

LEASE
at
KANSAS CITY INTERNATIONAL AIRPORT
For Contract No. 6223020025

THIS LEASE is made and entered into this _____ day of _____, 2023, between KANSAS CITY, MISSOURI, by and through its Aviation Department, a municipal corporation of the State of Missouri, (“City” and “Aviation Department”), and SOUTHWEST AIRLINES COMPANY (“Lessee”) a Texas Corporation registered to do business in the state of Missouri under Missouri Charter No. F00236194.

WHEREAS, City operates and maintains an international airport known as the Kansas City International Airport, located in Platte County in the State of Missouri (“Airport”); and

WHEREAS, the Airport is subject to various obligations including but not limited to federal grant assurances.

WHEREAS, Lessee desires to lease certain property and facilities at the Airport. The parties agree as follows:

This Lease consists of two parts: Part I and Part II Supplemental Terms and Conditions to All Airport Agreements and the below listed attachments. These parts and any attachments or exhibits are attached hereto and incorporated herein.

- Exhibit A - Leased Premises
- Exhibit B – Storm Water Best Management Practices
- Exhibit C – Responsibilities of Lessee and City
- Exhibit D – Rules & Regulations
- Exhibit E – Operating Expenses
- Exhibit F – Addendum 1 / Operating Expense Exclusions
- Exhibit G - Addendum 2 / CREO Assurances

PART I

ARTICLE I
PREMISES & TERM

Sec 1.1. Leased Premises. The City hereby leases to Lessee, and Lessee leases from the City, the real property, including improvements and fixtures appurtenant thereto, more fully described in **Exhibit “A” – Leased Premises**, attached hereto and incorporated herein (hereinafter “Premises”). Lessee has inspected the Premises and accepts them in “as is” condition. City implies no further warranties or representations with regard to the Premises.

Sec. 1.2. Term of Lease. This Agreement shall commence on August 1, 2023 to continue for a term of three (3) years, and terminate on July 31, 2026.

- A. **Option to Renew.** As provided herein, if Lessee is not in Default under this Agreement beyond applicable notice and cure periods, Lessee shall have the right to extend this Agreement (a “**Renewal Option**”) for one (1) additional two (2) year period (“Option Period”). Lessee shall provide written notice to City no later than ninety (90) days prior to the expiration of the Lease, of the intent to exercise the option to extend. Option to Renew will be subject to a Fair Market Rent Adjustment

pursuant to Section 2.1(D) of this document. City has the right to refuse the Option to Renew request, within 30 days after receipt.

- B. **Termination Rights.** Either the Lessee or City may terminate this Lease at any time with a 90-day written notice.
- C. **Termination from Taking.** If during the term of this Lease there shall be a taking of the whole or substantially all of the Premises, this Lease shall terminate and expire on the date of such taking and the rent payable hereunder shall be equitably apportioned and paid to the date of such taking. "Substantially all of the Premises" shall be deemed to have been taken if the untaken part of the Premises shall, in the reasonable judgment of Lessee, be insufficient for the economic and feasible continued operation of the Lessee's business in connection therewith.
- D. **Holdover.** If Lessee holds over and continues possession or use of the Premises after expiration of this Lease or any extension of that term, other than as provided above, Lessee will be deemed to be occupying the Premises at sufferance from month-to-month tenancy, without limitation of any of the City's rights or remedies, subject to all of the terms and conditions of this Agreement. The Premises rental shall be based on the same formula as the last month of the Term of the Lease prior to the holdover but shall charge one hundred fifty percent (150%) of such amount unless otherwise specified in writing by City.
- E. **No Notice to Quit Possession.** No notice to quit possession at the expiration date of the term of this Lease shall be necessary. Lessee agrees that at the expiration date of the term of this Lease, or at the earlier termination thereof, it shall peaceably surrender possession of the Premises in good condition, reasonable wear and tear and acts of God excepted. City shall have the right to re-enter and take possession of the Premises at that time with or without process of law.
- F. **Waiver.** No acceptance by City of the rent and charges or other payments specified herein, in whole or in part, and for any period or periods, after a default of any of the terms, covenants and conditions to be performed, kept or observed by Lessee, other than the default in the payment thereof, shall be deemed a waiver of any right on the part of City to cancel or terminate this Lease on account of such default. No waiver by City at any time of any default by Lessee shall be or be construed to be a waiver at any time thereafter by City of any other or subsequent default in performance of any terms, conditions or covenants set forth herein, and no notice by City shall be required to restore or revive time as of the essence hereof after waiver by City of default in one or more instances.

Sec. 1.3. Personal Property. The Furniture, Fixtures and Equipment ("**FF&E**"), supplies and any appurtenances are the sole expense and responsibility of the Lessee. At the cancellation of this Lease, the Lessee shall remove all such property. Personal property, furnishing and trade fixtures which are paid for by the City shall be titled to the City, and shall not be removed from the Premises without prior written consent of the City.

Sec. 1.4. Personal Property not Removed. Any personal property of Lessee which shall remain in or on the Premises after the termination of this Lease may, at the option of City, be deemed to have been abandoned by Lessee and either may be retained by City as its property or be disposed of, without accountability, in such manner as City may see fit, or if City shall give

written notice to Lessee to such effect, such property shall be immediately removed by Lessee at Lessee's sole cost and expense.

Sec. 1.5. Use of Premises. Lessee shall use the Premises solely for the repair and maintenance of ground service equipment and vehicles to support aircraft operations, among other ancillary functions approved by City. Any unauthorized use of the Premises shall constitute acceptable grounds for immediate termination.

Sec. 1.6. Relocation of Premises. The City reserves the right to relocate the Lessee, at the Lessor's sole expense, during the term of this Lease to comparable alternative premises upon 30 days written notice to the Lessee. The City further reserves the right to expand or reduce the assigned premises upon the same advanced written notice thereof. If Lessee relocates during the term of this Lease, Lessee shall pay the rent as provided for in Article II, Section 2.1.A. of this Lease.

Sec. 1.7. City's Right of Entry. Upon reasonable prior notice or when reasonably necessary for airport purposes, City shall have the right to enter upon the Premises at all reasonable times to inspect the Premises; to do any act or thing which City may be obligated or have the right to do under the Lease; or, after the notice and grace periods set forth in Section V.A.2. have expired, to perform maintenance and make repairs in any case where Lessee is obligated but has failed to do so (in which event, Lessee shall reimburse City for the reasonable cost thereof promptly upon demand). No abatement of fees and charges shall be claimed by or allowed to Lessee by reason of the exercise of such right.

Sec. 1.8. City's Exclusive Rights in Premises. City reserves exclusive rights to the following; provided, however, that the City's use or exercise of those rights will not unreasonably interfere with Lessee's use of the Premises:

- A. All gas, oil and minerals in and under the soil on the Premises;
- B. All cemeteries, archeological findings and other historical sites on the Premises. City shall make all decisions as to the preservation, use or relocation of those findings or sites.
- C. To grant, without compensation to Lessee, utility rights-of-way to itself and others, over, under, through, across or on the Premises.

Sec. 1.9. Avigation Reservation The City reserves, for itself and as a public benefit, a perpetual and assignable Avigation Reservation and right-of-way, for the free and unobstructed passage of aircraft in, through, and across all navigable air space above the Premises, together with the continuing right to cause and allow in all airspace above or on the surface of the Premises such noise, vibration, fumes, dust, fuel particles, illumination, interference with television, radio or any other type of transmission and other effects as may be caused by or result from the operation of aircraft or the landing at or taking off from or from the operation of aircraft on or at the Airport, also together with the rights to mark and light obstructions to air navigation any and all buildings, structures or other improvements and trees or other objects which extend into this Avigation Reservation. Additionally, the lessee shall not allow the premises to be used in any manner to create interference with visual contact, radio, radar, microwave, electromagnetic or any other communication between any installation serving the Airport and aircraft or as to make it difficult for flyers to distinguish between airport lights and others, or as to impair visibility in the vicinity of the Airport, or as may otherwise endanger or constitute a hazard to the landing, taking off or maneuvering of aircraft under the applicable regulations of the U.S.

Department of Transportation, Federal Administration , in effect from time to time or of any successor agency having jurisdiction. The term "aircraft" means any contrivance now known or hereafter invented, designed or used for navigation or flight in air or space involving either persons or property.

1.10. Quiet Enjoyment. Upon payment by Lessee of the rents herein provided, and upon the observance and performance of all the covenants, terms and conditions on Lessee's part to be observed and performed, Lessee (and its subtenants) shall peaceably and quietly hold and enjoy the Premises for the term demised without hindrance or interruption by City or any other person or persons lawfully or equitably claiming, by, through or under the City, subject, nevertheless, to the terms and conditions of the lease.

ARTICLE II **RENT**

Sec. 2.1. Rents, Fees and Charges.

- A. Rent Payments.** Effective on the Commencement Date herein, Lessee shall pay the City in equal monthly installments, in advance, or before the first (1st) day of each and every month without demand, deduction, holdback or setoff, plus applicable sales taxes. The following rents, rates, and charges due herein for the Premises shall be as follows:

Building Rent: During the first (1st) Lease Year of the Term of this agreement, Lessee shall pay City \$11.92 multiplied by the 9,893 square feet.

\$117,924.56 annually or \$9,827.05 per month.

Ground/Land Rent: During the first (1st) Lease Year of the Term of this agreement, Lessee shall pay City \$0.28 multiplied by the 19,791 square feet.

\$5,541.48 annually or \$461.79 per month.

- B. Net Lease.** It is the purpose and intent of the City and Lessee that this is a net lease and that from and after the Commencement Date, the rent shall, except as herein otherwise provided, be absolutely net to City, and that all costs, expenses and obligations of every kind and nature whatsoever relating to the Premises and/or the operation of Lessee's business in connection therewith, except as herein otherwise provided, which may arise or become due during the term hereof, shall be paid by Lessee and that City shall be protected, defended, indemnified and held harmless by Lessee from and against the payment of same or any obligation to pay the same.
- C. Rental Adjustment.** To reflect the fair market rental of the Premises, Base Rent will be adjusted beginning on the Anniversary Date of each and every Lease Year thereafter at a Three Percent (3%) increased rate over the previous Lease Year.
- D. Fair Market Rent Adjustment.** Notwithstanding the above and subject to Lessee exercising its option to renew pursuant to 1.2(A), Premises rent shall be adjusted to the then fair market rent based upon the appraised value as determined by an appraisal made by a qualified M.A.I. appraiser, selected and appointed by the City ("Appraisal"). Upon receipt of the Appraisal, City shall submit to Lessee a written statement of the then current fair market rental values for the Premises as established

by the Appraisal, following Federal Aviation Administration's standards for airport property. Should the Appraisal indicate a rent value for the Premises greater than the then current amount, the rent for first year of each Option Period shall be set at the rent value indicated in the Appraisal. Beginning in the first month of the second year of the Option Periods, the rent shall be adjusted pursuant to 2.1(C) herein. In no event shall the rent be decreased as a result of the appraisal or CPI rental adjustment.

E. Operating Expenses.

- (1) **Payment of Operating Expenses.** Together with Base Rent, Tenant will pay an amount equal to tenant's pro rata share of Operating Expenses to Landlord within thirty (30) days after receipt of invoice from the Landlord, which invoice shall be accompanied by documents supporting such Operating Expenses charges, including without limitation all underlying invoices, provided the Landlord shall only submit such invoices to Tenant once per calendar month. Subject to E(2) below, "**Operating Expenses**" means all reasonable costs and expenses incurred by Landlord during the Term with respect to operating, maintaining, and managing the Building, Land, and the Apron shown on **Exhibit E** as "Landlord Maintenance Obligations – Recoverable"; insurance; and association charges (if applicable), plus an administrative fee equal to five percent (5%) of the charges for only those items shown on **Exhibit E** as "Landlord Maintenance Obligations – Recoverable" (for clarity, such administrative fee shall not include any fee associated with taxes or insurance charges incurred by Landlord).
- (2) **Operating Expense Exclusions.** The items on **Operating Expense Exclusions, Addendum 1** are excluded from Operating Expenses.
- (3) **Bids; Right to Audit.** To the extent an Operating Expense will be incurred that relates solely to the Premises, is not covered under an existing contract, and is estimated to exceed \$20,000, Landlord shall obtain competitive bids pursuant to Landlord's ordinances and State law, and provide copies upon Tenant's request (except in an emergency, when no bidding is required). Landlord shall electronically provide invoices and other standard Landlord reports to Tenant related to the Operating Expenses upon request.

F. Method of Payment. Starting on the execution of this lease Lessee will make monthly Percentage Rent payments by the 20th of the following month (and forth going) without notice or demand by City and without abatement, deduction or set-off, except as herein specifically provided. **The payments will be made in legal tender of the United States and mailed to the Aviation Department, P.O. Box 844124, Kansas City, Missouri 64184-4124, payable to the "City Treasurer" or electronically by utilizing the City's approved Automated Clearing House (ACH) process.** A service charge of one and one-half percent (1½%) per month shall automatically accrue to all payments made after the due date.

G. Partial Year. If the Commencement Date should occur on any date other than the first day of a calendar month, Lessee shall pay City on the Commencement Date the proportionate amount of rent accrued for the balance of such current calendar month.

H. Additional Rent. In addition to the Rent, Lessee agrees to pay as additional rent any sums which may become due by reason of failure of Lessee to comply with any

covenants of this Lease and all damages, costs and expense which City may incur because of any default of Lessee or failure to perform and any damages caused to the Premises by any act or negligence of Lessee, its officers, employees, agents and invitees.

I. Rules and Regulations. The Premises is subject to certain Amended and Restated Rules & Regulations (the “**Rules & Regs**”), **Exhibit D** which include, among other things, an equitable provision for assessment of charges for maintenance of common properties and/or for provision of common charges to certain land within the Airport, Lessee shall pay, in addition to any rent, its proportionate share of such charges. The Rules & Regs are not limited to fees and charges. The Rules & Regs may be further amended from time to time.

J. Taxes, Permits, Licenses. Lessee shall bear, at its own expense, all costs of operating its equipment and business including any and all ad valorem, sales, use or other taxes levied, assessed or charged upon or with respect to the leasehold estate, the Premises or improvements or property Lessee places thereon and any assessed against the operation of the business and any ad valorem, sales, use or similar taxes levied or assessed on any payments made by Lessee hereunder, regardless of whether said items are billed to City or the Lessee. Lessee shall bear all cost of obtaining any permits, licenses, or other authorizations required by City or any agency of government or law in connection with the operation of its business at the Airport, and upon request provide copies of all such permits, certificates and licenses shall be forwarded to City. Lessee reserves the right to contest any such taxes and withhold payment of such taxes, so long as the nonpayment of such taxes does not result in a lien against the leased Premises or a direct liability on the part of City.

