



Reno-Tahoe International Airport

General Aviation Commercial Minimum Standards

December 8, 2016



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PREAMBLE

The Reno-Tahoe International Airport (Airport) is owned by the Reno-Tahoe Airport Authority (Airport Authority) which maintains and operates the Reno-Tahoe International Airport and the Reno-Stead Airport. The Airport Authority is a recipient of federal funds through Grant Agreements and is, therefore, subject to Grant Assurances which require compliance with the Federal Aviation Act of 1958, as amended, and its predecessor, the Civil Aeronautics Act of 1938; the Civil Rights Act of 1964; FAA Order 5190.6B, Airport Compliance Requirements; FAA Order 5100.38C, Airport Improvement Program Handbook Grant Assurance Number One - General Federal Requirements; and Advisory Circular 150/5190-7, Minimum Standards for Commercial Aeronautical Activities.

The FAA encourages airports to develop and publish minimum standards for Commercial Aeronautical Activities to assist in meeting the airports' obligations to the FAA. Such standards must be reasonable and not unjustly discriminatory. The minimum standards established for any particular Commercial Aeronautical Activity must be relevant to that activity, must be reasonable in scope and must be applied objectively and uniformly. Standards, thus established and applied, promote economic stability by encouraging service levels desired by the public and by discouraging unqualified applicants. GAMS will be updated for the time, technology and the environment, as warranted.

The grant of an exclusive right for the conduct of any Commercial Aeronautical Activity on an airport on which Federal funds, administered by the FAA, have been expended, is regarded as contrary to the requirements of applicable laws, whether such exclusive right results from an express agreement, from the imposition of unreasonable standards or requirements, or by other means. However, certain circumstances may exist whereby exceptions to the granting of exclusive rights may occur:

- A. Single Activity. The presence on an airport of only one entity conducting Commercial Aeronautical Activities does not necessarily mean that an exclusive right has been granted. If there is no intent by express agreement, by the imposition of unreasonable standards, or by other means to exclude others, the absence of a competing activity is not a violation of this policy. If the opportunity to engage in a Commercial Aeronautical Activity is available to those who meet reasonable and relevant standards, the fact that only one enterprise takes advantage of the opportunity does not constitute a grant of an exclusive right;
- B. Space Limitations. If all available airport land or facilities suitable for a specific Commercial Aeronautical Activity is leased to a single entity, it will not be construed as evidence of intent to exclude others if it can be reasonably demonstrated that the total space leased is presently required and will be immediately used to conduct the planned activity;
- C. Restrictions Based on Safety. Under certain circumstances, it is sometimes necessary to deny the right to engage in a Commercial Aeronautical Activity at the Airport for reasons of safety.

The Reno-Tahoe International Airport GA Commercial Minimum Standards were developed taking into consideration the following:

- Role of the Airport
- Range, level, and quality of aeronautical products, services, and facilities currently being

provided at the Airport

- Future prospects for, and the anticipated development of, the Airport and the community
- Promotion of a fair and fully competitive environment among service providers at the Airport

Implementation of Airport GA Commercial Minimum Standards is expected to result in:

- Improved safety in Airport activities
- High quality service for all Airport users
- Financially equitable treatment for all tenants
- Reduction in the perception of unjust discrimination and/or unfair treatment
- Minimum operating thresholds for prospective Operators
- Protection from unlicensed and unauthorized products and/or services for Airport users
- Orderly development of Airport property
- Formalized, non-negotiable, baselines for lease development
- Fostering of mutually beneficial tenant-landlord relationships
- An environment that welcomes and encourages new service providers

ARTICLE 1 - DEFINITIONS

1.01 – Air Operations Area (AOA) – shall mean those movement and non-movement areas of the Airport designed and constructed for the landing and takeoff, taxiing, parking, operating and other operations of aircraft as they now exist or hereafter may be developed, extended or improved from time-to-time including areas designated for aircraft storage, and all restricted ground areas of the Airport including taxiways, runways, ramps, parking areas, and everything inside the perimeter fence.

1.02 – Aircraft Apron – shall mean a defined paved area on an airport intended to accommodate aircraft for purposes of loading or unloading passengers or cargo, refueling, parking or maintenance.

1.03 – Aircraft Management – shall mean a commercial entity that handles the details of aircraft ownership on behalf of the owner for a fee.

1.04 – Airfield – shall mean the aircraft movement areas of the Airport including, but not limited to, the Landing Area and Apron Area as herein defined and other facilities supporting commercial, military, corporate and general aviation aircraft activity.

1.05 – Airport – shall mean the Reno-Tahoe International Airport owned and operated by the Reno-Tahoe Airport Authority (Airport Authority) including all of the real property and easements, improvements and appurtenances, structures, buildings, fixtures, machinery and other tangible personal property or interest in any of the foregoing, now owned or hereafter leased or acquired by the Airport Authority and operated within the exterior boundaries as now exist on the Airport Layout Plan or Exhibits, or as it may hereinafter be extended, enlarged or modified.

1.06 - Airport Layout Plan (ALP) – shall mean a scaled drawing of Airport boundaries and proposed additions to all areas owned or controlled by the Airport Authority for Airport purposes. The ALP shall depict the location and nature of existing and proposed Airport facilities and structures necessary for the operation and development of the Airport. The ALP shall also depict the location on the Airport of existing and proposed non-aviation areas and improvements thereon.

1.07 – Airport Security Plan – shall mean those facilities and procedures adopted and put into use by the Airport Authority pursuant to the requirements of 49 CFR Part 1542 designed to prevent and deter persons and vehicles from unauthorized access to the Air Operations Area.

1.08 - Business - shall mean an individual, corporation, government or governmental subdivision, partnership, association, or any other legal entity established for the purpose of supplying goods and/or services to consumers, whether or not the activity or undertaking is engaged in for profit.

1.09 - Commercial Aeronautical Activity - shall mean any activity conducted at Reno-Tahoe International Airport (Airport) which involves, makes possible or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations. These activities include, but are not limited to, air taxi and charter operations, pilot training, aircraft rental, sightseeing, crop dusting, aerial advertising, aerial surveying, air carrier operations, skydiving, ultra-light operations, aircraft sales and service, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, and aircraft storage.

1.10 – Commercial Aeronautical Activity Permit - shall mean a short-term agreement between the Airport Authority and a Commercial Aeronautical Operator that allows the Commercial Aeronautical Operator to conduct one or more Commercial Aeronautical Activities on the Airport on an intermittent basis not to exceed six (6) times per year.

1.11 - Commercial Aeronautical Operating Agreement - shall mean a long-term (greater than 1-year in duration) agreement between the Airport Authority and a Commercial Aeronautical Operator that allows the Commercial Aeronautical Operator to conduct one or more Commercial Aeronautical Activities on the Airport.

1.12 - Commercial Aeronautical Operator (Operator) – shall mean any person or entity conducting Commercial Aeronautical Activities on the Airport and includes, but is not limited to, employees, agents or invitees of Operator and/or its contractors, suppliers and material men.

1.13 - Employee – shall mean a person who performs services on behalf of an employer in exchange for regular remuneration and who receives an IRS W-2 Wage and Tax Statement.

1.14 - Federal Aviation Administration (FAA) - shall mean the federal agency charged with the administration and operation of the federal airport system pursuant to the Federal Aviation Act of 1958, as amended, and its successor(s) in function, if any.

1.15 - Federal Aviation Regulation (FAR) - shall mean the body of rules prescribed by the FAA governing all aviation activities in the United States (Title 14 Code of Federal Regulations concerning Aeronautics).

1.16 - Fixed Base Operator (FBO)- shall mean an Operator granted the right by the Airport Authority to operate on the Airport and provide a range of aeronautical services as further described in Article 5 herein.

1.17 - Fuel– shall mean aviation fuels, lubricants and/or petroleum products as defined in a Commercial Aeronautical Operator’s Commercial Aeronautical Operating Agreement or Lease.

1.18 - Fueling Operations - shall mean all fuel transfer activities such as fueling, defueling, and draining of aircraft, fueling vehicles, fuel storage tanks and motor vehicles.

1.19 - Fueling Operator - shall mean an FBO that may dispense aviation fuel at the Airport pursuant to the terms of their FBO Lease.

1.20 - General Aviation (GA) - shall refer to all aircraft operations under Title 14 Code of Federal Regulations (CFR) Part 91 and non-scheduled Part 135, excluding commercial aircraft, military operations and those federally regulated by Title 14 CFR Parts 121, 129, and scheduled Part 135. A General Aviation aircraft can range in size from a single engine propeller aircraft to a large business jet.

1.21 - General Aviation Commercial Minimum Standards (GA Commercial Minimum Standards) - shall mean the minimum commercial standards of the Reno-Tahoe International Airport for General Aviation, as may be amended from time to time, which are established by the Airport Authority.

1.22 - Landing Area – shall mean those portions of the Airport provided for the landing, taking off and taxiing of aircraft including, without limitation, approach and turning zones, avigation or other easements, runways, taxiways, runway and taxiway lights, and other appurtenances in connection therewith.

1.23 - Landside - shall mean all buildings and surfaces on the Airport outside of the basic perimeter of the aircraft operations/movement areas as shown on the Airport Layout Plan (ALP).

1.24 - Lease - shall mean a legal document between the Airport Authority and the leasing party outlining the terms under which the conveyance of real property rights for occupancy or use of land and/or improvements are expressed in a written agreement.

1.25 - National Fire Protection Association (NFPA)– shall mean the United States trade association that creates and maintains private, copyrighted, fire protection standards and codes for usage and adoption by local governments.

1.26 – Operator AOA Security Plan - shall mean those procedures agreed to between Operator and the Airport Authority that document Operator’s compliance with Airport rules regarding AOA access and accountability including, but not limited to, the procedures for AOA access doors, challenge, escort, identification badging system, security emergency, and key control security training program .

1.27 - President/Chief Executive Officer (CEO) - shall mean the person under the administrative direction of the Airport Authority’s Board of Trustees who is responsible for the safe, efficient, and profitable development and operation of the Reno-Tahoe International Airport and the Reno-Stead Airport.

1.28 - Reno-Tahoe Airport Authority (Airport Authority) – shall mean the owner/operator of the Reno-Tahoe International Airport and Reno-Stead Airport, a quasi-municipal corporation organized under Chapter 474, Statutes of Nevada 1977, as amended, with its principal office at Reno-Tahoe International Airport, 2001 East Plumb Lane, Reno, Nevada 89502.

1.29 – RNO Airport Rules and Regulations– shall mean the body of rules prescribed by the Airport Authority governing all aviation activities on the Airport.

1.30 - Scheduled Air Carrier - shall mean a commercial air carrier that operates under FAR Part 121 or 129.

1.31 - Self-Fueling – shall mean the non-commercial fueling or servicing of an aircraft (for example changing oil, washing, etc.) by the owner of the aircraft with a self-fueling permit using his/her employees and his/her own equipment (see RNO Airport Rules and Regulations for requirements and procedures).

1.32 - Specialized Aviation Services Operator (SASO) – shall mean a specialized Commercial Aeronautical Operator performing less than full aircraft services. This type of company differs from an FBO in that they typically provide only one or a combination of activities as further described in Article 4. This Specialized Commercial Aeronautical Operator is prohibited from Fueling Operations.

ARTICLE 2 - INTRODUCTION

2.1 Purpose

The purpose of these GA Commercial Minimum Standards is to establish reasonable standards for engaging in Commercial Aeronautical Activities at the Airport:

- Establish threshold entry requirements for those Operators wishing to engage in Commercial Aeronautical Activities at the Airport;
- Ensure that those entities engaged in Commercial Aeronautical Activities at the Airport are not exposed to unfair competition;
- Protect the public from unsafe, inadequate or substandard aeronautical products, services, and facilities;
- Encourage and promote safety and security at the Airport; and
- Provide for the orderly development of Airport and GA land.

2.2 General Policy Statements

- A. A reasonable opportunity, without unjust discrimination, shall be afforded to all applicants to qualify, or otherwise compete for, available Airport facilities and the furnishing of selected Commercial Aeronautical Activities subject to these GA Commercial Minimum Standards.
- B. The establishment of these GA Commercial Minimum Standards does not alter the Airport Authority's proprietary right to engage in the development of the Airport property as it deems prudent.

- C. No Operator shall be granted an exclusive right to conduct any Commercial Aeronautical Activities on the Airport in contravention of FAA regulations regarding exclusive rights and minimum standards for Commercial Aeronautical Activities.
- D. No Operator shall conduct a Commercial Aeronautical Activity on premises leased from the Airport Authority without a Lease, Permit or Agreement approved by the Airport Authority.
- E. An Operator may self-fuel with a self-fueling permit and otherwise service its own aircraft provided the Operator does so using its own employees, vehicles, equipment, and resources (fuel) and that the fueling is performed in accordance with all applicable governmental requirements as well as the RNO Airport Rules and Regulations.
- F. An Operator may re-fuel its ground equipment with diesel-only fuel by contract with an authorized Airport fuel provider that has an agreement with the Airport Authority, or using an approved fuel truck properly registered in the name of the Operator and licensed, or using an approved mobile fuel cart for such purposes and certified by the Airport Fire Department as to its safety, and operated by a qualified, trained, and licensed (as necessary) personnel of Operator, only at locations and under conditions as approved by the Airport Authority.
- G. While existing Operators are expected to comply with these 2016 GA Commercial Minimum Standards, it does not alter current Agreements between the Airport Authority and its tenants. Existing Operators are not required to immediately retrofit facilities. However, when an Operator modifies the Commercial Aeronautical Activity which it is authorized by the Airport Authority to perform, the Operator will be required to comply with these GA Commercial Minimum Standards for all new activities under the modified Lease, Permit or Agreement. When an Operator enters into a new agreement upon the expiration or termination of an existing agreement, the Operator will be required to comply with these GA Commercial Minimum Standards.
- H. The Airport Authority has established RNO Airport Rules and Regulations to provide basic guidance for the operation of RNO. As such, the provisions of these RNO Airport Rules and Regulations shall apply to the Airport Authority staff, Airport tenants and their employees, persons conducting business on the Airport, and the general public utilizing the Airport's facilities.

The Airport Authority reserves the further right to designate the specific Airport areas in which Commercial Aeronautical Activities may be conducted. Such designation shall give consideration to the nature and extent of the operation and of the lands available for such purpose, consistent with the orderly and safe operation of the Airport and the Airport Master Plan reviewed by the FAA.

ARTICLE 3 – GENERAL PROVISIONS

3.1 Introduction

All Operators engaging in Commercial Aeronautical Activities at the Airport shall meet or exceed the requirements of this Article 3 as well as the GA Commercial Minimum Standards specifically applicable to the Operator's Commercial Aeronautical Activities.

