done any act which results in a lien being filed against any property at the Airport; or
- (8) upon the liquidation, termination, dissolution or (if Off-Airport User is a natural person) the death of Off-Airport User or any guarantor of Off-Airport User's obligations hereunder; or
- (9) if Off-Airport User (or any third party using the Off-Airport Property) fails to comply with any provision of this Permit, other than those specified in subparagraphs .(1) through .(6) of this subsection B., and such failure is not cured within 15 days after written notice thereof to Off-Airport User; or

C. The City shall not be liable to Off-Airport User for any damages of any kind or nature whatsoever which may occur as a result of any such termination, cancellation or revocation.

D. If the City terminates, cancels or revokes this Permit for any of reason set forth herein, the City may, at its sole discretion, erect or place a fence or other barrier to prevent unauthorized access to the Airport from the Off-Airport Property. Off-Airport User agrees to reimburse the City for all reasonable costs (including attorney's fees) incurred to collect any amounts due under this Permit or to erect and remove a fence or other barrier as described above.

E. If this Permit is terminated, canceled, or revoked, this Permit may be reinstated only after the Airport Manager has determined that sufficient extenuating circumstances exist to merit consideration for reinstatement and upon payment of any outstanding fees plus interest as may be required herein and/or the correction of any non-compliance. If a fence or other barrier prohibiting access to the Airport from the Off-Airport Property has been erected or placed by the City, Off-Airport User shall, as a condition precedent to obtaining access to the Airport, reimburse the City for all costs incurred by the City in erecting or placing and in removing the fence or other barrier.

F. In addition to the other remedies provided in this Permit, the City shall be entitled, to the extent permitted by applicable law, to injunctive relief in case of the violation or attempted or threatened violation, of any of the provisions of this Permit, or to a decree compelling performance of any other provisions of this Permit, or to any other remedy allowed at law, in equity, or otherwise.

G. The City shall have a continuing lien against the Off-Airport Property to secure payment of any delinquent annual Access Fee (or portion thereof), as well as interest thereon, late fees and costs of collection, including, without limitation, court costs and attorneys' fees as provided for in the Access Ordinance. Although no further action is required to create or perfect the lien, the City may, as further evidence and notice of the lien, execute and record a document setting forth, as to the Off-Airport Property, the existence of this Permit and the Access Ordinance, the lien, and the amount of any delinquent sums hereunder due the City. The terms and provisions of the Access Ordinance regarding the said lien are incorporated herein and made a part hereof.

H. Notwithstanding any other remedy or provision set forth in this Permit: (i) all rights and remedies of the City herein or existing at law, in equity, or otherwise are cumulative and the

exercise of one or more rights or remedies shall not be taken to exclude or waive the right to the exercise of any other; (ii) Off-Airport User agrees that acceptance of full or partial payments of the annual Access Fee by the City after notice of termination, cancellation or revocation will not constitute a waiver of any default unless the City agrees to a waiver in writing, nor affect any legal proceedings taken or to be taken by the City except to reduce Off-Airport User's obligation to the City by the amount of such payment; and (iii) waiver by the City of any default or breach of this Permit by Off-Airport User of any provision of this Permit shall not bar the City thereafter from requiring prompt performance by Off-Airport User of the obligations of this Permit, nor shall the City be barred thereafter from immediate exercise of any of the City's rights or remedies in case of continuing or subsequent default or breach by Off-Airport User.

15. Insurance. While this Permit is in effect and in connection with the matters set forth in this Permit, Off-Airport User shall maintain at Off-Airport User's sole cost and expense insurance as follows:

A. Hangarkeepers Legal Liability insurance, with minimum limits of \$1,000,000 per-occurrence is required if Off-Airport User is engaged in maintenance, repair, or servicing of aircraft belonging to a third-party, or if Off-Airport User is otherwise involved in any operation in which Off-Airport User has care, custody, or control of an aircraft that belongs to a third-party; and

B. Aircraft liability insurance against third party bodily injury or death and property damage or destruction at minimum limits required by regulatory agencies having jurisdiction at the Airport and which are acceptable to the City, but in any event not less than \$1,000,000 each occurrence (applies to the ownership, operation, use, maintenance, loading, or unloading of any owned aircraft owned by Off-Airport User and the operation, use, maintenance, loading, or unloading of any non-owned aircraft by Off-Airport User).