Article III **Defaults & Remedies**

Sec. 3.1. Lessee Defaults. Each of the following will constitute a default by Lessee hereunder:

A. Lessee’s failure to pay when due any rent, charges or any other payments of money required to be paid by Lessee hereunder and the continuation of such failure for ten (10) days after written notice thereof is sent to Lessee;

B. Lessee’s failing to perform or violation of any provision, covenant or condition of this Lease (other than payment of money) within thirty (30) days after written notice or, if the cure or performance thereof reasonably requires more than thirty (30) days to complete, Lessee’s failing to begin cure or performance thereof within such thirty-day period and proceed diligently to cure or completion thereafter;

C. The attempted assignment or assumption of this Lease in violation of the terms of this Lease;

D. The filing by the Lessee of a voluntary petition in bankruptcy or any assignment for benefit of creditors of all or any part of Lessee’s assets; or the adjudication of the Lessee as a bankrupt pursuant to any involuntary bankruptcy proceedings; or the taking, by a court of competent jurisdiction of Lessee’s assets pursuant to proceedings brought under the provisions of any federal reorganization act; or the appointment of a receiver or trustee of the Lessee’s assets by a court of competent jurisdiction or a voluntary agreement with Lessee’s creditors;

Sec. 3.2. City Defaults. Each of the following will constitute a default by City hereunder:

A. Except as provided in Section 3.2B hereof, City's failing to perform or violation of any provision, covenant or condition of this Lease within thirty (30) days after written notice or, if the cure or performance thereof reasonably requires more than thirty (30) days to complete, City's failing to begin cure or performance thereof within such thirty-day period and proceed diligently to cure or completion thereafter;

B. The lawful assumption by the United States government, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part thereof, in such manner as to materially restrict Lessee from operating thereon for a period of at least thirty (30) days.

Sec. 3.3. City's Remedies. Upon default by Lessee of this Lease which is not cured within any applicable notice or cure period, City may do any one or more of the following:

A. After giving an additional 30 days written notice to Lessee and the opportunity to cure within such 30-day period, terminate the Lease by giving written notice to Lessee, but subject to the rights of the Leasehold Mortgagee set forth in this Lease and pursuant to Exhibit "D";

B. Re-enter the Premises and every part thereof on the Effective Date of termination of the Lease without further notice of any kind, remove any and all persons therefrom and regain and resume possession either with or without the institution of summary or legal proceedings. Such re-entry, however, shall not in any manner affect, alter or diminish any of the obligations of Lessee under the Lease;

C. Upon termination of the Lease or upon re-entry, regaining or resumption of possession of the Premises, occupy the Premises and have the right in the name of the City to relet and permit any person, firm or corporation to enter the Premises and use the same for such term and on such conditions as City may determine; and

D. Perform, on behalf and at the expense of Lessee, any obligation of Lessee under this Lease which Lessee has failed to perform and of which City has given Lessee notice, the cost of which performance by City, together with interest thereon from the date of such expenditure, shall be deemed Additional Rent and shall be payable by Lessee to City upon demand. Notwithstanding the provisions of this clause and regardless of whether a default shall have occurred, City may exercise the remedy described in this clause without any notice to Lessee if City, in its good faith judgment, believes it would be materially injured by failure to take rapid action or if the unperformed obligation of Lessee constitutes an emergency; and

E. Any other remedy that City may have under law or equity.

Sec. 3.4. Lessee Remedies. Upon default by City of this Lease, Lessee may cancel the Lease in its entirety after 30 days prior written notice to the City or pursue any other remedy Lessee may have under law or equity.

ARTICLE IV
REPAIRS AND MAINTENANCE OF PREMISES

Sec. 4.1. Repairs. Lessee, at its sole cost and expense, shall take good care of the Premises and all improvements thereto (except for structural repairs of City-constructed facilities, including the roof of the Cargo Facility, and of City-installed mechanical and electrical systems), and additions thereon or thereto, and shall keep the same in good order and condition, except for reasonable wear and tear after the necessary repair, replacement, restoration or renewal by Lessee pursuant to its obligations hereunder, and shall make all necessary repairs thereto, which will assume such obligations. All repairs, restorations and renewals made by Lessee shall be at least equal in quality and class to the original work with respect hereto. Lessee will keep the Premises and all improvements thereon in a clean appearance, all papers and debris picked up, and the areas immediately adjacent to the exits and entrances clean and orderly and free of obstructions. Lessee will not do or suffer any material waste or damage, disfigurement or injury to the Premises or any part thereof. City reserves the right but shall not be obligated to Lessee to maintain and keep in repair all of the common areas of the Airport.

Sec. 4.2. Maintenance. The City shall furnish structural maintenance of City-constructed facilities, including the roof of the Cargo Facility, and provide the maintenance and operation of City-installed mechanical and electrical systems. The City shall provide exterior window and building cleaning and interior window cleaning, except in Lessee's Premises, which shall be washed by Lessee. The City shall provide custodial maintenance only in the public areas of the Cargo Facility.

- A. At its sole cost and expense, the Lessee shall maintain and repair the Premises, its fixed improvements and its operating equipment (that are required to be undertaken by the Lessee in accordance with Section 4.1 and this Section 4.2) at all times in accordance with all applicable present and future federal, state, local, or other statutes, charters, laws, rules, orders, regulations and ordinances, including those of the City.
- B. The Lessee shall provide all necessary maintenance, repairs, renewals and replacements to the Leased Premises and utility systems except as set forth in Section 4.1 and this Section 4.2.
- C. All maintenance, repairs, renewals and replacements that are required to be undertaken by the Lessee in accordance with Section 4.1 and this Section 4.2 shall be at the Lessee's sole expense and shall be subject to periodic monitoring by the City to insure a continuing high quality of appearance and commensurate with maintenance and safety standards required for public facilities.

Sec. 4.3. Utility Services. Utility services required by Lessee during the Lease term shall be at the sole cost and expense of Lessee. Lessee may install and construct necessary utility lines or mains across reasonable routes as the City may designate. Any change in, deletion of, or addition to such lines and mains shall be at the sole cost and expense of Lessee.

Sec. 4.4. Obligations of Lessee.

- A. Conduct its operation hereunder in a safe, orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others at the Airport or around the Premises.
- B. Control, within reason, the conduct of its employees, invitees, and of those doing business with it and, upon objection from City concerning the conduct, shall immediately take all reasonable steps necessary to remove the cause of objection.

- C. Remove from the Premises or otherwise dispose of in a lawful manner all garbage, debris and other waste materials (whether solid or liquid) arising out of its occupancy of the Premises or out of its operations. Any such debris or waste which is temporarily stored in the open, shall be kept in suitable garbage and waste receptacles equipped with tight-fitting covers and designed to safely and properly contain whatever material may be placed therein. Lessee shall use extreme care when effecting removal of all such waste. Adhere to City's Storm Water Best Management Practices (**Exhibit B**).
- D. Not commit any nuisance, waste, or damage to the Premises or other areas of the Airport and shall not do or permit to be done anything which may result in the creation or commission or maintenance of such nuisance, waste or damage to the Premises.
- E. Not create nor permit to be caused or created upon the Airport or the Premises any obnoxious odor, smoke or noxious gases or vapors.
- F. Not do or permit to be done anything which may interfere with effectiveness or accessibility of any utility or other system, including, the drainage and sewage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located on the Premises.
- G. Not overload any floor or paved area on the Premises and shall repair any floor, including supporting members, and any paved area damaged by overloading.
- H. Not do or permit to be done any act or thing upon the Premises:
 - (1) Which will invalidate or conflict with any fire insurance policies covering the Premises or any part thereof or other contiguous property; or
 - (2) Which may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Lease.
- I. Not keep or store flammable liquids within any covered and enclosed portion of the Premises in violation of applicable law or in excess of LESSEE's working requirements. Any such liquids having a flash point of less than 110°F shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- J. Pay all applicable sales taxes, ad valorem taxes and any other taxes or assessments with respect to or against the Premises or the leasehold estate, whether billed to the City or the Lessee. Lessee reserves the right to contest any such taxes and withhold payment of such taxes, so long as the nonpayment of such taxes does not result in a lien against the leased Premises or a direct liability on the part of City.
- K. Be responsible for all cost and expenses relating to taxes, insurance and maintenance regardless of whether buildings and improvements are then owned by Tenant or City and the operation of the Premises as this Lease is deemed to be a net lease.

ARTICLE V
DAMAGE, DESTRUCTION, RESTORATION OF PREMISES

Sec. 5.1. Damage or Destruction and Restoration. In case of any material damage to or destruction of the Premises or any part thereof, Lessee will give prompt notice to the City and, excepts as otherwise herein provided in Section 4.1 or Section 4.2, Lessee shall have the option to:

- A. Promptly commence and complete with due diligence and in accordance with plans approved by Lessee and the City, the restoration of the Premises as nearly reasonably practicable to the value and condition thereof immediately prior to such damage or destruction (with alterations, at Lessee's election, and with the prior consent and approval of the City), or
- B. If Lessee and the City mutually agree, Lessee may use the insurance proceeds to construct facilities providing equal security protection for any bondholders to those facilities not restored. In the event of such damage or destruction, the proceeds from all property insurance policy or policies shall be devoted exclusively to the restoration of the Premises except as provided elsewhere in this Lease.

Sec. 5.2. Lessee's Election Not to Restore Damaged Property. In the event of damage to or destruction or loss of such improvements by an insured risk, which damage, destruction or loss is not capable of being repaired within 90 days, Lessee shall have the election, indicated by written notice given to City within 90 days after the occurrence of such event, not to repair, restore, rebuild or replace the improvements, such election to be effective as of the date of such damage, destruction or loss and, upon such election, Lessee shall be relieved of all further liability and obligations hereunder. In the event Lessee exercises the foregoing election, the net amount of the insurance proceeds received by it from the insurance required herein on the property shall be forwarded to City. In the event Lessee does not exercise the foregoing election, or in the event said damage, destruction or loss is capable of being repaired within 90 days, Lessee shall promptly repair, replace, restore or rebuild said improvements to the extent of the insurance proceeds received by it, as nearly as possible to the condition said improvements were in immediately prior to such damage, destruction or loss, or with such changes or alterations as may be approved by City. If such damage, destruction or loss occurs within the last six months of the term of this Lease, then Lessee shall have the option either to affect such repair, replacement, restoration or rebuilding or, in lieu thereof, to pay to City the proceeds received by reason of such damage, destruction or loss from the insurance required herein.

ARTICLE VI
IMPROVEMENTS

Sec. 6.1. Improvements to Premises. Lessee shall be responsible, at the Lessee's sole expense, for any and all improvements made to the Premises during the term of this Lease. All improvements shall be made in accordance with the provisions of his lease.

Sec. 6.2. Construction of Project. "Improvements" shall mean the Facility and any and all other improvements now existing or hereafter placed on the Premises as permitted by this Lease. Within five (5) business days following the date of this Lease, City will provide to Lessee a Project Exemption Certificate exempting purchases related to the construction of the Facility from Missouri sales and use tax as permitted by applicable law.

Sec. 6.3. Plans and Specifications. Prior to any construction; improvements; or additions to the improvements, structures, facilities, alterations or additions to the Premises will be made by Lessee without prior written approval of the Director of the Aviation Department ("Director"). Lessee shall submit to City for its approval for review, the Plans and Specifications. The Plans and Specifications shall be prepared by architects and engineers registered in the State of Missouri.

This approval shall be in the form of a separate Tenant Modification Agreement through the Aviation Department's Engineering Division signed by City and Lessee. The Tenant Modification Agreement may have requirements for payment and performance bonds, prevailing wage, Minority/Women's Business Enterprise participation, and Federal Aviation Administration review, among other conditions. The City and Director shall review any such request by Lessee within forty-five (45) days following Lessee's written request and submissions of corresponding Plans and Specifications. The City acknowledges that the Plans and Specifications are subject to modification on the basis of the timing of the Award and the final approval of the Plans and Specifications by the Government, and agrees that the City and Director shall consent to modifications to the Plans and Specifications if the same do not materially differ in exterior appearance, traffic flow, and adequacy of parking from Plans and Specifications previously approved by the City and Director.

Factors relevant to approval are limited to: exterior appearance, traffic flow, and adequacy of parking. All construction and Improvements undertaken by Lessee shall be completed in a workmanlike manner without damage to existing facilities, subject to the terms and conditions set forth in **Exhibit "C"**, Responsibilities Lessee and City. It is understood that adequate parking for the Premises will be constructed and maintained by the Lessee. Parking of vehicles, trucks or motorized equipment outside of designated parking areas will not be allowed except as needed during times of construction for the purposes of convenience for contractors and deliveries provided such parking on the sides of the road allowing the safe and convenient flow of vehicular traffic. Parking areas on the Premises are exclusively to be used for the use and benefit of the Premises.

Sec. 6.4. Public Improvements. Any utilities, storm water drainage, or new or redirected roadways for ingress or egress required shall be incorporated into Lessee's Plans and Specifications submitted for City's review and approval under Section 5.2 and completed at Lessee's sole cost and expense.

Sec. 6.5. Critical Path. Upon Lessee's receipt of the Approvals, Lessee shall immediately endeavor to prepare a Critical Path Method schedule for approval by the City and Director that will ensure completion of the Improvements within the timeframe set forth in the Tenant Modification process This schedule shall be submitted and approved by the City and Director before a Notice to Proceed with construction is issued, such approval not to be unreasonably withheld, conditioned or delayed.

Sec. 6.6. Ownership of Improvements. All Tenant Improvements and Infrastructure Improvements are made for the benefit of the City. Lessee and City agree that all improvements now existing or constructed hereinafter on the Land, as well as all alterations or additions thereto, shall be owned by the City, subject to the terms and conditions of this Lease. The City and Lessee negotiated the Premises Rent based on the fair market value of the land plus the improvements, the Lessee's cost of the constructing the improvements serving as a reduction in the payment equal to the cost, thereof. Upon initial utilization of the space, Lessee will execute an "Improvements Only" Special Warranty Deed to City conveying title to the Tenant Improvements to City free and clear of all liens and all encumbrances not approved by the City.

Lessee will indemnify and defend the City for all mechanics liens arising out of construction of the Tenant Improvements or the Infrastructure Improvements of record on the Premises or which are filed after title to the Tenant Improvements transfers to the City.

ARTICLE VII
ASSIGNMENT, SUBLEASE, & ENCUMBRANCES

Sec. 7.1. No Right to Assign. Lessee has no right to assign this Lease without the prior written consent of City, which consent shall not be unreasonably withheld or delayed.

Sec. 7.2. City Consent. In the event of any proposed assignment, Lessee, not less than 30 days prior to the proposed Effective Date of such action, shall give notice to the City which includes the name, address and telephone number of the proposed assignee and a fully executed original set of any and all documents being used to affect the proposed actions in a form reasonably acceptable to the City. All documents will clearly set forth that the assignment and assumption actions are subject to and conditioned upon the City's consenting thereto in writing. Any assignee must have assumed all obligations of Lessee under this Lease and shall have specifically agreed to perform and observe the covenants and conditions contained in this Lease on Lessee's part to be performed and observed. Upon such assumption by any assignee, Lessee shall be released from its obligations under this Lease.

