

**YELLOWSTONE REGIONAL AIRPORT  
GENERAL AVIATION HANGAR LEASE – Non-Commercial**

**Lot:\_\_\_\_\_ Row:\_\_\_\_\_ Hangar:\_\_\_\_\_**

This Non-Commercial General Aviation Hangar Lease (“Lease”) is made by and between the Yellowstone Regional Airport Joint Powers Board (“Board” or “Lessor”) and \_\_\_\_\_ (“Lessee”) (each a “Party” and, together, the “Parties”) on this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, (“Effective Date”) for and in consideration of the mutual promises, covenants, agreements, and conditions within this Lease, the sufficiency of which the Parties acknowledge.

**Recitals**

I. Lessor operates the Yellowstone Regional Airport (“Airport”), within and owned by the City of Cody (“City”), for the use and benefit of the people of Cody, their guests, and the flying public, in accordance with Cody City Code § 7-3-1, *et seq.*

II. Lessee desires to lease a portion of the Airport generally known as Lot \_\_, Row \_\_, Hangar \_\_\_\_, and as depicted in Exhibit A to this Lease (the “Subject Property”), for non-commercial aviation-related activities, subject to all of the various terms and conditions of this Lease and all of the laws, regulations, and other requirements references in this Lease.

III. Lessee has submitted to Lessor plans and specifications for construction of a hangar upon the Subject Property (a “Hangar Proposal”) in accordance with the Minimum Standards, attached as Exhibit D, and such Hangar Proposal satisfies the Minimum Standards and other requirements established by Lessor existing as of the Effective Date.

**Agreement**

1. Definitions: In addition to all other terms defined within this Lease, the following definitions shall apply to capitalized terms used within this Lease:

A. “Access Land” means land on the Subject Property necessary for access to the airfield of for buffer areas, but not usable for the construction or installation of a hangar(s) or other improvement(s). The square footage of Access Land within the Subject Property is specified in Section 2 of this Lease and depicted on Exhibit A.

B. Affiliate means a corporation, limited liability company, trust, or other entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Lessee.

C. Authorized Aircraft means those aircraft which may be stored on the Subject Property, which are both (a) owned by Lessee, an Affiliate, or authorized sublessee, or leased for Lessee’s, Affiliate’s, or authorized sublessee’s exclusive use, and (b) listed in Exhibit B of this Lease, as it may be amended in accordance with the provisions herein

D. Director means that individual appointed by the Board as the Airport Director of the Airport, and such individual’s designee

E. FAA means the Federal Aviation Administration or a successor agency thereto.

F. Grant Assurances means the Board's federal airport sponsor grant assurances, including but not limited to those grant assurances to which the Board must agree as a condition precedent to the receipt of federal funds under the FAA's Airport Improvement Program.

G. Lease Year means a twelve-month period, running July 1 of one Calendar Year through June 30 of the next Calendar Year, during which the Lease is ongoing.

H. Leasehold Improvement means any improvement, including but not limited to a hangars or other building, whether or not permanently attached to the Subject Property, that is placed, installed, or constructed on the Subject Property.

I. Legal Requirements means all applicable federal, state, local, and Board laws, regulations, ordinances, orders, rules, directives, and policies pertaining to the use or occupancy of the Airport, including without limitation the Grant Assurances; FAA regulations, orders, and guidance; Board policies, standards, rules, and directives of the Airport Director; all building, environmental, fire, safety, zoning, or other codes, ordinances, statues, and directives of governmental agencies having jurisdiction over the Airport, Board, or Lessee.

J. Minimum Standards means those qualifications established by the Board, as may be amended from time to time, setting forth the minimum requirements that must be met to conduct a commercial aeronautical activity on the Airport.

K. Personal Property means any movable thing or intangible item of value that is capable of being owned by a person and is not real property, an improvement to real property, or a fixture attached to such improvement.

L. Usable Land means that land on the Subject Property which may be used for the construction or installation of a hangar(s) or other improvement(s), subject to the terms and conditions set forth in this Lease. The square footage of Usable Land within the Subject Property is specified in Section 2 of this Lease and depicted on Exhibit A.

M. Vehicle means a motor vehicle, a watercraft, or a trailer (or other attachment or extension to any motor vehicle, boat, or trailer), but not an aircraft or aircraft part.

2. Premises Leased. Lessor leases to Lessee and Lessee leases from Lessor the Subject Property for Lessee's exclusive use, together with the right of ingress and egress, subject to all of the terms and conditions of this Lease. The Subject Property includes \_\_\_\_\_ square feet of Usable Land and \_\_\_\_\_ square feet of Access Land, as depicted on Exhibit A. Lessee agrees to accept the Subject Property "as is," and Lessor makes no representation or warranty as to the condition of the Subject Property or its suitability for any particular purpose.

### 3. Rent and Fees.

A. Annual Rent. The total annual rent for the Subject Property (the "Annual Rent") at the commencement of this Lease shall be \$\_\_\_\_\_, which Lessee shall pay annually, in advance, on or before July 1 of each Lease Year. Such Annual Rent is calculated on the basis of a rent of \$\_\_\_\_\_ per square foot of Usable Land per year and \$\_\_\_\_\_ per square of Access Land per year.

B. Rent Adjustment. On April 30, 2023 and then every three (3) years thereafter, Lessor will adjust the Annual Rent for the Subject Property by the percentage increase in the Consumer Price Index for All Urban Consumers ("CPI-U"), as determined by the Bureau of Labor Statistics of the United States Department of Commerce, since the month of the most recent prior Annual Rent adjustment (or, for the first such adjustment, since the month during which the term of this Lease commenced). However, in no event shall the Annual Rent be reduced during any adjustment. If, upon the adjustment of the Annual Rent, Lessee declines to pay such adjusted Annual Rent, Lessee shall, within thirty (30) days of Lessor's Annual Rent adjustment, notify Lessor of its decision not to pay such adjusted Annual Rent, and the Lease shall then terminate, without option to extend such term, on June 30th of the then-current year.

C. Prorated Rent. Should the term of this Lease commence on a date other than July 1, Annual Rent shall be prorated on the basis of a 365-day year ending June 30.

D. Other Fees and Charges. In addition to the Annual Rent and any and all other rents and fees set forth in this Section 3, Lessee shall pay to Lessor any other applicable fees or charges that Lessor may set or impose at any time for use or occupancy of the Airport, which fees or charges shall be applicable to all similar users at the Airport. Lessee shall pay any such fees or charges according to the schedule and other payment terms that Lessor may set forth for such fees and charges.

E. Method of Payment. Lessee shall pay all of its payments to Lessor by check, which check Lessee shall deliver to Lessor at the address, and by one of the delivery methods, specified in Section 44 provided that no copy of such delivery shall be made by email. If Lessee delivers such check to Lessor by personal delivery, such check shall be considered delivered on the date Lessor receives such check. If Lessee delivers such check to Lessor by U.S. mail or courier service pursuant to the terms of Section 44 such check shall be considered delivered on the earlier of (a) the date of Lessor's actual receipt of such check or (d) three days after the date of postmarking or, for courier service, confirmation of courier's receipt of the check shipment from Lessee.