3.2 Experience/Capability

An Operator shall demonstrate, to the satisfaction of the Airport Authority, that it has the business background, business capability, and financial capacity to provide services and facilities to meet the needs of the Airport's users on a consistent basis. A business plan, as described in Appendix A attached hereto, shall be used to express the proposed business capabilities.

3.3 Agreement

An Operator may provide the services or product sales which it is to conduct through a written contractual relationship with another entity authorized by the Airport Authority for that purpose. In that event, the Operator and the authorized entity are mutually responsible for compliance with the GA Commercial Minimum Standards applicable to the services or product sales provided.

3.4 Leased Premises

Operators may lease from the Airport Authority (or sublease from an FBO or an Operator with Airport Authority approval) an area of adequate and appropriate size, shape, and location to provide for its activities/services and operations. Aviation business shall be conducted by Operators on leased premises located only within the AOA.

Contiguous Land – All required improvements including, but not limited to, apron, paved tie-downs, facilities, and vehicle parking (but excluding fuel storage facilities) shall be located on land contiguous to the Operator's leased or subleased space.

Improvements – Construction of any improvements must be approved in advance by the Airport Authority through the tenant improvement permit process and in accordance with the Airport Authority's development standards, and any agency having jurisdiction.

Vehicle Parking – Each Operator on the Airport shall provide sufficient vehicle parking space on its leased premises to accommodate employees and customers such that they do not park on the street.

- Leased premises that require public access shall have direct landside access
- Paved vehicle parking shall be located in close proximity to the Operator's primary facility and on the leased premises

Hangars – Hangars identified throughout these GA Commercial Minimum Standards shall meet the following minimum door height and door width requirements (for the type of aircraft being serviced), unless otherwise stipulated in these GA Commercial Minimum Standards:

	Door Height	Door Width
Single Engine - Piston	12'	44'
Multi-Engine – Piston	16'	60'
Turboprop	16'	60'
Turbojet	28'	100'

Apron/Paved Tie-downs – Apron associated with hangars shall be adequate to accommodate the movement of aircraft into and out of the hangar and the staging and parking of aircraft. Apron/paved tie-downs must be:

- Contiguous to Operator’s leased or subleased space and separated by no more than a taxilane which allows Operator to taxi or tow aircraft without traversing a taxiway or public roadway;
- Of adequate size and weight-bearing capacity to accommodate the movement, staging, and parking of the largest aircraft currently and/or anticipated to utilize the Operator’s leased premises;
- Able to accommodate the Operator’s aircraft fleet; and
- Located so as to provide unimpeded movement of aircraft in and out of other facilities and/or operating to and from taxilanes or taxiways.

3.5 Products, Services, and Facilities

To ensure compliance with FAA Grant Assurances, Operator shall:

- Provide commercial GA products, services, and facilities on a reasonable, and not unjustly discriminatory, basis to all Airport users, and
- Charge reasonable, and not unjustly discriminatory, prices for each product, service, or facility.

3.6 License, Permits, Certifications, and Ratings

Operator and Operator’s employees shall obtain (at Operator’s or employee’s sole cost and expense), comply with and post in a prominent place readily accessible and/or visible to the general public, all necessary licenses, permits, certifications, and/or ratings required for the provision of Operator’s activities as required by the Airport Authority or any duly authorized agency having jurisdiction prior to engaging in activities at the Airport. Upon request Operator shall provide copies of such licenses, permits, certifications, or ratings to the Airport Authority within fourteen (14) calendar days from the date of Airport Authority’s request.

Operators engaged in activities at the Airport, whether using or occupying Airport land and/or improvements, shall adhere to the practices recommended by the FAA and shall comply with all Safety Management Systems (SMS), legal requirements, and RNO Airport Rules and Regulations.

3.7 Employees

Operator shall employ qualified, experienced, trained, professional and FAA-certificated (as required and appropriate) on-site personnel which shall be fully responsible for the day-to-day management of Operator’s activities and available during published hours of operation to meet reasonable public demand.

Operator shall control the conduct, demeanor, and appearance of Operator’s employees. It shall be the responsibility of Operator to maintain close supervision over its employees to ensure that high quality products, services, and facilities are consistently provided in a safe, secure, efficient, courteous, prompt, and professional manner.

3.8 Aircraft, Equipment, and Vehicles

Operator shall have (based at the Airport) either owned or leased through a written agreement and under the full and exclusive control of Operator, sufficient vehicles, equipment, and, if appropriate, adequate certified and continuously airworthy aircraft.

Aircraft, equipment, and vehicles required in these GA Commercial Minimum Standards must be fully operational, in compliance with applicable legal requirements, available at all times, and capable of providing all required products and services in a manner consistent with the intended use. Aircraft, equipment, and vehicles may be unavailable, from time to time, on a temporary basis, for a reasonable period of time, due to routine or emergency maintenance as long as:

- Appropriate measures are being taken to return the aircraft, equipment, or vehicle to service as soon as possible, and
- At least one of the required aircraft, equipment, and/or vehicle is available at all times in a fully operational manner.

3.9 Hours of Operation

Except as otherwise provided in these GA Commercial Minimum Standards, Operator shall be open and services shall be available to meet the reasonable demands of customers for their Commercial Aeronautical Activities, but not less than 8 hours per day (between the hours of 6:00 a.m. – 6:00 p.m., Monday through Friday) or as otherwise specified in the Commercial Aeronautical Operating Agreement with the Airport Authority. After-hours or weekend/holiday hours are at the discretion of the Operator.

3.10 Security

Operators who lease or sublease space at the Airport shall control the leased premises to prevent unauthorized access to the AOA. The Operator, its employees, agents, customers, and contractors, shall fully comply with the Airport Security Plan. Operator shall designate a responsible person for the coordination of all security procedures and communications and provide point-of-contact information to the Airport Authority including the name of the primary and secondary contacts. One of the contacts shall be available (by telephone) on a twenty-four (24) hour basis.

If the leased premises are located in a restricted area accessible only to those persons displaying a security badge issued by the Airport Authority, each person working on the leased premises must wear the badge at all times while at the Airport. The cost of each badge will be paid by the Operator. To control access to the AOA, Operator will provide badged escort at all times for each unbadged contractor employed by Operator who will require access to the AOA.

Operator shall develop and maintain an Operator AOA Security Plan that meets Airport Authority requirements for Operator's activities.

- Operator's AOA Security Plan shall be submitted to the Airport Authority for review no later than thirty (30) calendar days before Operator is scheduled to commence activities at the Airport and it shall be resubmitted any time changes are made.
- Upon request, Operators that are required to comply with a TSA security program must demonstrate written compliance with all relevant and applicable TSA requirements to the Airport Authority within fourteen (14) calendar days from the date of the request.

- Operator must comply with applicable security reporting requirements as established by the Airport Authority, FAA, DHS, TSA, and any other agencies.

3.11 Insurance

Operator shall procure, maintain, and pay all premiums for the insurance required by its Commercial Aeronautical Operating Agreement or Commercial Aeronautical Activity Permit.

3.12 Multiple Activities

When more than one activity is conducted by an Operator at the Airport, the minimum standards or requirements for the combined activities shall be established by the Airport Authority. The minimum standards or requirements for combined activities shall not be:

- Less than the highest standard or requirement for each element (e.g. land, facilities, etc.) within the combined Activities, or
- Greater than the cumulative standards or requirements for all of the combined activities.

3.13 Environmental Compliance

Operator shall strictly comply with all environmental requirements of its Commercial Aeronautical Activity Permit or Commercial Aeronautical Operating Agreement or Lease.

3.14 Additional Standards

In addition to the requirements noted in this [Article 3](#), the following standards shall apply to all Operators wishing to conduct business at the Airport:

- A. All Operators shall demonstrate to the Airport Authority's satisfaction, evidence of their ability to acquire and maintain insurance coverage for their particular operation and use, pursuant to the Airport Authority's insurance requirements in effect at that time. Insurance requirements will be reviewed by the Airport Authority from time to time and may be adjusted accordingly. Operators will have 30 days after written notice from the Airport Authority to provide the Airport Authority with updated insurance certificates to reflect compliance with the revised insurance requirements.
- B. All Operators must have adequate facilities to serve the general public and customers of both the Airport Authority and the Operator to accommodate the size of the business or as otherwise addressed in the GA Commercial Minimum Standards. The following must be provided, as applicable, and must meet all city, county, state, and federal guidelines:
 1. Restrooms
 2. Aircraft parking
 3. Work space
 4. Office space
 5. Customer lobby/lounge space
- C. All Operators must have a Lease with the Airport Authority or a sublease agreement as a subtenant of an airfield tenant of the Airport Authority or have a Commercial Aeronautical

Operating Agreement or a Commercial Aeronautical Activity Permit, as appropriate, issued by the Airport Authority.

- D. In order to provide fueling operations, the Operator must be an FBO.
- E. In order to provide storage of aircraft, the Operator must be an FBO, a registered Aircraft Management provider, a Specialized Aviation Services Operator (SASO), a Maintenance Repair and Overhaul (MRO) provider, or a hangar operator for the purpose of leasing dry aircraft storage space for a profit. MRO providers may only provide aircraft storage while undertaking maintenance or repairs.
- F. An Operator must be willing and able to coordinate with Airport Authority staff with regard to Airport security, safety management, and airfield operations matters.
- G. An Operator is restricted from providing any gaming operations in accordance with Nevada Revised Statutes.
- H. Through-the-fence operations are not permitted at the Airport.

ARTICLE 4 - SPECIALIZED AVIATION SERVICES OPERATOR (SASO)

4.1 Introduction

A Specialized Aviation Services Operator (SASO) is granted the right to operate as a single-service or specialized Operator typically offering only a single, specialized aeronautical service including, but not limited to, aircraft charter, aircraft sales, flight training, aircraft maintenance, avionics services, or aircraft hangar storage for the purpose of leasing dry aircraft storage for a profit. A SASO is prohibited from providing fueling operations. All SASOs are subject to a GA Commercial Aeronautical Operating Permit or Agreement, as appropriate. The following pertains to SASOs engaging in the following activities on the Airport:

4.2 Limited Aircraft Services and Support

Limited Aircraft Services and Support is defined as limited aircraft, engine, or accessory services and support including, but not limited to, cleaning, washing, waxing, painting, upholstery, propeller repair, etc.

4.3 Other Air Transportation Services for Hire

Other Air Transportation Services for Hire is defined as non-stop sightseeing flights (flights which begin and end at the Airport and are conducted within a 40 statute mile radius of the Airport) including, but not limited to, (a) flights for aerial photography or survey; (b) air ambulance service; (c) firefighting, and power line, underground cable, or pipe line patrol; (d) helicopter operations relating to construction or repair work; or (e) other related air transportation services for hire.

4.4 Aircraft Maintenance, Repair and Overhaul Operator (MRO)

An MRO provides aircraft maintenance services for aircraft airframes, engines and component services, among others, that assure aircraft safety and airworthiness.

If an MRO is not certified as a Repair Station (as defined by 14 CFR Part 145), such MRO shall employ a sufficient number of employees to carry out MRO's activity in a safe, secure, efficient, prompt, courteous, and professional manner while also meeting the reasonable demands of customers for the activities.

In addition if an MRO is not certificated as a Repair Station (as defined by 14 CFR Part 145) and is providing annual or phased inspections, one Airframe and/or Powerplant (A & P) Mechanic shall have Inspection Authorization (IA).

MROs engaged in providing aircraft maintenance for aircraft other than those owned, leased, and/or operated by, and under the full and exclusive control of, MROs shall have the necessary equipment for the performance of services being provided in accordance with the manufacturer's specifications and applicable FAA regulations.

4.5 Aircraft Rental Operator

An Aircraft Rental Operator is engaged in the rental of aircraft to the public. Aircraft Rental Operators shall have the necessary number of properly equipped aircraft available for rental or flight training, as applicable. All aircraft shall be owned or leased by the Aircraft Rental Operator (and operated under the full and exclusive control of the Aircraft Rental Operator).

Aircraft Rental Operators shall post a notice (and incorporate within its rental agreements) that: (a) identifies the insurance coverages provided to the renter by such Operator; (b) discusses when and how the insurance coverages apply; (c) indicates where additional information can be obtained; and (d) advises the renter that additional insurance coverage is available and that the renter can purchase an individual non-ownership insurance liability policy. Such Operator shall provide a copy of such notice to the Airport Authority.

4.6 Flight Training Facility Operator

A Flight Training Facility Operator is engaged in providing flight instruction to the public from a facility leased or developed on the Airport by the Flight Training Facility Operator. Flight Training Facility Operators shall have available a properly certified ground school instructor capable of providing on-demand ground school instruction sufficient to enable students to pass the FAA written examinations for commercial pilot and instrument rating and shall provide training aids necessary for the provision of ground school instruction.

Flight Training Facility Operators shall have the necessary number of properly equipped aircraft available for rental or flight training, as applicable. All aircraft shall be owned or leased by the Flight Training Facility Operator (and operated under the full and exclusive control of the Flight Training Facility Operator).

Flight Training Facility Operators shall post a notice (and incorporate within its rental and instruction agreements) that: (a) identifies the insurance coverages provided to the student by such Operator; (b) discusses when and how the insurance coverages apply; (c) indicates where additional information can be obtained; and (d) advises the student that additional insurance coverage is available and that the student can purchase an individual non-ownership insurance liability policy. Such Operator shall provide a copy of such notice to the Airport Authority.

4.7 Aircraft Charter Operator

An Aircraft Charter Operator offers based aircraft engaged in on-demand common and/or private carriage for persons or property as defined in 14 CFR Part 135 and who employs the required number of qualified/licensed employees under 14 CFR Part 135 who shall be available during hours of Activities.

For Aircraft Charter Operators, after-hours, on-call response time is no more than one hour to respond to a customer inquiry, one hour for trip quotes, and two hours for flight initiation, unless there are circumstances beyond the Aircraft Charter Operator's control, such as aircraft availability, weather, etc. Each response time is predicated upon the previous step, initiated upon customer inquiry.

Aircraft Charter Operators shall provide either owned or leased through a written agreement to such Aircraft Charter Operator and under the full and exclusive control of such Aircraft Charter Operator, at least one certified and continuously airworthy aircraft for the type of aircraft charter service being provided which shall be equipped for, and fully capable of, flight under instrument conditions.

Aircraft Charter Operators shall have and provide copies to the Airport Authority of all appropriate certifications and approvals, including without limitation, the Pre-application Statement of Intent (FAA Form 8400-6), the registration and amendments under Part 298 (OST Form 4507), and/or FAA-issued operation certificate(s). Any time certifications or approvals are modified, the updated documentation reflecting the changes shall be provided to the Airport Authority within three calendar days.

4.8 Aircraft Management Operator

An Aircraft Management Operator has based aircraft engaged in the business of providing aircraft management including, but not limited to, flight dispatch, flight crews, or aircraft maintenance coordination with the public. In addition to fully complying with the General Requirements set forth in Article 3, each SASO at the Airport shall fully comply with the RNO Airport Rules and Regulations and the standards set forth in this [Article 4](#).

For Aircraft Management Operators, after-hours, on-call response time is no more than one hour to respond to a customer inquiry, one hour for trip quotes, and two hours for flight initiation, unless there are circumstances beyond the Aircraft Management Operator's control, such as aircraft availability, weather, etc. Each response time is predicated upon the previous step, initiated upon customer inquiry.

4.9 Aircraft Hangar Storage Operator

An Aircraft Hangar Storage Operator is engaged in the rental of hangar storage space for aircraft. In addition to fully complying with the General Requirements set forth in Article 3, each SASO at the Airport shall fully comply with the RNO Airport Rules and Regulations and the standards set forth in this [Article 4](#).

Aircraft Hangar Storage Operators may either lease Airport Authority vacant hangars, or land in areas so designated by the Airport Authority in order to construct hangars for the purpose of leasing hangar space for dry aircraft storage for a profit. Hangars must meet the minimum standards for door height and width as defined in [Article 3, Section 3.4](#).

Aircraft Hangar Storage Operators shall be available to meet the reasonable demands of customers for

their Commercial Aeronautical Activities, but not less than 8 hours per day (between the hours of 6:00 a.m. – 6:00 p.m., Monday through Friday), or as otherwise specified in the Commercial Aeronautical Operating Agreement with the Airport Authority. After-hours or weekend/holiday hours are at the discretion of the Operator.

4.10 Defueling

If Operator is engaged in providing aircraft maintenance for aircraft other than those owned, leased, and/or operated by, and under the full and exclusive control of, Operator, Operator may only defuel aircraft if necessary for aircraft maintenance. Employees engaged in defueling and refueling shall be trained in an FAA-approved fire safety program per 14 CFR Part 139.321. Additionally, such an Operator may refuel the defueled aircraft after completing the required aircraft maintenance. Defueling and refueling shall not be construed to permit such an Operator to engage in fueling operations, which activity is specifically reserved for an FBO.

An Operator conducting defueling and refueling of aircraft shall have adequate and proper fuel storage and provide the Airport Authority with a Spill Prevention, Control and Countermeasures (SPCC) Plan for the defueling and refueling of aircraft as well as fuel storage. The Environmental Protection Agency's SPCC Plan helps facilities prevent the discharge of oil into navigable waters.

ARTICLE 5 - FIXED BASE OPERATORS - LIMITED SERVICE (LS-FBO) AND FULL SERVICE (FS-FBO)

5.1 Introduction

Limited Service Fixed Based Operator (LS-FBO) – An Operator engaged in the sale and delivery of products and services including, at a minimum, the following four activities:

1. Avgas/100LL aviation fuels and lubricants
2. Aircraft ground handling services
3. Passenger and crew services
4. Aircraft tie-downs

Full Service Fixed Base Operator (FS-FBO) – An Operator engaged in the sale and delivery of products and services and the subleasing of facilities including, at a minimum, those services provided by an LS-FBO as well as the following five Activities:

1. All aviation fuels and lubricants
2. Aircraft ground handling services
3. Passenger and crew services
4. Aircraft tie-downs
5. Aircraft storage

5.2 Scope of Activities

Unless otherwise stated in these GA Commercial Minimum Standards, all required products and services shall be provided by FBO's employees using FBO's aircraft, vehicles, equipment, and resources.

5.2.1 Aviation Fuels and Lubricants – FBOs shall sell, deliver, and/or dispense, upon request, the following aviation fuels and lubricants into all General Aviation, government, and military aircraft using the Airport, unless the apron is weight-restricted:

LS-FBOs

- Avgas/100LL
- Lubricants

FS-FBOs

- Jet Fuel
- Avgas/100LL
- Lubricants

LS-FBOs shall own or lease existing Avgas storage facilities at the Airport and/or utilize mobile refuelers to be staged in a leased space approved by the Airport Authority.

FS-FBOs shall own or lease appropriate fuel storage facilities and mobile refuelers at the Airport to be staged in a location on their leased premises approved by the Airport Authority. Fuel storage facilities shall have a minimum capacity for five days peak supply (excluding special events) of fuels for aircraft being serviced by the FBO. FS-FBOs are eligible to join the Reno Fuel Consortium and store fuel in the Airport fuel storage facility.

5.2.2 Aircraft Ground Handling Services – FBOs shall provide, upon request, the following aircraft ground handling services for General Aviation, government, and military aircraft using the Airport:

LS-FBOs

- Marshalling arriving/departing aircraft
- Parking and tie-down
- Towing
- Compressed air
- 15 minute response time*

FS-FBOs

- Marshalling arriving/departing aircraft
- Parking and tie-down
- Towing
- Compressed air
- 15 minute response time*
- Lavatory service
- Potable water
- Ground power (DC)
- Assistance to disabled aircraft
- De-icing including both Type 1 & 4 Glycol

*From the time of the customers' request during required hours of activities, except in circumstances or situations beyond the control of the FBO.

5.2.3 FS-FBO Required Passenger and Crew Services - FS-FBOs shall provide, upon request, the following passenger and crew services for General Aviation, government, and military aircraft using the Airport:

- Concierge services
- Cabin services
- Baggage handling
- Ground transportation arrangements
- Catering arrangements

5.2.4 FS-FBO Other Services - FS-FBO can provide the following services with their staff and equipment or by arrangement with an authorized Operator.

- Aircraft maintenance and repair services (required FS-FBO only)
- Aircraft storage, parking, hangar, office, and shop space (required FS-FBO only)
- Aircraft electronic sales and repair services (optional)
- Flight instruction (optional)
- Aircraft sales and brokerage (optional)
- Aircraft rental (optional)
- Other specialized aviation-related services approved by Airport Authority

5.2.5 FS-FBO Other Services - FS-FBOs shall develop, own, and/or lease facilities for the purpose of subleasing aircraft storage facilities. FS-FBO shall have aircraft storage facilities and improvements as appropriate and as agreed to by the Airport Authority, sufficient to accommodate all activities of the FBO and all approved sublessees.

5.3 General Fueling and Quality Control Standards

Fueling Operators must provide sufficient resources and management to comply with FAA aviation fueling requirements and any Airport Authority-prescribed quality control standards, including those contained in the RNO Airport Rules and Regulations. In addition, Fueling Operators must provide storage and disposal vehicles, containers and tanks, along with spill control kits for onsite quantities, which meet FAA, NFPA, and EPA standards. Requirements can be found in:

- Federal Aviation Regulations, 14 CFR 139 Section 139.321, "Handling/Storing of Hazardous Substances and Materials"
- FAA Advisory Circular 150/5230-4 "Aircraft Fuel Storage, Handling and Dispensing on Airports" (current version)
- ATA-103 (current version)
- National Fire Protection Association Codes 407
- RNO Airport Rules and Regulations
- American Society for Testing and Materials (ASTM) D 1655 (Jet Fuel) and ASTM D 1910 (Avgas/100LL). Ensuring the quality of the fuel is the sole responsibility of the FBO

5.4 Standard Operating Procedures

Fueling Operators shall develop and maintain standard operating procedures (SOP) that comply with the RNO Airport Rules and Regulations and that contain procedures, at a minimum, for the following items: a training program, fuel quality assurance procedures, associated record- keeping and emergency response procedures for fuel spills and fires, and aircraft ground handling procedures.

FBOs shall also ensure the following procedures are addressed in their SOP:

1. Procedures that ensure that fuel dispensing equipment is in operating condition at all times fuel is required to be available and that meets all applicable federal, state, and county requirements for each type of fuel dispensed.
2. Procedures for the safe storage and handling of fuel in conformance with all federal, state, county requirements and fire codes pertaining to safe storage and handling of fuel.
3. Procedures to ensure that professional staff is trained in the safe storage, handling, and dispensing of aviation fuels and lubricants. Recurrent training shall be in accordance with the Airport Certification Manual (ACM).
4. Procedures that deal with the lawful and sanitary handling and timely disposal, away from the Airport, of all solid waste, regulated waste, and other materials including, but not limited to, used oil, solvents, and other regulated waste. The storage of crates, boxes, barrels, and other containers of waste will not be permitted within the leased premises.
5. Procedures that ensure adequate bonding (between the fuel truck and aircraft) will be installed and a robust self-inspection routine followed along with a regular maintenance schedule on all fueling equipment, to reduce the hazards of static electricity.
6. Procedures to ensure that an adequate supply of properly located fire extinguishers and other fire prevention measures and/or equipment required by applicable fire codes.
7. Procedures to ensure that fuel is available via an Airport Authority-approved dispensing refueler (FS-FBO only) available 24 hours a day.
8. Procedures that ensure the FS-FBO or LS-FBO shall use an Airport Authority-approved dispensing refueler that shall contain safety fixtures and filtration systems to ensure airline-type quality. The system shall be required to have at least 500 gallons of storage for each type of fuel the FS-FBO or LS-FBO is required to provide. The parking area for the dispensing vehicle must include adequate fuel spill prevention features and containment capabilities, together with an approved fuel Spill Prevention Countermeasures and Control Plan (SPCCP), in accordance with the Airport Certification Manual and the approved Storm Water Pollution Prevention Plan (SWPPP).
9. Procedures that ensure that fuel spill cleanup, which is the responsibility of the Fueling Operator are performed pursuant to a fuel spill clean-up plan which minimizes the possibility of ignition of spilled flammable fuel and prevents the introduction of fuels into the storm water or sewer systems. Fuel spill cleanup plans shall include an adequate supply of approved absorbent materials and non-spark equipment to handle fuel spills. Fueling Operator shall follow the spill reporting requirement in the RNO Airport Rules and Regulations.
10. Procedures that ensure Fueling Operator has adequate insurance for product liability of at least \$25 million arising out of the provision of aviation fuel and oil sales and/or service to the public.

5.5 Employees

Employees, while on duty, shall be clean, neat in appearance, and at all times, properly uniformed. Uniforms shall identify the name of the FBO. Management and administrative employees shall not be

required to be uniformed, but shall possess Airport Authority-approved identification at all times.

FBOs shall have a sufficient number of properly trained and qualified employees to provide aircraft fueling, aircraft ground handling services, and passenger and crew services, and shall be available during hours of activity.

5.6 Equipment

Operator shall have the necessary equipment for the performance of services being provided in accordance with the manufacturer's specifications and applicable FAA regulations.

5.7 Hours of Activity

LS-FBO Operator shall be open and services shall be available to meet reasonable demands of customers, but not less than 12 hours per day (between the hours of 6:00 a.m. – 6:00 p.m., Sunday through Saturday) including holidays.

FS-FBO Operator shall be open and services shall be available to meet reasonable demands of customers, but not less than 16 hours per day (between the hours of 6:00 a.m. – 10:00 p.m., Sunday through Saturday) including holidays. FS-FBO shall make provisions for a representative employee to respond within two hours of a service request at all other times.

5.8 Defueling

FBOs may only defuel aircraft if necessary for aircraft maintenance or storage. Employees engaged in defueling and refueling shall be trained in an FAA-approved fire safety program per 14 CFR Part 139.321. Additionally, the FBO may refuel the defueled aircraft following the provision of required aircraft maintenance or aircraft storage.

Operator conducting defueling and refueling of aircraft shall have adequate and proper fuel storage and provide the Airport Authority with an SPCC Plan for defueling, refueling, and fuel storage.

ARTICLE 6 - COMMERCIAL AERONAUTICAL ACTIVITY PERMIT

6.1 Application

Any entity that proposes to engage in a Commercial Aeronautical Activity on an intermittent basis not to exceed six times per year at the Airport (Applicant) shall complete all relevant and applicable sections of the Commercial Aeronautical Activity Permit Application (Application) and submit the Application to the Airport Authority along with an application fee (as noted on the Application) and obtain a Commercial Aeronautical Activity Permit (Permit) from the Airport Authority prior to engaging in the desired activities.

Applicant shall submit all of the information requested in the Application and thereafter shall submit any additional information, data, and/or documentation that may be required or requested by the Airport

Authority in order to properly and fully evaluate the Application and facilitate an analysis of the prospective activity.

No Application will be deemed complete that does not provide the Airport Authority with all the requested information, data, and/or documentation necessary to enable the Airport Authority to make a meaningful assessment of Applicant's desired activities and determine whether or not the Applicant's desired activities will comply with all applicable legal requirements and be compatible with the Airport Layout Plan (ALP).

Following review and approval by the Airport Authority and subject to the Applicant complying with all requirements including the application fee, a Permit will be issued by the Airport Authority.

6.2 Approved Permit

The Permit will be valid for the time period indicated in the Permit as long as the Operator meets the following requirements.

- The information submitted by Operator is and remains current. Operator shall notify the Airport Authority in writing within 21 calendar days of any change to the information submitted by Operator.
- Operator remains in full compliance with all applicable legal requirements and the terms and conditions of the Permit.

The Permit may not be assigned or transferred and shall be limited solely to the approved activities identified in the Permit.

6.3 Changes in Scope of Commercial Aeronautical Activities

Prior to engaging in any new activity not permitted under an existing Permit or changing or expanding the scope of activities permitted under an existing Permit, Operator shall complete and submit an Application to, and receive a Permit from, the Airport Authority prior to conducting new activities not permitted under an existing Permit.

ARTICLE 7 - Commercial Aeronautical Operating Agreement

7.1 Introduction and Letters of Interest

Persons or entities interested in conducting a Commercial Aeronautical Activity at the Airport for longer than one year shall submit a Letter of Interest to the Airport Authority. At a minimum, the Letter of Interest shall contain the following information from the Operator:

- A. A business plan to express the Commercial Aeronautical Activity (see the minimum requirements for a business plan outlined in APPENDIX A).
- B. The qualifications of all parties whose names are being submitted as owning at least 5% interest in the business or who will appear on the Commercial Aeronautical Operating Agreement, Leases or other documents as being a member, partner, director or corporate officer, and those

who will be managing the business (see qualification standards as outlined in APPENDIX A.)

- C. The most recent annual financial statements (income statement and balance sheet) prepared or certified by a Certified Public Accountant, if the Operator is a current business.
- D. A listing of assets owned or being purchased or leased which will be used in the business at the Airport.
- E. A current credit report for each party owning or having at least 5% financial interest in the business and a credit report on the business itself covering all geographical areas in which it has done business in the 10-year period immediately prior to such Letter of Interest.
- F. A written authorization from the FAA, any aviation or aeronautical commissions, administrators, and departments of all states in which the Operator has engaged in aviation business to release information in their files relating to the Operator or its operation. The Operator will execute such forms, releases, or discharges as may be required by those agencies.
- G. Preliminary plans, specifications and dates for any improvements which the Operator intends to make on the Airport as part of the activity for which approval is sought. The Operator must comply with appropriate review procedures and the Airport Authority's requirements.
- H. Proof (copy or insurance company letter of intent) of liability coverage for the business operation, flight operations, itinerant aircraft and operators and premises insurance.
- I. The Letter of Interest package shall bear the signature of all parties whose names are being submitted as owning at least 5% interest in the business or will appear on leases or other documents as being a member, partner, director or corporate officer and those who will be managing the business.
- J. Any such other business information as the Airport Authority may require.

7.2 Action on Letters of Interest

All Letters of Interest will be reviewed and acted upon by the Airport Authority as soon as practical following receipt of the Letters of Interest. Letters of Interest may be denied for reasons including, but not limited to, the following:

- A. The Operator does not meet qualifications, standards and requirements established by these GA Commercial Minimum Standards.
- B. Airport Authority legal counsel advises that the proposed Commercial Aeronautical Activity must undergo a public competitive process.
- C. The Operator's proposed operations or construction would create a safety hazard on the Airport.
- D. The Operator's proposed Commercial Aeronautical Activity will require the expenditure of Airport Authority funds, labor or materials on the facilities described in or related to the Letter

of Interest, or the operation will result in a financial loss to the Airport Authority.

- E. There is no appropriate or adequate available space or building on the Airport to accommodate the entire Commercial Aeronautical Activity of the Operator.
- F. The proposed Commercial Aeronautical Activity does not comply with the ALP.
- G. The development or use of the area requested will result in a congestion of aircraft or buildings, or will result in the interference with the operations of any present FBO on the Airport, including, but not limited to, aircraft traffic or service operations, preventing free ingress and egress to the existing Operators' aviation area, or will result in depriving, without the proper economic study, an existing Operator of portions of its leased area in which it is operating.
- H. The Operator has supplied false information, or has misrepresented any material fact in the Letter of Interest or in supporting documents, or has failed to make full disclosure in the Letter of Interest.
- I. The Operator, or any member, partner, director or corporate officer of the business or anyone who will be managing the business, has a record of violating the RNO Airport Rules and Regulations, or the rules and regulations of any other airport, Federal Aviation Regulations, or any other rules and regulations applicable to this or any other airport.
- J. The Operator has defaulted in the performance of any lease or other agreement with the Airport Authority or any lease or other agreement at any other airport.
- K. The Operator is not bondable by a third party and/or is not financially responsible, in the judgment of the Airport Authority, to provide and maintain the business to which the Letter of Interest relates.
- L. The Operator does not have the finances necessary to conduct the proposed operation for a minimum period of six months.

APPENDIX A

Minimum Business Plan Requirements

- A. An operational plan that addresses the primary proposed Commercial Aeronautical Activity(ies), including the Nevada and/or FAA authority under which the Operator will operate.
- B. Name, address, and telephone number, type of organization and the state under the laws of which Operator is organized.
- C. The designated Registered Agent for service of process in the State of Nevada.
- D. The names and addresses of all members, partners, owners, officers, directors and key management personnel of the Operator, briefly describing the certifications, expertise and responsibilities of each.
- E. The name, address, citizenship and principal business of each person holding 5 % or more of Operator's total voting stock or membership interest, together with the amount and percentages held, and the name, address, citizenship and principal business of any person whose account, if other than the holder, such interest is held as appropriate; if any of these people are related by blood or marriage, include the relationship.
- F. Description of all Commercial Aeronautical Activities that are proposed to be performed.
- G. Description of proposed amount of land and/or facilities (hangar, apron, etc.) desired.
- H. Description of proposed building space that will be constructed or leased.
- I. Number and type of aircraft that will be stored/provided, as appropriate.
- J. Number of persons to be employed, types of equipment, and special tooling to be utilized in the proposed operation.
- K. Periods (days and hours) of proposed operation.
- L. Cash flow projections for the first year and estimates for the succeeding 4 years.
- M. Detailed marketing plan and strategies to attract business (advertising and incentives), as appropriate.
- N. The Operator shall provide financial information, as deemed necessary by the Airport Authority, in order to properly evaluate the submitted business plan and proposed lease in terms of its reasonableness, economic viability, and overall ability to support the proposed operation. Provide financial statements and/or any other documentation appropriate to evaluate the Operator's present, actual financial capacity to provide proposed Commercial Aeronautical

Activities. The documents provided by the Operator must be able to verify the Operator's financial standing, and Operator must agree to release additional financial information upon request. The Operator shall provide a current business credit report for each party owning or having a minimum 5% financial interest in the business.

- O. Provide references for businesses that the Operator has professionally provided goods or services to in the preceding 3 years. References must have firsthand experience as a customer or supplier to the Operator and be able to discuss the Operator's capabilities in managing and operating the proposed enterprise. The Operator needs to demonstrate the ability to carry out all of the financial and operational terms and conditions of an agreement.
- P. Operator will ensure that corporate officers, management and supervisory personnel shall have good moral character, in the Airport Authority's sole opinion. Individuals shall be excluded for the following listed offenses, which is not an exhaustive listing:
 - 1. Convictions incident to a public or private contract or subcontract
 - 2. Convictions for violations of the Organized Crime Control Act of 1970
 - 3. Convictions for violation of Federal Anti-trust statutes
 - 4. Convictions for embezzlement, fraud or similar crimes which are indicative of a lack of business integrity
 - 5. Suspension or debarment from award of public contracts or termination of a public contract
 - 6. Any conviction which prevents an Operator from being issued an Airport Security Identification Display Area (SIDA) badge under 49 CFR Part 1542.207 (latest)
 - 7. Conviction of a Class A, B, or C felony
- Q. Operator needs to demonstrate the experience necessary in substantially similar operations for a minimum of 3 years prior to the date proposed to commence commercial activity on the Airport. Operator needs to demonstrate the ability to carry out all of the financial and operational terms and conditions of a Commercial Aeronautical Operating Agreement with the Airport Authority to furnish good, prompt, efficient and courteous service on a non-prejudicial basis, adequate to meet all reasonable demands of the public.

APPENDIX B



Reno-Tahoe Airport Authority
Reno-Tahoe International Airport

Airport Economic Development
 2001 E. Plumb Lane
 PO Box 12490
 Reno NV 89510-2490
 Ph: (775) 328-6400

DATE: _____

APPLICATION FEE: \$100.00

**APPLICATION FOR GA
 COMMERCIAL AERONAUTICAL
 ACTIVITY APPLICATION**

Type(s) of GA Commercial Aeronautical Activity(ies) or Service(s). Fully describe ALL Activity(ies).

Name: _____
 (Last) (First) (Middle Initial)

Mailing Address: _____
 (Street Address/PO Box) (City) (State) (Zip)

Business Address: _____
 (Street Address) (City) (State) (Zip)

Primary Phone: () _____ Secondary Phone: () _____ Email: _____

(All mail will be sent to the Mailing Address unless you notify us in writing of a change.)

Application for a GA Commercial Aeronautical Activity(ies): <input type="checkbox"/> Permit <input type="checkbox"/> Agreement	In the past 10 years, have you or are you currently engaged in a GA Commercial Aeronautical Activity(ies) at an airport? <input type="checkbox"/> Yes <input type="checkbox"/> No Location(s) _____	Business is registered in the State of: <input type="checkbox"/> Nevada <input type="checkbox"/> California <input type="checkbox"/> Other
Have you ever been an RTAA tenant? <input type="checkbox"/> Yes <input type="checkbox"/> No if yes, list dates:		
Have you ever had a business license or certification revoked by a governing authority? If yes, please attach an explanation.		YES _____ NO _____
Do you possess an FAA Rating or Certification for your Activities?		YES _____ NO _____
List your current FAA licenses or certifications: Type: <input type="checkbox"/> Pilot License Hours: _____ <input type="checkbox"/> CFI <input type="checkbox"/> CFII <input type="checkbox"/> Multi-Engine <input type="checkbox"/> Type Rating _____ <input type="checkbox"/> A & P: # _____ <input type="checkbox"/> License(s)/Certificate(s) Attached		
Do you have a current Driver's License? YES _____ NO _____ If Yes: State: _____ DL #: _____ Exp. Date: _____ <input type="checkbox"/> License Attached		
Have you had any criminal convictions within the past 10 years? If yes, please explain on a separate sheet.		YES _____ NO _____
Can you submit proof of your legal right to work in the United States?		YES _____ NO _____

APPENDIX B

Are you related to a current employee of the Reno-Tahoe Airport Authority? YES ___ NO ___	Name: _____
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Please use this space to provide any additional information regarding your proposed GA Commercial Aeronautical Activities as it relates to this application:

ACKNOWLEDGEMENT

1. I declare that the statements in this application or information provided is true and complete to the best of my knowledge. I understand that if I provided false information, or knowingly omitted information, it shall be sufficient cause for disqualification.
2. In connection with this application, I authorize the Reno-Tahoe Airport Authority and any agent acting on its behalf to conduct an inquiry into any information related to my application to conduct business with the Reno-Tahoe Airport Authority, and authorize the release of any such information, including, but not limited to, any criminal conviction on my record. Moreover, I hereby release the Airport Authority and any agent acting on its behalf from any liability by reason of requesting such information from any person.
3. I understand that, as a condition of conducting business at the Reno-Tahoe International Airport, I will be required to submit to a criminal history records check in order to receive an AOA access control badge.
4. I understand this application does not create a contract either expressed or implied, with the Reno-Tahoe Airport Authority.

Signature (do not print): _____ **Date:** _____

Please list any other business names or DBA's that you have used for business purpose _____

_____.

APPENDIX C



RENO-TAHOE AIRPORT AUTHORITY RENO-TAHOE INTERNATIONAL AIRPORT GENERAL AVIATION COMMERCIAL AERONAUTICAL ACTIVITY PERMIT

This GENERAL AVIATION COMMERCIAL AERONAUTICAL ACTIVITY PERMIT ("Permit") entered into _____, 20__ by the Reno-Tahoe Airport Authority ("Airport Authority"), a quasi-municipal corporation created under Chapter 474, Statutes of Nevada 1977, as amended, with its principal office at Reno-Tahoe International Airport, 2001 East Plumb Lane, Reno, Nevada 89502, and **[Company Name]** ("Operator"), who is not a tenant of the Airport Authority, with its principal office at **[Company Address]**.

The Airport Authority hereby grants to Operator, and Operator hereby accepts from the Airport Authority, the right to use Reno-Tahoe International Airport ("Airport") property and facilities for the provision of a certain Commercial Aeronautical Activity or Activities, including products and services, under the following terms and conditions:

1. **[Description of proposed Commercial Aeronautical Activity(ies)]**.
2. **[Description of proposed lease space and terms, if applicable]**.
3. The term of this Permit shall be valid for the period commencing **[Date]** and terminating on **[Date]**, based on an intermittent use of the Airport not to exceed six (6) times per year.
4. As consideration for the rights and privileges granted in this Permit, Operator shall pay the Airport Authority a fee of One Hundred and 00/100 Dollars (\$100.00). Payment in full is due with Operator's submission of the executed Permit to the Airport Authority.
5. Operator agrees to abide by all conditions and operational restrictions as directed by and under the supervision of the Airport Authority's representative. Operator agrees to contact the Airport Authority's representative a minimum of twenty-four (24) hours prior to said Commercial Aeronautical Activity(ies) by first telephoning the representative Monday – Friday between 8:00 am - 5:00 pm at 775-328-64XX. Operator further agrees to abide by the RNO Airport Rules and Regulations and any other directives or restrictions imposed by the Airport Authority's representative on Operator's use of roadways and parking areas on Airport property.
6. Operator's use of the Airport's property shall be at no expense to the Airport Authority. Operator agrees to vacate the property after the conclusion of its Activity(ies) and to clean up the subject area, including the removal of all trash, waste and debris resulting from each use of the Airport Authority's property, leaving the property undamaged. In the event Operator's Activity(ies) does result in damage to the Airport Authority property, Operator, at its sole cost, agrees to repair any damages caused by its Activities on the Airport Authority's property and restore such facilities to the same or better condition existing immediately before Operator's Activities. Such repair or restoration will be as directed by the Airport Authority.

APPENDIX C

7. Airport Authority shall not be obligated to make a capital improvement or otherwise incur any cost to accommodate a request of Operator.
8. The granting of this Permit by the Airport Authority does not mean that a similar permit will be granted in the future to the Operator or any other entity.
9. For all the purposes of this Permit, Operator is and shall be deemed to be, with respect to the Airport Authority, an independent contractor. It is mutually agreed and understood that nothing contained in this Permit shall be deemed or construed to constitute a partnership or joint venture between the parties to this Permit.
10. In the event Operator's Commercial Aeronautical Activities during the period of this Permit term are canceled as a result of adverse weather conditions, an act of God, or other conditions which are outside the control of Operator, the Operator agrees that the Activity may be rescheduled for another day or days, subject to Airport Authority operations and the availability of the premises described above. Any rescheduled Activity will be subject to the terms and conditions of this Permit.
11. Operator may not assign this Permit.
12. During the life of this Permit, the Operator shall, at its sole cost and expense, secure, maintain and provide to the Airport Authority evidence of the following:
 - (a.) Commercial General Liability Insurance coverage provided on standard forms for Bodily Injury (including death) and Property Damage Liability with a total limit of at least One Million and 00/100 Dollars (\$1,000,000.00) combined single limit per occurrence which will include, but not be limited to, the following extensions:
 1. Premises, products and completed operations
 2. Blanket Contractual, including coverage for assumption of liability set forth in this Permit
 3. Hangarkeepers' Legal Liability for property in the insured's care, custody and control, with a sublimit of Two Million and 00/100 Dollars (\$2,000,000). The Airport Authority shall not be liable for any damage to improvements or for damage to any personal property brought onto the Airport.
 4. Mobile Equipment
 - (b.) Automobile Bodily Injury and Property Damage Liability Insurance policy covering owned, non-owned and hired vehicles for use under this Permit, with minimum limit of One Million and 00/100 Dollars (\$1,000,000.00) combined single limit
 - (c.) Worker's Compensation Insurance coverage shall be in accordance with the laws of the State of Nevada applicable to all employees.
 - (d.) Employers Liability coverage with limits per occurrence of not less than One Million and 00/100 Dollars (\$1,000,000.00) per accident, \$1,000,000.00 per disease per employee, and \$1,000,000.00 disease policy limit; Employer Liability policies shall cover all Operator's employees and any volunteers assigned to Operator's operations at the Airport.

APPENDIX C

- (e.) Insurance Requirements Are Not Limits. The foregoing requirements and any approval or waiver of said insurance by the Airport Authority are not intended to and will not in any manner limit or qualify Applicant's liabilities, whether imposed by applicable law or assumed pursuant to the Permit including, but not limited to, the provisions concerning indemnification as herein described in Article 13. The Airport Authority in no way warrants that the minimum limits contained herein are sufficient to protect Applicant from liabilities that might arise out of the performance of the work under the Permit by Applicant or Applicant's agents, representatives, employees or subcontractors, and Applicant is free to purchase such additional insurance as may be determined necessary.

All policies (primary and excess) and Certificates of Insurance provided by Operator to Airport Authority shall evidence the proper limits of coverage as set forth herein. Such policies shall be primary as respects Airport Authority. All policies shall name, and Certificates shall show by separate endorsement, that policies name Airport Authority, its Trustees, officers, agents and employees as Additional Insureds. The Airport Authority has and hereby reserves for all purposes of this Permit the right to revise the insurance requirements set forth herein as to amounts, limitations and types of coverage, and Operator hereby agrees to comply with such revised requirements upon notice from the Airport Authority.

13. In consideration of the legal requirements concerning the issuance of permits and agreements by the Airport Authority which are necessary to establish facilities and operations at the Airport, the Operator hereby agrees to protect, defend, indemnify and hold harmless the Airport Authority, its Trustees, agents, officers and employees from and against any and all liabilities, losses, suits, claims, liens, judgments, fines or demands arising by reason of injury or death of any person, or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorney's fees, court costs, and expert fees incurred in investigating, defending against or paying or settling any such suits, claims liens, judgments, fines and/or the like), of any nature whatsoever arising out of or incident to this Permit and/or the use, occupancy or operation on the Airport or the acts or omissions of Operator's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death or damage may occur, unless such injury, death or damage is caused by the sole negligence of the Airport Authority. Airport Authority shall give to Operator reasonable notice of any such claims or actions. Operator shall also use counsel reasonably acceptable to the Airport Authority in carrying out its obligations hereunder. The provision of this Section shall survive the expiration or early termination of this Permit.

Further, Operator agrees to save, indemnify and hold harmless the Airport Authority, its Trustees, agents, officers and employees against all liabilities, judgments, costs and expenses which may accrue against the Airport Authority in consequence of granting permits and agreements to Operator and from Operator's compliance with the provisions of the RNO Airport Rules and Regulations, resolutions and ordinances conformed to by the Airport Authority.

14. Airport Authority shall not be liable to Operator for any injury or damage whatsoever to any person or property that may result by or from any cause whatsoever, except as may be caused by the gross negligence or willful misconduct of Airport Authority, Its Trustees, agents, employees or assigns. Under no circumstance shall Airport Authority ever be responsible for consequential damages to Operator, regardless of how such damages arise or are incurred by Operator.

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- 15. This Permit, its interpretation and performance, the relationship between the parties, and any disputes arising from or relating to any of the foregoing, shall be governed, construed, interpreted, and regulated under the laws of Nevada, without regard to principles of conflict of laws.

- 16. Airport Authority may, at its discretion or as required by law, amend the use of property and facilities and the operational requirements for the provision of the Commercial Aeronautical Activity or Activities described in Article 1 of this Permit, and Operator shall immediately comply with any such amendment.

WHEREOF, the parties have hereunto set their hands on the day and year first above written.

OPERATOR:

[Company Name]

By: _____

Name: _____

Title: _____

AUTHORITY:

RENO-TAHOE AIRPORT AUTHORITY

By: _____

Name: Marily M. Mora, A.A.E.

Title: President/Chief Executive Officer

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RENO-TAHOE AIRPORT AUTHORITY RENO-TAHOE INTERNATIONAL AIRPORT GENERAL AVIATION COMMERCIAL AERONAUTICAL OPERATING AGREEMENT

This General Aviation Commercial Aeronautical Operating Agreement ("Agreement") is made and entered into as of the _____, 20____, by and between the Reno-Tahoe Airport Authority ("Airport Authority"), a quasi-municipal corporation created under Chapter 474, Statutes of Nevada 1977, as amended, with its principal office at Reno-Tahoe International Airport, 2001 East Plumb Lane, Reno, NV 89502; and _____ ("Operator"), a _____, with its principal office at _____.

WITNESSETH:

WHEREAS, the Airport Authority owns and operates the Reno-Tahoe International Airport ("Airport"), located in the City of Reno, Washoe County, Nevada as a commercial aviation facility, and is authorized to enter into contracts for the use of Airport premises and facilities and the provision of products and services thereon; and

WHEREAS, Operator is in the business of a General Aviation ("GA") Commercial Aeronautical Activity or Activities ("Activity" or "Activities"), as defined below, approved by the Airport Authority; and

WHEREAS, Operator desires to use the Airport in the conduct of its Activity(ies) and to avail itself of certain privileges, uses and rights in connection therewith; and

WHEREAS, Operator has indicated a willingness and has demonstrated an ability to operate in accordance with rules, regulations and standards established by Airport Authority if granted an agreement authorizing the conduct of business on the Airport; and

WHEREAS, Airport Authority deems it advantageous to itself and to its operation of the Airport to enter into this Agreement with Operator upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, for and in consideration of the promises, and of the mutual covenants and agreements herein contained, and other valuable consideration, the Airport Authority and Operator agree as follows:

ARTICLE 1 DEFINITIONS

For all purposes hereunder, those certain words and phrases defined in this Article 1 shall have the following meanings when used in this Agreement:

Section 1.01 - "Agreement" means all terms and conditions of this Agreement together with all Exhibits and other attachments hereto and incorporated herein by reference. Any and all other documents required

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hereunder, made in writing, executed by both parties and filed of record with the Airport Authority, shall be deemed to be a part of this Agreement.

Section 1.02 – “Air Operations Area”- shall mean those movement and non-movement areas of the Airport designed and constructed for the landing and takeoff, taxiing, parking, operating and other operations of aircraft as they now exist or hereafter may be developed, extended or improved from time-to-time including areas designated for aircraft storage, and all restricted ground areas of the Airport including taxiways, runways, ramps, parking areas, and everything inside the perimeter fence.

Section 1.03 – “Aircraft Apron” means a defined paved area on the Airport intended to accommodate aircraft for purposes of loading or unloading passengers or cargo, refueling, parking or maintenance.

Section 1.04 – “Aircraft Charter or Air Taxi” means an entity providing flight services for hire operating under FAR Part 135.

Section 1.05 – “Airfield” means the aircraft movement areas of the Airport including, but not limited to, the Landing Area and aircraft Apron as herein defined and other facilities supporting commercial, military, corporate and general aviation aircraft activity.

Section 1.06 – “Airport” means the Reno-Tahoe International Airport owned and operated by the Reno-Tahoe Airport Authority including all of the real property and easements, improvements and appurtenances, structures, buildings, fixtures, machinery and other tangible personal property or interest in any of the foregoing, now owned or hereafter leased or acquired by the Airport Authority and operated within the exterior boundaries as now exist on the Airport Layout Plan or Exhibits, or as it may hereinafter be extended, enlarged or modified.

Section 1.07 – “Airport Security Plan” – shall mean those facilities and procedures adopted and put into use by the Airport Authority pursuant to the requirements of 49 CFR Part 1542 designed to prevent and deter persons and vehicles from unauthorized access to the Air Operations Area.

Section 1.07.A – “Best Management Practices” means those practices and procedures employed to prevent or reduce source water pollution including, but not limited to, the construction of runoff or retention basins and the replanting of eroding surfaces, to effectuate the purposes of storm water laws.

Section 1.08 – “Business” means an individual, corporation, government or governmental subdivision, partnership, association, or any other legal entity established for the purpose of supplying goods and/or services to consumers, whether or not the activity or undertaking is engaged in for profit.

Section 1.09 – “Commercial Aeronautical Activity” means any activity conducted at Reno-Tahoe International Airport (Airport) which involves, makes possible or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations. These activities include, but are not limited to, air taxi and charter operations, pilot training, aircraft rental, sightseeing, aerial surveying, air carrier operations, aircraft sales and service, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, and aircraft storage.

Section 1.10 – “Commercial Aeronautical Operating Agreement” shall mean a long-term (greater than 1-year in duration) agreement between the Airport Authority and a Commercial Aeronautical Operator

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that allows the Commercial Aeronautical Operator to conduct one or more Commercial Aeronautical Activities on the Airport.

Section 1.11 – “Commercial Aeronautical Operator or Operator” means any person or entity conducting Commercial Aeronautical Activities on the Airport and includes, but is not limited to, employees, agents or invitees of Operator and/or its contractors, suppliers and material men.

Section 1.12 – “Employee” means a person who performs services on behalf of an employer in exchange for regular remuneration and who receives an IRS W-2 Wage and Tax Statement.

Section 1.13 – “Federal Aviation Administration or FAA” means the United States Department of Transportation, Federal Aviation Administration, and its successor(s) in function, if any.

Section 1.14 - Federal Aviation Regulation (FAR) - means the body of rules prescribed by the FAA governing all aviation activities in the United States (Title 14 Code of Federal Regulations concerning Aeronautics).

Section 1.15 – “Fiscal Year” means Airport Authority’s fiscal year, beginning on July 1 of each calendar year and ending on June 30 of the immediately succeeding calendar year.

Section 1.16 – “Fixed Base Operator or FBO” means a Commercial Aeronautical Operator granted the right by the Airport Authority to operate on the Airport and provide Commercial Aeronautical Activities as further described in the Airport Authority’s General Aviation Commercial Minimum Standards.

Section 1.17 – “Fuel” means aviation fuels, lubricants and/or petroleum products as defined in an Operator’s Commercial Aeronautical Operating Agreement or lease.

Section 1.18 – “Fueling Operations” means all fuel transfer activities such as fueling, defueling, and draining of aircraft, fueling vehicles, fuel storage tanks and motor vehicles..

Section 1.19 – “General Aviation or GA” refers to all aircraft operations under Title 14 Code of Federal Regulations (CFR) Part 91 and non-scheduled Part 135, excluding commercial aircraft, military operations and those federally regulated by Title 14 CFR Parts 121, 129, and scheduled Part 135. A General Aviation aircraft can range in size from a single engine propeller aircraft to a large business jet.

Section 1.20 – “General Aviation Commercial Minimum Standards or GA Commercial Minimum Standards” means the minimum commercial standards of the Airport for General Aviation, as may be amended from time to time, which are established by the Airport Authority for all operations on the Airport.

Section 1.21 - “Gross Revenue” means the total amount of all money paid or payable to Operator, including that total amount of all money paid to contractor(s) of Operator, or other consideration of determinable value received or receivable, for the retail or wholesale sale, lease, rental, use or exchange of goods and services performed, supplied or made available in the conduct of business at the Airport, whether for cash or credit and exclusive of any deduction, credit, rebate or offset whatsoever.

Section 1.22 – “Landing Area” means those portions of the Airport provided for the landing, taking off and taxiing of aircraft including, without limitation, approach and turning zones, aviation or other

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easements, runways, taxiways, runway and taxiway lights, and other appurtenances in connection therewith.

Section 1.23 – “Landing Fee” means a fee per thousand pounds of the maximum gross landed weight of each type of Operator’s aircraft and shall be multiplied by the total of the maximum gross landed weight for all landings of each type of aircraft landed at the Airport by or on behalf of Operator.

Section 1.24 – “Lease” means a legal document between the Airport Authority and the leasing party outlining the terms under which the conveyance of real property rights for occupancy or use of land and improvements are expressed in a written agreement..

Section 1.25 – “Master Fee Resolution” means a resolution that sets forth a list of Airport master fees and charges effective July 1 of each Fiscal Year as approved by the Airport Authority’s Board of Trustees.

Section 1.26 – “Nevada Revised Statutes or NRS” means the revised collection of compiled laws of the State of Nevada.

Section 1.27 – “President/Chief Executive Officer or CEO” means the person under the administrative direction of the Airport Authority’s Board of Trustees who is responsible for the safe, efficient, and profitable development and operation of the Reno-Tahoe International Airport and the Reno-Stead Airport.

Section 1.28 - “Reno-Tahoe Airport Authority” means the owner/operator of the Reno-Tahoe International Airport and Reno-Stead Airport, a quasi-municipal corporation organized under Chapter 474, Statutes of Nevada 1977, as amended, with its principal office at Reno-Tahoe International Airport, 2001 East Plumb Lane, Reno, Nevada 89502.

Section 1.29 – “RNO Airport Rules and Regulations” means the body of rules prescribed by the Airport Authority governing all aviation activities on the Airport.

Section 1.30 – “TSA” means the United States Department of Transportation, Transportation Security Administration, and its successor(s) in function, if any.

ARTICLE 2 TERM

Section 2.01 - Term and Renewal. The Term of this Agreement shall be for a period of one year commencing on the ____ day of _____, 20__ (“Term”). Thereafter, this Agreement shall automatically be extended for successive one-year periods unless the Airport Authority determines otherwise as a result of its periodic review of Operator’s performance, or unless canceled as provided herein and in Article 8 hereof. This Agreement may be amended to incorporate such revisions as may be necessary to update the Agreement terms in accordance with Airport Authority policies and requirements. Notwithstanding any other provision hereof to the contrary and provided that Operator is not in default of the terms of this Agreement, this Agreement may be canceled without cause upon thirty (30) days’ advance written notice by either party.

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ARTICLE 3 USES, RIGHTS AND PRIVILEGES

Section 3.01 - Conditions of Airport Use. Subject to the terms, conditions and restrictions of this Agreement, Operator shall have the right, in common with others so authorized, to use certain common use, public use, and restricted areas of the Airport as designated by the Airport Authority, for the sole purpose of conducting its Commercial Aeronautical Activity(ies) approved by the Airport Authority for Airport tenants that have an agreement with the Airport Authority, and for no other purpose whatsoever. Operator shall comply with all statutes, laws, ordinances, orders, judgments, decrees, and the rules, regulations, directives and requirements of Airport Authority, all federal, state, city, local and other governmental authorities, now or hereafter applicable to the Airport and to any adjoining public ways, as to the manner of use and the condition of the Airport or of any adjoining public ways attributable to Operator's Activity(ies). Airport Authority makes no assurances, warranties or guarantees as to the condition of the Airport.

Section 3.02 - Ingress and Egress. Operator shall have the unlimited lawful right of ingress to and egress from the Airport over and across public roadways serving the Airport, for Operator and Operator's agents, employees and contractors; provided, however, that no person is authorized to enter a restricted area of the Airport by virtue of such right of ingress and egress.

Section 3.03 - Operations and Other Support Space. Operator must arrange, at its expense, for adequate space, including offices and other facilities, as Operator may require at the Airport for the conduct of business authorized hereunder. For this purpose, unless space is available for separate lease directly from the Airport Authority, Operator agrees to sublease space or facilities from an Airport tenant having an agreement with the Airport Authority for such space and facilities. Any such separate agreement or sublease, and Operator's operations thereunder, shall be subordinate to the terms of this Agreement.

Section 3.04 - Quiet Enjoyment. Upon Operator's payment of all amounts due hereunder and performing all of the covenants, conditions and agreements set forth herein and as provided by law, Operator shall and may peaceably and quietly have, hold and enjoy the operating rights provided herein.

ARTICLE 4 FEES AND CHARGES

Section 4.01 - Security Deposit. To secure Operator's payment of all fees and other charges due the Airport Authority hereunder this Agreement, and to ensure Operator's performance of all terms and conditions terms of this Agreement, Operator shall deliver to Airport Authority a Security Deposit in a form and amount satisfactory to the Airport Authority to be held and applied by the Airport Authority in accordance with the provisions of this Section 4.01.

- A. The Security Deposit shall be in the form of a surety bond or an irrevocable standby letter of credit as approved by the Airport Authority and issued by an insurance company or financial institution acceptable to Airport Authority. The initial bond or letter of credit shall be in the amount of Ten Thousand and 00/100 Dollars (\$10,000.00), it shall be effective on or before commencement of operations by Operator under this Agreement, whichever is first executed, shall be written for a period of fifteen (15) months and shall be renewed thereafter for commensurate successive periods, so as to ensure that the Security Deposit is available for payment of any of Operator's defaults for not less than three (3) months

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after any termination of this Agreement. Accordingly, the security documents must provide that the bond or letter of credit shall remain in full force and effect for a period of ninety (90) days following any termination of this Agreement. The amount of said Security Deposit shall be subject to adjustment by Airport Authority pursuant to Paragraph B of this Section 4.01, and in addition to all other provisions set forth herein, the surety bond or letter of credit shall comply with the following minimum requirements:

1. All surety bonds shall be issued by a surety or bonding company authorized to do business within the State of Nevada. The issuer of the bond shall be required to pay Airport Authority the amount of Operator's default upon presentation to the issuer of a statement signed by the President/CEO of the Airport Authority or his/her authorized representative stating that the Operator is in default of the provisions of this Agreement and setting forth the amount of the default.
2. All letters of credit shall be issued by a federally chartered bank or savings and loan association having offices within the State of Nevada, unless specifically waived by Airport Authority, which institution is reasonably acceptable to the Airport Authority. All letters of credit must be irrevocable standby letters of credit and shall contain the following provisions:
 - a. Only the Airport Authority, its successors and assigns shall be named as the beneficiaries.
 - b. Partial drawings shall be permitted.
 - c. The letter of credit shall be available to the Airport Authority as sight drafts.
 - d. All monetary references shall be in United States currency.
 - e. Draws upon the letter of credit shall be allowed upon compliance with the following conditions: (1) the original of the letter of credit shall be presented to the issuing institution; (2) the letter of credit shall be accompanied by a statement signed by the President/CEO of the Airport Authority or her/his authorized representative stating that the Operator is in default of the provisions of this Agreement and setting forth the amount of the default; (3) the Airport Authority shall not be required to give Operator prior notice of the Airport Authority's intention to make a draw upon the letter of credit.

Any other provisions of the letter of credit shall be subject to the Airport Authority's approval, which approval shall not be unreasonably withheld.

- B. The amount of the Security Deposit shall be subject to review and adjustment by the Airport Authority at the end of the first three (3) months of operations and quarterly thereafter throughout the Term of this Agreement. Upon said review, the amount of the Security Deposit may be increased: if Operator's financial obligation under this Agreement has increased, whether by rate adjustments or increased activity; if Operator has failed to pay any fees, charges or assessments when due (unless said default in payment is the subject of a bona fide dispute); or if Operator's financial condition has changed since the commencement of this Agreement to such extent that the Airport Authority is reasonably

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concerned about Operator's ability to perform its obligations under this Agreement. In no event will the Security Deposit be reduced.

- C. If, at any time during the Term or any renewal of this Agreement, Operator fails to make any payment due the Airport Authority under this Agreement of any fee, charge or assessment (including, but not limited to, late payment charges and any and all costs of collection), then Airport Authority may make a demand upon the issuer of the surety bond or the letter of credit, as the case may be, for payment of the amount of the Operator's unpaid obligation, without prior notice to Operator. In such event, the Airport Authority will require replacement of the total amount drawn and, at its option, may require Operator to deliver a Supplemental Security Deposit to Airport Authority in an amount and in such form as Airport Authority deems necessary to protect Airport Authority against future defaults.
- D. Within thirty (30) days following the termination of this Agreement, whether said termination be at the conclusion of this Agreement or otherwise, Airport Authority may make a demand upon the issuer of the surety bond(s) or letter(s) of credit, as the case may be, for payment of any remaining unpaid obligation of Operator, without notice to Operator. Any such demand by Airport Authority and payment by the issuing institution shall not serve to relieve Operator of its obligations hereunder or waive Airport Authority's rights and remedies under this Agreement.

Section 4.02 - Concession Fee. Effective concurrently with the effective date of this Agreement, Operator shall pay to Airport Authority a Concession Fee in the amount of six percent (6%) of all Gross Revenue, as defined in Section 1.21 hereof, generated in the conduct of Operator's commercial business on the Airport under this Agreement, except that revenue generated from services to or part sales from non-Airport tenants are exempt from the six percent (6%) Concession Fee. Said Concession Fee is due and payable by Operator on or before the 10th day of each calendar month hereunder, without demand, deduction or offset, for the preceding month of operations, together with Operator's report required under Section 4.07 hereof. Said Concession Fee shall be subject to annual review and adjustment by the Airport Authority, pursuant to any general adjustment of Airport rates and charges by Airport Authority, effective upon reasonable notice to Operator; provided, however, that in no event shall said Concession Fee exceed a fee payable by any other Operator engaged in the same type of commercial business at the Airport.

Section 4.03 – Landing Fees. Operator shall pay monthly to the Airport Authority Landing Fees for the preceding month. Operator's Landing Fees shall be determined as the product of the Landing Fee rate for the period and Operator's total landed weight for the month. Operator's landed weight for the month shall be determined as the sum of the products obtained by multiplying the maximum gross landed weight of each type of Operator's aircraft by the number of landings of each said aircraft during such month.

Section 4.04 - Additional Fees, Charges and Rentals. Operator shall pay additional fees, charges and rentals under the following conditions:

- A. If Airport Authority has paid any sum or sums or has incurred any obligation or expense for which Operator has agreed to pay or reimburse Airport Authority.

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- B. If Airport Authority is required to pay any sum or sums or incur any obligations or expense because of the failure, neglect or refusal of Operator, after appropriate notice, to perform or fulfill any of the conditions of this Agreement.
- C. If Airport Authority is fined or otherwise penalized as a result of the activities, operations or negligence of Operator or anyone acting by or for Operator.

Such payments shall include but not be limited to all interest, costs, damages, penalties and administrative fees in conjunction with such sums so paid or expenses so incurred and may be added to any installment of the fees, charges and assessments due hereunder. Each and every part of such payment shall be recoverable by Airport Authority in the same manner and with like remedies as if it were originally a part of the basic fees, charges and assessments set forth herein.

Section 4.05 - Time, Notice, Place and Manner of Payments. Concession fees payable by Operator hereunder are due and owing, in arrears for the preceding month of operations, without notice or demand and without deduction or offset, on or before the 10th day of each and every calendar month during and after the Term of this Agreement. Payment of Operator's Landing Fees, if applicable, shall be due as of the date of the Airport Authority's monthly invoice and shall be deemed delinquent if not received within thirty (30) days of the date of such invoice. Any other payments due or reimbursable to Airport Authority by Operator hereunder shall be paid when incurred or immediately upon receipt of Airport Authority's invoice therefor, and shall be deemed delinquent if not paid within ten (10) days of the date due. Payments shall be made at the offices of the President/CEO of the Airport Authority at the Airport, or at such other place as the Airport Authority may hereafter notify Operator, and shall be made in legal tender of the United States.

Section 4.06- Unpaid Fees or Charges. Any fees or charges not paid by the 10th day of the month in which said amounts are due shall bear a service charge at the then highest rate established from time to time by Airport Authority (currently set at 18% per year), from the date due until fully paid. Operator agrees that it shall pay and discharge all costs and expenses incurred or expended by Airport Authority in collection of delinquent amounts due hereunder, including service charges, professional collection fees and attorneys' fees. Continued failure by Operator to pay any delinquent amount and accrued service or other charges within five (5) days of Airport Authority's written notice of such breach will constitute a material default under this Agreement and Airport Authority may pursue all available remedies for the collection and cure of such default, including but not limited to those cited in Article 8 hereof and as provided by law.

Section 4.07 - Payment of Taxes and Assessments. Operator shall promptly pay all lawful general taxes, special assessments, excises, license fees, permit fees and other charges, of whatever nature, applicable to its operation at the Airport and to obtain and keep current any and all municipal, state and federal licenses as may be required for the conduct of its business at the Airport, and further covenants and agrees not to permit any of said taxes, assessments, fees and charges to become delinquent. Operator is entitled to avail itself of the right, as may be provided by law, to contest the amount of taxes levied, without being deemed in default of this Agreement pending a ruling by the governmental agency having jurisdiction in such cases. Airport Authority shall not be obligated to make a capital improvement or otherwise incur any cost to accommodate a utility request of Operator.

Section 4.08 - Monthly Reports. On or before the 10th day of each and every calendar month throughout the Term or any continuation of this Agreement, Operator shall submit a detailed report to the Airport Authority which accurately reflects Operator's business activities and the Gross Revenues paid or payable to Operator for the previous month of operations, in such form and content as acceptable to Airport

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Authority. Operator will submit such other reports relating to its activities as may be required from time to time by Airport Authority.

Section 4.09 - Financial Statement; Year End Adjustments; Audit. Within sixty (60) days after the end of each year during the Term hereof (or, in the event this Agreement is terminated sooner, within sixty (60) days from the date of such sooner expiration or termination), Operator shall submit to Airport Authority a detailed financial statement for the preceding year of operations, as reviewed and signed by a Certified Public Accountant.

- A. Said detailed financial statement shall itemize Operator's Gross Revenue and expense on a monthly basis and include the CPA's opinion as to the accuracy of Gross Revenues reported and Concession Fees paid pursuant to the terms of this Agreement. If, in the opinion of the CPA, the monthly Concession Fee payments to the Airport Authority during the preceding year are less than required under Section 4.02 hereof, then Operator shall remit payment for the difference; if greater, then Operator shall submit a written request for reimbursement of any overpayment. Operator shall submit its final audited annual statement to Airport Authority within ninety (90) calendar days after Operator's cessation of operations at Airport.

- B. The Airport Authority may waive the Operator's requirement to an Audited Annual Statement and instead accept an in-house financial review, signed and attested as to its accuracy by the Operator's Chief Financial Officer or President/CEO subject to the following:
 - 1. The Operator must have a least two (2) consecutive years of historical financial reporting and performance without any major discrepancies; or
 - 2. The Airport Authority's annual net revenue derived from the Operator's business on Airport Authority property is Twenty-Five Thousand and 00/100 Dollars (\$25,000) or less.
 - 3. If granted, this change in the reporting requirement will be administratively reviewed and awarded on an annual basis.
 - 4. The Airport Authority will continue to have the right to audit the Operator's accounts and financial records at any time for its operations at the Airport. If there is a discrepancy greater than five percent (5%) between the Airport Authority's records and the Operator's records, then the Operator shall be required, at its sole cost, to submit an audited annual statement for that reporting period and for the next two (2) consecutive years.

Any sudden or significant changes in the Operator's reported Gross Revenues, without reasonable justification, will result in an Airport Authority internal audit and may be the basis to reinstate the audited annual statement requirement.

Section 4.10 - Accounting Records. Operator shall, at all times during the term of this Agreement, keep or cause to be kept true and complete books, records, and accounts of all financial transactions in the operation of all business activities, of whatever nature, conducted in pursuance of the rights granted

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herein. The records must be supported by source documents such as sales slips, cash register tapes, purchase invoices, or other pertinent documents.

ARTICLE 5 **OPERATIONS, USE CONDITIONS AND RESTRICTIONS**

Section 5.01 - Airport Use Summary. On or before the date of this Agreement, Operator shall file with the Airport Authority a detailed summary of its proposed operations at the Airport, including a list of Operator's entity contacts and the names, addresses and emergency telephone numbers of Operator's personnel and contractor(s) having responsibility for Operator's business activities at the Airport, and attaching to said summary: (a) all documentation required under Section 5.08 of this Agreement; (b) a schedule of all equipment and materials of any description brought onto, placed or operated on the Airport by or for Operator in the conduct of business hereunder; and (c) if requested by the Airport Authority, a list of clients with copies of Operator's agreements. Operator shall update and revise this summary as changes occur.

Section 5.02 - Permitted Uses. Operator is hereby permitted to use designated areas of the Airport for the sole purpose of operating its Commercial Aeronautical Activities approved by the Airport Authority for those Airport tenants with an agreement with the Airport Authority and/or other approved Airport operators of the Airport Authority, subject to written approval by the Airport Authority of the contract between Operator and each of such operators or tenants, and for no other purpose whatsoever. Operations hereunder shall be at Operator's sole cost, expense and responsibility. Subject to use restrictions, limitations and conditions set forth in this Agreement and as provided by law, Operator's Commercial Aeronautical Activities shall include the following approved operations:

- A. In addition to rights granted elsewhere in this Agreement, Operator is hereby permitted to operate on the Airport for the sole purpose of _____, and for no other purpose, all in compliance with, and pursuant to the provisions of, the GA Commercial Minimum Standards applicable to Operator and Operator's Activities. Operator is informed and acknowledges that the GA Commercial Minimum Standards are subject to amendment at any time at the Airport Authority's discretion.
- B. Operator must be properly licensed/certified to perform such approved GA Commercial Aeronautical Activities.
- C. As applicable, all refueling of Operator's ground service equipment must be by contract with an authorized Airport fuel provider holding an agreement with the Airport Authority.

Section 5.03 - Conditions, Limitations and Use Restrictions. Operator's use of the Airport shall be subject to the following conditions, limitations and restrictions and in accordance with all other applicable terms, covenants and conditions contained herein:

- A. Operator agrees that it will not permit any act of omission or commission or condition to exist on the Airport which would in any way create a hazard to persons or property or would serve to jeopardize or invalidate any policies of insurance or increase the premium rate(s) charged for any insurance covering the Airport property, operation or the premises or operations of any tenant of Airport Authority.

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- B. Operator shall at all times comply with all applicable laws, rules and regulations; including, but not limited to, the laws of the State of Nevada, local ordinances, and FAA regulations governing the transportation and storage of hazardous materials, substances and waste, as may now or hereafter be defined by such laws, rules and regulations.
- C. Operator may use the Air Operations Area and other restricted areas of the Airport only as specifically authorized and directed by the Airport Authority pursuant to all applicable laws, rules, regulations existing at the time of this Agreement and as amended, and in accordance with federal government requirements issued by and through the FAA and the TSA.
- D. Operator will not use the Airport in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event this covenant is breached, Airport Authority reserves the right to cause the abatement of such interference at the expense of Operator and to place such restrictions on the operations of Operator as Airport Authority deems necessary in the public interest.
- E. Operator is limited to the conduct of a Commercial Aeronautical Activities on a nonexclusive basis. As such, Operator is expressly prohibited from expanding or altering its scope of services and operations to such extent as to become any other business classification reserved to premises, use provisions, operating conditions and restrictions not intended or authorized by this Agreement.

Section 5.04 - Handling and Storing Hazardous Articles and Materials. Only airline companies or air freight forwarders authorized by the Airport Authority to conduct business on the Airport will receive hazardous articles or materials for shipping or storage. All handling of such articles or materials will be under these respective companies' jurisdiction and handled in conformance with 40 CFR Part 260 through 273, airline parts and materials handling directives, company manuals or a combination of all of the above, as they may be amended, or any successor regulations.

Section 5.05 - Parking and Equipment Storage. Operator's vehicles and equipment used in the conduct of its business, including the vehicles and equipment of Operator's employees, guests, contractors and clients, if permitted to be operated on Airport property, will be parked in areas approved for such parking, unless specifically authorized in writing by the Airport Authority to be temporarily parked elsewhere. For any vehicle or equipment owned, leased or hired by Operator found in an unauthorized area or left unattended in a restricted area, Operator will be charged an unauthorized equipment storage fee of One Hundred Fifty and 00/100 Dollars (\$150.00) per unit of equipment, plus any fines or citations for breach of airfield security regulations; and, such vehicle or equipment will be immediately removed and stored at the expense of Operator.

Section 5.06 - Responsibility for Use. Throughout the Term of this Agreement, Operator shall retain sole responsibility for safeguarding persons and property and for the conduct of its Activities on the Airport, at its sole cost, expense and liability. Operator shall at all times conduct its operations in a safe, prudent, professional and lawful manner. Operator agrees that its use hereunder will not interfere with or impede the operations of Airport Authority, other authorized users and tenants of the Airport, or the general public.

Section 5.07 – Laws, Rules and Regulations. Operator acknowledges and agrees that its use of and Activities on the Airport shall be in accordance with all applicable federal, state and local laws, rules and

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regulations which now exist or may hereafter become effective, and in compliance with such directives as may be issued in connection therewith from time to time. Operator agrees that it will comply fully with all rules and regulations of the Airport Authority, specifically including but not limited to hazardous materials storage, fire safety and security program regulations currently in effect and as may be amended, and all directives issued by Airport Authority in connection therewith.

Section 5.08 - Licenses, Permits and Certifications. Operator and Operator's contractor(s) shall: (a) obtain and maintain in effect at all times, at its sole cost and expense, any and all licenses, certificates and permits required for its occupancy, use of and operation on Airport property; and (b) obtain and pay for any licenses, permits and other operating, use or safety certifications required by federal, state and local regulatory agencies for its use of, and operations and Activities on, Airport property as provided under this Agreement, specifically including but not limited to any Airport premises subleased from a tenant of Airport Authority. Operator shall provide Airport Authority with copies of any and all such licenses, permits and other documentation evidencing compliance herewith.

Section 5.09 - Operating Standards. Operator covenants and agrees that it will operate under this Agreement and will require its employees, agents, contractors, invitees and licensees to operate in a safe, lawful, prudent and professional manner, at all times providing the quality and levels of service necessary to meet the demand for same, in accordance with all applicable regulations currently in effect and as may be amended, and pursuant to directives issued by the Airport Authority in connection therewith from time to time. Operator agrees to obtain from the Airport Authority and make available to its employees, agents, contractors, invitees and licensees copies of the RNO Airport Rules and Regulations, Airside Traffic Regulations, Airport Authority Safety Bulletins, General Aviation Commercial Minimum Standards, and other applicable regulatory and procedural information.

Section 5.10 - Personnel, Policies and Procedures. Operator will at all times retain an active, qualified, competent, experienced and responsive manager or designated contractor to supervise operations and to represent and act for Operator at the Airport. At all times during the manager's absence a responsible subordinate will be in charge and available. Operator will provide for the proper training of all employees and for the certification/licensing of employees in all areas of service as duties require. Operator shall produce copies of employee certification and licensing records upon demand by Airport Authority. Operator will control the conduct, demeanor and appearance of its employees all times.

Section 5.11 - Purchase of Supplies and Services. Should Operator contract with a third party to provide services which might otherwise be performed by Operator under this Agreement, such third party shall be deemed to be conducting a business at the Airport, and prior to engaging therein, Operator will ensure that such third party has an operating agreement with Airport Authority. Airport Authority may impose charges, rentals and fees upon such third parties for facilities used and for services provided. Notwithstanding the foregoing, Operator shall be able to hire a third party to perform ad hoc services that are considered specialized repairs that occur on an irregular, as-needed basis, provided that third party has an executed GA Commercial Aeronautical Activity Permit with the Airport Authority. Operator may select suppliers, purveyors and furnishers of materials, supplies, equipment and services of its own choosing. Nothing in this Section shall be construed as in any way limiting the general powers of the Airport Authority to fully exercise its governmental or proprietary functions or its obligations under any bond covenants or federal, state or local laws, rules or regulations.

Section 5.12 - Safety Procedures and Fire Prevention Procedures. Operator will comply with all fire safety rules, regulations and procedures in effect at the Airport, including the installation, at Operator's expense,

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of such extinguishing devices, signage and fixtures on and in facilities and equipment and operating areas used by Operator, as may be required by the Airport Fire Department, and combustible/ flammable liquid storage will meet Uniform Fire Code requirements.

Section 5.13 - Security. Operator will comply with all rules and regulations of the Airport Authority as to Airport and airfield security. Operator shall be responsible for providing its own security for any equipment, vehicles, materials and other personal property brought onto the Airport by or for Operator, and for any services provided or Activities conducted by Operator or by anyone for Operator under this Agreement, at Operator's sole cost and expense. Operator's responsibilities expressly include but shall not be limited to implementing security measures and procedures meeting the requirements of the TSA. Operator agrees to protect the integrity of security of the Airport perimeter and agrees to undertake measures necessary for the prevention of unauthorized access into any restricted area of the Airport which may result from Operator's use of the Airport and Activities conducted thereon. Operator's responsibility and agreement hereunder shall include, without limitation, compliance with any and all federal, state and local laws, rules and regulations governing Airport and airfield security, as the same exist and as may hereafter be enacted, promulgated, augmented and amended.

Section 5.14 - No Obligations of Airport Authority. Operator acknowledges that Airport Authority has made no representations or warranties relating to the suitability of the Airport for any use, and that except as otherwise expressly provided in this Agreement, Airport Authority shall have no obligation whatsoever to Operator for the maintenance of the Airport or any improvements, fixtures, furnishings or equipment now or hereafter constructed, installed or used as a part of the Airport; and the Airport Authority shall have no liability to Operator arising out of any defect or deficiency in the Airport.

Section 5.15 - Maintenance. Operator shall ensure that, at all times during its Airport operations hereunder, those airfield operating areas approved for its use, and any improvements thereto, are kept in a good, safe and clean condition and in compliance with federal, state and local laws, rules, ordinances, codes and regulations which now exist or may hereafter become applicable, including but not limited to existing and future environmental laws as the same may be amended. Operator shall, at its sole expense, provide for maintenance of said airfield operating areas, and will remove all trash and debris attributable to its Activities for disposal away from the Airport. The accumulation of trash, dust and debris, the piling of boxes and other unsightly or unsafe materials, on or about the Airport, is strictly prohibited. Airfield pavement maintenance, seasonal snow and ice removal, sanding of paved areas, driveways, walkways and parking lots, and other safety measures during inclement weather conditions, are part of the Airport Authority's maintenance program for the public and common use areas of the Airport; provided, however, that Airport Authority is not obligated to Operator in any way for such maintenance and assumes no responsibility or liability for the maintenance of any Airport premises.

Section 5.16 - Airport Authority's Right of Inspection. Airport Authority and its authorized officers, employees, agents, contractors, subcontractors and other representatives shall have the right to monitor all Activities of Operator and to inspect Operator's areas of operation, equipment and conduct of business for the following purposes:

- A. To determine Operator's compliance with the terms and conditions of this Agreement and with Airport Authority's directives issued in connection herewith.
- B. To perform maintenance or other remedial work in any case where Operator is obligated, but has failed to do so and has failed to comply with Airport Authority's notice of

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noncompliance, in which case Operator shall reimburse Airport Authority for the cost thereof, plus 25% administrative overhead, promptly upon demand.

- C. To gain access to mechanical, electrical, utility and structural systems of the Airport for the purpose of maintaining and repairing such systems.

Section 5.17 – Water and Sewer; Sanitary and Industrial Waste Disposal. During the term of this Agreement, Operator shall operate and maintain in good working condition and at its sole cost and expense, storm water drainage facilities and City of Reno approved sanitary sewer facilities serving any premises leased to Operator, whether currently existing or installed as a part of any Operator tenant improvement project.

ARTICLE 6 **INSURANCE AND INDEMNIFICATION**

Section 6.01 - Insurance. Operator shall, at its sole cost and expense, procure and maintain in effect at all times during the term of this Agreement insurance coverage with limits not less than those set forth herein with insurers and under forms of policies satisfactory to the President/CEO of Airport Authority, acceptance of which shall not unreasonably be withheld. The President/CEO reserves the right to require complete copies of such insurance policies for the purpose of determining acceptability. Operator shall furnish Airport Authority with Certificates of Insurance from insurance carrier(s) showing all insurance required hereunder to be in full force and effect during the entire term of this Agreement, or shall furnish copies of policies upon request by the President/CEO as aforesaid. Certificates of insurance shall be accompanied by a separate endorsement stating that written notice of cancellation or of any material change in coverage under said policies shall be delivered to the President/CEO thirty (30) days in advance of the effective date thereof; provided, however, Operator shall be responsible for such notification to Airport Authority whether or not the insurer complies. Operator shall maintain all insurance hereunder with insurance underwriters authorized to do business in the State of Nevada with an AM rating of A X or better, satisfactory to the President/CEO. Operator is required to provide and maintain the following insurance:

- A. Commercial General Liability Insurance coverage provided on standard forms for Bodily Injury (including death) and Property Damage Liability with a total limit of at least Five Million and 00/100 Dollars (\$5,000,000.00) combined single limit per occurrence which will include but not be limited to the following extensions:
 - 1. Premises, products, completed operations and independent contractors;
 - 2. Blanket Contractual, including coverage for assumption of liability set forth in this Agreement;
 - 3. Hangarkeeper's Legal Liability for property in the insured's care, custody and control, with a sublimit of Two Million and 00/100 Dollars (\$2,000,000.00). Airport Authority shall not be liable for any damage to improvements or for damage to any personal property brought onto the Airport.
 - 4. Mobile Equipment.
- B. Automobile Bodily Injury and Property Damage Liability Insurance covering owned, non-owned and hired vehicles for use under this Agreement, with minimum limit of Five Million and 00/100 Dollars (\$5,000,000.00) combined single limit per occurrence.

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- C. Workers' Compensation Insurance coverage shall be in accordance with the laws of the State of Nevada applicable to all employees.
- D. Employers Liability coverage with limits per occurrence of not less than \$1,000,000.00 per accident, \$1,000,000.00 per disease per employee, and \$1,000,000.00 disease policy limit; Employer Liability policies shall cover all Operator's employees and any volunteers assigned to Operator's operations at the Airport.
- E. Insurance Requirements Are Not Limits. The foregoing requirements and any approval or waiver of said insurance by the Airport Authority are not intended to and will not in any manner limit or qualify Operator's liabilities, whether imposed by applicable law or assumed pursuant to the Agreement including, but not limited to, the provisions concerning indemnification as herein described in Sections 6.11 and 7.05. The Airport Authority in no way warrants that the minimum limits contained herein are sufficient to protect Operator from liabilities that Operator's agents, representatives, employees or subcontractors, and Operator is free to purchase such additional insurance as may be determined necessary.

All policies (primary and excess) and Certificates of Insurance shall be provided by the Operator as named insured to the Airport Authority evidencing proper limits of coverage as set forth herein. Such policies shall be primary as respects Airport Authority. All policies shall name, and Certificates shall show by separate endorsement that policies name the Airport Authority, its Trustees, agents and employees as Additional Insureds; however, any other insurance available to Airport Authority shall be excess and shall not contribute with this insurance. In cases where Operator employs a contractor for services at Airport, all policies shall name, and Certificates of Insurance shall show said contractor, its agents and employees as Additional Insureds. Airport Authority has and hereby reserves for all purposes of this Agreement the right to revise the insurance requirements set forth herein as to amounts, limitations and types of coverage, and Operator hereby agrees to comply with such revised requirements upon notice from Airport Authority. Airport Authority shall have the right to determine its own legal counsel in all matters under this Agreement.

Section 6.02 – Conditions of Default. If, at any time, Operator shall fail to obtain the insurance as required herein, Operator will be deemed in default and, at its sole option, Airport Authority may terminate this Agreement in accordance with the provisions of Article 8 of this Agreement.

Section 6.03 - Notice of Claim. Operator shall give Airport Authority prompt, timely written notice of any claim or demand, which in any way affects or might affect Airport Authority, and may compromise such claim or a defense against such claim or demand to the extent of its interest therein.

Section 6.04 - Selection of Counsel. In connection with any claim under this Article 6, Airport Authority shall have the right to select counsel as it deems appropriate in the reasonable exercise of its discretion, subject, however, to the Operator's insurance carrier required selection thereof, which selection shall be deemed satisfactory. Even though Operator shall defend the action, Airport Authority may, at its option and its own expense, engage separate counsel to advise it regarding the claim and its defense. Such counsel may attend all proceedings and meetings. Operator shall cause Operator's counsel to actively consult with Airport Authority's counsel, if any. Operator and Operator's counsel shall, however, fully control the defense.

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Section 6.05 - Settlement. Operator may, with the consent of Airport Authority, which consent shall not be unreasonably withheld, settle any claim that is the subject of this Article 6. Airport Authority's consent shall not be required for any settlement by which (i) Operator procures (by payment, settlement, or otherwise) a release of Airport Authority by which Airport Authority is not required to make any payment whatsoever to the claimant, (ii) neither Airport Authority nor Operator on behalf of Airport Authority makes any admission of liability, (iii) the continued effectiveness of this Agreement is not jeopardized in any way, and (iv) Airport Authority's interest in any premises leased to Operator is not jeopardized in any way.

Section 6.06 - Insurance Proceeds. Operator's obligations under this Article 6 shall be reduced by net insurance proceeds actually collected by Airport Authority on account of the matter giving rise to Operator's indemnification hereunder.

Section 6.07 - Exculpation. Airport Authority shall not be liable to Operator for any injury or damage whatsoever to any person or property that may result by or from any cause whatsoever, except as may be caused by the gross negligence or willful misconduct of Airport Authority, its employees, agents or assigns. Under no circumstance shall Airport Authority ever be responsible for consequential damages to Operator, regardless of how such damages arise or are incurred by Operator.