Sec. 7.3. Transfer by Operation of Law. Any assignment or transfer of the lease by operation of law or any issuance, sale or transfer of a sufficient number of shares of stock in Lessee to result in a change in control of Lessee shall be deemed an assignment of this Lease for purposes of this section; provided, however, that nothing in this section shall be deemed to require such consent solely as a result of issuance, transfer or sale of shares among the existing stockholders of Lessee; transfer of shares by devise or descent upon the death of any existing stockholder; merger of Lessee into any parent or subsidiary corporation of Lessee or sale of all or substantially all of Lessee's stock to any such parent or subsidiary corporation.

Sec. 7.4. Assignment to Affiliate. Notwithstanding the foregoing provisions, Lessee shall have the right to assign this Lease to (1) any corporation into which or with which Lessee has merged or consolidated; (2) any parent, subsidiary, successor or affiliated entity of Lessee; or (3) any entity which acquires all or substantially all of the assets of or ownership interests in Lessee.

Sec. 7.5. Subleases. Lessee shall have the right to sublease all or any portion of the Premises without the consent of (but with notice to) the City; provided, however, that any sublease shall be subject to the terms of this Lease. No sublease shall release Lessee from its obligations under this Lease. Nothing contained in this Lease shall be construed to prevent Lessee from charging fair market rents for space in the Premises or from charging market rates for the products and services provided by Lessee. In the event that Lessee subleases the Premises, the City shall, within thirty (30) days after request by Lessee, execute a commercially reasonable instrument providing that the sublessee shall have the right to cure any default by Lessee under this Lease in order to protect the interest of such sublessee in the Premises.

ARTICLE VIII
CONSTRUCTION LIEN

Sec. 8.1. No Liens. City's interest in the Premises shall not be subjected to any construction, mechanics, materialman's, tax, laborer's or any other lien, whether City has given its written

approval for the improvements or otherwise, and Lessee shall save and hold harmless City and its interest in the Premises from any such lien or purported lien. Within fifteen (15) days of filing of any lien, Lessee shall cause same to be satisfied or shall post bond for the lien.

Sec. 8.2. Mechanic's/Materialman's Liens. Lessee will promptly cause to be released or bond around any mechanic's or materialman's or any other involuntary lien placed upon the Premises or the leasehold by reason of any work or labor performed or materials furnished by any mechanic or materialman.

Sec. 8.3. Removal of Lessee's Property. Lessee shall be allowed, at its expense, to remove Lessee's inventory, computers, maintenance equipment, furniture, furnishings, and other office equipment on the Premises when this Lease terminates, provided that Lessee repairs any damage to the Premises caused by such removal.

ARTICLE IX **MORTGAGE RIGHTS**

Sec. 9.1. Mortgage of Leasehold Interest Rights. Lessee shall not mortgage, pledge, or hypothecate its property and leasehold interest without the prior written consent of the City, which consent shall not be unreasonably withheld. As a condition precedent to obtaining the consent of the City, Lessee and its lender shall provide to City written evidence that the priority rights of City under this Lease will not be adversely affected by such action. In addition, any leasehold mortgage, leasehold deed of trust or other security financing arrangement shall specifically acknowledge that such financing shall never be construed to pledge, mortgage, encumber, hypothecate, alienate or otherwise grant or convey all or any part of the fees simple title to the real property underlying the leasehold estate herein given, or leasehold improvements which are the property of the City, as the same is publicly-owned property not subject to encumbrance or involuntary sale or divestiture. If requested by Lessee, the Director can execute a commercially reasonable agreement with a proposed or existing leasehold mortgagee (a "Leasehold Mortgagee") setting forth the respective rights of the City and Leasehold Mortgagee in respect of this Lease.

Without limiting the content of any such agreement, the City agrees that such agreement may, among other things:

1. Grant to the Leasehold Mortgagee the right to receive notices of, and to cure, defaults by Lessee under this Lease
2. Permit the City to enter into a new Lease of the Premises for the then remaining term hereof in the event that this Lease is terminated due to default by or the bankruptcy of Lessee, provided no significant change in the use or the Premises.
3. Allow the Leasehold Mortgagee to foreclose upon the interest of Lessee under this Lease and to subsequently convey such interest to a third party with the consent of the City for the same or a substantial similar purpose as defined in this lease. Any conveyance under this provision shall be governed by requirements of Article VII, as if an assignment of the lease
4. Contain such other provisions as may be reasonably requested by the Leasehold Mortgagee in order to protect its interest in this Lease and the Premises

ARTICLE X
INGRESS AND EGRESS

Sec. 10.1. Use of Public Way. Lessee its contractors, suppliers of material and furnishers of services, shall have the right of ingress and egress to the Premises via appropriate public way to be used in common with others having rights of passage within the Premises, provided that City may, from time to time, substitute other means of ingress and egress so long as an alternate adequate means of ingress and egress is available.

Sec. 10.2. Road Closures. City may at any time temporarily or permanently close any such roadway, and any other area at the Premises presently or hereafter used as such, so long as a means of ingress and egress is made available to Lessee. Lessee hereby releases and discharges City, its successors and assigns, of and from any and all claims, demands or causes of action which Lessee may now or at any time hereafter have against any of the foregoing arising or alleged to arise out of the closing of any street, roadway, or other areas used as such, whether within or outside the Premises, provided that City makes available to Lessee an alternate means of ingress and egress.

Sec. 10.3. Ingress & Egress. Lessee is granted the right, for itself, its agents, employees, patrons, suppliers and other persons doing business with Lessee, of ingress and egress to and from the Premises over Airport roadways, including the use of common use roadways, and other common areas as reasonably necessary to use the Premises, subject only to law and to such reasonable rules and regulations governing the use of the Airport as the Director may establish, including the establishment of a fee or charge for the privilege of entry upon the Airport; provided, however, that neither Lessee nor any of its subtenants, contractors, agents or invitees shall be charged any fee to gain access to the Premises. "Common areas" shall mean those areas which are furnished in and about the Premises for the common and non-exclusive use of Lessee and City and their officers, agents, employees, customers, invitees and licensees.

ARTICLE XI
ENVIRONMENTAL PROVISIONS

Sec. 11.1. Environmental Requirements. Lessee hereby covenants and agrees to comply in all material respects with all-applicable Environmental Laws and regulations in connection with its use and occupancy of the Premises, or its operations of the facilities. For purposes of this Lease, "Environmental Laws" shall mean and include all federal, state and local statutes, ordinances, regulations and rules relating to environmental quality, health, safety, contamination and clean-up, including, without limitation, the Clean Air Act, 42 U.S.C. §7401 *et seq.*; the Clean Water Act, 33 U.S.C. §1251 *et seq.*, and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. §136 *et seq.*; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. §1401 *et seq.*; the Noise Control Act, 42 U.S.C. §4901 *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. §651 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. §300f *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 *et seq.*, as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right to Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Hazardous Material Transportation Act, 49 U.S.C. §9601 *et seq.*; the Toxic Substance Control Act ("TSCA"), 15 U.S.C. §2601 *et seq.*; the Atomic Energy Act, 42 U.S.C. §2011 *et seq.*; and the Nuclear Waste Policy Act of 1982, 42 U.S.C. §1010 *et seq.*; all Missouri State environmental protection, superlien and environmental

clean-up statutes, with implementing regulations and guidelines and all local laws, regulations and ordinances insofar as they are equivalent or similar to the federal laws recited above or purport to regulate Hazardous Materials.

Sec. 11.2. Review of Environmental Documents. Lessee, at request of City, shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents and materials Lessee has prepared pursuant to any environmental law or submitted to any governmental regulatory agency; provided, that such documents and materials relate to environmental issues or environmental laws and are pertinent to the Airport or the Premises. If any environmental law requires Lessee to file any notice or report of a release or threatened release of Hazardous Materials on under or about the Premises or the Airport, Lessee shall provide a copy of such report or notice to City and, to the extent practicable, shall receive the approval of City prior to submitting such notice or report to the appropriate governmental agency.

Sec 11.3. Access for Environmental Inspection. City shall have access to the Premises to inspect the same in order to confirm Lessee is using the Premises in accordance with all Environmental Laws. If the City elects to so inspect the Premises, any tests shall be conducted by qualified independent experts chosen by the City but subject to Lessee's approval. If either party conducts an environmental assessment of the Premises during the term of this Lease, such party shall provide a copy of the environmental report to the other party promptly after receipt thereof. The preceding sentence shall not be construed to impose upon either party an obligation to conduct any environmental assessment of the Premises.

Sec. 11.4. Environmental Noncompliance. If Lessee fails to comply with any applicable Environmental Laws, City, in addition to its rights and remedies provided elsewhere within this Agreement may enter the Premises and take all reasonable and necessary measures, at Lessee's expense, to insure compliance with Environmental Laws.

Sec. 11.5. Storage, Use or Disposal of Hazardous Materials. Lessee shall not store, use or dispose of any Hazardous Materials on the Premises in violation of Environmental Laws.

Sec. 11.6. Duty to Notify City. In the event of a release or threatened release of Hazardous Materials in violation of Environmental Laws arising out of Lessee's use or occupancy of the Premises or in the event any claim, demand, action or notice is made against Lessee regarding Lessee's failure or alleged failure to comply with any Environmental Laws, Lessee shall notify City, in writing, and shall provide City with copies of any written claims, demands, notices, or actions so made.

Sec. 11.7. Environmental Remediation. Lessee shall undertake such steps to remedy and remove any Hazardous Materials not in compliance with Environmental Laws arising out of Lessee's use of the Premises that are necessary to protect the public health and safety and the environment from actual or potential harm and to bring the Premises into compliance with all Environmental Laws. Such work shall be performed at Lessee's sole expense, after Lessee submits to City a written plan for completing such work and receives the prior written approval of City. City shall have the right to review and inspect all such work at any time using consultants and representatives of its choice. Lessee shall pay the cost of such review and inspection. Specific cleanup levels for any environmental remediation work shall be designed to comply with all applicable Environmental Laws.

Sec. 11.8. National Emission Standards for Hazardous Air Pollutants. Lessee warrants that all planning, design, fabrication, installation, construction, start-up, testing, maintenance

and repair work performed pursuant to this Agreement shall be performed in accordance with any applicable National Emission Standards for Hazardous Air Pollutants (NESHAP), 40 C.F.R. 61.145.

Sec. 11.9. Environmental Indemnification. In addition to any indemnification set forth herein, Lessee hereby indemnifies and agrees to defend and hold harmless City, its agents, partners, officers, representatives and employees, from all costs, claims, demands, actions, liabilities, complaints, fines, citations, violations or notices of violation (“Claims”) arising from or attributable to (i) the presence due to Lessee’s handling, generation, manufacturing, processing, treating, storing, using, reusing, refining, recycling, reclaiming, blending or burning for energy recovery, incinerating, accumulating speculatively, transporting, transferring, disposing or abandoning of Hazardous Materials (“Management”) at the Airport or the subsurface thereof or the violation of any Environmental Laws due to Lessee’s Management, including, without limiting the generality thereof, any cost, claim, liability or defense expended in remediation required by a governmental authority, or by reason of any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of Hazardous Materials into the environment (as environment is defined in CERCLA), due to Lessee’s Management at the Airport or violation of any Environmental Laws), or (ii) any breach by Lessee of any of its warranties, representations or covenants in this Section. Lessee’s obligations hereunder shall survive the termination or expiration of this Agreement, and shall not be affected in any way by the amount of or the absence in any case of covering insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under insurance policies affecting the Airport or any part thereof.

Sec. 11.10 No Liability for Pre-Existing Conditions. Notwithstanding anything to the contrary contained in this Lease, Lessee shall have no obligation or liability whatsoever with respect to (1) any Hazardous Materials that are present on the Premises as of the Commencement Date; (2) any violation of Environmental Law that exists as of the Commencement Date; or (3) the presence or release of any Hazardous Materials or the violation of any Environmental Law that is caused by a party other than Lessee. The City represents to Lessee that as of the Commencement Date the Premises will not contain any Hazardous Materials and will attempt to maintain compliance with all Environmental Laws.

Sec. 11.11. Definitions. For purposes of this Section, the term “Hazardous Materials” shall mean and include the following, including mixtures thereof; any hazardous substance, pollutant, contaminant, waste, by-produce or constituent as defined in any environmental law; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel; pesticides regulated under the FIFRA; asbestos and asbestos-containing materials, PCBs and other substances regulated under the TSCA; source material, special nuclear material, by-product material and any other radioactive materials or radioactive wastes however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. §1910.1200 *et seq.*; any “Hazardous Waste” as defined by the Missouri Hazardous Waste Management Law, Mo.Rev.Stat. §§260.350 to 260.480; and industrial process and pollution control wastes, whether or not hazardous within the meaning of RCRA.

ARTICLE XII IDEMNIFICATION & INSURANCE

Sec. 12.1. General Indemnification. For purposes of this Section only, the following terms shall have the meanings listed:

- A. Claims means all claims, damages, liability, losses, costs and expenses, court costs and reasonable attorneys' fees, including attorneys' fees incurred by the City in the enforcement of this indemnity obligation.
- B. Lessee's Agents means Lessee's officers, employees, successors, assigns and other agents.
- C. City means City and its agents, officials, officers and employees.
- D. Coverage. Lessee's obligations under this Paragraph with respect to indemnification of City for acts or omissions, including negligence, shall be limited to the coverage and limits of insurance that Lessee is required to procure and maintain under this Lease.
- E. Negligence. Lessee shall defend, indemnify and hold harmless City from and against all claims arising out of or resulting from all acts or omissions in connection with this Lease to the extent caused by the negligence of Lessee or Lessee's Agents. Lessee is not obligated under this Section to indemnify City for the sole negligence of City.
- F. In no event shall the language in this section constitute or be construed as a waiver or limitation of the City's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections as provided by the federal and state constitutions or by law.

Sec. 12.2. Insurance. Lessee shall procure and maintain in effect throughout the duration of this Lease insurance coverage not less than the types and amounts specified in this section. In the event that additional insurance, not specified herein, is required during the term of this Lease, Lessee shall supply such insurance at City's cost. Policies containing a Self-Insured Retention are unacceptable to City.

- A. Commercial General Liability Insurance with limits of \$2,000,000.00 per occurrence and \$4,000,000.00 aggregate, written on an "occurrence" basis. The policy shall be written or endorsed to include the following provisions:
 - i. Severability of Interests Coverage applying to Additional Insureds
 - ii. Contractual Liability
 - iii. Per Project Aggregate Liability Limit or, where not available, the aggregate limit shall be \$4,000,000.00
 - iv. No Contractual Liability Limitation Endorsement
 - v. Additional Insured Endorsement, ISO form CG20 10, current edition or its equivalent
- B. Workers' Compensation Insurance as required by statute, including Employers Liability with limits of:
 - i. Workers' Compensation – Statutory
 - ii. Employers Liability - \$1,000,000 accident with limits of; \$1,000,000 disease-policy limit; \$1,000,000 disease-each employee.

- C. Commercial Automobile Liability Insurance with a limit of \$1,000,000.00 per occurrence, covering owned, hired and non-owned automobiles. Coverage provided shall be on an “any auto” basis and written on an “occurrence” basis. This insurance will be written on a Commercial Business Auto form, or acceptable equivalent, and will protect against claims arising out of the operation of motor vehicles, as to acts done in connection with the Agreement.
- D. Full Replacement Cost Insurance on all of the improvements on the Premises (now or hereafter existing) or used in connection therewith against any loss or damage by fire, flood, earthquake and other or any casualties or peril, and all other perils as are included within what is commonly known as “all risk coverage” for any improvements on the Premises with full replacement cost insurance, in amounts sufficient to prevent City from being or becoming a co-insurer within the terms of the policy or policies in question and in no event less than the full replacement cost value thereof, exclusive of the cost of foundations, excavations, and footings below the lowest basement floor, and without any deduction being made for depreciation. The replacement cost value shall be determined from time to time, but not more frequently than once in any 12 consecutive calendar months at the request of City, by an appraiser, architect and/or contractor.

If applicable, Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant’s profession, with limit no less than **\$2,000,000** per occurrence or claim, **\$2,000,000** aggregate.

- E. **If applicable**, Cyber Liability Insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.
- F. **If applicable**, Technology Professional Liability Errors and Omissions Insurance appropriate to the Consultant’s profession and work hereunder, with limits not less than \$2,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Vendor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.
 - 1. The Policy shall include, or be endorsed to include, property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information “property” of the Agency in the care, custody, or control of the Vendor. If not covered under the Vendor’s liability

policy, such “property” coverage of the Agency may be endorsed onto the Vendor’s Cyber Liability Policy as covered property as follows:

2. If the Vendor maintains broader coverage and/or higher limits than the minimums shown above, the Entity requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Entity.

Sec. 12.3. Cancellation of Insurance Policies. All insurance policies required in this Section shall provide that the policy will not be canceled until after the Insurer provides the City seven (7) days or such shorter period with respect to war coverage, ten (10) days written notice of cancellation in the event that the cancellation is for Lessee’s nonpayment of premiums and thirty (30) days written notice of cancellation to City for all other reasons of cancellation.

Sec. 12.4. Additional Insureds. The Commercial General and Automobile Liability Insurance specified above shall provide that the City and its agencies, officials, officers and employees, while acting within the scope of their authority, will be named as additional insureds for the services performed under this Lease. Lessee shall provide to City at execution of this Lease a certificate of insurance showing all required endorsements and additional insureds.

Sec. 12.5. Insurance Companies. All insurance coverage must be written by companies that have an A.M. Best’s rating of “A-V” or better, (or international equivalent) and are licensed or approved by the State of Missouri to provide insurance in Missouri.

Sec. 12.6. Maintenance of Insurance. Regardless of any approval by the City, Lessee shall maintain the required insurance coverage in force at all times; Lessee’s failure maintain the required insurance coverage will not relieve Lessee of its contractual obligation to indemnify the City. In the event of Lessee fails to maintain the required insurance in effect, City may declare Lessee in default.

Sec. 12.7. No Waiver. In no event shall the language in this Section constitute or be construed as a waiver or limitation of the City’s rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections as provided by the federal and state constitutions or by law.

ARTICLE XIII **CITY REQUIREMENTS**

Sec. 13.1. Gratuities and Kickbacks. The provisions of City’s Code Section 3-303, prohibiting gratuities to City employees, and kickbacks by subcontractors, and Code Section 3-307 and 3-309, imposing sanctions for violations, shall apply to this Lease.

- A. **Gratuities.** Lessee certifies that it has not and will not offer or give any city employee or officer a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation or preparation of any part of a contract requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or

other particular matter, pertaining to any contract or subcontract, or to any solicitation or proposal therefor.

- B. **Kickbacks.** Lessee certifies that no payment, gratuity, offer of employment or benefit has been or will be made by or on behalf of or solicited from a subcontractor under a contract to Lessee or higher tier subcontractor or any person associated therewith as an inducement for the award of a subcontract or order.

Sec. 13.2. Conflicts of Interest. The provisions of City's Code Sections 3-301 prohibiting city officers and employees from having a financial or personal interest in any contract with City, and Code Sections 3-307 and 3-309, imposing sanctions for violations, shall apply to this Lease. Lessee certifies that no officer or employee of City has, or will have, a direct or indirect financial or personal interest in this Lease, and that no officer or employee of City, or member of such officer's or employee's immediate family, either has negotiated, or has or will have an arrangement, concerning employment to perform services on behalf of Lessee in this Lease.

Sec. 13.3. Prohibition Against Contingent Fees. The provisions of City's Code Section 3-305, prohibiting the retention of persons to solicit contracts for contingent fees, and Sections 3-307 and 3-309, imposing sanctions for violations, shall apply to this Lease. Lessee certifies that no person or selling agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Lessee for the purpose of securing business. For breach or violation of this warranty, City shall have the right to annul this Lease without liability or, at its discretion, to deduct from the Lease price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

Sec. 13.4. Earnings Tax/Occupational License Clearance. As a condition precedent to approval of this Lease, Lessee shall furnish the City sufficient proof from City's Commissioner of Revenue, dated not more than 60 days before the date furnished to the City, that it is not delinquent for any City earnings or occupational license taxes, including withholdings from its respective employees.

Sec. 13.5. Audits. The City Auditor, City's Director of Human Relations and the Aviation Department shall have the right to audit this Lease and all Lessee's books, documents and records relating thereto and such books, documents and records will be made available on ten (10) days written notice. Lessee agrees to maintain its books, records and documents relating to this Lease during the Lease term and for three (3) years thereafter.

ARTICLE XIV **MISCELLANEOUS PROVISIONS**

Sec. 14.1 Headings. The headings of each section of this Lease are for reference only. Unless the context of this Lease clearly requires otherwise, all terms and words used herein, regardless of the number and gender in which used, shall be construed to include any other number, singular or plural, or any other gender, masculine, feminine or neuter, the same as if such words had been fully and properly written in that number or gender.

Sec. 14.2 Merger. This Lease, including any referenced Attachments or Exhibits, constitutes the entire agreement between City and Lessee with respect to this subject matter, and supersedes all prior agreements between City and Lessee with respect to this subject matter,

and any such prior agreement shall be void and of no further force or effect as of the date of this Lease.

Sec. 14.3. Governing Law. This Agreement is made in and shall be construed and governed in accordance with the law of the State of Missouri without giving effect to Missouri's choice of law provisions. The City and Lessee: (1) submit to the jurisdiction of the state and federal courts located in Jackson County, Missouri; (2) waive any and all objections to jurisdiction and venue; and (3) will not raise forum non conveniens as an objection to the location of any litigation.

Sec. 14.4. Americans with Disabilities Act. Lessee agrees to comply, during the course of this Agreement, with all provisions of the Americans with Disabilities Act, Public Law 101-336 as well as 28 CFR Parts 35 and 36 and 29 CFR Part 1630, as applicable and as amended from time to time.

Sec. 14.5. Rights & Remedies Cumulative. All rights and remedies granted to City herein and any other rights and remedies which City may have at law and in equity are hereby declared to be cumulative and not exclusive, and the fact that the City may have exercised any remedy without terminating this Lease shall not impair City's rights thereafter to terminate or to exercise any other remedy herein granted or to which City may be otherwise entitled.

Sec. 14.6. Modification.

A. Unless stated otherwise in this Lease, no provision of this Lease may be waived, modified or amended except by written amendment signed by City and Lessee.

B. No act, conversation or communication with any officer, agent or employee of City, either before or after the execution of this Lease, shall affect or modify any term or terminology of this Lease and any such act, conversation or communication shall not be binding upon City or Lessee.

Sec. 14.7. Severability of Provisions. Except as specifically provided herein, all of the provisions of this Lease shall be severable. In the event that any provision of this Lease is found by a court of competent jurisdiction to be unconstitutional or unlawful, the remaining provisions of this Lease shall be valid unless the court finds the valid provisions of this Contract are so essentially and inseparably connected with and so dependent upon the invalid provision(s) that it cannot be presumed that the parties to this Lease could have included the valid provisions without the invalid provision(s); or unless the court finds that the valid provisions, standing alone, are incapable of being performed in accordance with the intentions of the parties.

Sec. 14.8. Binding Effect. This Lease shall be binding upon City and Lessee and their successors in interest.

Sec. 14.9. Representations and Warranties. City and Lessee each certify that it has the power and authority to execute and deliver this and to perform this Lease in accordance with its terms.

Sec. 14.10. Compliance With Laws. Lessee shall comply with all federal, state and local laws, ordinances and regulations applicable to this Lease. Lessee, at its own expense, shall secure all occupational and professional licenses and permits from public or private sources necessary for the fulfillment of its obligations under this Lease.

Sec. 14.10.1 Nondiscrimination in Employment (City Specific Requirement). Lessee shall not discriminate against any employee or candidate for employment on the basis of an individual's race, hair texture or hair style associated with an individual's race, color, sex, religion, national origin, or ancestry, disability, sexual orientation, gender identity, age, or in any other manner prohibited by Chapter 38 of the City Code. Lessee shall not engage in any discrimination as prohibited by Chapter 3 of the City Code.

Sec. 14.10.2 Ban the Box in Hiring and Promotion.

(a) Pursuant to Section 38-104, City Code Ordinances, Contractor shall not base a hiring or promotional decision on an applicant's criminal history or sentence related thereto, unless the employer can demonstrate that the employment-related decision was based on all information available including consideration of the frequency, recentness and severity of a criminal record and that the record was reasonably related to the duties and responsibilities of the position.

(b) Notwithstanding subsection (a), Contractor may inquire about an applicant's criminal history after it has been determined that the individual is otherwise qualified for the position, and only after the applicant has been interviewed for the position. Any such inquiry may be made of all applicants who are within the final selection pool of candidates from which a job will be filled.

(c) This provision shall not apply to positions where employers are required to exclude applicants with certain criminal convictions from employment due to local, state or federal law or regulation.

Sec. 14.10.3. Title VI of the Civil Rights Act of 1964 (City Specific Requirement). Title VI of the Civil Rights Act of 1964 requires that no person in the United States shall, on the grounds of race, color, or national or origin (including limited English proficient individuals), be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The City of Kansas City, Missouri requires compliance with the requirements of Title VI in all of its programs and activities regardless of the funding source. Lessee shall not discriminate on the grounds of race, color, or national or origin (including limited English proficient individuals).

Sec. 14.10.4. Anti-Discrimination Against Israel. If this Contract exceeds \$100,000.00 and Design Professional employs at least ten employees, pursuant to Section 34.600, RSMo., by executing this Contract, Design Professional certifies it is not currently engaged in and shall not, for the duration of this contract, engage in a boycott of goods or services from the State of Israel; companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or persons or entities doing business in the State of Israel.

Sec. 14.11. Force Majeure. Neither party shall be liable to the other for any failure, delay or interruption in the performance of any of the terms, covenants or conditions of this Agreement due to causes beyond the control of that party including, without limitation, strikes, boycotts, labor disputes, embargoes, shortages of material, acts of God, acts of the public enemy, action of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage or any other circumstance for which such party is not responsible or which is not in its power to control.

Sec. 14.12. Interpretation. The language of this Lease shall be construed according to its fair meaning, and not strictly for or against either City or Lessee.

Sec. 14.13. No Personal Liability. No councilman, director, officer, employee or other agent of either party shall be personally liable under or in connection with this Lease.

Sec. 14.14. Time of the Essence. Time is of the essence of this Lease.

Sec. 14.15. Memorandum of Lease. At the request of the City or Lessee, the parties hereto shall execute and acknowledge a memorandum hereof in recordable form that Lessee shall file for recording in the real property records of the county in which the Premises is situated.

Sec. 14.16. Estoppel Certificate. The City, upon request by Lessee or a Leasehold Mortgagee, shall execute an estoppel certificate confirming the terms of this Lease, certifying as to whether or not Lessee is in compliance with all of the terms and conditions of this Lease, and containing such other matters as may be reasonably requested.

Sec. 14.17. No Merger. In the event that the same person or entity should acquire both the interest held by the City and the interest held by Lessee in this Lease, same shall not work a merger of such interests and this Lease shall continue in effect, unless a written instrument to the contrary is signed by the holder of such interests and filed in the real property records of the county in which the Premises is situated.

Sec. 14.18. Consents and Approvals. In any case where a consent or approval by the City or Lessee is required hereunder, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

Sec. 14.19. Affirmative Action. If this Contract exceeds \$300,000.00 and Contractor employs fifty (50) or more people, Contractor shall comply with City's Affirmative Action requirements in accordance with the provisions of Chapter 38 of City's Code, the rules and regulations relating to those sections, and any additions or amendments thereto; in executing any Contract subject to said provisions, Contractor warrants that it has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the Contract. Contractor shall not discriminate against any employee or applicant for employment because of race, color, sex, religion, national origin or ancestry, disability, sexual orientation, gender identity or age in a manner prohibited by Chapter 38 of City's Code. Contractor shall:

- (a) Execute and submit the City of Kansas City, Missouri CREO Affirmative Action Program Affidavit warranting that the Contractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the Contract.
- (b) Submit, in print or electronic format, a copy of Contractor's current certificate of compliance to the City's Civil Rights and Equal Opportunity Department (CREO) prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years. If, and only if, Contractor does not possess a current certification of compliance, Contractor shall submit, in print or electronic format, a copy of its affirmative action program to CREO prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years.
- (c) Require any Subcontractor awarded a subcontract exceeding \$300,000.00 to affirm that Subcontractor has an affirmative action program in place and will maintain the

affirmative action program in place for the duration of the subcontract.

(d) Obtain from any Subcontractor awarded a subcontract exceeding \$300,000.00 a copy of the Subcontractor's current certificate of compliance and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed. If, and only if, Subcontractor does not possess a current certificate of compliance, Contractor shall obtain a copy of the Subcontractor's affirmative action program and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed.

(e) City has the right to take action as directed by City's Civil Rights and Equal Opportunity Department to enforce this provision. If Contractor fails, refuses or neglects to comply with the provisions of Chapter 38 of City's Code, then such failure shall be deemed a total breach of this Contract and this Contract may be terminated, cancelled or suspended, in whole or in part, and Contractor may be declared ineligible for any further contracts funded by City for a period of one (1) year. This is a material term of this Contract.

Sec. 14.20 General Civil Rights Provisions. To the extent applicable, the Lessee agrees that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

ARTICLE XV **ADDITIONAL PROVISIONS**

Sec. 15.1. Notices. Except as herein otherwise expressly provided, all notices required by this Lease shall be in writing sent regular U.S. mail, postage prepaid or commercial overnight courier to the following:

City: Kansas City International Airport
Properties & Commercial Development
601 Brasilia Avenue
Kansas City, MO 64153
Phone: 816-243-3048
Email: steve.skorepa@kcmo.org

Lessee: Southwest Airlines Company
ATTN: Kyle O'Neal

Phone: 817-219-4007
Email: kyle.oneal@wnco.com

All notices are effective three days after the date of mailing in the U.S. mail, upon delivery by an overnight courier or transmission by email.

Sec. 15.2. Priorities. In the event that any of the terms and conditions in Part I or Part II of this Lease conflicts, the more stringent provision shall apply unless otherwise mandated by law.

Sec 15.3 Signs. No signs or advertising displays exposed to public view will be painted on or erected in any manner on the Premises without the prior written approval of the Director (which approval shall not be unreasonably withheld or delayed) and in accordance with the City's standards with respect to wording, type, size, design, color and location. Upon termination, cancellation or expiration of the Lease, Lessee at its costs will remove, obliterate or paint out, any and all of its signs, advertising and displays as the Director may reasonably direct.

IN WITNESS WHEREOF, the parties hereto for themselves, their successors and assigns, have executed this Lease the day and year first above written.

ATTEST:

SOUTHWEST AIRLINES COMPANY

Secretary (if applicable)

(Sign)

(Print)

(Title)

Approved as to form:

KANSAS CITY, MISSOURI

By: Senior Associate City Attorney

(Sign)

(Print)

(Title)

EXHIBIT A
LEASED PREMISES
(attached)

This Exhibit may be amended between the Director of Aviation and Lessee without further Council approval.

EXHIBIT "B"

STORM WATER BEST MANAGEMENT PRACTICES

The Airport operates under the requirements of a National Pollutant Discharge Elimination System ("NPDES") Permit issued by the Missouri Department of Natural Resources ("MDNR"). The NPDES Permit imposes controls that assure that the Airport storm water discharges meet applicable water quality standards. NPDES controls are implemented at the Airport by operation of the Airport Storm Water Pollution Prevention Plan ("SWPPP"). Under the terms of the Permit, the Airport is responsible to the State of Missouri for all industrial and storm water discharges origination on Airport property. Each tenant is responsible to the Airport for contributions to the Airport industrial and storm water that originate for the tenant's leases property and from the tenant's activities anywhere on Airport property.

The following Best Management Practices ("BMP") require conformity to NPDES Permit mandates for activities that take place on Airport property. These BMP's apply to Airport departments, tenants, and all individuals (persons) whose activities could contribute to industrial or storm water discharges from Airport property. Airport departments and tenants are responsible for the actions of their personnel, contractors, supplies, services, providers, holders of operating permits, and all others who enter Airport property under their authorization.

1. All vehicles operated on the Airport shall be maintained in good condition at all times and be free of oil and gas leaks.
2. Each tenant operator shall keep individual areas clean of vehicle liquid spills.
3. No tenant shall permit or cause to be permitted the discharge of flammable or combustible liquids or any waste liquid containing crude petroleum or its products into or upon any, street, highway, drainage canal, ditch, storm drainage system, lake, waterway or ground.
4. Outside repairs, servicing, washing or adjustments to ground vehicles which could cause pollutants, including but not limited to grease, oil, fuel, detergents, etc., to enter storm water systems is prohibited.
5. Tenants shall properly maintain fuel systems and oil water separators as to prevent discharge of petroleum contaminants to the Airport's storm water discharge systems.
6. Outside use of soaps, surfactants or materials that would ultimately enter the storm water and negatively impact the Airport NPDES permit is prohibited.
7. Tenant will be responsible for initiating immediate containment of spills and immediate cleanup/remediation of releases that can or will impact storm water systems. Note: Application of oil dry on a petroleum spill without subsequent removal/disposal of oil dry from pavement does not constitute acceptable cleanup.
8. All spills, irrespective of exceeding environmental regulation reportable quantities, that could or have entered the storm water systems shall be reported to Airport immediately following initial actions taken to contain and/or cleanup the release. In the event that a release is deemed to be beyond the lessee's ability to safely address or presents an immediate hazard to life, property or impact on storm water systems the Airport Communications Center shall be notified immediately.

9. The application of Aircraft Deicing Fluid (“ADF”) is authorized on carrier and cargo aprons only. Any unused or out of specification ADF will be disposed of off Airport to include the ADF impact water (rinsate) from the cleaning of tanks and vehicles. Any inadvertent loss of ASF fluid that was not sprayed on an aircraft during winter operations constitutes a spill and will be cleaned up and disposed of in the same manner as a grease/oil spill.

EXHIBIT "C"

RESPONSIBILITIES OF LESSEE AND CITY

RESPONSIBILITIES of LESSEE ("Tenant")

1. The Tenant shall not begin any work on the Improvements or any future Improvements until the Aviation Department has (1) reviewed and approved preliminary site plans and preliminary plans and (2) issued a Notice to Proceed.
2. The Tenant shall submit evidence of the contractor's required insurance through completion of this project to the Aviation Department in accordance with the City's insurance policy as follows:
 - a. Tenant shall insure its Contractor shall procure and maintain in effect throughout the duration of this Project insurance coverage not less than the types and amounts specified in this section. Policies containing a Self-Insured Retention will be unacceptable to City.
 - (1) Commercial General Liability Insurance: with limits of \$2,000,000 per occurrence and \$4,000,000 aggregate, written on an "occurrence" basis. The policy shall be written or endorsed to include the following provisions:
 - (a) Severability of Interests Coverage applying to Additional Insureds;
 - (b) Contractual Liability;
 - (c) Per Project Aggregate Liability Limit or, where not available, the aggregate limit shall be \$4,000,000;
 - (d) No Contractual Liability Limitation Endorsement; and
 - (e) Additional Insured Endorsement, ISO form CG20 10, current edition, or its equivalent.
 - (2) Workers' Compensation Insurance: as required by statute, including Employers' Liability with limits of:

Workers' Compensation	Statutory
Employers' Liability	\$1,000,000 accident
with limits of:	\$1,000,000 disease-policy limit
	\$1,000,000 disease-each employee
 - (3) Commercial Automobile Liability Insurance with a limit of \$1,000,000 per occurrence, covering owned, hired and non-owned automobiles (with required \$10,000,000 for Airport Operations Area users as, to the extent and when required by the City on a non-discriminate basis for all Airport Operations Area users). Coverage provided shall be on an "any auto" basis and written on an "occurrence" basis. This insurance will be written on a Commercial Business Auto form, or acceptable equivalent, and will protect against claims arising out of the operation of motor vehicles.
 - (4) Property Insurance upon the work at the site in the amount of the full replacement cost thereof.
 - b. The policies listed above may not be canceled until after thirty (30) days written notice of cancellation to City, ten (10) days in the event of non-payment of premium. The Commercial General and Automobile Liability Insurance specified above shall provide

that City and its agencies, officials, officers, and employees, while acting within the scope of their authority, will be named as additional insureds for the services performed under this Agreement. Contractor shall provide prior to issuance of the Notice to Proceed a certificate of insurance showing all required endorsements and additional insureds. The certificate shall be on the City's standard form.

- c. All insurance coverage must be written by companies that have an A.M. Best's rating of "A-V" or better, and are licensed or approved by the State of Missouri to do business in Missouri.
 - d. Regardless of any approval by City, it is the responsibility of Tenant to assure that its contractor maintains the required insurance coverage in force at all times; its failure to do so will not relieve it of any contractual obligation or responsibility. In the event of Tenant's contractor's failure to maintain the required insurance in effect, City may order Tenant to immediately stop work and, upon ten (10) days' notice and an opportunity to cure, may pursue its remedies for breach of the Lease Agreement as provided for therein and by law.
3. If applicable, the Tenant will display and cause its contractors to display the field card issued by Aviation Department – Planning and Engineering, in a prominent manner on the public side of the construction barriers.
 4. The Tenant will obtain or cause its contractor to obtain all necessary permits required by the City Planning & Development Department.
 5. The Tenant will notify Aviation Department – Planning and Engineering prior to any building inspections by the City Planning & Development Department.
 6. The Tenant will notify Aviation Department – Planning & Engineering prior to scheduling a final inspection upon complete of construction. The inspection will include the Tenant's contractor.
 7. The Tenant shall provide one set of hard copy as-built drawings and one set copy electronic as-built drawings on compact disk (CD) to the Aviation Department upon completion of this project.
 - a. The hard copy version of the As-Builts shall include:
 - i. The prime contractors hand marked ('Red-lined) changes to the bid set plans in association with their trade
 - ii. The subcontractors hand marked ('Red-lined) changes to the original bid set plans in association with their trade
 - b. The electronic version of the As-Builts shall include:
 - i. The electronic conversion of the prime contractors hand marked ('Red-lined) changes to the bid set plans made by the lead design professional of the project
 - ii. The electronic conversion of the sub contractors hand marked ('Red-lined) changes to the bid set plans made by the associated sub-consultants of the project
 - c. Included in the Tenant Modification is the official KCAD accepted electronic version of Micro Station or Auto Cad.
 - d. Tenant shall send the As-Builts to the KCAD project manager before final acceptance of the project is granted.

- 8. Certification of Occupancy.** The Tenant shall provide the Aviation Department with a copy of the Certification of Occupancy issued by the entity representing the Kansas City Building Inspection division
- 9. Excavation Permit.** Tenant will assure that its contractor, before any excavation, shall secure from the Aviation Department, Planning & Engineering Division a signed excavation permit showing the approximate location of known existing utilities in the area. The Aviation Department does not guarantee that all utilities are shown and, therefore, the contractor shall assume all risks in protecting and locating the utilities.
- 10. Use of Premises.** Interruption of the operations of the Airport shall be kept to an absolute minimum. The contractor shall plan and perform all work under this agreement so as not to interfere with normal airport operations.
- a. The contractor, at its own cost, shall make all arrangements for all electrical power required prior to the acceptance of the work.
 - b. The contractor shall confine its apparatus, its workmen, and its route of access to the work area to the limits shown on the drawings and the Premises or, if work is performed outside of the Premises, to the directions of the Director of Aviation. The contractor must provide its own storage for equipment and materials to be used on the job site in the area. Only Tenant's and contractor's work vehicles will be permitted on the work area. If work is performed outside of the Premises, the Contractor's employees' vehicles shall be parked only in the area designated by the Director of Aviation.
 - c. The contractor shall not allow the area of the work to become littered with trash, waste materials or debris, but shall maintain it in a neat and orderly condition.
 - d. The contractor shall protect all areas of work performed under this Agreement from damage, including damage caused by weather conditions, and contractor shall replace or repair any damaged portions to the satisfaction of the Lessee.
 - e. The contractor shall be responsible for the preservation of public and private property in and adjacent to the work area. Contractor shall be responsible, during the prosecution of the work, for all damage or injury to property of any character, or to persons, resulting from any act, omission, neglect or misconduct in its manner or method of executing the work. Contractor shall restore such property at its own expense to a condition equal to that existing before such damage or injury by repairing, rebuilding or otherwise restoring such property, as it may be directed, or shall make restitution for such damage or injury in an acceptable manner. In case of a failure on the part of the contractor to restore such property or to make good such damage or injuries, the Director of Aviation, upon 48 hours written notice to the Tenant, may repair, rebuild or otherwise restore such property as the Director may deem necessary, and the cost thereof will be the responsibility of the Tenant under this Contract.
 - f. The City shall have the authority to use such areas of the completed or partially completed work for such periods of time as required to maintain airport operations during emergencies. Tenant and contractor shall cooperate by providing access and shall maintain such area during its use by the City.

11. Health and Safety Requirement

- a. Contractor shall furnish, erect, and maintain all safety devices required for the protection of persons, property, and operations on the Airport. The Contractor shall take all necessary precautions to prevent accidents or injury to persons on, about or adjacent to the premises where the work is being performed and shall comply with all applicable provisions of federal, state and municipal safety laws and building codes.

RESPONSIBILITIES OF CITY

1. Aviation Planning and Engineering will provide, as appropriate, Lessee a copy of KCAD design standards.
2. Assist Lessee by placing at its disposal available information relative to the project.
 1. Examine all studies, reports, sketches, estimates, specifications, drawings, and other documents presented by Lessee and shall render in writing decisions pertaining thereto within a reasonable time so as not to delay the work of Lessee.
4. Designate a person to act as the City's representative with respect to the work to be performed under this project.
5. Assist Lessee in obtaining approval of governmental authorities having jurisdiction over the project and such approvals and consents from such other individuals or bodies as may be necessary for completion of the project.

EXHIBIT “D”

RULES AND REGULATIONS

1. The sidewalks, entries, and driveways of the Premises shall not be obstructed by Tenant, or its agents, or used by them for any purpose other than ingress and egress to and from the Premises.
2. Tenant shall not place any personal property or objects in the parking areas, landscaped areas or other areas outside of its Premises, or on the roof of the Building.
3. Except for service dogs, no animals shall be allowed in, or on, any part of the Property or the Premises.
4. Tenant shall not disturb any other occupants of the Building or Premises by the use of any radio, speakers, or musical instrument or by the making of loud or improper noises.
5. If Tenant desires telegraphic, telephonic or other electronic connections in the Premises, Landlord or its agents will direct the electrician as to where and how any conduit or wires may be introduced; and, without such direction, no boring or cutting of wires or conduit will be permitted. Any such installation or connection shall be made at the Tenant’s expense.
6. Tenant shall not install or operate any steam or gas engine or boiler except as specifically approved in the Lease. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Premises.
7. Parking any type of recreational vehicles is specifically prohibited on or about the Premises or Property. Parking any type of trucks, trailers or other vehicles in the Building is specifically prohibited. In no event shall inoperable cars, trucks or trailers be parked at the Premises. There shall be no “For Sale” or other advertising signs on or about any parked vehicle. All vehicles shall be parked in the designated parking areas in conformity with all signs and other markings. All parking will be open parking, and no reserved parking, numbering or lettering of individual spaces will be permitted except as specified by Landlord or in the Lease. There shall be no repair, maintenance or washing of vehicles in the parking lot, drive areas, or truck courts.
8. Tenant shall maintain the Premises free from rodents, insects and other pests.
9. Landlord reserves the right to exclude or expel from the Premises any person who, in the judgement of the Landlord, is intoxicated or under the influence of liquor or drugs or who shall in any manner do any act in violation of the Rules and Regulations of the Premises.
10. Tenant shall not cause any unnecessary labor or maintenance by reason of Tenant’s carelessness or indifference in the preservation of good order and cleanliness. Landlord shall not be responsible to Tenant for any loss of any property on the Premises, however occurring, or for any damage done to the effects of Tenant by the janitors, maintenance personnel, or any other employee or person.

