



1 ARTICLE I

2 PREMISES AND PRIVILEGES

3 A. Description of the Premises. Lessor hereby leases to Lessee and Lessee leases  
4 from Lessor that certain real property, together with improvements (hereinafter called the premises),  
5 for its exclusive use, specifically described as follows:

6 A City-owned 60' x 70' hangar structure providing 4,200 square feet of hangar  
7 and office space, located on a tract of land at Billings Logan International  
8 Airport. Said land is more particularly described as follows:

9 Main Parcel – Address: 2431 Overlook Drive

10 Commencing at the Northeast Corner of Section 25, T. 1N., R. 25E., P.M.M.,  
11 Yellowstone County, Montana; thence from said point S 01°46'35" W a  
12 distance of 3,510.50 feet to the Point of Beginning; thence S 00°51'13" E a  
13 distance of 75.00 feet; thence S 89°08'47" W a distance of 192.00 feet; thence  
14 N 00°51'13" W a distance of 75.00 feet; thence N 89°08'47" E a distance of  
15 192.00 feet to the Point of Beginning.

16 Said Parcel containing 14,400 square feet.

17 Premises is further depicted on Exhibit A, attached and by said reference made  
18 a part hereof.

19 B. General Privileges, Uses, and Rights. Lessor hereby grants to Lessee the  
20 following general privileges, uses, and rights, all of which shall be subject to the terms, conditions,  
21 and covenants herein set forth. Said rights shall be subject to such Federal, State, or Local laws,  
22 ordinances, rules and regulations as now or may hereafter have application at the Airport. All use  
23 privileges granted herein can only be exercised in the event Lessee is the holder of the appropriate  
24 licenses for such limited commercial endeavors.

1) The general unrestricted use of all public Airport facilities and  
improvements, which are now or may hereafter be connected with or appurtenant to

1 said Airport, except as hereinafter provided, to be used by Lessee and its sublessees for  
2 limited commercial aviation activity as herein defined. For the purpose of this Lease,  
3 public airport facilities shall include all necessary landing area appurtenances  
4 including, but not limited to, approach areas, runways, taxiways, aprons, aircraft and  
5 automobile parking areas, roadways, sidewalks, navigational aids, lighting facilities,  
6 Terminal facilities, or other public facilities appurtenant to said Airport.

7 2) The right of ingress to and egress from the premises over and across  
8 public roadways serving the Airport for Lessee, Lessee's agents, employees, patrons  
9 and invitees, suppliers of service and furnishers of material.

10 C. Specific Privileges, Uses, and Rights. In addition to the general privileges,  
11 uses, and rights described above and without limiting the generality thereof, Lessor hereby grants to  
12 Lessee and sublessees the right to engage in limited commercial aviation activity on the premises as  
13 defined in subparagraphs 1 through 8 below, subject to the conditions and covenants hereafter set out:

14 1) The maintenance, repair, storing, and servicing of aircraft interiors and  
15 upholstery, which shall include interior and upholstery replacement, retrofits, repairs,  
16 alterations and modifications, and the purchase and sale of parts, equipment, and  
17 accessories therefore.

18 2) The right to use vehicles and equipment necessary for the servicing of  
19 aircraft interiors and upholstery.

20 3) The storage of aircraft not owned by the Lessee.

21 4) The storage of supplies, materials, and records.

22 5) The loading and unloading of aircraft in any lawful activity as incidental  
23 to the conduct of any services or operations outlined in this paragraph.  
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1                   6)    The maintenance of an office on the premises necessary for the conduct  
2 of the activities defined above.

3                   7)    Non-aircraft upholstery repairs, alterations, and modifications for other  
4 Airport business tenants.

5                   8)    The aforementioned rights shall apply to the persons, firms, or  
6 corporations having actual possession and occupancy of the hangar described herein,  
7 and the agents, employees, and invitees of such persons, firms, or corporations.

8           D.    Concessions, Services, and Uses Excluded.    The following concessions,  
9 services, and uses, and the establishment thereof shall be specifically excluded from this Lease:

- 10                   1)    Ground and air transportation for hire.
- 11                   2)    Vehicle or equipment rental services.
- 12                   3)    Food sales (except the sale of tobacco, confections, and refreshments  
13 through vending machines).
- 14                   4)    News and sundry sales.
- 15                   5)    Barber, valet, and personal services.
- 16                   6)    Fuel sales (aircraft or vehicle).
- 17                   7)    On-site fuel storage or fuel storage facilities.
- 18                   8)    The buying and selling of aircraft, parts, and accessories therefore, and  
19 aviation equipment of all descriptions either for retail, wholesale or as a dealer, except  
20 for use in Lessee's own aircraft or operations.
- 21                   9)    Storage of personal vehicles, campers, boats, trailers, motor homes, or  
22 other recreational vehicles, or parts for such.
- 23                   10)   Maintenance, repairing, servicing, or restoring of vehicles.
- 24





1 are resolved in Lessee's favor.

2 C. Annual Readjustment of Ground Rental. During the term of the Lease, the  
3 rental rate will be adjusted annually on the anniversary date of the Lease using the average of the  
4 monthly percentage increases of the previous calendar year, as determined by the Department of Labor  
5 Consumer Price Index for All Urban Consumers (CPI-U), published by the Bureau of Labor Statistics.  
6 In no case shall the rates be less than the previous year. For the purposes of this Lease, the anniversary  
7 date shall be November 1<sup>st</sup> of each year during the term of the Lease. The Lessor shall send Lessee a  
8 notice of the annual rental rate adjustment prior to each anniversary date of the Lease denoting the  
9 adjusted rental rates.