The above policies shall be endorsed to provide the following, as applicable: (i) in all liability policies, name as additional insureds the Town of Addison, Texas and Airport Manager and their respective officials, officers, employees, and agents; (ii) may maintain reasonable and customary deductibles acceptable to the Town of Addison, Texas; (iii) in all liability policies, provide that such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of activities conducted under the permit, and that insurance applies separately to each insured against whom claim is made or suit is brought; (iv) all liability policies shall contain no cross liability exclusions or insured versus insured restrictions; and (v) contain a waiver of subrogation in favor of the Town of Addison, Texas and Airport Manager in all liability policies.

All insurance policies shall be issued by an insurance company authorized to do business in Texas and satisfactory to the City and in the standard form approved by the Texas Department of Insurance, and shall be endorsed to provide for at least 30 days advance written notice to the City of a material change in, cancellation, or non-renewal of a policy. Certificates of insurance, satisfactory to the City, evidencing all coverage above, shall be furnished to the City not later than sixty (60) days after the Effective Date, with complete copies of policies furnished to the City upon the City's request. The City reserves the right in its sole discretion to review and revise from time to time the types of insurance and limits of liability required herein.

16. Indemnity; Non-Liability.

A. (1) OFF-AIRPORT USER AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE TOWN OF ADDISON, TEXAS AND WASHINGTON STAUBACH ADDISON AIRPORT VENTURE, AND THEIR RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES, AND AGENTS (IN BOTH THEIR OFFICIAL AND PRIVATE CAPACITIES) (TOGETHER, "INDEMNIFIED PERSON") FROM AND AGAINST ANY AND ALL SUITS, CLAIMS, ACTIONS, JUDGMENTS, LIABILITIES, LOSSES, PENALTIES, FINES, EXPENSES, FEES AND COSTS (INCLUDING ATTORNEY'S FEES AND OTHER COSTS OF DEFENSE), AND DAMAGES (TOGETHER, "DAMAGES") ARISING OUT OF OR IN CONNECTION WITH (A) OFF-AIRPORT USER'S PERFORMANCE OF THIS PERMIT, (B) THE USE OF THE OFF-AIRPORT PROPERTY AND THE AIRPORT IN CONNECTION WITH THIS PERMIT BY OFF-AIRPORT USER OR BY ANY OWNER, OFFICER, PARTNER, SHAREHOLDER, EMPLOYEE, AGENT, REPRESENTATIVE, CONTRACTOR, SUBCONTRACTOR, TENANT, SUBTENANT, LICENSEE, GUEST, INVITEE, OR CONCESSIONAIRE OF OFF-AIRPORT USER, OR ANY OTHER PERSON OR ENTITY FOR WHOM OFF-AIRPORT USER MAY BE LIABLE (TOGETHER, "OFF-AIRPORT USER PERSONS"), OR ANY OF THEM, (C) THE CONDUCT OF OFF-AIRPORT USER'S BUSINESS OR ANYTHING ELSE DONE OR PERMITTED BY OFF-AIRPORT USER (OR BY ANY OF OFF-AIRPORT USER PERSONS) TO BE DONE IN CONNECTION WITH OR RELATED TO THIS PERMIT, (D) ANY BREACH OR DEFAULT IN THE PERFORMANCE OF OFF-AIRPORT USER'S OBLIGATIONS UNDER THIS PERMIT, AND (E) WITHOUT LIMITING ANY OF THE FOREGOING, ANY NEGLIGENT ACT OR OMISSION OF OFF-AIRPORT USER OR OF ANY OF OFF-AIRPORT USER PERSONS UNDER, RELATED TO, OR IN CONNECTION WITH, THIS PERMIT, INCLUDING DAMAGES CAUSED BY AN THE NEGLIGENCE OF AN INDEMNIFIED PERSON.

(2) With respect to the Off-Airport User's indemnity obligation set forth in subsection (1), Off-Airport User shall have no duty to indemnify the Indemnified Person for any Damages caused by the sole negligence of Indemnified Person.

(3) If Indemnified Person suffers Damages arising out of or in connection with this Permit that are caused by the concurrent negligence of both the Off-Airport User and the Indemnified Person, the Off-Airport User's indemnity obligation set forth in subsection (1) will be limited to a fraction of the total Damages equivalent to the Off-Airport User's own percentage of responsibility.

(4) With respect to Off-Airport User's duty to defend set forth herein in subsection (1), the Off-Airport User shall have the duty, at its sole cost and expense, through counsel of its choice, to litigate, defend, settle or otherwise attempt to resolve any claim, lawsuit, cause of action, or judgment arising out of or in connection with this Permit, subject to the reasonable approval of such counsel by the Indemnified Person.