F. Late Payment. Lessee's Annual Rent and any other payment due and owing under this Lease shall be considered delinquent if not delivered within ten (10) days of the due date thereof, at which point Lessee shall further owe a late fee equivalent to ten percent (10%) of the amount of the delinquent payment. Should Lessee fail to deliver any Annual Rent or other payment due and owing under this Lease within thirty (30) days of such payment's due date, Lessee shall (a) be considered in default of this Lease and (b) owe interest on such delinquent payment at the lesser of (i) a rate of ten percent (10%) per year, compounding, or (b) the maximum interest rate permissible by law, such interest running back to the date on which the delinquent payment was due. Should Lessee's check fail to clear for lack of funds or any other reason (other than an error on the part of Lessor or Lessor's bank), Lessee's payment shall be considered unpaid and outstanding. Lessee agrees to pay Lessor all costs, including reasonable attorney fees, incurred by Lessor in recovering any rent or other payment due and unpaid under this Lease. Without limitation to the applicability or duration of any other provision of this Lease, the terms of this paragraph shall survive the expiration or termination of this Lease.

4. Term and Renewal.

A. The Initial Term of this Lease shall commence on \_\_\_\_\_, 20\_\_\_\_, at 12:01 AM and shall continue for nineteen (19) full Lease Years thereafter, expiring on June 30, 20\_\_ at 11:59 PM (the "Initial Term"), all times local to the Airport.

B. Lessee shall have the option to extend this Lease for up to four (4) terms of five (5) years each (each such five-year term a "Term Extension"), provided that (i) Lessee completely and timely pays all rent and any other fees and charges due under this Lease, (ii) Lessee completely and faithfully adheres to all of the terms and conditions of this Lease, and (iii) each such extension of this Lease is consistent with the Airport's then-current Airport Layout Plan. Lessee may elect to exercise its option for a Term Extension by providing written notice (the "Extension Notice") to the Airport Director of such election at least six (6) months, but not more than twelve (12) months, prior to the expiration of the then-current Initial Term or Term Extension, whichever the case may be. Within sixty (60) days after receiving Lessee's Extension Notice, Lessor shall acknowledge or reject Lessee's request to extend the Lease, pursuant to the terms of this paragraph.

C. Holding Over. In the event Lessee holds over after the expiration of the Lease or any Term Extension, as the case may be, such holding over shall be deemed a tenancy from month to month subject to all applicable terms and conditions of this Lease and to any further conditions established by the Director in his or her discretion. Furthermore, in the event Lessee holds over, Lessee shall pay Annual Rent in the amount of one hundred fifty percent (150%) of Lessee's Annual Rent at the time of the expiration of the Lease, in addition to any other fees and charges due pursuant to the terms of this Lease. In the event Lessee holds over, Lessor and Lessee shall each have the absolute right to terminate such holding over upon thirty (30) days' written notice to the other Party.

D. Right of First Refusal at Lease Expiration. If Lessor determines in its sole discretion to continue leasing the Subject Property for those uses described in Section 5 hereof at the conclusion of the fourth and final Term Extension, then Lessee shall have the right of first refusal to continue leasing the Subject Property on those terms and conditions then offered by Lessor to persons making similar use of Airport property. Lessee shall not be entitled to a right of first refusal as described in this paragraph unless Lessee exercises all four (4) Term Extensions in accordance with the provisions of this Lease.

5. Use of Subject Property.

A. Subject to all Legal Requirements and all of the terms and conditions of this Lease, Lessee may use the Subject Property to store, park, and maintain Lessee's Aircraft. Except as otherwise expressly provided in this Lease, Lessee shall not use, or permit to be used, the Subject Property for any other purpose without Lessor's prior written consent, which consent Lessor may withhold in its sole and absolute discretion.

B. Lessee may, in accordance with the provisions of this Lease, sublease the Subject Property for the storage of aircraft not owned by Lessee or its Affiliate or leased and under the exclusive control of Lessee or its Affiliate; provided, however, that at least one aircraft owned or leased and under the exclusive control of Lessee or its Affiliate shall continue to be stored on the Subject Property. Such subleasing shall not be deemed a commercial activity, provided that Lessee does not hold out, through advertising or otherwise, as offering aircraft storage to the public. Upon approval of such sublease in

accordance with the provisions hereof, the Director shall prepare an updated list of Authorized Aircraft, which list shall replace Exhibit B to this Lease. Notwithstanding the foregoing, the temporary storage of an aircraft not owned by Lessee or its Affiliate or leased and under the exclusive control of Lessee or its Affiliate, for a period of not more than thirty (30) days in any calendar year (whether consecutive or non-consecutive) and at no cost the owner, lessee, or operator thereof, is permitted and shall not be deemed a sublease. The storage of aircraft other than Authorized Aircraft on the Subject Property except as authorized by the Airport Director pursuant to this paragraph is prohibited.

C. Lessee shall conduct its activities on the Airport, and shall cause Lessee's invitees to conduct their activities on the Airport, in a neat, orderly and proper manner, including, without limitation, so as not to unreasonably annoy, disturb, endanger or be offensive to others considering the nature of such activities. Lessee shall not take or permit any action that, in Lessor's reasonable judgment, (i) interferes or might interfere with the reasonable use by others of common facilities at the Airport, (ii) hinders or might hinder police, fire fighting or other emergency personnel in the discharge of their duties, (iii) would or would be likely to constitute a hazardous condition at the Airport, or (iv) would or would be likely to increase the premiums for insurance policies maintained by Lessor. In the event this covenant is breached, Lessor reserves the right, to enter upon the Subject Property and cause the abatement of such interference at the expense of Lessee.

D. Authorized Aircraft stored or parked in the Subject Property must be currently registered, airworthy, and flown to and from the Airport periodically during each year. Lessee shall not leave its hangar(s) without any of Authorized Aircraft for a period of greater than one hundred eighty (180) days unless Lessee both (a) removes Authorized Aircraft from the Airport for purposes of maintenance or repair and (b) seeks permission from Lessor to extend the 180 day aircraft-absence limitation under this paragraph at least ten (10) days prior to the end of such 180-day limit, which permission Lessor shall not unreasonably withhold.

E. **Nonaeronautical Use of the Subject Property.** Lessee's use of the Subject Property shall at all times comply with the *Policy on the Non-Aeronautical Use of Airport Hangars*, 81 Fed. Reg. 38,906 (June 15, 2016) (the "FAA Hangar Policy"), as it may from time to time be amended by the FAA. Non-aeronautical use of the Subject Property is strictly prohibited without the prior written consent of Lessor, which shall not be withheld so long as, in the reasonable discretion of the Director, the Subject Property is primarily used for aeronautical purposes, the proposed non-aeronautical use does not interfere with the aeronautical use of the Subject Property, and the proposed non-aeronautical use is otherwise consistent with the FAA Hangar Policy.