11. Tenant shall give Landlord prompt notice of any defects or leaks in the water, lawn sprinkler, sewage, gas pipes, exterior electrical lights and fixtures, heating apparatus, fire sprinklers or any other service system or equipment affecting the Premises.
12. Tenant shall not permit dumping waste or refuse, other than in the designated receptacles, or permit any harmful materials to be placed in any drainage system or sanitary system in or about the Premises, Building or property.
13. All movable trash receptacles provided by the trash disposal firm for the Premises must be kept in the trash enclosure areas provided for that purpose and all trash receptacles shall remain closed at all times.
14. No public or private auction will be permitted on the Premises, Building or the Property.
15. No awnings shall be placed over the windows in the Premises except with the prior written consent of Landlord.
16. The Premises shall not be used for lodging, sleeping or cooking (other than kitchenette or break room use) or for any immoral or illegal purposes or for any purpose other than that specified in the Lease. No gaming devices shall be operated in the Premises.
17. Tenant shall ascertain from Landlord the maximum amount of electrical load which can safely be used in the Premises, taking into account the capacity of the electrical wiring in the Building, Premise or the Property and the needs of other tenants, and shall not use more than such safe capacity. Landlord's consent to the installation of electrical equipment shall not relieve Tenant from the obligation to use no more electricity than such safe capacity.
18. Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage.
19. Tenant shall not permit recreational or medical marijuana to be grown, sold, dispensed, or consumed on the Premises or Property, provided that this Rule 19 will not prohibit Tenant's ability, in the normal course of its business operations, to transport cannabis containing products, provided Tenant's operations remain in compliance with Legal Requirements.
20. Tenant shall not permit smoking in any interior area of the Premises.

EXHIBIT E

LANDLORD MAINTENANCE OBLIGATIONS - OPERATING EXPENSES (RECOVERABLE)

<u>Item</u>	<u>Description of Service</u>
Catch basins (parking lot, drive aisles, Apron)	Permits, regulatory compliance, maintenance, restoration
Electrical System	Maintenance, repair, and replacement of transformer, electrical switchgear, and other components of the electrical system located outside the Premises or subgrade
Exterior Paint	Paint building exterior to mutually-agreeable color and design once every 10 years and touch up more frequently as needed to maintain a uniform aesthetic
Exterior Pumps	General maintenance and repair
Fire Sprinkler and Fire Protection Systems	Any capital repair/replacement of fire/life safety system installed as part of the Base Building Specifications (“Base F/LS System”), including any maintenance and capital repair/replacement of any fire water tank. Landlord to provide copies of maintenance, repair and replacement logs upon Tenant’s request.
Fire Sprinkler and Fire Protection Systems	Inspections, testing, compliance, and maintenance of those portions of the Base F/LS System that are on the Premises
Fire Sprinkler and Fire Protection Systems	Monitoring of all applicable portions of fire protection systems and fire water supply
Ground Irrigation	Maintenance and replacement of system elements, as needed
Gutters, scuppers, downspouts and storm water systems	Preventative maintenance and repair
HVAC	Capital repair or replacement of inoperable HVAC units that exclusively serve the Premises and for which Landlord elects to perform such repairs/replacements
Parking Lot and Drive Surface	Preventative maintenance, restoration, reconstruction, sealing, striping
Parking Lot Lighting	Maintenance, repair and replacement

Pest Control	Exterior only, as needed. Upon Tenant's request, Landlord to provide Tenant with a copy of Landlord's rodent and pest control plan (including chemicals used) and Tenant will have right to reasonably approve of same
Roof	Annual inspections, leak repair, preventative maintenance, as needed to maintain warranty
Snow Removal - Roof only	Snow and ice removal from roof, awnings, and overhangs, including drain clearing
Subgrade Utility Lines	Maintenance, repair, and replacement of all subgrade utility lines, including sewer, plumbing, pumps, and lift stations, if any
Swales and Retention/detention ponds	Permits, regulatory compliance, maintenance, restoration
Backflow devices, if any	Necessary testing, inspecting, maintenance, and permit management
Exterior Building Lighting	Maintenance and repair of exterior lighting affixed to building
Exterior curbs and bollards	Maintenance and repair
Exterior Fencing	Maintain gates and fences around Premises
Trash – Compactor	As needed
Landscaping (recurring services)	Recurring services for landscape maintenance, including mowing, fertilizing, leaf removal, pruning
Apron maintenance	Apron sweeping and debris removal at a frequency sufficient to ensure that all foreign object debris is removed from the surface of the Apron area.

**LANDLORD MAINTENANCE OBLIGATIONS - OPERATING EXPENSES
(NON-RECOVERABLE)**

<u>Item</u>	<u>Description of Service</u>
Exterior Signage - Landlord Installed	Repair, replace, upgrade Landlord signage as needed to maintain professional aesthetic
Landscaping (non-recurring service)	Items exceeding general maintenance such as tree removal or trimming, replacement (including annual color replacement), re-grading, overhauling, etc.
Parking lot and drive surfaces	Replace sections as needed based on useful life and performance requirements
Structure of building, including structural mezzanines and platforms	Maintain, repair, and replace, as needed
Roof replacement and structural repair	Repair and replacement of roof deck and structural components
Roof membrane and above-deck roof components	Replacement
Slab and foundation	Ensure integrity, conduct repair, including voids and cavities in soils and fill under slab and around foundation
Exterior walls and load-bearing walls	Ensure integrity, conduct repair, and replace wall sections, as needed
Apron Repair; Generally	Structural repair of the concrete and paved surfaces to ensure that any cracks or deflections in the surface are repaired, that all control joints are properly sealed, and that any degradation of the concrete and paved surfaces (including, without limitation, spalling or scaling) is repaired to a condition sufficient to support the intended loads of the freighter aircraft.

TENANT MAINTENANCE OBLIGATIONS (after warranty period, if applicable)

<u>Item</u>	<u>Description of Service</u>
All interior non-structural portions of the Premises	Maintain, repair, and restore as needed
Below-deck ceiling insulation (if equipped)	Maintenance and replacement of insulation materials that are suspended just below the roof deck
Carpentry - Doors, Cabinets, Counters, etc.	Maintenance and repair of doors and millwork
Dock Doors and Dock Levelers	General maintenance and repair
Electric Service (after main feed, above slab)	General maintenance and repair
Energy and Communications Related Improvements	General maintenance and repair
Exterior Glazing	Repair broken and/damaged glass and seals
Exterior Signage - Tenant Installed	Maintain and update Tenant installed signage as needed
Generator	General maintenance and repair
HVAC	Maintenance, testing, inspections, permits Maintenance, repair and replacement of HVAC units exclusively serving Premises in accordance with manufacturer's recommended standards, but subject to warranty period in Section 8(a) of the Agreement. May elect not to repair/replace inoperable HVAC units.
Interior Lighting	Maintenance, repair, and replacement of bulbs and ballasts

Interior/Exterior Pest Control	As needed
Interior Sump Pump or Lift Stations	General maintenance and repair
Interior walls and floor coverings	Maintenance, repair, and replacement of walls and flooring surfaces (non-structural)
Janitorial	Janitorial services, if desired
Kitchen Appliances	General maintenance and repair
Parking Lot Sweeping	Maintenance sweeping for debris removal
Plumbing - Above Slab	General maintenance and repair
Snow Removal - grounds and Parking Lots	Remove snow and/or treat ice
Snow Removal – Apron	Remove snow and/or treat ice
Suspended Ceilings and Hard Lid Ceilings	General maintenance, repair and replacement
Trash and Recycling	As needed
Window Washing	Washing of exterior and interior

ADDENDUM 1

OPERATING EXPENSE EXCLUSIONS

Operating Expense Exclusions. Tenant will not be responsible for the following costs:

- (1) costs incurred in connection with the original construction, or subsequent reconfiguration or upgrade, of the Building or the Land;
- (2) costs of correcting
 - (a) design and structural defects during the Term, or
 - (b) any latent defects during the first five (5) years of the Term, provided that, for the purposes of this clause (2), conditions (not occasioned by subsurface conditions, or design, structural or latent defects) resulting from ordinary wear and tear and use will not be deemed defects;
- (3) real estate brokers' commissions, renovations, tenant improvements, or other costs incurred for attracting tenants or with respect to other rentable area;
- (4) costs resulting from the gross negligence or willful misconduct of any Landlord Party or the default of Landlord under this Agreement or any other agreement affecting Landlord, the Building, or the Land;
- (5) legal, accounting, or professional fees and costs incurred in connection with lease negotiations, lease enforcement, administration or disputes, the audit of any Landlord financial materials and requests related to any assignment or sublease;
- (6) interest and principal payments or other amortization or depreciation charges on the Building or the Land (including the Building systems and equipment) or the indebtedness of Landlord;
- (7) overhead and profit paid to subsidiaries or affiliates of Landlord for management or other services, or for supplies or other materials, to the extent the amounts incurred exceed those that would have been reasonably incurred if such supplies, materials, or services were obtained from unrelated third parties;
- (8) contributions to any political or charitable persons or entities;
- (9) costs for the acquisition or maintenance of art;
- (10) advertising, marketing, and promotion costs;
- (11) costs associated with the operation of the entity that constitutes Landlord, as distinguished from costs of operation of the Building and the Land;
- (12) costs for which Landlord receives reimbursement under warranties or by insurers, other tenants, or third parties;
- (13) reserves;
- (14) costs incurred to comply with Environmental Requirements or to investigate, remove, remediate, or respond to any claim related to Hazardous Materials caused by Landlord (but Tenant's responsibility for Hazardous Materials brought onto the Premises by any Tenant Party will be governed by Section 28);

- (15) costs of capital repairs or replacements unless amortized in equal monthly installments over their useful lives in accordance with GAAP;
- (16) costs and expenses incurred in leasing equipment or systems that would ordinarily constitute a capital expenditure if such equipment or systems were purchased, to the extent such rental charges exceed the amortization charge, if any, that would have been permitted had the item been purchased;
- (17) costs of repairs or other work necessitated by fire, windstorm, or other casualty and costs of repair or other work necessitated by the exercise of the right of eminent domain;
- (18) cost of insurance coverages not generally carried by landlords of similar buildings in the area;
- (19) insurance deductibles and co-insurance payments; provided that no more than \$200,000 of such payments in the aggregate may be included in Operating Expenses for any one insured event;
- (20) costs, including fines, penalties, and legal fees incurred, due to violations by any Landlord Party, or any other tenant or occupant of the Building or the Land, of Legal Requirements, contracts, or leases pertaining to the Building or the Land, or title matters;
- (21) any amount paid to an owners' association of which the Building and the Land are a part or paid in connection with any covenants, conditions, and restrictions or other title matters affecting the Building and the Land if such costs would be excluded from Operating Expenses pursuant to other provisions of Section 7 of this Agreement and this **Addendum 1**;
- (22) costs incurred in connection with the financing or transfer of the Building or the Land (including the cost of any lender's policy of title insurance) or any interest therein;
- (23) the cost of any action that is specifically Landlord's expense under this Agreement or any costs for which Landlord is required to pay or reimburse Tenant (including the cost of any repairs or replacements covered by Landlord's express warranties set forth in this Agreement);
- (24) expenses that are separately metered or calculated and that are billed separately to other tenants, as applicable;
- (25) wages, salaries, and other compensation paid to personnel above the grade of property manager;
- (26) Landlord's general overhead and any other expense not directly related to the Building and the Land;
- (27) property management fees in excess of one percent (1%) of annual Base Rent; and
- (28) to the extent not already covered above, any maintenance obligations of Landlord listed as "Landlord Maintenance Obligations – Non-Recoverable" on **Exhibit E**.

Part II

SUPPLEMENTAL TERMS AND CONDITIONS TO ALL AIRPORT AGREEMENTS

I. Assurances.

A. Lessee shall furnish its services on a fair, equal and not unjustly discriminatory basis to all users of the Airport.

B. Lessee shall charge fair, reasonable and not unjustly discriminatory prices for each unit or services; provided that, Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers. Non-compliance with this requirement shall be a material breach of this Lease for which the City shall have the right to terminate this Lease and any estate created herewith, without liability therefor; or, at the election of the City or the United States, either or both of said governments shall have the right to judicially enforce said requirement.

C. Lessee warrants that no person shall, on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age or disability, be excluded from participating in any activity conducted on or from the Premises, or otherwise be excluded from the benefits offered by Lessee to the general public.

D. As part of the consideration of this Lease, Lessee does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a DOT program or activity is extended for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Code of Federal Regulations, Title 49, DOT, Subtitle A, Office of the Secretary of Transportation, part 21- Nondiscrimination in Federally-Assisted Programs of the Department of Transportation- Effectuation of Title VI of the Civil Rights of 1964, as said regulations exist and may be amended from time to time.

In this Lease, the Covenant is hereby made a covenant running with the land for the term of the Lease, and is judicially enforceable by the United States.

E. As part of the consideration of the Lease, Lessee does hereby covenant and agree that:

1. No person on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity) age, or disability shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; and

2. In the construction of any improvements on, over or under such Premises and the furnishing of services thereon, no person on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity) age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

3. That the Lessee will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Nondiscrimination Acts and Authorities. In

this Lease, the Covenant is hereby made a covenant running with the land for the term of the Lease, and is judicially enforceable by the United States.

F. The foregoing discrimination covenants are a material part of this Lease and for breach thereof the City shall have the right to terminate this Lease and to reenter and repossess the Premises and facilities thereon, and hold the same as if said Lease had never been made. This provision does not become effective until the procedures of 49 CFR part 21 are followed and completed, including expiration of appeal rights.

G. Lessee agrees to insert the foregoing six provisions (A-F) in any lease, contract or agreement by which Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on or from the Premises.

H. Lessee agrees that it will undertake an affirmative action plan in conformance with 14 CFR part 152, Subpart E, to ensure that no person shall on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity) age, or disability be excluded from participating in any employment, contracting or leasing activities covered in 14 CFR part 152, Subpart E. Lessee assures that no person will be excluded on such grounds from participating in or receiving the services or benefits of any covered program or activity. Lessee further agrees that it will require its covered suborganizations to provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require like assurances from their suborganizations, as required by 14 CFR part 152, Subpart E.

I. The City reserves the right, but is in no way obligated to Lessee, to further develop or improve the landing area of the Airport as it deems appropriate, without regard to Lessee, and without interference or hindrance from Lessee.

J. The City reserves the right, but is in no way 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.

K. Lessee acknowledges that this Lease is subordinate to any existing or future agreement between the City and the United States concerning the development, operation or maintenance of the Airport.

L. The Lease is subordinate to the reserved right of the City its successors, assigns, and subsequent transferees to occupy and use for the benefit of the public the airspace above the Premises for the right of flight for the passage of aircraft. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft through said airspace or in landing at or taking off from, or operation on an Airport.

M. Lessee agrees to comply with the notification and review requirements of Federal Aviation Regulation part 77 in the event future construction of a structure is planned for the Premises, or in the event of a planned modification of a structure on the Premises. Lessee covenants for itself, its successors and assigns that it will not erect or permit the erection of any structure or permit the growth of any tree, on the Premises above the mean sea level elevation that is defined as an object that effects navigable airspace as defined in Federal Aviation Regulations part 77. As a remedy for the breach of said covenant the City of Kansas City, Missouri, reserves the right to enter upon the Premises and remove the offending structure or cut the offending tree, all at the expense of Lessee.

N. Lessee, by accepting this Lease, covenants for itself, its successors and assigns that no use will be made of the Premises that might in any manner interfere with the landing and taking off of aircraft from the Airport, or otherwise constitute a hazard to air navigation. As a remedy for the breach of said covenant, the City reserves the right to enter upon the Premises and cause the abatement of such interference, all at the expense of Lessee.

O. The Lessee, its officers, administrators, representatives, successors and assigns will not erect on or permit the erection of any structure or object, nor permit the growth of any tree or vegetation on the premises above ground level elevation without prior approval from the City and, as required by the law, subject to approval by the FAA. In the event the aforesaid covenants are breached, the City reserves the right to enter upon the premises and to remove the offending structure or object and cut the offending tree or vegetation, all of which shall be at the expense of Lessee. Lessee, its officers, administrators, representatives, successors and assigns will not make use of the premises in any manner which might interfere with the landing and taking off of aircraft from the Kansas City Downtown Airport, the Kansas City International Airport, or otherwise constitute a hazard. In the event the aforesaid covenant is breached the City has the right to enter upon the premises and cause the abatement of such interference at the expense of Lessee.

P. Lessee acknowledges that nothing contained in this Lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 USC § 40103(e).

Q. This Lease and all provisions hereof are subordinate to whatever rights the United States now has or in the future may acquire affecting the control, operation, regulation and taking-over of the Airport, or the exclusive or non-exclusive use of the Airport by the United States during a time of war or national emergency.

II. Right to Amend.

In the event that the Federal Aviation Administration or its successors requires modifications or changes in this Agreement as a condition precedent to the granting of funds for the improvement of the Airport, or otherwise, the Lessee agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Agreement as may be reasonably required.

III. Restricted Areas/Security.

Lessee will comply with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state or local governmental entity regarding airfield security. Lessee shall fully comply with applicable provisions of the Code of Federal Regulations (CFR) Title 49: Transportation. Lessee shall fully comply specifically with 49 CFR part 1540 – Civil Aviation Security; 49 CFR part 1542 – Airport Security; 49 CFR part 1544 – Aircraft Operator Security: Air Carriers and Commercial Operators (if Lessee is an air carrier); and 49 CFR part 1546 – Foreign Air Carrier Security (if Lessee is a foreign air carrier). City has adopted a Security Plan for the Airport approved by the Transportation Security Administration (TSA) pursuant to Department of Transportation (DOT) TSA CFR 49 part 1542. Lessee agrees to be bound by and follow the Airport Security Plan. Any access to the Airport granted to Lessee shall not be used, enjoyed or extended to any person, entity or vehicle engaged in any activity or performing any act or furnishing any service for or on behalf of the Lessee that Lessee is not authorized to engage in or perform under this Lease unless expressly authorized in writing by the Director in accordance with TSA CFR 49 part 1542. In the event Lessee, its officer, employees, invitees or Lessee cause or contribute to unauthorized persons or vehicles entering the air operations areas of the Airport, or otherwise violate the Security Plan

or any laws, regulations, rules, etc. governing airport security, and in addition to any other remedies available hereunder, Lessee shall be liable to City for an amount equal to any civil penalty imposed on City for such violations and hereby agrees to indemnify City for any such federal civil penalties, provided City shall promptly notify Lessee in writing of any claimed violations so as to permit Lessee an opportunity to participate in any investigation or proceedings.

IV. General Civil Rights Provisions.

In all its activities within the scope of its airport program, the Lessee agrees that it will comply with pertinent statutes, Executive Orders and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

If, Lessee transfers its obligation to another, the transferee is obligated in the same manner as the Lessee. The above provision obligates the Lessee for the period during which the property is owned, used or possessed by the Lessee and the airport remains obligated to the Federal Aviation Administration.

V. Civil Rights-Title VI Assurances.

Title VI Solicitation Notice

The City, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that any contract entered into pursuant to any advertisement, disadvantaged business enterprises or airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to the related invitation and will not be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age or disability in consideration for an award.

Compliance with Nondiscrimination Requirements

During the performance of this Lease, the Lessee, for itself, successors in interest, and assigns (hereinafter referred to as the "Lessee"), agrees as follows:

1. Compliance with Regulations: The Lessee (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Statutes and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. Non-discrimination: The Lessee, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Lessee will not participate directly or indirectly in the discrimination prohibited by the Acts and the Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for subcontractors, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and the Regulations relative to Non-discrimination on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity) age, or disability.
4. Information and Reports: The Lessee will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City or the Federal Aviation Administration to be pertinent to ascertain compliance with such Acts and Authorities and instructions. Where any information required of a Lessee is in the exclusive possession of another who fails or refuses to furnish the information, the Lessee will so certify to the City or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance: In the event of a Lessee's noncompliance with the Non-discrimination provisions of this contract, the City will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the Lessee under the contract until the Lessee complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. Incorporation of Provisions: The Lessee will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Lessee will take action with respect to any subcontract or procurement as the City or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Lessee becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Lessee may request the City to enter into any litigation to protect the interests of the City. In addition, the Lessee may request the United States to enter into the litigation to protect the interests of the United States.
7. For persons with Limited English Proficiency (LEP), please contact KCAD Airport Communications Center (ACC) at 816-243-4000 for help to obtain interpreters of many different languages.

Title VI Clauses for Transfer of Real Property

The Lessee, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that:

- a. In the event facilities are constructed, maintained, or otherwise operated on the property described in this lease for a purpose for which a Federal Aviation

- Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the lessee will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent Title VI List of Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- b. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, the City will have the right to terminate the lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the lease had never been made or issued.

VI. Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this Lease, the Lessee, for itself, its assignees, and successors in interest (hereinafter referred to as the “Lessee” or “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

VII. Additional Records Requirements.

This requirement is in addition to any other records requirements herein. Lessee must maintain an acceptable cost accounting system. Lessee agrees to provide the City, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of the Lessee which are directly pertinent to the specific Lease for the purpose of making audit, examination, excerpts and transcriptions. Lessee agrees to maintain all books, records, and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

VIII. Clean Air and Water Pollution Control. Lessee agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC §§ 1251-1387). The Lessee agrees to report any violation to the City immediately upon discovery. The City assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration. Lessee must include this requirement in all subcontracts that exceed \$150,000.

IX. Texting When Driving.

In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", (10/1/2009) and DOT Order 3902.10, "Text Messaging While Driving", (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant.

In support of this initiative, the City encourages the Lessee to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Lessee must include the substance of this clause in all sub-tier contracts exceeding \$10,000 that involve driving a motor vehicle in performance of work activities associated with the project.

X. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

Lessee and its Sublessee(s) agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or

equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)].

XI. Federal Fair Labor Standards Act (Federal Minimum Wage)

This Lease incorporates by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. The Lessee has full responsibility to monitor compliance to the referenced statute or regulation. The Lessee must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

XII. Occupational Safety and Health Act of 1970

This Lease incorporates by reference the requirements of 29 CFR part 1910 with the same force and effect as if given in full text. Lessee must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Lessee retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

XIII. Disadvantaged Business Enterprise Requirements.

To the extent that this Lease is covered by 49 CFR part 23, Subpart F, Lessee agrees that this Lease is subject to the requirements of the U.S. Department of Transportation Regulations at 49 CFR part 23, Subpart F. Lessee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award, or performance of any Lease covered by 49 CFR part 23, Subpart F.

Lessee agrees to include the foregoing statement in any subsequent Lease that it enters and cause those businesses to similarly include said statement in further agreements.

XIV. Duties and Obligations Not Limited. The duties and obligations imposed by the Lease and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

EXHIBIT A-1 BUILDING

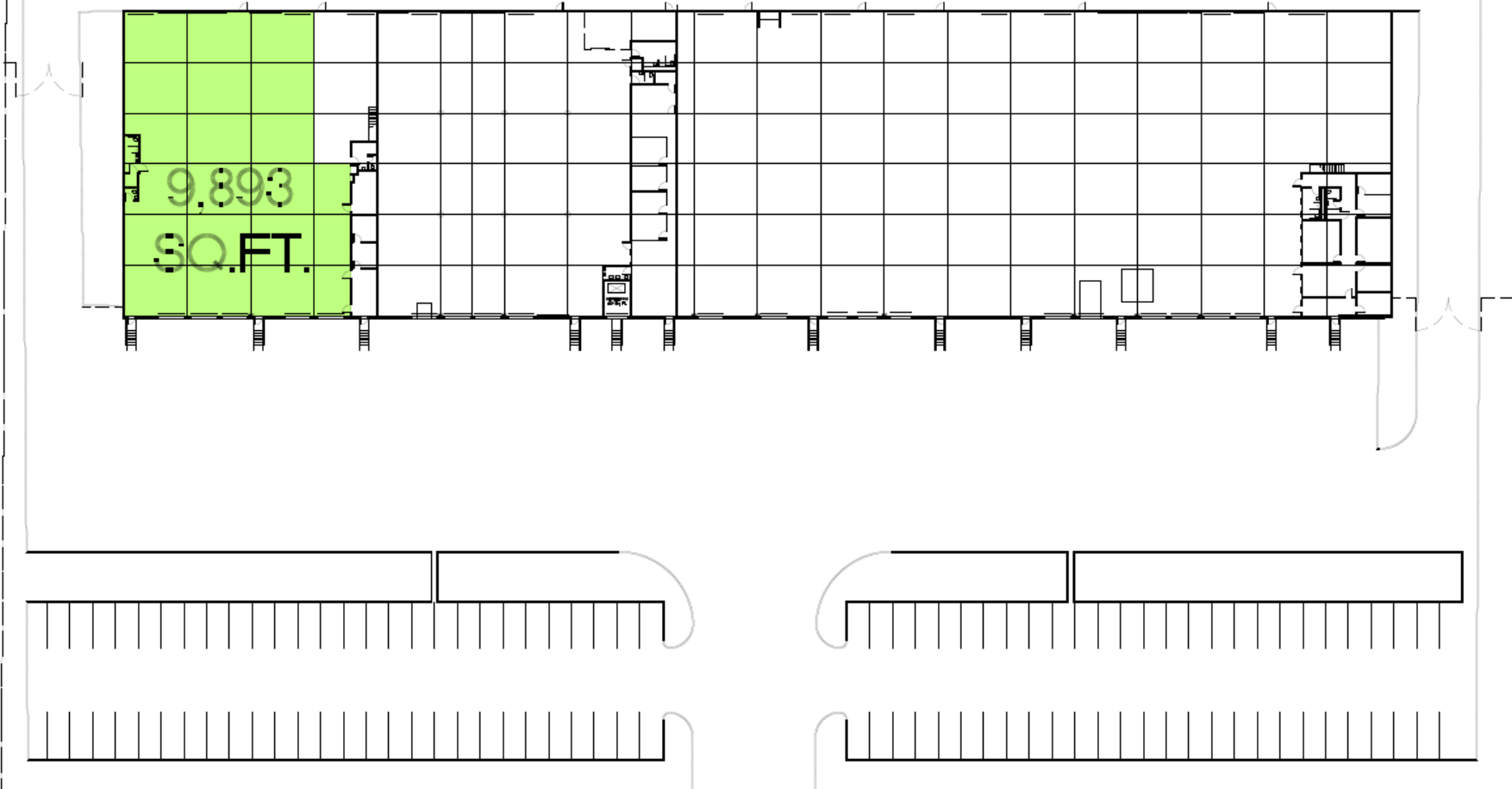


EXHIBIT A-1 - Use Cargo - 800 North 30th West - Kansas City International Airport - Kansas City, MO 64111

No.	Description	Units

CITY OF KANSAS CITY, MISSOURI
 AVIATION DEPARTMENT

KCI



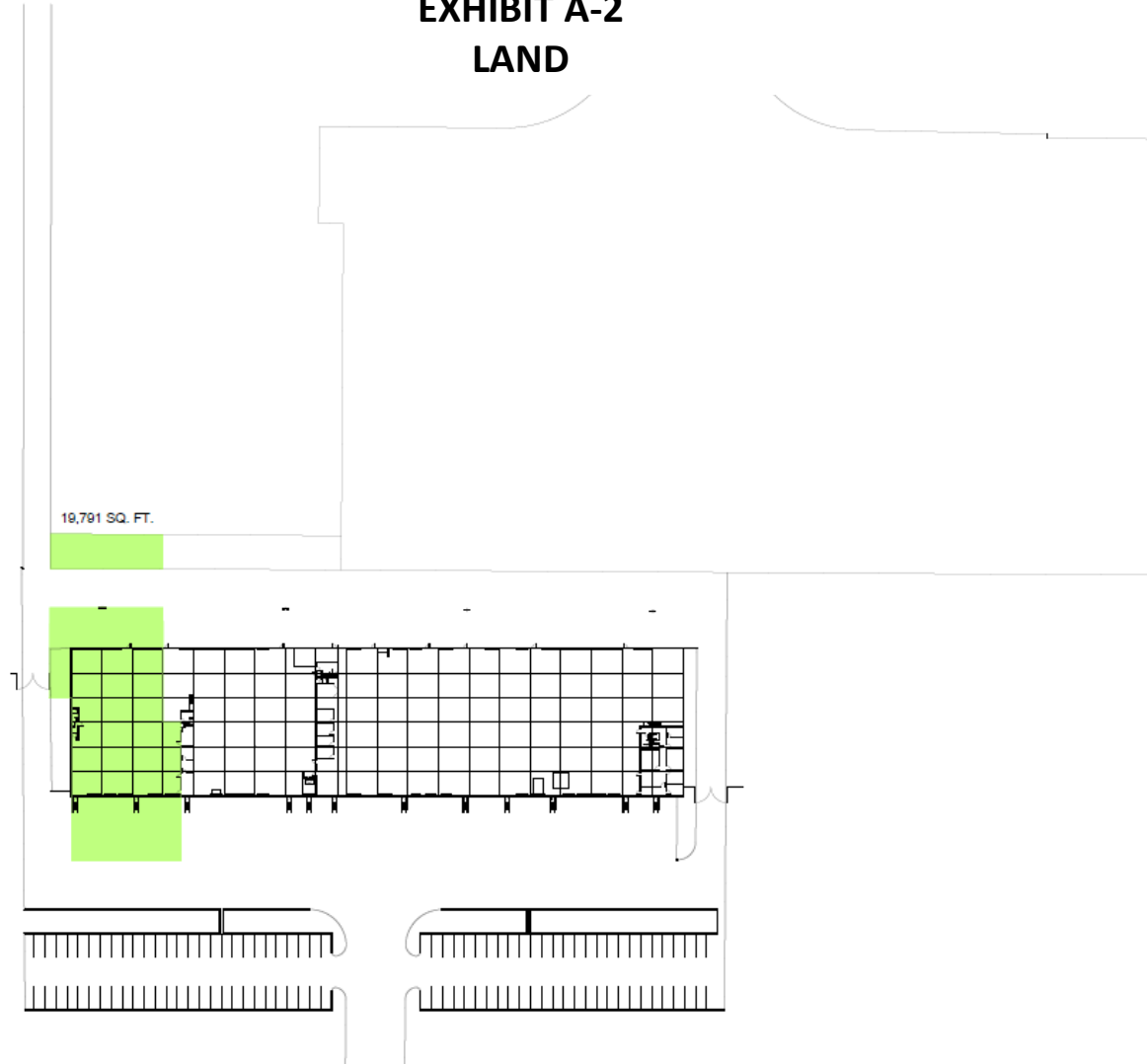
Southwest GSE

MCI CARGO CENTRE 1

DATE: 1/28/2021

BOOK NO. 01

EXHIBIT A-2 LAND



1:1000 Scale (see Group - 000 notes) (P) - 4/28/2021 (M) - 4/28/2021 (C) - 4/28/2021 (E) - 4/28/2021 (S) - 4/28/2021 (R) - 4/28/2021 (O) - 4/28/2021 (D) - 4/28/2021 (I) - 4/28/2021 (U) - 4/28/2021 (A) - 4/28/2021 (G) - 4/28/2021 (Y) - 4/28/2021 (K) - 4/28/2021 (L) - 4/28/2021 (J) - 4/28/2021 (H) - 4/28/2021 (F) - 4/28/2021 (G) - 4/28/2021 (I) - 4/28/2021 (M) - 4/28/2021 (P) - 4/28/2021 (Q) - 4/28/2021 (R) - 4/28/2021 (S) - 4/28/2021 (T) - 4/28/2021 (U) - 4/28/2021 (V) - 4/28/2021 (W) - 4/28/2021 (X) - 4/28/2021 (Z)