(5) In the event that the Off-Airport User fails or refuses to provide a defense to any claim, lawsuit, judgment, or cause of action arising out of or in connection with this Permit, Indemnified Person shall have the right to undertake the defense, compromise, or

settlement of any such claim, lawsuit, judgment, or cause of action, through counsel of its own choice, on behalf of and for the account of, and at the risk of the Off-Airport User, and the Off-Airport User shall be obligated to pay the reasonable and necessary costs, expenses and attorneys' fees incurred by the Indemnified Person in connection with handling the prosecution or defense and any appeal(s) related to such claim, lawsuit, judgment, or cause of action.

(6) The obligations set forth in this section shall survive the expiration or earlier termination, cancellation, or revocation of this Permit.

B. OFF-AIRPORT USER, FOR ITSELF, ITS OFFICERS, EMPLOYEES, AGENTS, CONTRACTORS, AND INVITEES, EXPRESSLY WAIVES THE RIGHT TO CLAIM AGAINST THE CITY OR THE AIRPORT MANAGER BY REASON OF, AND EXPRESSLY RELEASES THE CITY AND THE AIRPORT MANAGER FROM ANY LIABILITY WITH RESPECT TO, ANY INJURY OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY, OR ANY OTHER HARM, DAMAGE, LOSS, OR INJURY, ON, WITHIN OR ABOUT THE OFF-AIRPORT PROPERTY OR AIRPORT CAUSED BY OR RESULTING FROM, IN WHOLE OR IN PART, ANY ACT OR OMISSION OF OFF-AIRPORT USER OR ANY OFF-AIRPORT USER PERSONS, OR ARISING OUT OF THE USE OF THE OFF-AIRPORT PROPERTY BY OFF-AIRPORT USER OR THE CONDUCT OF OFF-AIRPORT USER'S BUSINESS THEREON OR THEREIN OR IN CONNECTION WITH THIS PERMIT, OR ARISING OUT OF ANY BREACH OR DEFAULT BY OFF-AIRPORT USER IN THE PERFORMANCE OF OFF-AIRPORT USER'S OBLIGATIONS HEREUNDER, OR FROM ANY ACT OF GOD, STRIKE, ACT OF ANY GOVERNMENTAL AUTHORITY OR FROM ANY OTHER CAUSE, AND OFF-AIRPORT USER HEREBY AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY AND AIRPORT MANAGER, AND THEIR RESPECTIVE OFFICIALS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, DAMAGES, JUDGMENT, EXPENSE OR CLAIM ARISING OUT OF OR RESULTING FROM ANY SUCH DAMAGE, LOSS, INJURY, DEATH, OR ANY OTHER HARM.

17. Special Events. The City may sponsor certain special events, including, but not limited to, fireworks displays, automobile races and air shows, to be conducted on portions of the Airport, which may limit or obstruct access to the Airport ("Special Events"). As a material inducement to the City to enter into this Permit and to allow the access to the Airport set forth herein, and notwithstanding anything to the contrary contained herein, Off-Airport User, on behalf of Off-Airport User and on behalf of all directors, officers, shareholders, partners, principals, employees, agents, contractors, invitees, subtenants, licensees or concessionaires of Off-Airport User and on behalf of any other party claiming any right to use the Off-Airport Property or the Airport by, through or under Off-Airport User, hereby: (i) agrees that the City has the right to sponsor any or all Special Events and to allow use of portions of the Airport therefor even if the same limit or obstruct access to the Airport; (ii) releases, waives and discharges the City and Airport Manager and their respective officials, officers, employees and agents, from all liability for any loss, damage, cost, expense or claim arising or resulting from or pertaining to the limitation or obstruction of access to the Airport from the conduct of Special Events and/or activities relating or pertaining thereto, including, without limitation, death, injury to person or property or loss of business or revenue (the "Released Claims"); (iii) covenants not to sue the City or Manager or their respective officials, officers, employees and agents for any Released Claims; (iv) agrees that the

terms contained in this Section are intended and shall be construed to be as broad and inclusive as possible under the laws of the State of Texas or any other law, rule or regulation; and (v) agrees that if any portion or this Section is held to be invalid or unenforceable, the remainder of this paragraph shall not be affected thereby but shall continue in full force and effect.

18. Late Charge; Interest.

A. Off-Airport User's failure to pay sums due hereunder promptly may cause the City to incur unanticipated costs. The exact amounts of such costs are impractical or extremely difficult to ascertain. Such costs may include, but are not limited to, processing and accounting charges. Therefore, if the annual Access Fee, or any installment thereof, is not received on or before the date on which it is due, Off-Airport User shall pay to the City a late charge in the amount of \$50.00 (provided, however, that if the \$50.00 late charge would be deemed in violation of law, such amount shall be reduced such that the late charge shall be equal to an amount determined by multiplying the amount of monthly rent times the highest rate of interest per annum allowed under applicable law). The late charge set forth herein represents a fair and reasonable estimate of the costs the City will incur by reason of such late payment. In addition to the foregoing late charges, Off-Airport User shall reimburse the City on demand for all returned check or other bank charges assessed against the City in connection with each of Off-Airport User's checks which is returned unpaid for any reason.