F. **Commercial Use Prohibited.** Lessee shall not conduct any commercial activity whatsoever on or from the Subject Property.

G. Fuel shall not be stored in any hangar(s) or improvement(s) on the Subject Property except in those tanks of an aircraft designed for such fuel storage. Notwithstanding the foregoing, Lessee may store a maximum of five (5) gallons of fuel in connection with snow removal or other Vehicles in accordance with all applicable Legal Requirements.

H. Lessee's invitees shall be accompanied by Lessee while on the Airport. Lessee shall be responsible and liable for the conduct of its invitees in and around the Subject Property and on the Airport at all times.

I. Nothing in this Section 5 shall be construed to prohibit Lessee or any aircraft operator from fueling its own aircraft so long as such fueling complies with all Legal Requirements and all other terms and conditions of this Lease. However, Lessee is specifically prohibited from fueling aircraft inside any hangar or other improvement.

6. Uses in Common. Lessee shall have the nonexclusive right to use, in common with others, all Airport facilities and improvements that are then available for public use, including but not limited to runways, taxiways, aprons, roadways, parking areas, and other common-use facilities, provided such use is in accordance with all applicable Legal Requirements.

7. Compliance with Legal Requirements.

A. Lessee shall comply, and cause any and all of Lessee's officers, employees, representatives, agents, contractors, subcontractors (collectively, "Lessee's Personnel") and all of Lessee's invitees to comply, with all Legal Requirements and all lawful orders and directives of the Director (regardless of whether Lessee wishes to appeal any such order or directive) when using the Subject Property and the Airport and when otherwise exercising its rights and privileges under this Lease.

B. If any provision of this Lease is found to be in conflict with any provision of the Legal Requirements, the provision that establishes the higher or stricter standard shall prevail, provided that no provision of this Lease shall require either Party to violate any of the Legal Requirements. Lessor may modify this Lease to resolve any conflict between this Lease and the Legal Requirements.

C. Lessee shall completely and promptly pay any penalties, fines, costs, and expenses for the failure of Lessee, Lessee's Personnel, or Lessee's invitees to comply with any of the Legal Requirements. If penalties or fines are levied against Lessor or costs or expenses are incurred by Lessor relating to Lessee's failure to comply with any of the Legal Requirements, Lessee shall promptly reimburse Lessor, as applicable, the full payment of such penalty fine, cost, or expense, as well as an additional administrative fee of twenty-five percent (25%) of such penalty, fine, cost, or expense to compensate Lessor, as applicable, for the costs of addressing and paying such penalty, fine, cost, or expense.

D. Lessee must comply (at Lessee's sole expense) with all security measures that Lessor, the United States Transportation Security Administration ("TSA"), the United States Department of Homeland Security ("Homeland Security"), or any other governmental entity having jurisdiction may require in connection with the Airport, including, but not limited to, any access-credential requirements, any decision to remove Lessee's access credentials, and any civil penalty obligations and other costs arising from a breach of security requirements caused or permitted by Lessee or Lessee's Affiliate. Lessee agrees that Airport access credentials are the property of Lessor and may be suspended or revoked by Lessor for security-related reasons in Lessor's sole discretion at any time. Lessee shall pay all fees associated with such credentials, and Lessee shall immediately report to the Director any lost credentials or credentials that Lessee removes from any of its employees or any of Lessee's Affiliate. Lessee shall protect and preserve security at the Airport. Lessee acknowledges that the FAA, Homeland Security, or another governmental agency may enact laws or regulations regarding safety and security at airports, and Lessee agrees that Lessor shall not be required to comply with any provision of this Agreement that conflicts with such laws or regulations.

8. Subordination to Federal Funding and Emergency Operations.

A. This Lease is subject and subordinate to the provisions of any existing or future agreement between the Board and the United States of America relative to the operation or maintenance of the Airport, the terms and execution of which agreement have been or may be required as a condition precedent to the expenditure by or reimbursement to the Board of federal funds for the development of the Airport ("Grant Agreements"). In the event that this Lease, either on its own terms or by any other reason, conflicts with or violates the Grant Agreements, Lessor has the right to amend, alter, or otherwise modify the terms of this Lease solely as required to resolve such conflict or violation. Lessee further agrees that it shall not knowingly cause Lessor to violate the terms of such Grant Agreements.

B. During any time of war or national emergency, Lessor shall have the right to enter into an agreement with the United States Government for military or emergency use of part or all of the Airport and its facilities. If any such agreement is executed, the provisions of this Lease and of any other agreement between Lessor and Lessee, insofar as they are inconsistent with the agreement between Lessor and the United States Government, shall be suspended, without any liability to Lessor.

9. Required Federal Provisions. Lessee agrees to, and agrees to be bound by, the Required Federal Provisions included in Exhibit C.

10. Taxes, Assessments, and Fees. Lessee shall timely pay all taxes, assessments, and fees assessed or levied upon Lessee or the Subject Property by any federal, state, or local governmental or quasi-governmental authority. Lessee shall not allow any such taxes, assessments, or fees to become a lien against the Subject Property or any improvement thereon. Nothing shall prevent or prohibit Lessee from contesting the validity or amount of any such tax, assessment, or fee in the timely manner authorized by law, but in no event shall Lessee permit any such process to proceed to a foreclosure upon the Subject Property, any improvement thereon, or any interest in either.

11. Vehicle Parking. Except as authorized in writing by the Director pursuant to Paragraph 5.E hereof, Vehicles may be parked inside the hangar or elsewhere on the Subject Property only when Lessee's Aircraft are in use. Lessee may not park, or allow to be parked, any Vehicle regularly on the Subject Property. Lessee may not park, or allow Lessee's invitees to park any Vehicle anywhere on the Airport other than on the Subject Property or in parking spaces designated for Lessee's or public use, and then only subject to all applicable Legal Requirements. Neither Lessee nor Lessee's invitees shall park a Vehicle anywhere where aircraft may be or may come to be operating (except within Lessee's hangar while Lessee's Aircraft is in use). In no event shall Lessee or Lessee's invitees park or operate any vehicle on the runway(s) or taxiway(s) of the Airport. Lessee and Lessee's invitees shall comply with all Legal Requirements with respect to the operation, parking, or removal of any Vehicle on the Airport. The Director may, in his or her discretion, tow any Vehicle that is parked, stopped, or unattended in any area other than that area(s) in which such Vehicle is permitted to be parked, stopped, or unattended, as the case may be; should the Director tow a vehicle owned, operated, or controlled by Lessee or Lessee's invitees, Lessee shall be solely responsible for payment of all reasonable towing and storage costs of such Vehicle.

12. Lessor's Reserved Rights. Without limitation to any of Lessor's other rights, whether under this Lease, at law, or otherwise, Lessor specifically reserves the following rights:

A. To develop or make any improvements, repairs, restorations, or replacements on, at, or to the Airport, regardless of the desires or views of Lessee and without interference or hindrance by Lessee. Lessor shall not be obligated or required to reimburse or compensate Lessee or any other entity for any costs or expenses incurred, for any revenue lost, or for any inconvenience that may result from, arise out of, or be associated in any way with such improvements, repairs, restorations, or replacements.

B. To maintain and keep in repair the Airport and all public facilities thereon.

C. To issue reasonable and not unjustly discriminatory directives, orders, standards, rules, regulations, and requirements with respect to the use of the Airport, including but not limited to the Subject Property, to promote the safe, efficient, and legally compliant use of the Airport, and for any other purpose within Lessor's lawful authority.

D. To take any lawful action Lessor may deem necessary to protect the safety and security of aeronautical operators or of the public generally.

E. To enter upon the Subject Property upon twenty-four (24) hours' written notice to inspect the Subject Property for compliance with the Minimum Standards, fire codes, building codes, any other Legal Requirements, or any covenant or condition of any contract or lease including this Lease. Lessor may enter upon the Subject Property upon less than twenty-four (24) hours' notice, or without notice, if Lessor reasonably determines that an emergency so requires.

F. To take any action Lessor reasonably considers necessary to protect the aerial approaches to the Airport against obstruction or to prevent Lessee from erecting or permitting to be erected any building or other structure which, in Lessor's opinion, would limit the usefulness of the Airport or constitute a hazard to aircraft.

G. To close the Airport or any of its facilities for maintenance, improvement, safety, or other public use.

H. To devote exclusive use of the Airport to emergency aircraft operations, including but not limited to fire suppression activities and medical operations, to the extent legally permissible.

13. Exercise of Lessor's Rights. No exercise of any of Lessor's rights, regardless of whether such right is expressly reserved in this Lease, shall be deemed or construed, in any way, as grounds for any abatement of any rent, fee, or other charge set forth in or provided by this Lease, nor may any such exercise of rights serve as the basis for any claim or demand for damages of any nature whatsoever.

14. Limitation of Lessor's Obligations.

A. Lessor has no obligation to obtain or provide any financing or funding, make any improvements to the Airport, or facilitate any development proposed by Lessee or others.

B. Except to the extent expressly provided by this Lease, Lessor shall have no responsibility or liability to furnish any services to Lessee.

C. Nothing contained in this Lease shall be construed, in any way, to restrict or limit the powers of Lessor to (a) fully exercise its governmental functions or authority, (b) fulfill its obligations under the Grant Assurances (or any bond covenants), or (c) comply with any Legal Requirements.

D. Neither Lessor nor any of its representatives, officers, officials, employees, agents, or volunteers shall be responsible for any loss, injury, or damage to persons or property at the Airport resulting from, caused by, arising out of, or associated in any way with any acts of nature, natural disasters, or illegal activity.

15. Leasehold Improvements.

A. If the Subject Property does not have a hangar upon it, Lessee shall commence construction in accordance with the Hangar Proposal within six (6) months of the Effective Date, and such construction shall be pursued with due diligence and be completed within six (6) months after the commencement of such construction. Lessee's failure to meet either the construction-commencement or construction-completion deadline specified in this paragraph shall constitute a default under this Lease.

B. Prior to commencing construction of any Leasehold Improvement on the Subject Property, Lessee shall (a) complete and submit an FAA Form 7460 - Notice of Proposed Construction or Alteration ("Form 7460") to the FAA, with a copy to Lessor simultaneously, (b) obtain a Determination of No Hazard from the FAA with respect to the proposed Leasehold Improvement, and (c) ensure that such Leasehold Improvement complies with the Airport's then-current airport layout plan.

C. Lessee shall own all Leasehold Improvements that it places, installs, or constructs on the Subject Property; provided, however, that Lessee shall have no right or entitlement to the use of the Subject Property underlying such Leasehold Improvements except as expressly set forth in the Lease. Lessee acknowledges that Lessor may elect to discontinue leasing the Subject Property upon the termination or expiration of this Lease or else in accordance with the provisions hereof. Accordingly, Lessee agrees that, within thirty (30) days after the termination or expiration of this Lease, Lessee (a) shall remove all such Leasehold Improvements and all Personal Property owned by Lessee from the Subject Property, (b) restore the Subject Property to a neat, clean, orderly condition, (c) remove all concrete foundations from the Subject Property, and (d) restore the surface of the Subject Property to its original condition. Should Lessee fail to remove its Leasehold Improvements and/or Personal Property within such 30-day period, then said Leasehold Improvements and/or Personal Property shall become the property of the Lessor; provided, however, that Lessor may alternatively elect, in Lessor's discretion, and at Lessee's sole expense, to (a) remove or cause to be removed any improvements or Personal Property remaining on the Subject Property and (b) restore or cause the restoration of the Subject Property.

16. Construction. Installation, erection, and construction of Leasehold Improvements shall be at Lessee's sole cost and expense and according to drawings, specifications, and schedules submitted to and approved by the Board. All Leasehold Improvements shall be constructed according to the Airport's Minimum Standards, and Lessor shall have sole discretion to determine the permissible color(s), shape(s), architectural features, and other aesthetic qualities of any hangar or other Leasehold Improvement to be installed, erected, or constructed on the Airport. Drawings shall accurately depict and describe all proposed Leasehold Improvements. All construction on the airport shall conform to the Airport's current Master Plan as approved by

the Federal Aviation Administration. All Leasehold Improvements shall conform to the building, fire, and fire protection codes and regulations in effect in Cody, including but not limited to those prescribed or adopted by the City of Cody and/or set out in the Airport's Minimum Standards (in the case of conflict, the stricter code or regulation shall apply). No drawings and specifications shall be submitted for a building permit, as required by the City of Cody, until the same have been reviewed and approved in writing for airport purposes by the Airport Director.

17. Utilities and Services. Lessee shall order, obtain, and pay for all utilities and services supplied to the Subject Property and shall pay all services and installation charges, including but not limited to electrical power, water, sewer, garbage, gas, and telephone services, which includes water and sewer connection and service charges. In the event Lessor elects to provide utilities or any other service to the Subject Property, Lessee agrees to pay for such services provided by Lessor to the Subject Property at rates to be determined by Lessor.

18. Snow and Ice Removal.

A. Removal of snow and ice on any area of apron or other pavement within the Subject Property shall be the sole responsibility of Lessee. Any such snow or ice shall not be placed on any improved property of the Airport, in any place obstructing pilot views of the aprons, runways, and taxiways, or in any area where snow or ice storage is otherwise in violation of any applicable Legal Requirements or of any directive or order of the Director.

B. Lessor shall provide snow and ice removal in a commercially reasonable manner for the runways, taxiways, taxilanes, aircraft parking apron (unless such space is exclusively leased), and other public roadways and public vehicle parking lots located on the Airport within a reasonable time following the end of the snow or ice event.

19. Maintenance.

A. Lessee shall keep and maintain the Subject Property in a safe, clean, and orderly manner, including, without limitation keeping grass cut and buildings painted a color approved by the Airport in the Minimum Standards, as well as concealing from view temporary storage of and making lawful disposal of debris, garbage, and other waste material arising out of its occupancy. Under no circumstances shall Lessee permit junk, debris, inoperable or unlicensed vehicles or equipment, or other unsightly material to be stored or otherwise located on the Subject Property.

B. Lessee is responsible for the disposal of all debris in the Subject Property or arising in connection with Lessee's use thereof, and all debris disposed of shall be in off-site disposal sites. Hangar doors and windows shall remain closed and locked except during periods when authorized persons are in or about the hangar, including but not limited to aircraft access doors, vehicle access doors, and pedestrian doors.

C. Lessee shall be responsible for all maintenance to the Subject Property and Leasehold Improvements, including maintenance of the hangar doors, exterior walls, roof, floors, windows, passage doors, and mechanical systems (if any). In the event Lessee makes authorized improvements to the Subject Property, Lessee shall pay for all costs associated with the improvements and shall have sole responsibility for maintenance, repair, and any utility usage charges, if applicable, for any such improvements. Lessor reserves the right to require Lessee to remove such alterations or improvements at the termination or expiration of the Agreement and restore the Subject Property to its original condition,

ordinary wear and tear excepted, with all removal and restoration costs to be paid by Lessee, in accordance with Section 15.C hereof. Unauthorized improvements, alterations, or additions to the Subject Property or any hangars or other facilities or improvements thereon shall constitute a breach of this Lease.

20. Repairs.

A. Lessee shall repair any and all physical damage, excluding ordinary wear and tear, to the Subject Property or any other part of the Airport, which damage results from any acts, errors, or omissions of Lessee or Lessee's invitees within thirty (30) days of the date such damage occurs. In the event that Lessee cannot reasonably repair such damage within thirty (30) days of the occurrence of such damage, Lessee shall notify Lessor and request an extension of this section's 30-day repair deadline as soon as Lessee discovers that it cannot meet such deadline. Lessor shall not unreasonably deny such extension. Lessor may condition such extension upon the furnishing of collateral for the promise to repair the damage in the form of a bond, cash escrow, or other arrangement acceptable to Lessor. In any event, Lessee shall act diligently and in good faith to meet such repair deadline and fully, properly, and effectively repair any damage described in this section. Lessor reserves the right, but not the obligation, to make any repair that Lessee is required to make under this section, and recover the costs of such repair from Lessee. This Section shall survive the termination or expiration of this Lease to the extent physical damage to the Subject Property or any other part of the Airport is sustained during the period authorized for removal of the Leasehold Improvements in accordance with Section 15.C hereof.

B. Should Lessee receive any insurance proceeds to cover the cost of any of the damage or repairs described in this section, Lessee shall immediately notify Lessor thereof, and Lessor may, at its discretion, (a) require Lessee to remit such proceeds to Lessor within ten (10) days and then (b) use such funds to partially or entirely repair the insured damage, with Lessee remaining liable for any repairs not completed by Lessor after Lessor's exhaustion of the funds remitted by Lessee pursuant to this paragraph.

C. If the Subject Property is damaged by fire, storm, earthquake, or any other casualty that is not caused by Lessee or Lessee's invites, or by the grossly negligent or willful conduct of Lessor or any of Lessor's officers, employees, representatives, or agents ("Casualty"), then Lessee may elect to either (a) repair the Subject Property at Lessee's expense or (b) terminate this Lease. If Lessee decides to repair the damage and the Subject Property becomes unusable during any period of repair, Lessor will make a pro rata reduction in Lessee's Annual Rent to adjust for the time during, and the extent to, which the Subject Property is unusable. If Lessee decides not to rebuild or repair the Subject Property or the improvement(s) thereon, this Agreement will terminate as of the date of the damage. In that event, Lessee will be credited with any remaining rent paid by Lessee from the date of termination through the remainder of the Lease term. In no event shall Lessor be liable to the Lessee for any damages resulting to the Lessee from the happening of such Casualty or from the repair or construction of the Subject Property or Leasehold Improvements or from the termination of this Lease as herein provided, nor shall the Lessee be released thereby from any of its obligations hereunder except as expressly stated in this section.

21. Avigation Easement.

A. Lessor hereby reserves to itself and its successors and assignees, for the use and benefit of the public, a right of avigation over the Subject Property for the passage of

aircraft landing at, taking off from, or operating on the Airport. This public right of flight shall include the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from or operating on the Airport. All rights reserved pursuant to this section are referred to collectively as the "Avigation Easement." This Avigation Easement shall not operate to deprive Lessee of any rights which Lessee may from time to time have against any operator of aircraft or third parties responsible for any act or omission respecting the operation of aircraft.

B. Lessee's Assumption of Risk. As between Lessee and Lessor, Lessee assumes all risk of loss, damage, or injury to the person and property of Lessee (including the right of Lessee to occupy the Subject Property) or Lessee's Personnel, in or about the Airport or the Premises which may be caused by, arise, or occur in any manner (a) from the flight of any aircraft of any and all kinds, now or hereafter existing, or (b) from noise, vibration, currents, or other effects of air, illumination, and fuel consumption, or fear thereof, arising or occurring from or during such flight, or from or during the use by aircraft of the Airport, including but not limited to, landing, storage, repair, maintenance, operation, run-up, and take-off of such aircraft, and the approach and departure of aircraft to or from the Airport. This paragraph does not waive Lessee's right against any operator of such aircraft (unless Lessor is the operator of such aircraft) arising from such operator's action or inaction.

C. Waiver and Release. Lessee hereby waives and releases Lessor from any and all claims or causes of action which Lessee may now or hereafter have against Lessor for any such loss, damage or injury as it pertains to this reservation of this Avigation Easement.

22. Ownership of Lessee's Personal Property. Lessee shall have the right at any time during the term of this Lease to remove any or all Personal Property that Lessee may have placed, brought, or installed upon the Subject Property. However, should Lessee remove or permit to be removed a fixture from the Subject Property, Lessee shall repair, at Lessee's sole expense, any resulting damage to the Subject Property or any Leasehold Improvement thereon and leave the Subject Property in a clean and neat condition.

23. Environmental Compliance.

A. No Violation of Environmental Laws. Lessee shall not cause or permit any substance or material ("Hazardous Materials") regulated by Legal Requirements pertaining to the environment ("Environmental Laws") to be used, produced, stored, transported, brought upon, or released on, under, or about the Subject Property or the Airport by Lessee or Lessee's invitees in violation of applicable Environmental Laws.

B. Response to Violations. Lessee agrees that in the event of a release or threat of release of any Hazardous Material by Lessee or Lessee's invitees at the Airport, Lessee shall provide Lessor with prompt notice of the same. Lessee shall respond to any such release or threat of release in accordance with applicable Legal Requirements. If Lessor has reasonable cause to believe that any such release or threat of release has occurred, Lessor may request, in writing, that Lessee conduct reasonable testing and analysis (using qualified independent experts acceptable to Lessor) to show that Lessee is complying with applicable Environmental Laws and/or to determine if a release of Hazardous Materials has occurred. Lessor may conduct the same at Lessee's expense if Lessee fails to respond to such request in a reasonable manner. Lessee shall cease any or all of Lessee's activities as Lessor determines necessary, in Lessor's sole and absolute discretion, to allow for any environmental investigation, cure, or remediation. If Lessee or Lessee's invitees violate any

Environmental Laws at the Airport (whether due to the release of a Hazardous Material or otherwise), Lessee, at Lessee's sole expense, shall have the following obligations, which shall survive any expiration or termination of this Lease: (i) promptly remediate such violation in compliance with applicable Environmental Laws; (ii) submit to Lessor a written remediation plan, and Lessor reserves the right to approve such plan (which approval shall not be unreasonably withheld) and to review and inspect all work; (iii) work with Lessor and other governmental authorities having jurisdiction in connection with any violation; and (iv) promptly provide Lessor copies of all documents pertaining to any environmental concern or violation of Environmental Laws on the Airport that are not subject to Lessee's attorney-client privilege.

C. Obligations upon Termination and Authorized Transfers. Upon expiration or termination of this Lease or any change in possession of the Subject Property authorized by Lessor, Lessor may require Lessee to demonstrate to Lessor's reasonable satisfaction that Lessee has removed any Hazardous Materials from the Subject Property and is in compliance with applicable Environmental Laws. Such demonstration may include, but is not limited to, independent analysis and testing to the extent that facts and circumstances warrant analysis and testing, such as evidence of past violations or specific uses of the Leased Premises. If the Subject Property is contaminated during Lessee's possession thereof, Lessee shall bear all costs and responsibility for any necessary clean-up and shall hold Lessor harmless therefrom. Notwithstanding anything to the contrary, the obligations of this Section shall survive any termination or expiration of this Lease.

#### 24. Indemnity.

A. Lessee shall defend, indemnify, and hold harmless Lessor and its officers, contractors, representatives, employees, agents, and volunteers (the "Indemnified Parties") for claims brought or actions filed against the Indemnified Parties for property damage, bodily injury, or death to any person or entity arising out of the acts or omissions of Lessee, Lessee's officers, employees, representatives, agents, or invitees, or in any way arising out of (1) the operation of Authorized Aircraft on the Subject Property, at the Airport, or otherwise, (2) Lessee's use or occupancy of the Subject Property, or (3) the operation or existence of this Lease. Lessee shall further hold harmless Lessor for any damage to Authorized Aircraft and any other of Lessee's Personal Property, whether parked or stored in the Subject Property or otherwise brought onto the Airport, unless such damage is caused solely by the grossly negligent or willful actions or inactions of Lessor or any of its officers, contractors, employees, or agents.

B. Construction Indemnification. Lessee shall defend, indemnify, and hold harmless Lessor from any and all claims for labor or materials and any other construction liens in connection with construction, repair, alteration, replacement, installation of structures, improvements, equipment, or facilities within the Subject Property. In the event a lien is imposed or purportedly imposed upon the Subject Property as a result of such construction, repair, alteration, or installation, Lessee shall procure and record a bond that frees the Subject Property from the claim of the lien and from any action brought to foreclose the lien. Should Lessee fail to procure and record said bond within thirty (30) days after the filing of such a lien, this Lease shall be in default and Lessor may then (a) immediately terminate this Lease or (b) satisfy such lien or obtain a bond at Lessee's sole cost.

C. Lessee further agrees to defend, indemnify, and hold harmless Lessor for any costs that Lessor reasonably incurs, including but not limited to all reasonable attorney's fees and costs, in defending against any of the claims referred to in this section.

25. Insurance; Amounts. Lessee shall maintain at all times during the term of this Lease insurance of the kinds and amounts specified in this section:

A. Airport Premises Liability Insurance, insuring against personal injury and/or death, property damage, and contractual liability in an amount not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) combined single limit.

C. Fire and extended insurance coverage, including coverage for any water damage that may result, directly or indirectly, from fire damage, with coverage of the cost of debris cleanup, in an amount not less than ninety percent (90%) of the total collectively replacement value of all improvements on the Subject Property immediately before such fire or related damage thereto.

D. Insurance coverage of any other kind and any other, or greater, amount required by any of the Legal Requirements.

26. Insurance; Other Conditions.

A. Lessee shall deliver to Lessor a certificate of insurance for each of the kinds of insurance required by section 25 upon the Effective Date of this Lease, and provide a current certificate of insurance upon seventy-two (72) hours' notice during the term.

B. The insurance limits specified in this section shall not be deemed a limitation of Lessee's covenants to indemnify or hold harmless Lessor as set forth in this Lease.

C. Each of these insurance coverages must be obtained from an insurer that is authorized to do business in Wyoming. Lessor reserves the right to approve or reject Lessee's use of any given insurer to provide insurance that satisfies the requirements of section 25.

D. Lessor shall be named as an Additional Insured under all required coverages.

E. The form of the certificates for all insurance coverages required in section 25 shall contain an unconditional requirement that the insurer notify Lessor not less than thirty (30) days prior to any cancellation, non-renewal, or modification of any policy(ies) or coverage(s) evidenced by the certificates and shall further provide that failure to give such notice to Lessor will render any such change or changes in such policy or coverages ineffective as against the Lessor.

F. Lessee's insurance carrier or carriers shall agree to waive any right to subrogation against Lessor, which must be noted on Lessee's certificates of insurance provided to Lessor.

G. Lessor reserves the right to require Lessee to increase the coverages set forth in section 25 and to provide evidence of such increased insurance coverage to the extent that the liability limits, at Lessor's sole discretion, should be increased.

H. Lessor does not represent or guarantee that these types or limits of coverage are adequate to protect Lessee's interests and liabilities. It shall be the obligation and responsibility of Lessee to insure, as it deems prudent, its own personal property, aircraft, and equipment against damage from fire, explosion, tornado, civil disorder, vandalism, or any cause whatsoever. Lessor by this Lease assumes no liability for such damages.

27. Assignment and Subletting.

A. Lessee shall not assign, mortgage, encumber, or otherwise encumber the Subject Property or any part thereof without first having obtained the prior written consent of Lessor, which shall not be unreasonably withheld. Lessor, in its sole discretion, may elect to offer the proposed assignee a new ground lease for the Subject Property on the terms and conditions, including rental rate, then offered to Airport users for like property, in which case the proposed assignee may choose, in its discretion, between the assignment of this Lease for the remaining Term or accepting the new ground lease. Any assignment, mortgage, or other encumbrances contrary to the provisions of this section are void *ab initio* and shall constitute a breach of this Lease.

B. Subject to Lessor's prior written consent, which shall not be unreasonably withheld, Lessee shall have the right to sublease the Subject Property and share costs with such sublessees, subject to Section 5.B hereof, and provided that the Subject Property shall only be used for the purposes specified in Section 5 of this Lease. Sublessee must sign a sublease with Lessor. All subleases must incorporate all terms of this Lease and shall require the sublessee to be subject to all such terms and grant Lessor the right to directly enforce such terms against the sublessee. Under all sublease arrangements, Lessee shall remain responsible for payment of Annual Rent. No sublease shall relieve Lessee of any obligation under this Lease. Any purported assignment or delegation of rights or delegation of performance in violation of this section are void and shall constitute a breach of this Lease.

28. No Warranties. Lessor makes no warranty or representation of any kind concerning the condition of the Subject Property or of the fitness of the Subject Property for any use that Lessee may intend for it. Lessor disclaims any personal knowledge with respect to such condition or fitness. The Parties expressly understand that Lessee has personally inspected the Subject Property, knows its condition, finds it fit for Lessee's intended use(s), accepts it as is, and has ascertained that it can be used exclusively for the limited purposes permitted by this Lease.

29. Termination by Lessee. If (a) Lessee is current in Annual Rent and any other amounts due under this Lease and otherwise in full compliance with all of its obligations under this Lease, (b) any and all improvements on the Subject Property are in good condition, and (c) Lessee provides written notice of termination to Lessor, then Lessee may terminate this Lease after the occurrence of any of the following events:

A. The permanent abandonment or closure of the Airport.

B. The lawful assumption by the United States Government or any authorized federal, state, or county agency of the operation, control, use, or occupancy of the Airport, or any substantial part or parts thereof, in such manner as to substantially restrict Lessee from (a) storing or parking Authorized Aircraft on the Subject Property or (b) operating Authorized

Aircraft at the Airport pursuant to terms and conditions of this Lease and the provisions of all applicable Legal Requirements for a period greater than ninety (90) days.

C. The default or breach by Lessor of any material obligation under this Lease and Lessor's subsequent failure to remedy such default or breach for a period of sixty (60) days after Lessor's receipt of Lessee's written notice of such default or breach.

30. Termination by Lessor. Lessor may terminate this Lease prior to the conclusion of the then-current Initial Term or Term Extension for any of the following reasons, in addition to any other reason for which this Lease permits Lessor's termination of the Lease, unless cured within thirty (30) days following written notice from Lessor:

A. Lessee fails to timely pay Annual Rent or other amount owing under this Lease;

B. Lessee or its Affiliate violates any of their obligations under this Agreement (including, but not limited to, by abandoning the Subject Property);

C. Lessee assigns or encumbers any right or interest in this Lease, delegates any performance hereunder, or subleases any part of the Leased Premises (except as expressly permitted by this Lease);

D. Lessee files a petition in bankruptcy (or has a petition filed against Lessee in bankruptcy), for insolvency, or for reorganization or appointment of a receiver or trustee which petition is not dismissed within sixty (60) days;

E. Lessee petitions for or enters into an arrangement for the benefit of creditors, or suffers this Agreement to become subject to a writ of execution and such writ is not released within thirty (30) days;

F. Lessee defaults in constructing any improvements that are required to be constructed under this Agreement; or

G. Lessee is found by a court, government agency, or other governmental authority of competent jurisdiction, or any arbitrator to which Lessee has submitted, to be in violation of any of the Legal Requirements, including without limitation the Minimum Standards or the Rules and Regulations; and.

H. Notwithstanding the foregoing, Lessor may immediately terminate this Lease with written notice to Lessee, with termination to be effective upon the date specified in such written notice if, in Lessor's discretion, Lessee breached a material obligation hereunder that creates an unacceptable safety or security risk to other using the Airport.

31. Abandonment. Lessee's absence from the Subject Property for ninety (90) consecutive days, without prior notice, during which time rent or other charges are delinquent, shall be deemed Lessee's abandonment of the Subject Property. Such abandonment, or any dispossession of Lessee's interest in the Subject Property by process of law, shall be deemed cause for Lessor's immediate termination of the Lease without notice. Lessor shall thereupon be authorized to enter the Premises and take possession thereof and to remove and dispose of the Personal Property of Lessee without any liability whatsoever to Lessee or any obligation to provide an account of such Personal Property.

32. **Legal Proceedings.** If any legal action or proceeding related to this Lease is initiated by any Party to this Lease, the prevailing Party shall be entitled to recover its costs, damages, and expenses, including commercially reasonable attorney's fees and costs and witness and expert witness fees incurred in prosecuting or defending the same, whether or not such action or proceeding is litigated or prosecuted to judgment. The prevailing party shall be the party awarded judgment as a result of trial or arbitration, unless the dispute was only as to the amount of a claim conceded to exist; in which case, the finder of fact shall determine the identity of the prevailing party.

33. **Governing Law.** This Lease is governed by the law of the State of Wyoming. Venue for any legal proceedings regarding this Lease shall be initiated in the state courts of Park County, Wyoming, and neither Party shall contest such venue or assert that such venue constitutes an inconvenient forum.

34. **Headings.** The headings of articles, sections, and paragraphs of this Lease are provided merely and solely for the convenience of the reader and shall not in any way affect the meaning or interpretation of this Lease.

35. **Time is of the Essence.** Time is of the essence with respect to the performance of all terms, conditions, and obligations of this Lease.

36. **No Partnership.** Nothing in this Lease is intended to or shall be construed, in any way, as creating or establishing a relationship of partners between the Parties or as constituting Lessee as a representative, officer, official, employee, agent, or volunteer of Lessor for any purpose or in any manner whatsoever.

37. **Individual Nonliability.** No official, employee, representative, agent, or volunteer of Lessor shall be personally liable for any default or liability under this Lease.

38. **No Election of Default Remedies.** In the event of any default under this Lease, the non-defaulting party shall be entitled to all rights, powers, and remedies available at law or in equity, including without limitation specific performance, damages, equitable relief, and/or resort to any security. Any rights, powers, and remedies stated in this Lease, now or hereafter, existing in law, at equity, by statute, or otherwise are cumulative and concurrent and shall each be in addition to and not in lieu of all the others. The exercise, the beginning of the exercise, or the forbearance of exercise by any party of any one or more of such rights, powers, and remedies shall not preclude the simultaneous or subsequent exercise by such party of any or all of such other rights, powers, and remedies.

39. **No Waiver of Rights.** Any failure of Lessor to enforce its any or all of its rights, powers, or remedies under this Lease at any particular time or upon any particular occurrence shall not preclude it from enforcing any of its rights, powers, or remedies under this Lease at any other time or with respect to any other occurrence. No waiver of any breach of a covenant, term, or condition of this Lease shall constitute waiver of any other breach of the same or any other covenant, term, or condition of this Lease. Acceptance of overdue performance of a covenant, term, or condition of this Lease shall not constitute a waiver of the breach existing prior to the performance unless so agreed expressly in writing by the recipient of the performance.

40. **Burden and Benefit; Assignment.** This Lease shall bind and inure to the benefit of the Parties and their respective heirs, legal representatives, successors, and assigns.

41. **Integration.** All exhibits and other attachments, if any, to this Lease are a part of this Lease as if set out in the body of this Lease. This Lease constitutes the entire agreement between and among the Parties with respect to the subject matter of this Lease, and any and all prior agreements, understandings, negotiations, discussions, memoranda, correspondence, and other communications are merged into and extinguished by this Lease. Provided, however, that nothing in this Lease shall be held to merge into this Lease any written document specifically described in this Lease (except in the immediately preceding sentence) or any Subdivision or Development Agreement among either of the Parties unless this Lease expressly identifies such other written document or agreement and states that this Lease supersedes that document or agreement.

42. **Interpretation.** The language of this Lease shall be construed simply, according to its fair meaning, and not strictly for or against either party.

43. **Governmental Immunity.** Lessor does not waive its governmental immunity and expressly reserves the right to assert governmental immunity as a defense to any action arising under this Lease. Lessor reserves all of the immunities, defenses, and rights available to it under the Wyoming Constitution and the Wyoming Governmental Claims Act.

44. **Notice.** Notices and communications between the Parties shall be sent to the recipient Party at the applicable address listed in the table immediately below, provided that each Party may subsequently designate a different address by written notice to the other Party. All notices and communications between the Parties shall be sent by (a) personal delivery, (b) United States mail, prepaid postage, registered or certified, with return receipt requested, or (c) recognized courier delivery (e.g., FedEx, UPS, DHL) with a delivery timeframe of three days or less. With respect to any notice or communication to Lessor, Lessee shall also send a copy of such notice or communication to Lessor’s email address listed in the table immediately below. Each Party must notify the other in writing of any change to its own address.

<b>Lessor</b>	<b>Lessee</b>
Yellowstone Regional Airport Joint Powers Board 2101 Roger Sedam Drive, Suite 1 Cody, WY 82414  Email address: <span style="background-color: yellow; border: 1px solid black; display: inline-block; width: 200px; height: 15px;"></span>	<div style="background-color: yellow; border: 1px solid black; padding: 2px;">[LESSEE NAME]</div> <div style="background-color: yellow; border: 1px solid black; padding: 2px;">[ADDRESS LINE 1]</div> <div style="background-color: yellow; border: 1px solid black; padding: 2px;">[ADDRESS LINE 2]</div> Email address: <span style="background-color: yellow; border: 1px solid black; display: inline-block; width: 200px; height: 15px;"></span>

45. **Counterpart Execution.** This Lease may be executed in any number of counterparts. No single counterpart need be signed by all of the Parties, but each Party must execute at least one such counterpart. Each such counterpart shall be deemed to be an original instrument. All such counterparts together shall constitute one agreement. Electronic or facsimile signatures are deemed to have the same legal validity as original signatures.

[Signature Page Follows]

**LESSOR: YELLOWSTONE REGIONAL AIRPORT JOINT POWERS BOARD**

2101 Roger Sedam Drive, Suite 1  
Cody, WY 82414  
(307) 587-5096

By: \_\_\_\_\_  
Douglas M. Johnston, Chairman

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Aaron Buck, Airport Director

\_\_\_\_\_  
Date

**LESSEE: [Example]**  
[Address]  
[Address]  
[Phone]

By: \_\_\_\_\_  
Name

\_\_\_\_\_  
Date

Lessee's: \_\_\_\_\_

**Exhibit A**

Subject Property

**Exhibit B**

Authorized Aircraft

## Exhibit C

### REQUIRED FEDERAL PROVISIONS

A. Compliance with Nondiscrimination Provisions. During the performance of the Lease ("Agreement"), Lessee, for itself, its assignees, and successors in interest (hereinafter collectively referred to as "LESSEE" for the purposes of this Exhibit C) agrees as follows:

1. Compliance with Regulations: LESSEE will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

2. Non-discrimination: LESSEE, with regard to the work performed by it during the term of this Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of contractors, including procurements of materials and leases of equipment. LESSEE will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and 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 Agreements, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by LESSEE for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential contractor or supplier will be notified by LESSEE of LESSEE's obligations under this Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

4. Information and Reports: 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 sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of LESSEE is in the exclusive possession of another who fails or refuses to furnish the information, LESSEE will so certify to LESSOR 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 LESSEE's noncompliance with the Non-discrimination provisions of this contract, LESSOR will impose such sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to cancelling, terminating, or suspending the Agreement, in whole or in part.

6. Incorporation of Provisions: LESSEE will include the provisions of paragraphs one through six of this Exhibit C, Section (A) in every contract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. LESSEE will take action with respect to any contract or procurement as LESSOR or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if LESSEE becomes involved in, or is threatened with litigation by a contractor, or supplier because of such direction, LESSEE may request LESSOR to enter into any litigation to protect the interests of LESSOR. In addition,

LESSEE may request the United States to enter into the litigation to protect the interests of the United States.

B. Real Property Acquired or Improved Under the Airport Improvement Program. 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 in the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement 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, 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 List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

C. Construction/Use/Access to Real Property Acquired Under the Activity, Facility or Program. 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 (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (3) that LESSEE will furnish its services in compliance with all other requirements imposed by or pursuant to the List of Nondiscrimination Acts And Authorities.

D. Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Agreement, LESSEE, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- ii. 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);
- iii. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- iv. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- v. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- vi. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

- vii. The Civil Rights Restoration Act of 1987, (PL 100-209), (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);
- viii. Titles II and III of the Americans with Disabilities Act of 1990, which 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 (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR Parts 37 and 38;
- ix. The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- x. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination 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;
- xi. 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. at 74087 to 74100); and
- xii. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

E. General Civil Rights Provision. LESSEE agrees to 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 disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If LESSEE transfers its obligation to another, the transferee is obligated in the same manner as LESSEE. This provision obligates LESSEE for the period during which the property is owned, used or possessed by LESSEE and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

F. Right of Re-entry. In the event of breach of any of the above Nondiscrimination covenants, LESSOR will have the right to terminate the Agreement and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the Agreement had never been made or issued.

G. Subcontracts. LESSEE agrees that it shall insert the above six provisions (Section (A) through Section (F)) in any agreement by which LESSEE grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public under this Agreement.

**Exhibit D**

HANGAR PROPOSAL