No.	Description	Date

CITY OF KANSAS CITY, MISSOURI
AVIATION DEPARTMENT



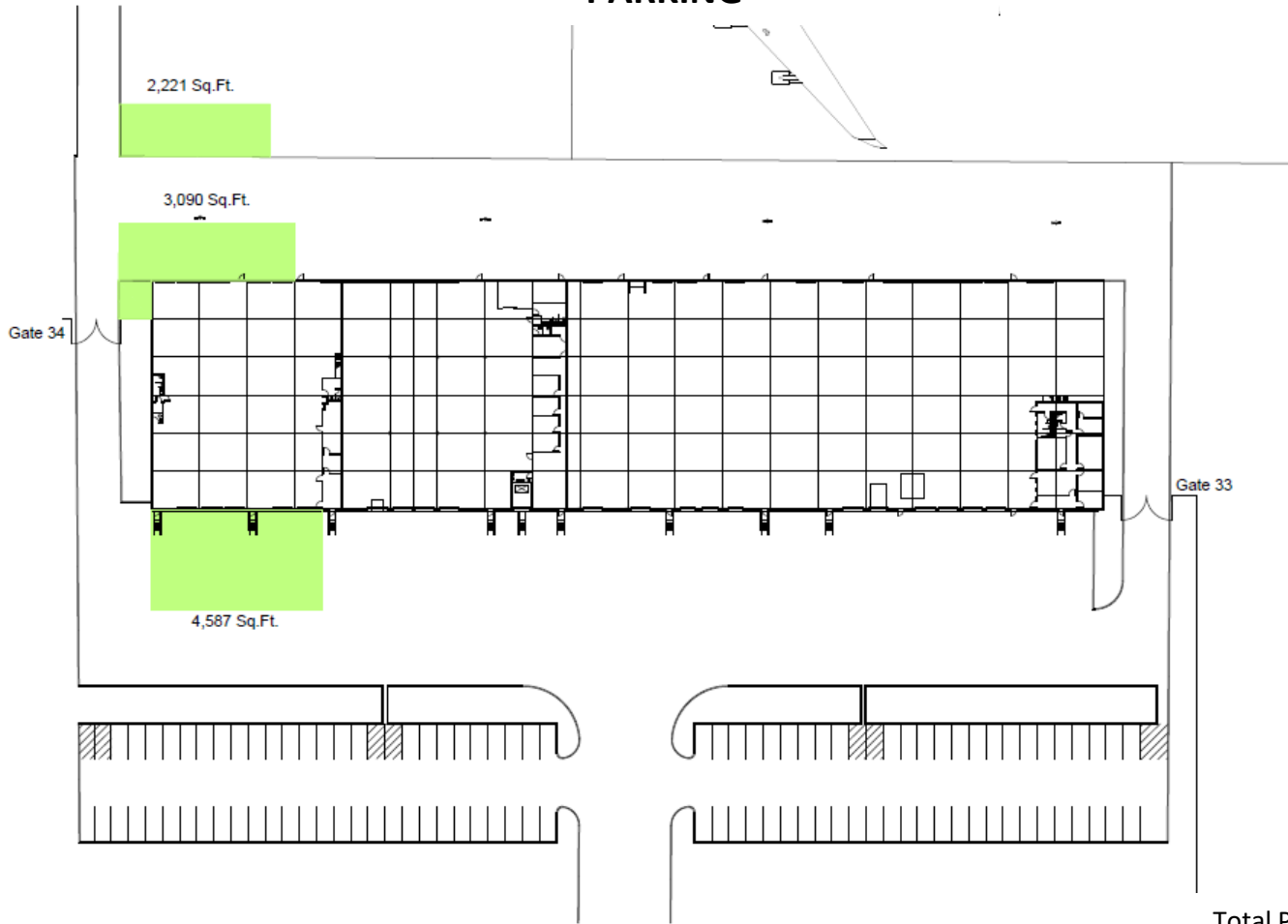

Southwest GSE

MCI CARGO CENTRE 1

DATE: 1/28/2021

EXHIBIT 270 - 01

EXHIBIT A-3 PARKING

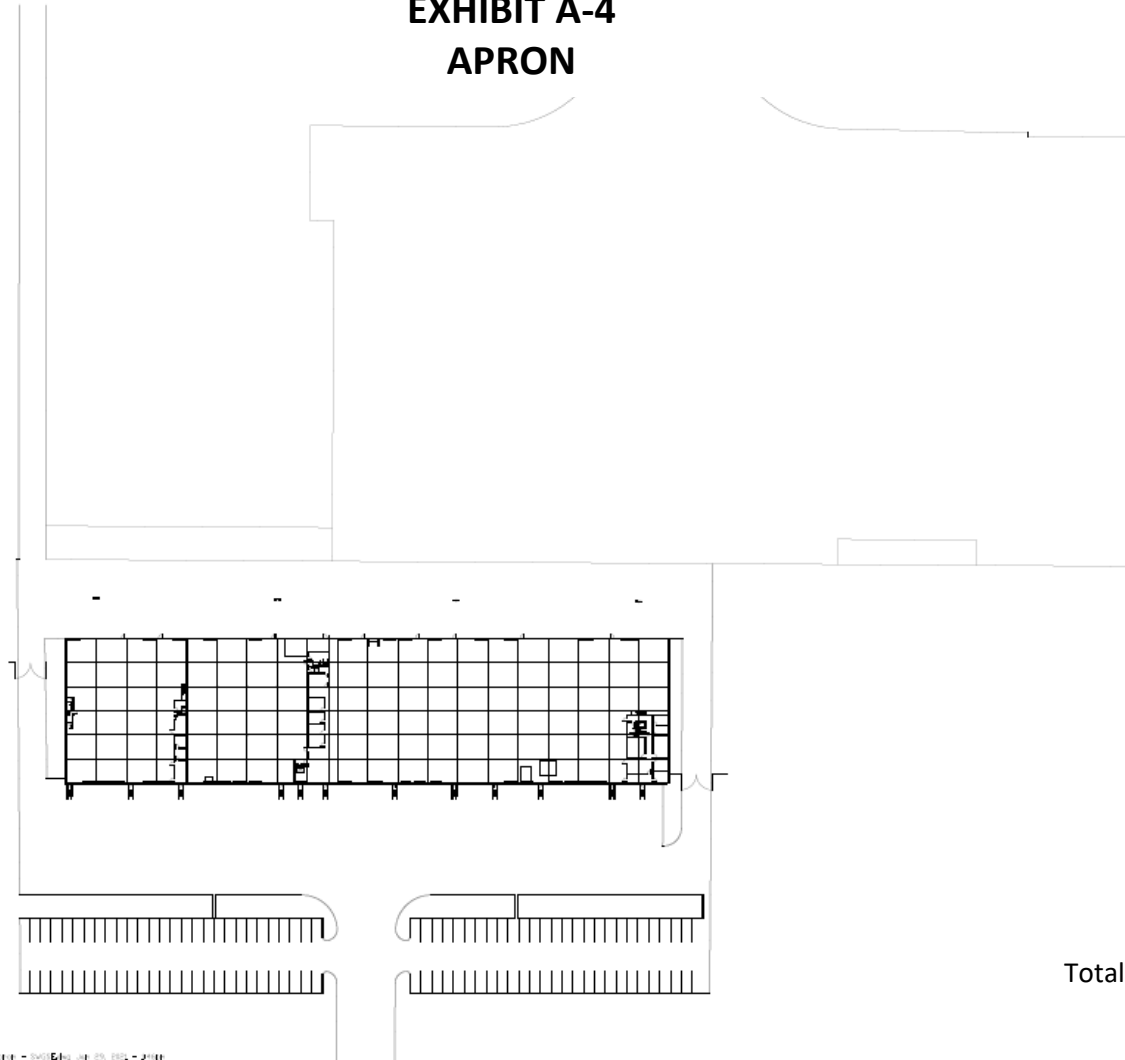


Total Parking 9,898 Sq. Ft.

J:\AR\KCI\Joint Use Cargo - 800 Mexico City Ave\Stacking Plan\MCI CARGO CENTRE 1-Exhibit D - Parking-SWGSE.dwg Feb 25, 2021 - 3:02pm

No.	Description	Date	CITY OF KANSAS CITY, MISSOURI AVIATION DEPARTMENT			MCI CARGO CENTRE 1
1	Initial Stack Use Location	1/17/2021				Date: 1/28/2021 Sheet No: 1

EXHIBIT A-4 APRON



Total Apron 0.00 Sq. Ft.



<p><small>City of Kansas City, Missouri - Aviation Department - 1000 E. 17th Street - Kansas City, Missouri 64108</small></p>		<p>CITY OF KANSAS CITY, MISSOURI</p> <p>AVIATION DEPARTMENT</p>			<p>Southwest GSE</p>	<p>MCI CARGO CENTRE 1</p>	<p>DATE: 1/28/2001</p>	<p>BY: J. O. G.</p>
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EXHIBIT G
ADDENDUM 2 - CREO CIVIL RIGHTS AND WAGE ASSURANCES (032223)

Non-discrimination in Employment. Contractor shall not discriminate against any employee or candidate for employment on the basis of an individual's race, hair texture or hair style associated with an individual's race, color, sex, religion, national origin, or ancestry, disability, sexual orientation, gender identity, age, or in any other manner prohibited by Chapter 38 of the City Code. Contractor shall not engage in any discrimination as prohibited by Chapter 3 of the City Code.

Ban the Box in Hiring and Promotion.

- (a) Pursuant to Section 38-104, City Code Ordinances, Contractor shall not base a hiring or promotional decision on an applicant's criminal history or sentence related thereto, unless the employer can demonstrate that the employment-related decision was based on all information available including consideration of the frequency, recentness and severity of a criminal record and that the record was reasonably related to the duties and responsibilities of the position.
- (b) Notwithstanding subsection (a), Contractor may inquire about an applicant's criminal history after it has been determined that the individual is otherwise qualified for the position, and only after the applicant has been interviewed for the position. Any such inquiry may be made of all applicants who are within the final selection pool of candidates from which a job will be filled.
- (c) This provision shall not apply to positions where employers are required to exclude applicants with certain criminal convictions from employment due to local, state or federal law or regulation.

Title VI of the Civil Rights Act of 1964. Title VI of the Civil Rights Act of 1964 requires that no person in the United States shall, on the grounds of race, color, or national or origin (including limited English proficient individuals), be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The City of Kansas City, Missouri requires compliance with the requirements of Title VI in all of its programs and activities regardless of the funding source. Contractor shall not discriminate on the grounds of race, color, or national or origin (including limited English proficient individuals).

Quality Services Assurance Act. If this Contract exceeds \$160,000.00, Contractor certifies Contractor will pay all employees who will work on this Contract in the city limits of Kansas City, Missouri at least \$15.00 per hour in compliance with the City's Quality Services Assurance Act, Section 3-66, Code of Ordinances or City has granted Contractor an exemption pursuant to the Quality Services Assurance Act.

Anti-Discrimination Against Israel. If this Contract exceeds \$100,000.00 and Contractor employs at least ten employees, pursuant to Section 34.600, RSMo., by executing this Contract, Contractor certifies it is not currently engaged in and shall not, for the duration of this contract, engage in a boycott of goods or services from the State of Israel; companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or persons or entities doing business in the State of Israel.

Affirmative Action. If this Contract exceeds \$300,000.00 and Contractor employs fifty (50) or more people, Contractor shall comply with City's Affirmative Action requirements in accordance with the provisions of Chapter 3 of City's Code, the rules and regulations relating to those sections, and any

additions or amendments thereto; in executing any Contract subject to said provisions, Contractor warrants that it has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the Contract. Contractor shall not discriminate against any employee or applicant for employment because of race, color, sex, religion, national origin or ancestry, disability, sexual orientation, gender identity or age in a manner prohibited by Chapter 3 of City's Code. Contractor shall:

- (a) Execute and submit the City of Kansas City, Missouri CREO Affirmative Action Program Affidavit warranting that the Contractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the Contract.
- (b) Submit, in print or electronic format, a copy of Contractor's current certificate of compliance to the City's Civil Rights and Equal Opportunity Department (CREO) prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years. If, and only if, Contractor does not possess a current certification of compliance, Contractor shall submit, in print or electronic format, a copy of its affirmative action program to CREO prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years.
- (c) Require any Subcontractor awarded a subcontract exceeding \$300,000.00 to affirm that Subcontractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the subcontract.
- (d) Obtain from any Subcontractor awarded a subcontract exceeding \$300,000.00 a copy of the Subcontractor's current certificate of compliance and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed. If, and only if, Subcontractor does not possess a current certificate of compliance, Contractor shall obtain a copy of the Subcontractor's affirmative action program and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed.

City has the right to take action as directed by City's Civil Rights and Equal Opportunity Department to enforce this provision. If Contractor fails, refuses or neglects to comply with the provisions of Chapter 3 of City's Code, then such failure shall be deemed a total breach of this Contract and this Contract may be terminated, cancelled or suspended, in whole or in part, and Contractor may be declared ineligible for any further contracts funded by City for a period of one (1) year. This is a material term of this Contract.

Compliance with Laws. Contractor shall comply with all federal, state and local laws, ordinances and regulations applicable to the work and this Agreement. Contractor shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement.

Prevailing Wage. If the Agreement exceeds \$75,000.00 and any of the Services performed by Contractor includes construction, reconstruction, improvement, enlargement, alteration, painting and decorating, or major repair, that is subject to the Missouri Prevailing Wage Law (Section 290.210, RSMo – 290.340, RSMo), Contractor shall immediately notify the City prior to performing Services so the parties can execute an agreement that incorporates, the appropriate Wage Order. Contractor shall comply with all requirements of Section 290.210, RSMo – 290.340, RSMo even if Contractor fails to notify the City.