10 D. Rental Adjustments to Market Value. On the third anniversary of the Lease, the  
11 Lessor may conduct an analysis of the then-current lease rental rates for other on-Airport properties to  
12 determine the current market value of the property. Should the analysis identify that the then-current  
13 Lease rental rate is below market value for other on-Airport properties, the Lessor will notify Lessee of  
14 an impending Lease increase.

15  
16 ARTICLE IV

17 OBLIGATIONS OF LESSOR

18 A. Lessor Warranties. Lessor warrants all things have happened and have been  
19 done to make its granting of said lease effective and that Lessee shall have peaceful possession and  
20 quiet enjoyment of the leased premises during the term hereof, upon performance of Lessee's  
21 covenants herein.

22 B. Operation as Public Airport. Lessor shall during the term hereof, operate and  
23 maintain the Airport and its public facilities, as defined hereinabove, as a public airport consistent with  
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1 and pursuant to the sponsor's assurances given by Lessor to the United States Government under the  
2 Federal Airport Act.

3 C. Condition and Maintenance of Premises. Lessor shall repair any structural  
4 deficiencies in the building not caused by the Lessee, and will maintain the existing building roof and  
5 overhead door systems, provided repairs and maintenance are not the result of Lessee negligence  
6 and/or abuse. If it is determined that Lessee negligence and/or abuse are the cause for repairs and/or  
7 maintenance, all costs for any repairs and/or maintenance will be the responsibility of the Lessee. All  
8 other building maintenance, including lighting, heating, plumbing, electrical, windows, doors,  
9 painting, cleaning, etc., are the responsibility of the Lessee. Lessor shall maintain all existing roads on  
10 the Airport giving access to the leased premises in good and adequate condition for use by cars and  
11 trucks. Lessor shall remove snow from the access roads and taxiways as Lessor's resources permit.

12 D. Disability Access. Any disability access improvements desired by the Lessee,  
13 or required by some agency as a condition of conducting business in this building, will be at the sole  
14 cost of the Lessee. All such improvements to the premises must be approved in writing by the Lessor  
15 prior to construction of such improvements.

16 ARTICLE V

17 OBLIGATIONS OF LESSEE

18 A. Condition of Premises. It shall be the sole responsibility of the Lessee to  
19 develop, keep, maintain, and operate the entirety of the premises and all improvements and facilities  
20 placed thereon at Lessee's sole cost and expense. This Lease in every sense shall be without cost or  
21 expense to the Lessor. Lessee accepts the premises in its present condition and will repair and  
22 maintain any installations thereon except as provided in Article IV, Paragraphs B–C and will remove  
23 or cause to be removed any debris to the extent required for its continuing use thereof.  
24

1 Damage to the premises caused by Lessee, sublessees, Lessee's employees,  
2 agents, or contractors, will be the sole responsibility of Lessee. Said damage shall be immediately  
3 reported to Lessor and repaired at Lessee's expense. Should Lessor identify damage at the premises,  
4 Lessor will give written notice to Lessee to repair said damage, and Lessee shall make the repairs to  
5 identified damage within fifteen (15) days of receiving the written notice. If damage is found and  
6 Lessor is required to make the repairs, for whatever reason, all costs and charges associated with the  
7 repairs shall be billed to Lessee and shall be paid within ten (10) days of receipt.

8 B. Improvements. Lessee shall have the right to and shall provide for future  
9 construction, alteration, expansion, and maintenance of its own improvements, in any lawful manner,  
10 upon or in the premises, for the purpose of carrying out any of the activities provided for herein.  
11 However, Lessee shall obtain the written approval of Lessor prior to beginning any such construction,  
12 alteration, or expansion, which approval shall not be unreasonably withheld.

13 C. Maintenance. Lessee shall, at its sole cost and expense, maintain the premises,  
14 improvements, and appurtenances thereto in a presentable condition free of refuse and debris  
15 consistent with good business practice, and acceptable to Lessor. Lessee's maintenance responsibility  
16 shall include snow removal on the premises, and cleanup of any fuel/oil spills on the premises.

17 D. Utilities. Lessee shall assume and pay for all costs or charges for utility services  
18 furnished to Lessee during the term hereof.

19 E. Trash, Garbage, Etc. Lessee shall provide, at Lessee's expense, a complete and  
20 proper arrangement for the adequate sanitary handling and disposal of all trash, garbage, and other  
21 refuse occurring as a result of Lessee's occupancy of the premises. Lessee shall provide and use  
22 Lessor approved receptacles for all garbage, trash, and other refuse, and shall place them on the  
23 premises in a location acceptable to the Lessor for their removal. Piling of boxes, cartons, barrels,  
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1 pallets, crates, or other similar items in an unsightly or unsafe manner, or open storage of materials,  
2 personal property, salvage, unused or surplus equipment, junk, or refuse on or about the premises, is  
3 forbidden. The Lessee shall pay for all disposal costs.

4 F. Signs. Lessee shall not maintain any billboards or advertising signs on the  
5 premises; provided, however, that Lessee may maintain on the outside of its building its name(s) or  
6 signs, the size, location, and design of which shall be subject to prior written approval of Lessor.

7 G. Federal, State, and Local Regulations. Lessee acknowledges that the right to  
8 use said Airport facilities in common with others authorized to do so shall be exercised subject to and  
9 in accordance with the laws, rules, regulations, and ordinances of the United States of America, the  
10 State of Montana, and the City of Billings, now in force or hereafter prescribed or promulgated by  
11 authority or by law. Said laws, rules, regulations, and ordinances shall be closely observed during the  
12 full term of this Lease.

13 H. Hazardous Substances. Lessee assumes full responsibility for the proper and  
14 legal use, handling, storage, and disposal of any hazardous substances used or consumed in the  
15 Lessee's occupancy or conduct of its business. "Hazardous substance" shall be interpreted broadly to  
16 mean any substance or toxic material, fuel or petroleum-based products, hazardous or toxic or  
17 radioactive substance, or other similar term by any Federal, State or Local environmental law,  
18 regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules  
19 may be amended from time to time; and it shall be interpreted to include, but not be limited to, any  
20 substance, which after release into the environment will or may reasonably be anticipated to cause  
21 sickness, death or disease. Lessee will hold Lessor harmless from and indemnify Lessor against and  
22 from any damage, loss, expenses, or liability resulting from any breach of these representations and  
23 warranty including all attorneys' fees and costs incurred as a result thereof.  
24

1 I. Taxiways. Lessee shall ensure that Lessee's aircraft and/or sublessee's aircraft,  
2 vehicles, or other equipment do not block the public use taxiway that passes the front of the Lessee's  
3 premises. Ramp area included in the premises shall not be used for the tie down of aircraft.

4 ARTICLE VI

5 INSURANCE AND INDEMNIFICATION

6 A. Indemnification. Lessor and Lessor's officers, directors, agents, representatives,  
7 and employees shall stand indemnified by Lessee as herein provided. It is expressly understood and  
8 agreed that Lessee is and shall be deemed an independent contractor and operator responsible to all  
9 parties for its respective acts or omissions and that Lessor shall in no way be responsible therefore. It  
10 is further agreed that in the use of the Airport, in the construction, alteration, or maintenance of any  
11 improvements thereon, and in the exercise or enjoyment of the privileges herein granted, Lessee shall  
12 indemnify, save harmless, and defend the Lessor and Lessor's officers, directors, agents,  
13 representatives, and employees from any and all losses that may result to the Lessor and Lessor's  
14 officers, directors, agents, representatives, and employees because of any negligence, act, or omission  
15 on the part of the Lessee or Lessee's agents, representatives, and employees and shall indemnify Lessor  
16 against any and all mechanic's and materialmen's liens or any other types of liens imposed upon the  
17 premises. Lessee expressly agrees that Lessor shall not be liable to Lessee, for personal injury, bodily  
18 injury, or for any loss or damage to real or personal property occasioned by flood, fire, earthquake,  
19 lightning, windstorm, hail, explosion, riot, strike, civil disobedience or commotion, aircraft, smoke,  
20 vandalism, malicious mischief, or acts of civil authority, unless caused by the fault or negligence of  
21 Lessor, its officers, directors, agents, representatives, or employees.

22 B. Insurance. Lessee shall provide and keep in force for the entire term of this  
23 Lease the insurance coverages identified below. Insurance coverage shall be maintained with  
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1 insurance underwriters authorized to do business in the State of Montana, and that are satisfactory to  
2 the Lessor. At the time of execution of this Lease, and annually thereafter, Lessee shall furnish a  
3 Certificate of Insurance along with all associated and required policy endorsements showing that  
4 required insurance is current and in force. Required evidence of insurance shall be submitted for any  
5 renewal or replacement of a policy that already exists, at least ten (10) days prior to expiration or  
6 termination of the existing policy. Lessee shall provide notice to Lessor of any changes to insurance  
7 or cancellation of any or all insurance at least thirty (30) calendar days in advance of such change or  
8 cancellation. The Certificate of Insurance must include the following reference: City of Billings  
9 Logan International Airport, 1901 Terminal Circle, Room 216, Billings, MT 59105. If, in the Lessor's  
10 opinion, the minimum limits of the insurance coverage herein required become inadequate during the  
11 term of this Lease, Lessee agrees that it will increase such minimum limits by reasonable amounts  
12 upon request of the Lessor.

13                   1) Breach of Lease. The continuous maintenance by Lessee of all types of  
14 required insurance under this Lease is mandatory. Failure of the Lessee to maintain such insurance is  
15 a material breach of this Lease, and does not amend this Lease, nor release the Lessee from any other  
16 obligations in this Lease.

17                   2) Commercial General Liability Insurance. Commercial General Liability  
18 Insurance on a standard occurrence form, providing coverage for personal injury, bodily injury, death,  
19 and property damage, in amounts not less than \$1,500,000 per occurrence; \$3,000,000 General  
20 Aggregate; the General Aggregate shall apply separately to each location. The required limits may be  
21 provided by a combination of Commercial General Liability Insurance and Excess or Commercial  
22 Umbrella Liability Insurance. The commercial general liability policy shall be endorsed to name the  
23 City of Billings, and City's officers, directors, agents, representatives, and employees as a **primary**  
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1 **additional insured.** The City of Billings' general liability policy will be excess and noncontributory.  
2 The policy shall be endorsed to include a written waiver of insurer's right to subrogate against the City.

3 3) Workers' Compensation and Employers' Liability Insurance. Workers'  
4 Compensation and Employers' Liability Insurance is required if Lessee has employees. Workers'  
5 Compensation insurance limits in accordance with the State of Montana and administered by the  
6 Montana Department of Labor and Industry. Required limits are \$1,000,000 each accident,  
7 \$1,000,000 each employee, and \$1,000,000 for bodily injury by disease.

8 4) Automobile Liability. Automobile Liability insurance will be required  
9 for all owned and non-owned vehicles in an amount not less than \$1,000,000 combined single limit. If  
10 Lessee is providing the coverage amount with an automobile policy that provides full coverage for all  
11 of the Lessee's vehicle uses, the policy shall be endorsed to include a written waiver of insurer's right  
12 to subrogate against the City.

13  
14 ARTICLE VII

15 TERMINATION OF LEASE, CANCELLATION, AND TRANSFER

16 A. Termination. This Lease shall terminate at the end of the full term hereof  
17 without any notice by either party, except as indicated in Article II, Paragraph B. A holding over by  
18 the Lessee, its assigns or sublessees beyond the expiration of the term shall not be permitted without  
19 the written consent of the Director of Aviation and Transit and then only on a month-to-month basis.  
20 Upon termination, Lessee shall have the right to remove all moveable furniture, fixtures, machinery,  
21 and equipment and all other personal property installed by it on the premises, and all expenses  
22 connected with such removal shall be borne by the Lessee. Said property shall be removed within  
23 thirty (30) days after termination of Lease. Lessee shall also remove from the premises all refuse and  
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1 generally leave the premises in a clean and orderly condition acceptable to the Lessor. This right to  
2 remove personal property does not extend to buildings and structures, pavement, water lines, sewer  
3 lines, electrical lines, utility poles, fencing, exterior light poles, which improvements shall remain the  
4 property of the Lessor and shall not be removed. In the event the Lessee elects not to remove its  
5 personal property, furniture, fixtures, machinery, and equipment, and other improvements upon  
6 termination of the Lease, the disposition of the personal property, furniture, fixtures, machinery, and  
7 equipment, and other improvements will be left to the sole discretion of the Lessor. Removal of  
8 property and any related actions by Lessor because of failure of Lessee to do so shall be at Lessee's  
9 expense.

10 B. Cancellation by Lessee. This Lease shall be subject to cancellation by Lessee  
11 after the happening of one or more of the following events:

- 12 1) The permanent abandonment of the Airport as an Air Terminal.
- 13 2) The lawful assumption of the United States Government or any other  
14 authorized agency thereof, of the operation, control or use of the Airport, or any  
15 substantial part or parts thereof, in such a manner that substantially restricts Lessee for  
16 a period of at least ninety (90) days from operating in a normal manner.
- 17 3) Issuance by any court of competent jurisdiction of an injunction in any  
18 way preventing or restraining the use of the Airport, and the remaining in force of such  
19 injunction for a period of at least ninety (90) days.
- 20 4) The default by Lessor in the performance of any covenant or agreement  
21 herein required to be performed by Lessor and the failure of Lessor to remedy such  
22 default for a period of ninety (90) days after receipt from Lessee or written notice to  
23 remedy same.  
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1                   5) Lessee may exercise such right of termination by written notice to  
2 Lessor at any time after the lapse of the above applicable periods of time and this Lease shall terminate  
3 as of that date. Rental due hereunder shall be payable only to the date of the happening of the event  
4 which results in said termination. Upon termination under the provisions of this paragraph, Lessee  
5 shall have the same rights as described in the second paragraph of Article VII, Paragraph A herein.

6                   C. Cancellation by Lessor.

7                   1) This Lease shall be subject to cancellation by Lessor in the event Lessee  
8 shall:

9                               a) Be in arrears in the payment of the whole or any part of the  
10 amounts agreed upon hereunder for a period of fifteen (15) days after payment  
11 is due.

12                               b) File a voluntary petition of bankruptcy.

13                               c) Make a general assignment for the benefit of creditors.

14                               d) Default in the performance of any of the covenants and  
15 conditions required herein (except rental payments) to be kept and performed  
16 by Lessee, and such default continues for a period of thirty (30) days after  
17 written notice from Lessor of said default.

18                   2) In the event of termination because of the happening of any of the  
19 aforesaid events, Lessor may take immediate possession of the premises and remove  
20 Lessee's effects, forcibly if necessary, without being deemed guilty of trespassing.  
21 Upon said entry, this Lease shall terminate.

22                   3) It is agreed that failure of Lessor to declare this Lease terminated or to  
23 re-enter and take possession upon the default of Lessee for any of the reasons set out  
24

1 shall not operate to bar or destroy the right of Lessor to declare this Lease null and void  
2 by reason of any subsequent violation of the terms of this Lease.

3 D. Suspension of Lease. During the time of war or declared national emergency,  
4 Lessor shall have the right to lease the landing area or any part thereof to the United States  
5 Government for military use. If any such lease is executed, any provisions of this instrument, which  
6 are inconsistent with the provisions of the lease to the Government, shall be suspended, provided that  
7 the term of this Lease shall be automatically extended by the amount of the period of suspension.

8 E. Subleasing, Assigning, and Transferring. The Lessee shall have the right to  
9 sublease, assign, or transfer all or any part of the Lessee's leasehold interest in the premises for the  
10 same purpose established in Article I, Paragraph C, provided that written approval of the Lessor is  
11 obtained prior to any sublease, assignment, or transfer. As a condition of said approval, Lessor  
12 reserves the right to alter this Lease in any manner as deemed necessary by the Lessor. Any sublessee,  
13 assignee, or transferee shall be subject to the same conditions, obligations, and terms as set forth  
14 herein and as may be subsequently amended, and Lessee shall be responsible for the observance by its  
15 tenants and sublessees for the terms and covenants of this Lease, and any subsequent lease  
16 amendments. Lessee shall provide Lessor with a copy of any sublease it has on Lessee's leasehold.

17 ARTICLE VIII

18 NONDISCRIMINATION

19 A. General. In the use and occupation of the Airport, Lessee shall not discriminate  
20 against any person or class of persons by reason of race, color, religion, sex, national origin or  
21 ancestry, age, or disability. Additionally, for the services provided during the use and occupation of  
22 the Airport, Lessee shall furnish said services on a reasonable and not unjustly discriminatory basis to  
23 all users thereof and charge reasonable and not unjustly discriminatory prices for each unit of service,  
24

1 provided that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates,  
2 or other similar types of price reductions to volume purchasers.

3 B. Civil/Human Rights Laws. In the operation and use of the Airport, Lessee shall  
4 not, on the grounds of race, color, religion, sex, national origin or ancestry, age, or disability,  
5 discriminate or permit discrimination against any person or group of persons in any manner prohibited  
6 by Part 21 of Title 49, Code of Federal Regulations, the Civil Rights Act of 1964, as amended, the  
7 Equal Pay Act of 1963, the Rehabilitation Act of 1973, and such other Federal, State, or Local laws as  
8 may be applicable.

9 Without limiting the generality of the foregoing, Lessee agrees to not  
10 discriminate against any employee or applicant for employment because of race, color, religion, sex,  
11 national origin or ancestry, age, or disability. Lessee agrees to take affirmative action to ensure that  
12 applicants are employed, and that employees are treated during employment, without regard to their  
13 race, color, religion, sex, national origin or ancestry, age, or disability. Such action shall include, but  
14 not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment  
15 advertising; layoff or termination; rates of pay or other forms of compensation; selection for training;  
16 and disciplinary actions and grievances. Lessee agrees to post, in conspicuous places available to  
17 employees and applicants for employment, notices to be provided setting forth the provisions of this  
18 nondiscrimination clause.

19 C. Lessee, for itself, its heirs, personal representatives, successors in interest, and  
20 assignees, as part of the consideration of this Lease, does hereby covenant and agree as a covenant  
21 running with the land that, in the event improvements are constructed, maintained, or otherwise  
22 operated on the Airport for a purpose for which a United States Department of Transportation program  
23 or activity is extended or for another purpose involving the provision of similar services or benefits,  
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1 Lessee shall maintain and operate such improvements and services in compliance with all other  
2 requirements imposed pursuant to 49 CFR Part 21 (Nondiscrimination in Federally Assisted Programs  
3 of the Department of Transportation), as said regulations may be amended.

4 D. Lessee, for itself, its heirs, personal representatives, successors in interest, and  
5 assignees, as a part of the consideration of this Lease, does hereby covenant and agree as a covenant  
6 running with the land that:

7 1) No person on the grounds of race, color, religion, sex, national origin or  
8 ancestry, age, or disability shall be excluded from participation in, denied the benefits  
9 of, or otherwise be subjected to discrimination in the use of said improvements.

10 2) No person on the grounds of race, color, religion, sex, national origin or  
11 ancestry, age, or disability shall be excluded from participation in, denied the benefits  
12 of, or otherwise be subjected to discrimination in the construction of any  
13 improvements on, over, or under such land and the furnishing of services thereon.

14 3) Lessee shall use the facilities in compliance with all other requirements  
15 imposed by, or pursuant to 49 CFR Part 21 (Nondiscrimination in Federally Assisted  
16 Programs of the Department of Transportation), as said regulations may be amended.

17 Lessee assures that it will undertake an affirmative action program as required  
18 by 14 CFR Part 152, Subpart E, to ensure that no person on the grounds of race, color, religion, sex,  
19 national origin or ancestry, age, or disability shall be excluded from participating in any employment  
20 activities covered in 14 CFR Part 152, Subpart E, or such employment activities covered in any  
21 applicable State or Local law. Lessee assures that no person shall be excluded on these grounds from  
22 participating in or receiving the services or benefits of any program or activity covered by this  
23 Article VIII.  
24

1 E. During the performance of this Lease, the Lessee, for itself, its assignees, and  
2 successors in interest, agrees to comply with the following nondiscrimination statutes and authorities,  
3 including, but not limited to:

4 1) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78  
5 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

6 2) 49 CFR Part 21 (Nondiscrimination in Federally Assisted Programs of  
7 the Department of Transportation – Effectuation of Title VI of The Civil Rights Act of  
8 1964);

9 3) The Uniform Relocation Assistance and Real Property Acquisition  
10 Policies Act of 1970 (42 U.S.C. § 4601) (prohibits unfair treatment of persons  
11 displaced or whose property has been acquired because of Federal or Federal aid  
12 programs and projects);

13 4) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 *et seq.*),  
14 as amended (prohibits discrimination on the basis of disability); and 49 CFR Part 27;

15 5) The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 *et*  
16 *seq.*) (prohibits discrimination on the basis of age);

17 6) Airport and Airway Improvement Act of 1982 (49 U.S.C. § 471,  
18 § 47123) as amended (prohibits discrimination based on race, creed, color, national  
19 origin, or sex);

20 7) The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the  
21 scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, the Age  
22 Discrimination Act of 1975, and § 504 of the Rehabilitation Act of 1973, by expanding  
23 the definition of the terms "programs or activities" to include all of the programs or  
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1 activities of the Federal aid recipients, sub-recipients, and contractors, whether such  
2 programs or activities are Federally funded or not);

3 8) Titles II and III of the Americans with Disabilities Act of 1990, which  
4 prohibit discrimination on the basis of disability in the operation of public entities,  
5 public and private transportation systems, places of public accommodation, and certain  
6 testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of  
7 Transportation regulations at 49 CFR Parts 37 and 38;

8 9) The Federal Aviation Administration's Nondiscrimination statute (49  
9 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin,  
10 and sex);

11 10) Executive Order 12898, Federal Actions to Address Environmental  
12 Justice in Minority Populations and Low Income Populations, which addresses  
13 discrimination against minority populations by discouraging programs, policies, and  
14 activities with disproportionately high and adverse human health or environmental  
15 effects on minority and low income populations;

16 11) Executive Order 13166, Improving Access to Services for Persons with  
17 Limited English Proficiency (LEP), and resulting agency guidance, national origin  
18 discrimination includes discrimination because of LEP. To ensure compliance with  
19 Title VI, you must take reasonable steps to ensure that LEP persons have meaningful  
20 access to your programs (70 Federal Regulations at 74087 – 74100);

21 12) Title IX of the Education Amendments of 1972, as amended, which  
22 prohibits you from discriminating because of sex in education programs or activities  
23 (20 U.S.C. 1681 *et seq.*).  
24

1 ARTICLE IX

2 GENERAL PROVISIONS

3 A. Attorney's Fees. Should either party employ an attorney or attorneys or utilize  
4 the services of in-house attorneys to enforce any of the provisions hereof or to protect its interest in  
5 any manner arising under this Lease, the nonprevailing party in any action pursued in a court of  
6 competent jurisdiction agrees to pay to the prevailing party all reasonable costs, damages, expenses,  
7 and attorney's fees, including fees for in-house attorneys, expended or incurred in connection  
8 therewith.

9 B. Governing Law. This Lease and all disputes arising hereunder shall be  
10 construed and enforced by the laws of the State of Montana. Venue in any proceedings held hereunder  
11 shall be in the State of Montana Thirteenth Judicial District Court, Yellowstone County, Montana.

12 C. Taxes. Lessee shall pay any taxes or assessments which may be lawfully levied  
13 against Lessee's occupancy or use of the premises or any improvements placed thereon as a result of  
14 Lessee's occupancy, but Lessee as independent contractor reserves the right to contest the levy of any  
15 tax or assessment which it feels is unjust.

16 D. Subordination of Lease.

17 1) This Lease shall be subordinate to the provisions of any existing or  
18 future agreements between Lessor and the United States relative to the administration,  
19 operation, or maintenance of the Airport, the execution of which has been or may be  
20 required as a condition precedent to the expenditure of Federal funds for the  
21 development of the Airport.

22 2) Notwithstanding any other prohibition or limitation of Lessee's right to  
23 sublease or assign its interest under this Lease, Lessor acknowledges and agrees that  
24

1 Lessee shall have the right to grant a security interest in its rights and interest under  
2 this Lease, with the Lessor's written consent. Any mortgagee or beneficiary shall have  
3 the right to cure any default on the part of Lessee in the payment of rent hereunder and,  
4 in the event of default, to assume the Lessee's position under this Lease. Lessor, in no  
5 event, shall be liable for the payment of the sum secured by such mortgage or trust  
6 indenture, nor for any expenses in connection with the same. Furthermore, such  
7 mortgage or trust indenture shall expressly provide that the mortgagor or beneficiary  
8 will seek no monetary judgment against Lessor. The mortgage or trust indenture shall  
9 also contain provisions requiring the holder of the indebtedness secured by such  
10 mortgage or trust indenture to mail to Lessor by certified mail a copy of each notice of  
11 breach of covenant, default, or foreclosure given by the holder or the trustee under  
12 such mortgage or deed of trust.

13 E. Access/Inspection by Lessor. The Lessor or any person designated by the  
14 Lessor, shall at all times have reasonable access to the premises for inspection purposes, and in the  
15 event of any emergency, the Lessor or its representatives shall have the right to take such action at the  
16 premises as they deem necessary for the protection of persons and property.

17 F. Modification and Amendments. Changes or modifications to this Lease shall be  
18 done in the form of a lease amendment prepared by the Lessor, to be agreed upon and signed by both  
19 Lessee and Lessor.

20 G. Paragraph Headings. The paragraph headings contained herein are for  
21 convenience in reference and are not intended to define or limit the scope of any provisions of this  
22 Lease or the particular paragraphs.  
23  
24

1 H. Effect of Invalid Provision. If any term or provision of this Lease or the  
2 application thereof to any person or circumstance shall to any extent be invalid or  
3 unenforceable, the remainder of this Lease, or the application of such terms or provisions to  
4 persons or circumstances other than those to which it is invalid or unenforceable, shall not be  
5 affected hereby, and each term and provision of this Lease shall be valid and be enforced to the  
6 fullest extent permitted by law.

7 I. Notices. Notices to Lessor provided for herein shall be sufficient if sent by  
8 certified mail, postage prepaid, addressed to:

9 Director of Aviation and Transit  
10 Billings Logan International Airport  
11 1901 Terminal Circle, Room 216  
12 Billings, MT 59105

and notices to Lessee, if sent by certified mail, postage prepaid, addressed to:

13 Robert Lang, President  
14 Aero Interiors  
15 245 Broadwater Avenue  
16 Billings, MT 59101  
17 Phone: (406) 256-7640  
18 Email: bob@aerointeriors.com

or to such other addresses as the parties may designate to each other in writing from time to time.

19 J. Successors and Assigns. All of the terms, covenants, and agreements herein  
20 contained shall be binding upon and shall inure to the benefit of successors, assignees and sublessees  
21 of the respective parties hereto.  
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IN WITNESS WHEREOF, this document has been duly executed by or on behalf of the parties hereto as of the date indicated below.

DATE: \_\_\_\_\_

ATTEST:

BY: \_\_\_\_\_  
CITY CLERK

CITY OF BILLINGS:

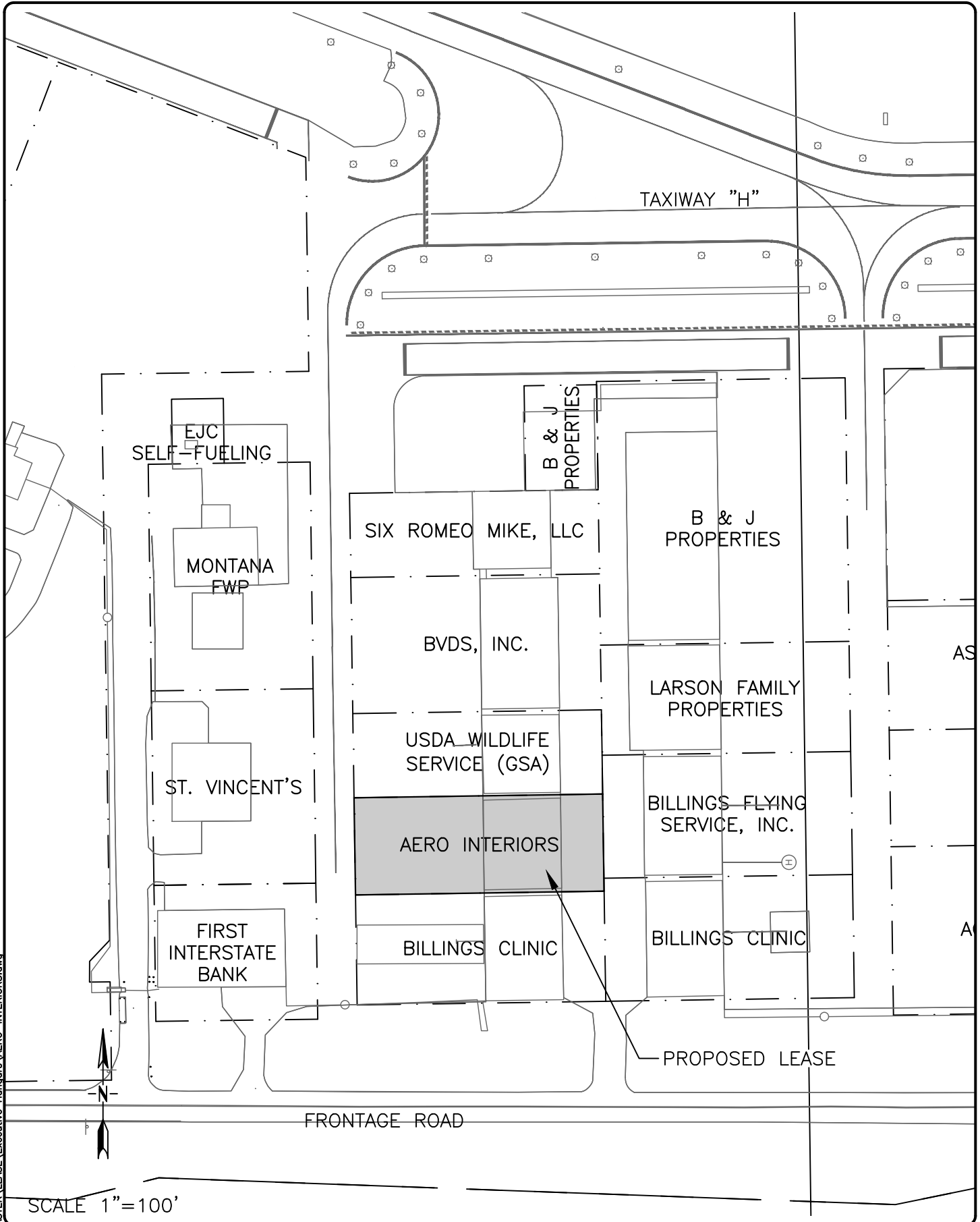
BY: \_\_\_\_\_  
MAYOR

APPROVED AS TO FORM

BY: \_\_\_\_\_  
CITY ATTORNEY

AERO INTERIORS

BY: \_\_\_\_\_  
ROBERT LANG, PRESIDENT



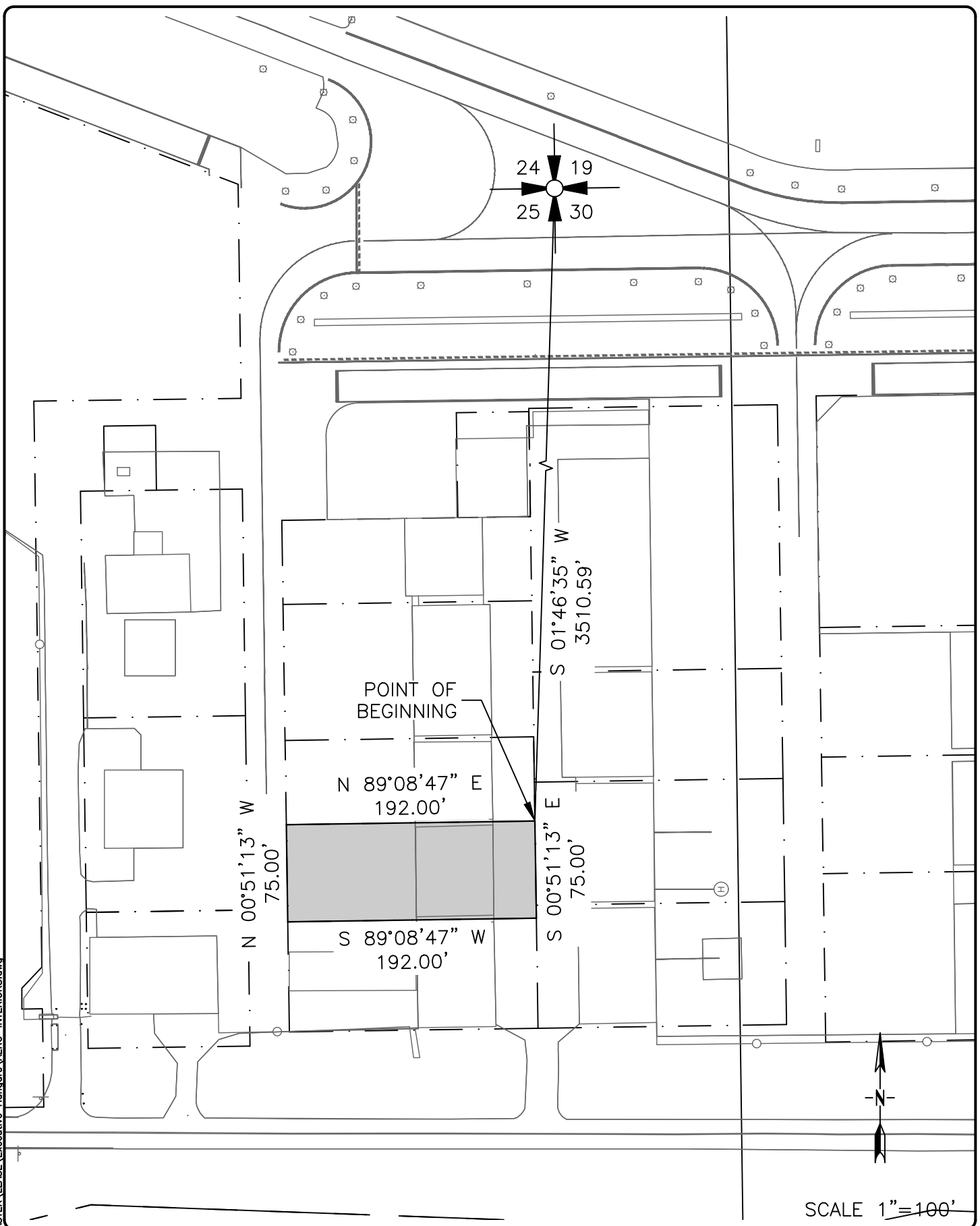
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SCALE 1"=100'

**AERO INTERIORS  
LEASE**  
 AVIATION AND TRANSIT DEPARTMENT—CITY OF BILLINGS

<b>EXHIBIT A</b>	1 of 3
 <b>Morrison Maierle</b>	315 N. 25th Street, Suite 102 Billings, MT 59101 Phone: 406.656.6000 Fax: 406.237.1201
ISSUE DATE: OCTOBER 2023	

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SCALE 1"=100'

# AERO INTERIORS LEASE

AVIATION AND TRANSIT DEPARTMENT—CITY OF BILLINGS

EXHIBIT A 2 of 3



315 N. 25th Street, Suite 102  
 Billings, MT 59101  
 Phone: 406.656.6000  
 Fax: 406.237.1201

ISSUE DATE: OCTOBER 2023

# DESCRIPTION

## Main Parcel

Commencing at the Northeast Corner of Section 25, T. 1N., R. 25E., P.M.M., Yellowstone County, Montana; thence from said point S 01°46'35" W a distance of 3510.59 feet to the Point of Beginning; thence S 00°51'13" E a distance of 75.00 feet; thence S 89°08'47" W a distance of 192.00 feet; thence N 00°51'13" W a distance of 75.00 feet; thence N 89°08'47" E a distance of 192.00 feet to the Point of Beginning.

Said Parcel containing 0.331 acres (14,400 square feet).

V:\2447\000-MASTER\LEASE\Executive Hangars\AERO-INTERIORS.dwg

## AERO INTERIORS LEASE

AVIATION AND TRANSIT DEPARTMENT—CITY OF BILLINGS

EXHIBIT A 3 of 3



315 N. 25th Street, Suite 102  
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