B. Any sums required to be paid hereunder and not paid when due, including attorneys' fees, shall bear interest, until paid, at the lesser of the following rates: (i) 18% per annum; or (ii) the highest rate allowed under applicable law. Interest shall accrue on monthly payments of the annual Access Fee and late charges from the fifth day of each month until such payments are received by the City, and on returned check charges from the date the City receives such returned check until such returned check is made good. All Permits between the City and Off-Airport User, whether now existing or hereafter arising, whether herein contained or in any other instrument or Permit, whether written or oral, are hereby expressly limited so that in no contingency or event whatsoever shall any late charges, returned check charges, interest charges, or any other charges whatsoever, be deemed as interest charged, contracted for or received in excess of the amount permitted under applicable law, it particularly being the intention of the parties hereto to conform strictly to the laws of the State of Texas. Any portion of such charges which are deemed as interest in excess of the amount permitted under applicable law, as of the date such charge is due, shall be applied to a reduction of the annual Access Fee next coming due hereunder, or, if such portion of charges exceeds the annual Access Fee next coming due hereunder, such amount shall be refunded to Off-Airport User. If a specific due date for any monetary obligation owed by Off-Airport User to the City is not provided for in this Permit, the due date for such obligation shall be that date which is ten (10) days after the City delivers a written request for payment to Off-Airport User.

19. Address for Notice and Payments. All payments, notices, demands, requests, and other communications in connection with this Permit shall be in writing, addressed as provided hereinafter to the party to whom the notice or request is given, and shall be either (i) delivered personally, (ii) sent by United States certified mail, postage prepaid, return receipt requested, or (iii) placed in the custody of Federal Express Corporation or other nationally recognized carrier to be delivered overnight. Notice shall be deemed given: when received if delivered personally; forty-eight (48) hours after deposit if sent by certified mail; and twenty-four (24) hours after deposit if

sent by Federal Express or other nationally recognized carrier. Addresses for such notices and other communications are as follows:

To the City:

Town of Addison, Texas
c/o Airport Manager
16051 Addison Road, Suite 220
Addison, Texas 75001
Attn: Real Estate Manager

To Off-Airport User:

*Address As First Given Above Under Heading of
"Off-Airport User Contact Information And
Other Salient Terms"*

The addresses and addressees for the purpose of this Section may be changed by giving notice of such change in the manner herein provided for giving notice. Unless and until such written notice is received the last addresses and addressee stated by written notice, or provided herein if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

Off-Airport User represents that it's mailing address, Off-Airport Property address, electronic mail address, telephone number, and telecopy (fax) number as set forth above are true and correct. If such information changes at any time, Off-Airport User shall promptly provide notice of such change of information to the City as required herein.

20. Exhibits. The exhibits attached (or to be attached) hereto are incorporated herein and made a part of this Permit for all purposes.

21. Venue; Applicable Law. In the event of any action under this Permit, venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The laws of the State of Texas shall apply to the interpretation, validity and enforcement of this Permit; and, with respect to any conflict of law provisions, the such conflict of law provisions shall not affect the application of the law of the State of Texas (without reference to its conflict of law provisions) to the interpretation, validity and enforcement of this Permit.

22. Severability. If any clause, paragraph, section or portion of this Permit shall be found to be illegal, unlawful, and unconstitutional or void for any reason, the balance of the Permit shall remain in full force and effect. In lieu of any illegal, invalid or unenforceable provision herein, there shall be added automatically as a part of this Permit a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

23. Time of the Essence. Time is of the essence in the payment and performance of the duties and obligations imposed upon Off-Airport User by the terms and conditions of this Permit.

24. Prior Permits Rescinded. This Permit supersedes and replaces all prior access permits, agreements, rights or claims regarding a right or entitlement to access the Airport from the Off-Airport Property, which are hereby terminated.

25. Authorized Parties. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Permit on behalf of the parties hereto.

IN WITNESS WHEREOF, the undersigned parties have executed this Permit to be effective as of the Effective Date first above written.

TOWN OF ADDISON, TEXAS

OFF-AIRPORT USER

By: _____
Lea Dunn, City Manager

By: _____

EXHIBIT A

LEGAL DESCRIPTION AND DEPICTION OF OFF-AIRPORT PROPERTY

Street Address

1:

2:

3:

4:

5:

Deed Transfer Date: