

1 ARTICLE I

2 PREMISES AND PRIVILEGES

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

6 Address: 1613 Aviation Place

7 Main Parcel

8 Commencing at the Northeast Corner of Section 30, T. 1 N., R. 26 E., P.M.M.,
9 Yellowstone County, Montana; thence S 02°5'06" E a distance of 3,877.00
10 feet to the Point of Beginning; thence S 89°33'38" W a distance of 64.06 feet;
11 thence S 00°26'22" E a distance of 94.71 feet; thence S 89°33'38" W a
12 distance of 33.84 feet; thence S 00°26'22" E a distance of 90.41 feet; thence
13 S 81°12'23" E a distance of 90.16 feet; thence N 00°26'22" W a distance of
14 201.04 feet to the Point of Beginning.

15 Said parcel of land contains 7,698.00 square feet.

16 Premises are further depicted on attached Exhibit A, and by said reference made
17 a part of this Lease.

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

24 1) The general unrestricted use of all public airport facilities and
improvements, which are now or may hereafter be connected with or appurtenant to
said Airport, except as hereinafter provided, to be used by Lessee and its sublessees for
commercial aviation activity as herein defined. For the purpose of this Lease, public

1 Airport facilities shall include all necessary landing area appurtenances including, but
2 not limited to, approach areas, runways, taxiways, aprons, aircraft and automobile
3 parking areas, roadways, sidewalks, navigational aids, lighting facilities, Terminal
4 facilities, or other public facilities appurtenant to said Airport.

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

8 C. Specific Privileges, Uses, and Rights In addition to the general privileges,
9 uses, and rights described above and without limiting the generality thereof, Lessor hereby grants to
10 Lessee and sublessees the right to engage in limited commercial aviation activity on the premises as
11 defined in subparagraphs 1 through 5 below subject to the conditions and covenants hereafter set out:

12 1) Use and maintenance of the space for office operations, preferably
13 related to aviation.

14 2) The right to use vehicles necessary for the office operations.

15 3) The right to use vending machines of confections, and refreshments
16 and the maintenance on said premises of appropriate facilities therefore.

17 4) The right to use the training on the Airport of personnel in the employ of Lessee and/or
18 its tenants and sublessees.

19 5) The location, construction, addition, maintenance, and removal of
20 improvements (office space and fenced parking), in any lawful manner, upon or in the
21 demised premises, for the purpose of carrying out any of the activities provided for
22 herein, subject however, to the conditions herein generally or particularly set forth, and
23 the advanced approval from the Director of Aviation and Transit or his/her designee.
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1 The aforementioned rights shall apply to the persons, firms, or corporations
2 having actual possession and occupancy of the premises described herein, and the
3 agents, employees, and invitees of such persons, firms, or corporations.

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

- 6 1) Ground transportation for hire.
- 7 2) Vehicle or equipment rental services.
- 8 3) News and sundry services.
- 9 4) Barber, valet, and personal services.
- 10 5) Food sales (except the sale of confections, and refreshments through
11 vending machines).
- 12 6) Retail sale of non-aviation products offered for sale in the Terminal
13 Building.
- 14 7) Improper use of all chemicals, solutions, solvents, or any potentially
15 hazardous, explosive, or flammable materials or substances. Improper storage
16 includes storage in violation of any applicable Federal, State, or Local environmental
17 law, regulation or rule presently in effect or promulgated in the future, as such laws,
18 regulations or rules may be amended from time to time.
- 19 8) Vehicle or aircraft fuel sales.
- 20 9) On-premises fuel storage or fuel storage facilities.
- 21 10) The operation of a business of buying and selling aircraft, parts, and
22 accessories therefore, and aviation equipment of all descriptions either at retail,
23 wholesale, or as a dealer.
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1 11) Maintenance, repair, service, or restoration of motorized vehicles or
2 equipment.

3 12) Outside storage of oil or oil collection containers.

4 13) Outside storage of used, surplus, or discarded parts, equipment,
5 vehicles, or portions thereof.

6 14) Parking of any personal vehicles outside of designated parking facilities
7 located on the premises.

8 15) Storage of personal vehicles, campers, boats, trailers, motor homes,
9 ATVs, or other recreational vehicles, or parts for such.

10 16) Storage of any household items.

11 17) Storage of any items outside of the office structure.

12 18) Off-premise parking

13 19) Use of the premises in a residential capacity of any sort, whether
14 temporary or otherwise.

15 E. Reservation of Right-of-Way. Lessor hereby reserves a right-of-way easement
16 for access purposes over/on the above-described premises. Said reserved rights-of-way may be used
17 by Lessor and all of Lessor's representatives, agents, employees, and Lessor's tenants, employees of
18 said tenants, and persons or entities serving said tenants.

1 ARTICLE II

2 TERM OF LEASE

3 A. Term. The term of this Lease shall be for a period of ten (10) years,
4 commencing on the 1st day of March 2025, and terminating on the 28th day of February 2035.

5 B. First Right of Refusal. At the end of the term hereof, the Lessee shall have the
6 first right to accept a new lease of the premises at the same rates and charges that the premises may be
7 offered to any other person or entity. Provided, that the Lessor shall have the sole discretion as to use
8 of said premises and whether or not it will be relet at the end of said term. Provided further, that six
9 (6) months prior to the end of the term, Lessee shall give notice in writing to Lessor of intent to
10 exercise the first right of refusal. Lessor, upon election to relet said premises, shall give Lessee notice
11 in writing of its decision and the proposed terms. Lessee shall have thirty (30) days in which to give
12 Lessor notice in writing of acceptance.

13 C. National Emergency. In the event the rights and privileges hereunder are
14 suspended by reason of war or other national emergency, the term of this Lease shall be extended by
15 the amount of the period of such suspension.

16 ARTICLE III

17 RENTAL AND FEES

18 A. Ground Rental. For the land described in Article I, Paragraph A., Lessee shall
19 pay to Lessor \$0.3417 per square foot per annum for all ground included in this Lease for an initial
20 annual rental of \$5,364.00. Said rental shall be payable monthly in advance, without billing, on the
21 first day of each month in an amount equal to one-twelfth of the annual rental, or \$447.00 per month.

22 B. Interest Penalty. Without waiving any other right or action available to the
23 Lessor, in the event of default in the payment of Lease rentals herein, or any other rentals, fees, or
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1 charges owed Lessor, the amount due shall accrue interest at the rate of one and one-quarter percent
2 (1.25%) per month from the date such rentals, fees, or charges were due and payable, until paid in full.

3 Said interest shall not apply with respect to items being contested in good faith by Lessee and which
4 are resolved in Lessee's favor.

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

13 D. Rental Adjustments to Market Value. On the fifth anniversary of the Lease, the
14 Lessor may conduct an analysis of the then-current lease rental rates for other on-Airport properties to
15 determine the current market value of the property. Should the analysis identify that the then-current
16 Lease rental rate on the premises is below market value for other on-Airport properties, the Lessor will
17 notify Lessee six (6) months in advance of an impending Lease increase.

18 ARTICLE IV

19 OBLIGATIONS OF LESSOR

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

1 B. Improvements. Lessee shall have the right to and shall provide for future
2 construction, alteration, expansion, and maintenance of its own improvements, in any lawful manner,
3 upon or in the premises, for the purpose of carrying out any of the activities provided for herein, but
4 shall obtain the written approval of Lessor for any such construction, alteration, or expansion prior to
5 beginning such improvements.

6 C. Maintenance. Lessee, at its sole cost and expense, shall maintain the premises,
7 improvements, and appurtenances thereto in a presentable condition free of refuse and debris
8 consistent with safety and operational procedures, good business practice, in accordance with Billings
9 Logan International Airport's Rules and Regulations, and acceptable to Lessor. Lessee's maintenance
10 responsibility shall include its buildings, asphalt and concrete repair, snow removal, and cleanup of
11 any fuel/oil spills on the premises.

12 D. Utilities. Lessee shall assume and pay for all costs or charges for utility
13 services furnished to Lessee during the term of the lease; provided, however, that Lessee shall have the
14 right to connect to any available sanitary sewers, water, electrical, or other utilities at
15 Lessee's own cost and expense; and Lessee shall pay for any and all service charges incurred
16 therefore. Lessee shall also provide an external water meter-reading device in an external location of
17 the leasehold structure approved by the Lessor; said meter-reading device type shall be specified and
18 pre-approved by Lessor. All utility services shall be installed underground.

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 contact Airport
22 Administration to coordinate the establishment of trash handling service, use Lessor-approved
23 receptacles for all garbage, trash and other refuse, and shall place them on the premises in a location
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1 acceptable to the Lessor for their removal. Piling of boxes, cartons, barrels, pallets, crates, or other
2 similar items in an unsightly or unsafe manner, or open storage of materials, personal property,
3 salvage, unused or surplus equipment, junk, or refuse on or about the premises, is forbidden. All
4 disposal costs will be paid by the Lessee.

5 F. Signs. Lessee shall not maintain any billboards or advertising signs on the
6 premises, unless specifically approved by Lessor. Provided, however, that Lessee may maintain on
7 the outside of its building its name(s) or signs, the size, location, and design of which shall be subject
8 to written approval of Lessor prior to installation.

9 G. Storm Water Pollution Prevention Plan (SWPPP) Lessee shall develop and
10 maintain a SWPPP for the premises in accordance with and all applicable Federal, State, and
11 Local regulations, identifying all of the activities and conditions on the premises that could cause
12 water pollution and detailing the steps the Lessee will take to prevent the discharge of any unpermitted
13 pollution and a spill response plan. The Airport has developed a SWPPP for airport operations.
14 Lessee may either provide its SWPPP to the Airport's plan, or may develop and maintain its own
15 SWPPP.

16 Lessee shall provide a current copy of its SWPPP to the Lessor. Lessee shall
17 establish a system of periodic inspections, cleaning, and maintenance to keep any drainage structures
18 clean and operational. Lessee shall see that special care is taken to pile removed snow in a location
19 that will permit water generated by melting of the snow piles to flow into the drainage system on the
20 premises.

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

3 I. Hazardous Substances. Lessee assumes full responsibility for the proper and
4 legal use, handling, storage, and disposal of any hazardous substances used or consumed in Lessee's
5 occupancy or the conduct of its business on the premises. "Hazardous substance" shall be interpreted
6 broadly to mean any substance or toxic material, fuel or petroleum-based products, hazardous or toxic
7 or radioactive substance, or other similar term by any applicable Federal, State, or Local
8 environmental law, regulation or rule presently in effect or promulgated in the future, as such laws,
9 regulations or rules may be amended from time to time and it shall be interpreted to include, but not
10 be limited to, any substance which after release to the environment will or may reasonably be
11 anticipated to cause sickness, death or disease. Lessee shall hold Lessor harmless from and indemnify
12 Lessor against and from any damage, loss, expense or liability resulting from any breach of these
13 representations and warranty including all attorneys' fees and costs incurred as a result thereof.

14 J. Height Restrictions. Special height restrictions apply on the leased premises.
15 Height of improvements proposed for above ground level must be reviewed and approved in writing
16 by the Lessor prior to installation.

17 ARTICLE VI

18 INSURANCE AND INDEMNIFICATION

19 A. Indemnification. Lessor and Lessor's officers, directors, agents, representatives,
20 and employees shall stand indemnified by Lessee as herein provided. It is expressly understood and
21 agreed that Lessee is and shall be deemed to be an independent contractor and operator responsible to
22 all parties for its respective acts or omissions and that Lessor shall in no way be responsible therefore.
23 It is further agreed that in the use of the Airport, in the construction, alteration, or maintenance of any
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1 improvements thereon, and in the exercise or enjoyment of the privileges herein granted, Lessee shall
2 indemnify, save harmless, and defend the Lessor and Lessor's officers, directors, agents,
3 representatives, and employees from any and all losses that may result to the Lessor and Lessor's
4 officers, directors, agents, representatives, and employees because of any negligence, act, or omission
5 on the part of the Lessee or Lessee's agents, representatives, and employees and shall indemnify
6 Lessor against any and all mechanic's and materialmen's liens or any other types of liens imposed
7 upon the premises.

8 Lessee expressly agrees that Lessor shall not be liable to Lessee, for personal
9 injury, bodily injury, or for any loss or damage to real or personal property occasioned by flood, fire,
10 earthquake, lightning, windstorm, hail, explosion, riot, strike, civil disobedience or commotion,
11 aircraft, smoke, vandalism, malicious mischief, or acts of civil authority, unless caused by the fault or
12 negligence of Lessor, its officers, directors, agents, representatives, or employees.

13 B. Insurance Lessee shall provide and keep in force for the entire term of this
14 Lease the insurance coverages identified below. Insurance coverage shall be maintained with
15 insurance underwriters licensed to do business in the State of Montana, and that are satisfactory to
16 the Lessor. At the time of execution of this Lease, and annually thereafter, Lessee shall furnish a
17 Certificate of Insurance along with all associated and required policy endorsements showing that
18 required insurance is current and in force. Required evidence of insurance shall be submitted for any
19 renewal or replacement of a policy that already exists, at least ten (10) days prior to expiration or
20 termination of the existing policy. Lessee shall provide notice to Lessor of any changes to insurance
21 or cancellation of any or all insurance at least thirty (30) calendar days in advance of such change or
22 cancellation. The Certificate of Insurance must include the following reference: City of Billings
23 Logan International Airport, 1901 Terminal Circle, Room 216, Billings, MT 59105. If, in the
24 Lessor's opinion, the minimum limits of the insurance coverage herein required become inadequate

1 during the term of this Lease, Lessee agrees that it will increase such minimum limits by reasonable
2 amounts upon request of the Lessor.

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

7 2) Commercial General Liability Insurance. Commercial General
8 Liability Insurance on a standard occurrence form providing coverage for personal
9 injury, bodily injury, death, and property damage, in amounts not less than \$2,000,000
10 per occurrence; the General Aggregate shall apply separately to each location. The
11 required limits may be provided by a combination of Commercial General Liability
12 Insurance and Excess or Umbrella Commercial Liability Insurance. The general
13 liability insurance required in this Lease must be a separate and distinct policy insuring
14 the Lessee and the City of Billings. Other general liability policies shared with other
15 named insureds do not satisfy the requirements of this section. The commercial general
16 liability policy shall be endorsed to name the City of Billings, and City's officers,
17 directors, agents, representatives, and employees as a **PRIMARY ADDITIONAL**
18 **INSURED**. The City of Billings' general liability policy will be excess and
19 noncontributory. The policy shall be endorsed to include a written waiver of insurer's
20 right to subrogate against the City.

21 3) Workers' Compensation and Employers' Liability Insurance. Workers'
22 Compensation and Employers' Liability Insurance is required if Lessee has employees.
23 Workers' Compensation insurance limits in accordance with the State of Montana and
24 administered by the Montana Department of Labor and Industry. Required limits are

1 \$1,000,000 each accident, \$1,000,000 each employee, and \$1,000,000 for bodily
2 injury by disease.

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

8 ARTICLE VII

9 TERMINATION OF LEASE, CANCELLATION, ASSIGNMENT, AND TRANSFER

10 A. Termination. This Lease shall terminate at the end of the full term hereof
11 without any notice by either party, except as indicated in Article II, Paragraphs B. and C. A holding
12 over by the Lessee, its assigns or sublessees beyond the expiration of the term shall not be permitted
13 without the written consent of the Director of Transportation and Transit or his/her designee and then only
14 on a month-to-month basis.

15 Upon termination, Lessee shall have the right to remove all moveable fixtures,
16 machinery and equipment, and all other personal property owned or installed by Lessee on the
17 premises. All expenses connected with such removal shall be borne by the Lessee. Said property
18 shall be removed within thirty (30) days after termination of this Lease.

19 In addition, Lessee has the right to remove, at Lessee's expense, all buildings
20 and other structures owned by Lessee located upon the premises within thirty (30) days upon the
21 termination of this Lease. Lessee shall remove from the premises all debris resulting from the
22 removal of the buildings or structures, fueling equipment and machinery, including any contaminated
23 soils, and Lessee shall generally leave the premises in a clean and orderly condition acceptable to the
24 Lessor.

1 This right to remove personal property, buildings and structures, equipment and
2 machinery, does not extend to pavement, water lines, sewer lines, electrical lines, utility poles,
3 fencing, exterior light poles, which improvements shall remain the property of the Lessor and shall not
4 be removed.

5 In the event the Lessee elects not to remove its buildings and other structures,
6 personal property, fixtures, machinery and equipment, and other improvements upon termination of
7 the Lease, the disposition of the buildings and structures, personal property, fixtures, machinery and
8 equipment, and other improvements will be left to the sole discretion of the Lessor. If Lessor elects to
9 remove the buildings and structures, personal property, fixtures, machinery and equipment, and other
10 improvements, and any contaminated soils, because of failure of Lessee to do so, the cost of removal,
11 demolition, cleanup, remediation, and all other related actions shall be at Lessee's sole expense.

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

- 14 1) The permanent abandonment of the Airport as an Air Terminal.
- 15 2) The lawful assumption of the United States Government or any other
16 authorized agency thereof, of the operation, control or use of the Airport, or any
17 substantial part or parts thereof, in such a manner that substantially restricts Lessee for
18 a period of at least ninety (90) days from operating in a normal manner.
- 19 3) Issuance by any court of competent jurisdiction of an injunction in any
20 way preventing or restraining the use of the Airport, and the remaining in force of such
21 injunction for a period of at least ninety (90) days.
- 22 4) The default by Lessor in the performance of any covenant or agreement
23 herein required to be performed by Lessor and the failure of Lessor to remedy such
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1 default for a period of ninety (90) days after receipt from Lessee or written notice to
2 remedy same.

3 Lessee may exercise such right of termination by written notice to Lessor at any
4 time after the lapse of the above applicable periods of time and this Lease shall terminate as of that
5 date. Rental due hereunder shall be payable only to the date of the happening of the event(s) which
6 results in said termination. Upon termination under the provisions of this paragraph, Lessee shall have
7 the same rights as described in Article VII, Paragraph A. herein.

8 C. Cancellation by Lessor.

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

11 a) Be in arrears in the payment of the whole or any part of the
12 amounts agreed upon hereunder for a period of thirty (30) days after payment
13 is due.

14 b) File a voluntary petition of bankruptcy.

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

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

20 2) In the event of termination because of the happening of any of the
21 aforesaid events, Lessor may take immediate possession of the premises and remove
22 Lessee's effects, forcibly if necessary, without being deemed guilty of trespassing.
23 Upon said entry, this Lease shall terminate.
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1 ancestry, age, or disability. Additionally, for the services provided during the use and occupation of
2 the Airport, Lessee shall furnish said services on a reasonable and not unjustly discriminatory basis to
3 all users thereof and charge reasonable and not unjustly discriminatory prices for each unit of service,
4 provided that the Lessee may be allowed to make reasonable and nondiscriminatory discounts,
5 rebates, or other similar types of price reductions to volume purchasers.

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

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

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

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

10 1) 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 use of said improvements.

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

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

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

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

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

9 2) 49 CFR Part 21 (Nondiscrimination in Federally Assisted Programs of
10 the Department of Transportation – Effectuation of Title VI of The Civil Rights Act of
11 1964);

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

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

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

20 6) Airport and Airway Improvement Act of 1982 (49 U.S.C. § 471,
21 § 47123) as amended (prohibits discrimination based on race, creed, color, national
22 origin, or sex);
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1 7) The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the
2 scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, the Age
3 Discrimination Act of 1975, and § 504 of the Rehabilitation Act of 1973, by expanding
4 the definition of the terms "programs or activities" to include all of the programs or
5 activities of the Federal aid recipients, sub-recipients, and contractors, whether such
6 programs or activities are Federally funded or not);

7 8) Titles II and III of the Americans with Disabilities Act of 1990, which
8 prohibit discrimination on the basis of disability in the operation of public entities,
9 public and private transportation systems, places of public accommodation, and certain
10 testing entities (42 U.S.C. §§ 12101 – 12119) as implemented by Department of
11 Transportation regulations at 49 CFR Parts 37 and 38;

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

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

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

3 12) Title IX of the Education Amendments of 1972, as amended, which
4 prohibits you from discriminating because of sex in education programs or activities
5 (20 U.S.C. 1681 *et seq.*).

6 ARTICLE IX

7 GENERAL PROVISIONS

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

14 B. Governing Law. This Lease and all disputes arising hereunder shall be
15 construed and enforced in accordance with the laws of the State of Montana. Venue in any
16 proceedings hereunder shall be in the State of Montana Thirteenth Judicial District Court,
17 Yellowstone County, Montana.

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

22 D. Subordination of Lease.

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

6 2) Notwithstanding any other prohibition or limitation of Lessee's right to
7 sublease or assign its interest under this Lease, Lessor acknowledges and agrees that
8 Lessee shall have the right to grant a security interest in its rights and interest under
9 this Lease, with Lessor's written consent. Any mortgagee or beneficiary shall have the
10 right to cure any default on the part of Lessee in the payment of rent hereunder and, in
11 the event of default, to assume the Lessee's position under this Lease. Lessor, in no
12 event, shall be liable for the payment of the sum secured by such mortgage or trust
13 indenture, nor for any expense in connection with the same. Furthermore, such
14 mortgage or trust indenture shall expressly provide that the mortgagor or beneficiary
15 will not seek a judgment against Lessor. The mortgage or trust indenture shall
16 also contain provisions requiring the holder of the indebtedness secured by such
17 mortgage or trust indenture to mail to Lessor by certified mail a copy of each notice of
18 breach of covenant, default, or foreclosure given by the holder or the trustee to Lessee
19 under such mortgage or deed of trust. Mortgagee or beneficiary shall mail a copy of
20 the release of the indebtedness to Lessor when the indebtedness has been satisfied.

21 E. Access/Inspection by Lessor. The Lessor, or any person designated by the
22 Lessor, shall at all times have reasonable access to the premises for inspection purposes, and in the
23
24

1 event of any emergency, the Lessor or its representatives shall have the right to take such action at the
2 premises as they deem necessary for the protection of persons and property.

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

6 G. Paragraph Headings. The paragraph headings contained herein are for
7 convenience in reference and are not intended to define or limit the scope of any provisions of this
8 Lease or the particular paragraphs.

9 H. Effect of Invalid Provision. If any term or provision of this Lease or the
10 application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the
11 remainder of this Lease, or the application of such term or provisions to persons or circumstances
12 other than those to which it is invalid or unenforceable shall not be affected hereby, and each term
13 and provision of this Lease shall be void and be enforced to the fullest extent permitted by law.

14 I. Notice. Notice to Lessor provided for herein shall be sufficient if sent by
15 certified mail, postage prepaid, addressed to:

16 Director of Aviation and Transit
17 Billings Logan International Airport
18 901 Terminal Circle, Room 216
Billings, MT 59105

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

20 Marchi Family Enterprises, LLC
21 ATTN: Liz Marchi
22 23 C Ghost Horse Lane
Bozeman, MT 59718
Phone: Cell: (406) 249-0637
E-mail: liz@lizmarchi.com

23 or to such other addresses as the parties may designate to each other in writing from time to time.
24

1 J. Successors and Assigns. All of the terms, covenants, and agreements herein
2 contained, or as subsequently amended from time to time, shall be binding upon and shall inure to the
3 benefit of successors, assignees, and sublessees of the respective parties hereto.

4 IN WITNESS WHEREOF, this document has been duly executed by or on behalf of
5 the parties hereto as of the date indicated below.

6
7 DATE: _____

8 ATTEST:

CITY OF BILLINGS

9
10 BY _____
11 CITY CLERK

BY _____
MAYOR

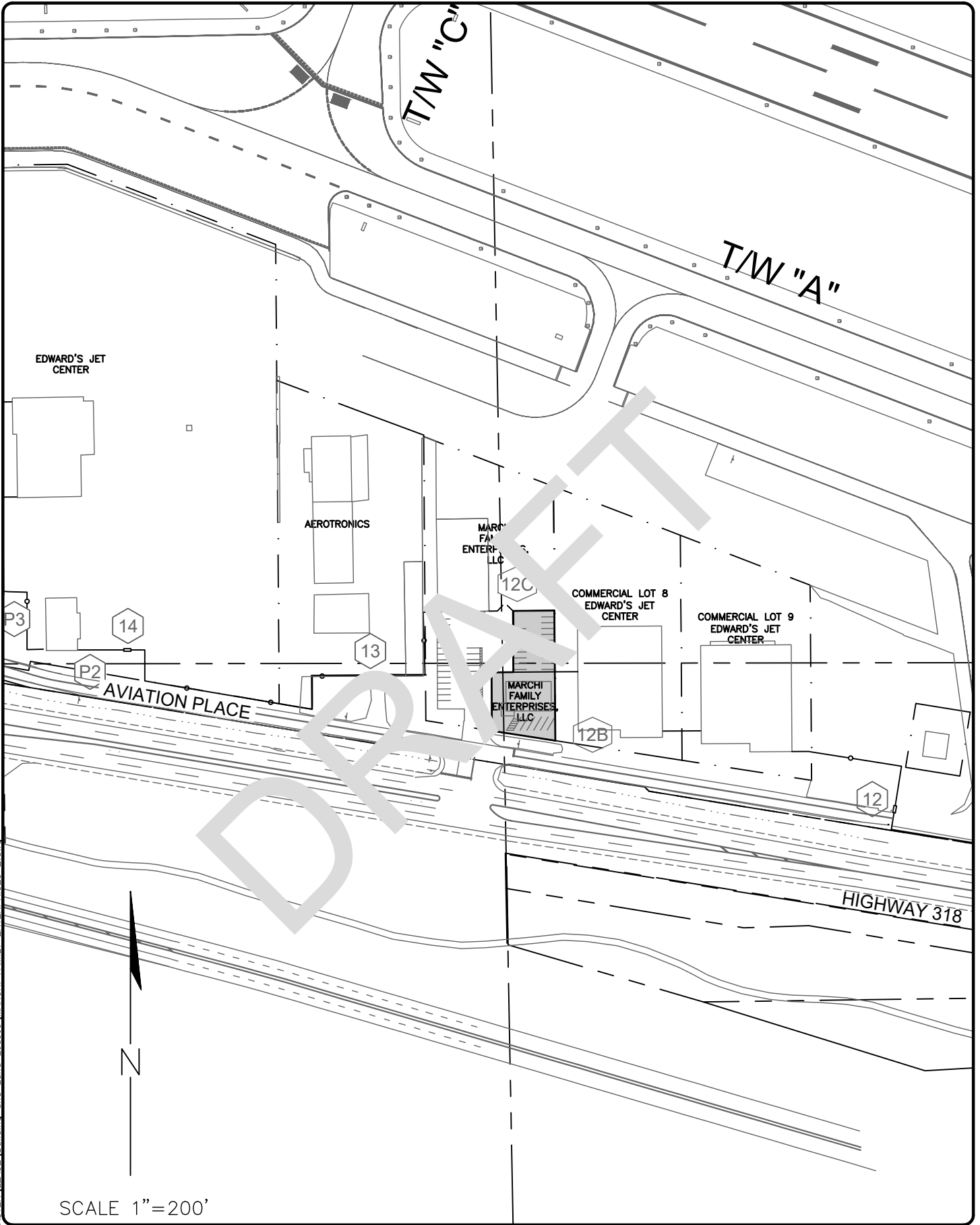
12 APPROVED AS TO FORM

MARCHI FAMILY ENTERPRISES, LLC
BY: Macdonald Datsopus and Lind

13
14 BY _____
CITY ATTORNEY

BY _____
DENNIS LIND, ATTORNEY &
PERSONAL REPRESENTATIVE
FOR ESTATE OF JON MARCHI,
DECEASED

V:\2447\000-MASTER LEASE\Building and Land Leases\MARCHI FAMILY ENTERPRISES 2.dwg



SCALE 1"=200'

MARCHI FAMILY ENTERPRISES, LLC
 AVIATION AND TRANSIT DEPARTMENT-CITY OF BILLINGS

EXHIBIT A 1 of 3

Morrison Maierle
 315 N. 25th Street, Suite 102
 Billings, MT 59101
 Phone: 406.656.6000
 Fax: 406.237.1201
 ISSUE DATE: 04/2025

19 20
30 29

S 2°16'06" E
3277.00'

S 89°33'38" W

POINT OF BEGINNING

12C

S 0°26'22" E
71'

N 00°26'22" W
201.04'

S 89°33'38" W
33.84'

13

S 0°26'22" E
90.41'

12B

S 81°12'23" E
99.19'

SCALE 1"=100'

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MARCHI FAMILY ENTERPRISES, LLC

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: 04/2025

DESCRIPTION

Main Parcel

Commencing at the Northeast Corner of Section 30, T. 1 N., R 26 E., P.M.M., Yellowstone County, Montana; thence, S 02°16'06" E a distance of 3877.00 feet to the Point of Beginning; thence, S 89°33'38" W a distance of 64.06 feet; thence, S 00°26'22" E a distance of 94.71 feet; thence, S 89°33'38" W a distance of 33.84 feet; thence, S 00°26'22" E a distance of 90.41 feet; thence, S 81°12'23" E a distance of 99.19 feet; thence N 00°26'22" W a distance of 201.04 feet to the Point of Beginning.

Said Parcel containing 15,698 square feet.

DRAFT

V:\2447\000-MASTER\LEASE\Building and Land Leases\MARCHI FAMILY ENTERPRISES 2.dwg

MARCHI FAMILY ENTERPRISES, LLC

AVIATION AND TRANSIT DEPARTMENT-CITY OF BILLINGS

EXHIBIT A 2 of 2

 Morrison
Maierle

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