Section 6.08 - Damage or Destruction of Airport Property and Improvements. Airport Authority shall have the option to repair, restore or replace all or any part of the Airport and improvements thereto in the event of damage or destruction of same, whether such damage or destruction results from a risk covered by insurance maintained by Airport Authority, by Operator or from an uninsured risk.

Section 6.09 – Waiver of Claims and Subrogation. Operator hereby waives its rights against Airport Authority, and its Trustees, agents and employees, with respect to any claims, damages or losses which are caused by or result from occurrences insured against under any policy carried by or required to be carried by Operator pursuant to the this Agreement, and Operator shall cause each policy required to be obtained by it hereunder to provide that the insurer waives all rights of recovery by way of subrogation against Airport Authority, and its Trustees, agents and employees, in connection with any claims, losses and damages covered by such policy.

Section 6.10 – Third Party Noncompliance. Airport Authority shall not be liable to Operator, its officers, directors, shareholders, members, investors, creditors, lenders, agents, employees, invitees, subtenants, or licensees for any actual or alleged violation of or noncompliance with any statute, regulation, ordinance, order, judgment, or decree by any Airport tenant, user or any other third party, except as otherwise expressly provided herein. In particular, but without limitation, Airport Authority shall have no duty to Operator or anyone acting by or for Operator to ensure, assure, warrant, guarantee or take any action relating to or in connection or conjunction with the actual or alleged violation, breach, nonperformance or other noncompliance by such tenant or user of or with any statute or any term of such contract and shall have no liability to Operator or anyone acting by or for Operator therefor. Operator and anyone acting on Operator's behalf shall not be third party beneficiaries of such contract, nor shall Airport Authority have any duty to Operator or anyone acting for Operator to enforce such contract.

Section 6.11 - Indemnification. Operator is and will remain an independent contractor, responsible for its actions and omissions, and Airport Authority will in no way be responsible therefor. Operator hereby agrees to protect, defend at the option of Airport Authority, indemnify and hold Airport Authority, its Trustees, officers, employees, and authorized agents harmless from any and all claims, fines, demands, suits, causes of action, liability and damages, incurred by Airport Authority including, but not limited to, costs of court

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and administrative proceedings and reasonable fees of attorneys and other professionals, unless caused by the sole and gross negligence or willful misconduct of Airport Authority, arising out of or in connection with this Agreement or in any way resulting from: (a) Operator's operations conducted on the Airport; (b) Operator's use, occupancy, maintenance, management and operation on the Airport; (c) defects in aircraft, vehicles, equipment, fixtures and other products owned, used, operated, installed or stored at the Airport by Operator, its agents, employees or contractors; or (d) contamination of any Airport property resulting from any of the foregoing. This indemnification of the Airport Authority by Operator includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remediation, removal, reclamation or restoration work required by any federal, state or local governmental agency or political subdivision because of the presence of hazardous material in the soil or ground water, upon or under any Airport property. Without limiting the foregoing, if the presence of any hazardous material results in contamination as aforesaid, Operator shall promptly take all actions at its sole expense as necessary to restore the affected Airport property to the condition existing prior to the introduction of any such hazardous material. Airport Authority will not hold Operator responsible for contamination which, upon investigation by the governmental agency having Airport Authority in such matters, is found to conclusively be the result of operations of prior owners or Airport. Operator's obligation to indemnify as provided herein shall survive the expiration or early termination of this Agreement.

ARTICLE 7 **STORM WATER REGULATIONS**

Section 7.01 - Acknowledgments. Notwithstanding any other provisions or terms of this Agreement:

- A. Operator acknowledges that the Airport Authority is subject to federal storm water regulations, 40 CFR Part 122, and, as applicable, state storm water regulations provided by The Nevada Water Pollution Control Law set forth in NRS Sections 445A.300 through 445A.730, inclusive. Operator further acknowledges that it is familiar with and understands these storm water laws, and acknowledges that it is aware that there are significant penalties for submitting false information in connection therewith, including fines and imprisonment for knowing violations.
- B. Airport Authority has taken steps necessary to apply for or obtain a storm water discharge permit as required by the applicable regulations for the Airport, including such portions as may be occupied by Operator. Operator acknowledges that the storm water discharge permit issued to the Airport Authority may name Operator as a co-permittee.
- C. Airport Authority and Operator both acknowledge that cooperation is necessary to ensure compliance with storm water discharge permit terms and conditions, as well as to ensure safety and to minimize costs and impacts to operations. Operator acknowledges and agrees that it will undertake all reasonably necessary actions to minimize the exposure of storm water and snow melt to "Significant Materials," if any, generated, stored, handled or otherwise used by Operator, adhering to Airport Authority's requirements and to Best Management Practices (BMP).

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Section 7.02 - Permit Compliance.

- A. Airport Authority will provide Operator with written notice of those storm water discharge permit requirements, if any, that Operator must perform including, but not limited to: certification of non-storm water discharges; collection of storm water samples; preparation of storm water pollution prevention or similar plans; implementation of good housekeeping measures and BMP; and maintenance of necessary records. Such written notice shall include applicable deadlines. Within fifteen (15) days of Operator's receipt of such written notice, it shall notify Airport Authority in writing of its dispute of any permit requirement it has been directed to undertake and the reasoning and justification as a basis for such dispute. Operator's failure to provide such timely notice shall be its assent to undertake the required performance. If Operator provides Airport Authority with timely written notice of its dispute and justification therefor, Airport Authority and Operator shall negotiate a prompt resolution of their differences. Operator will not object to written notice from Airport Authority for purposes of delay or of avoiding compliance. Operator shall undertake, at its sole cost, those permit requirements, if any, directly related to its operations, for which it received written notice from Airport Authority. Operator shall meet any and all deadlines imposed on or agreed to by Airport Authority and Operator. Time is of the essence in complying with the terms hereof.
- B. Airport Authority shall provide Operator, upon written request, with any non-privileged information collected and submitted to any governmental entity pursuant to applicable storm water regulations. The terms of Airport Authority's storm water discharge permit might change from time to time, and Airport Authority shall be Operator's agent solely to represent its interests concerning permit modifications by the pertinent regulatory agencies, provided that Airport Authority shall first fully communicate the issues and consult with Operator. Airport Authority will give Operator written notice of any violation by Operator of Airport Authority's storm water discharge permit or of the terms of this [Article 7](#), and Operator shall undertake immediately and pursue diligently the cure thereof. If Operator fails to cure any violation, or if such violation is material and of a continuing nature, Airport Authority may seek any and all remedies provided herein or by law to terminate this Agreement.

Section 7.03 – Environmental Laws; Hazardous Materials Handling.

- A. Operator shall comply with all applicable laws including, but not limited to, the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and Resource Conservation and Recovery Act (RCRA), the laws of the State of Nevada and local ordinances governing environmental matters including, but not limited to, the transportation and storage of hazardous materials, substances and waste, as might now or hereafter be defined by such laws. In particular, but without limitation, Operator shall, if and to the extent applicable, participate in, procure all available coverage and/or other protection and/or benefits under, and pay any and all fees and the like for participation by Operator in the Petroleum Fund, governed by the State of Nevada, Division of Environmental Protection, and shall submit to Airport Authority, without demand or request, true, complete, correct copies of any and all documentation relating or pertaining thereto.

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- B. Operator shall not improperly use, store or dispose of on or at the Airport any petroleum product, or any material or substance now or hereafter classified as hazardous or toxic under any federal, state or local law. Notwithstanding, the presence of certain materials, which might be necessary to support Operator's operations, located within the proper receptacles of any motor vehicle or in other proper containers correctly stored on or at the Airport, shall not be a violation of this Section 7.03.
- C. Only persons who meet Airport Authority's requirements and comply with applicable laws will be allowed to conduct business on or at the Airport to receive hazardous articles or materials for shipping or storage. Operator, its agents, employees, invitees and licensees including, but not limited to, any sub-Operator, shall handle such articles or materials compliant with 14 CFR Part 260 - 279, parts and materials handling directives, company manuals or a combination of the above, as applicable.
- D. To the extent required by law, Operator shall maintain written procedures for handling and disposing of petroleum products and hazardous and toxic materials and wastes. Operator shall make such written procedures, if any are so required, available for Airport Authority's review upon request.
- E. If applicable, Operator shall develop and submit to Airport Authority a Spill Prevention Control and Countermeasure program (SPCC) for the duration of the term of this Agreement.

Section 7.04 – Sanitary and Hazardous Waste Disposal. As applicable and as required by law, Operator shall operate and maintain, in good working condition and at its cost, appropriate, adequate facilities for separating, neutralizing and treating any sanitary and/or industrial waste, foreign materials and hazardous waste, and for the proper disposal thereof, as required by federal, state and/or local law.

Section 7.05 – Hazardous Materials Indemnification. Consistent with Section 6.11, Operator shall keep, save, protect, release, defend at the election of Airport Authority, indemnify and hold harmless Airport Authority, its Trustees, officers, agents and employees, from and against any and all claims, damages, suits, costs, expenses, liability, actions or proceedings of any kind or nature whatsoever including, but not limited to, reasonable costs and attorney fees, incurred by Airport Authority in connection with the defense of any claim, demand or cause of action arising out of or resulting from any hazardous, toxic or petroleum substance, material or waste which is brought on, deposited or stored on or removed from the Airport during Operator's use thereof by Operator or Operator's employees, agents, contractors or invitees, or arising out of any contamination any Airport Authority property resulting from and/or by any such hazardous, toxic or petroleum substance, material or waste now or hereafter defined or classified as hazardous or toxic by federal, state or local law, including, but not limited to, claims and the like caused by, resulting from, arising out of, relating to or in connection or conjunction with any tanks, dispensers, pipes, lines, cables, conduits and/or other facilities or equipment on or at the Airport for the delivery, storage and/or dispensing of fuel and/or other petroleum products, unless caused solely by the act or omission of Airport Authority. Upon receiving notice of any such claim, demand or cause of action, Operator shall, at its cost, immediately investigate and, if necessary, cure or commence to cure by taking all action prescribed by applicable federal, state and local laws including, but not limited to, the proper removal, disposal and cleanup thereof. This indemnity obligation of Operator shall survive the expiration or termination of this Agreement.

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Section 7.06 – Notice of Action. Operator shall immediately notify Airport Authority in writing of: (a) any environmental enforcement, clean-up, removal or other action proposed, instituted or completed pursuant to any federal, state or local law; (b) any claim made by any person against Operator for damages, contribution or cost recovery resulting from or claimed to result from the presence of a hazardous material; (c) any occurrence which might give rise to or result in such a claim; and/or (d) reports to any regulatory agency arising out of or in connection with the delivery to, storage on or removal from the Airport of any hazardous material including, but not limited to, any complaint, notice, warning or alleged violation in connection therewith. Operator shall provide Airport Authority with copies of all non-privileged documentation relating to the foregoing.

ARTICLE 8 **TERMINATION, CANCELLATION, ASSIGNMENT AND TRANSFER**

Section 8.01 - Termination. This Agreement shall terminate at the end of the Term hereof, as set forth in Article 2 of this Agreement, and Operator shall have no further right or interest hereunder except as otherwise expressly provided herein and subject to all terms hereof.

Section 8.02 - Termination by Airport Authority. Airport Authority may terminate this Agreement by giving Operator thirty (30) days advance written notice of an event of default as further described below:

- A. The filing by Operator of a voluntary petition in bankruptcy or a petition or answer seeking an arrangement for its reorganization or the readjustment of its indebtedness under law, or making an assignment for the benefit of creditors, or consenting to the appointment of a receiver, trustee or liquidator of all or substantially all of its property or its property located at or on the Airport, unless such proceeding is dismissed, assignment revoked or order vacated within the cure period as provided herein.
- B. The institution of proceedings in bankruptcy against Operator and adjudication of Operator as a bankrupt pursuant to said proceedings, unless such proceedings are dismissed within the cure period as provided herein.
- C. The taking by a court of competent jurisdiction of Operator and its assets pursuant to proceedings brought under the provision of any federal reorganization act or other law, unless such order is vacated within the cure period as provided herein.
- D. The appointment of a receiver, trustee or liquidator of Operator's assets or the execution of any other process of any court of competent jurisdiction unless vacated, dismissed or set aside within the cure period as provided herein.
- E. The divestiture of Operator's estate herein by operation of law, unless vacated within the cure period as provided herein.
- F. The cessation or abandonment by Operator of its conduct of business or occupancy on or at the Airport.
- G. The conduct of any business or performance of any acts not specifically authorized herein.

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- H. Default in the performance of any of the other terms, covenants and conditions required herein to be kept and performed by Operator.

If any of these events of default continue for the 30-day period following the date of the above-referenced prior written notice from Airport Authority (the "cure period"), then Airport Authority may terminate this Agreement as provided herein; provided, however, only in connection with non-monetary events of default identified in subparagraphs E, G and H of this Section 8.02, that: (a) if, in the judgment of Airport Authority, the nature of the default is such that it cannot be cured within the 30-day period following the date of the prior written notice from Airport Authority; (b) Operator shall commence good faith efforts to cure such default immediately upon receipt of such notice; and (c) such efforts are diligently prosecuted to completion within a time period reasonably determined by Airport Authority and to Airport Authority's satisfaction, then this Agreement may not be terminated by Airport Authority on the grounds of such default pursuant to this Section 8.02.

If three (3) or more events of default occur during the term of this Agreement, even though cured by Operator in timely fashion, any further right to cure subsequent events of default is thereby forfeited, and Airport Authority may terminate this Agreement immediately without providing the cure period as provided herein.

In the event Airport Authority terminates this Agreement as provided herein, such termination shall be effective upon the date specified in Airport Authority's written notice to Operator, and, upon said date, Operator shall be deemed to have no further rights hereunder and Airport Authority may remove Operator's effects from the Airport, by forcible eviction if necessary, without being deemed guilty of trespassing. Airport Authority shall be entitled to recover all unpaid rent, fees and other charges accrued through the date of termination, and all other amounts, including collection fees, court costs, reasonable attorneys' fees and costs of taking possession of and reletting any premises leased to Operator necessary to compensate Airport Authority for all detriment proximately caused by Operator's default.

Section 8.03 - Termination by Operator. In the event Airport Authority's efforts and notices pursuant to Section 4.05 hereof, have failed to secure Operator's payment of the whole or any part of any delinquent fees, charges, or other amounts due and payable hereunder for a period of thirty (30) days after such payments become due; and if Operator continues to fail to pay said amounts in full within fifteen (15) days from Airport Authority's transmittal to Operator of a final written notice of such breach, Airport Authority may, at its option, immediately cancel this Agreement for material default, by written notice thereof, and this Agreement shall be considered terminated. In such event, Airport Authority may pursue any and all remedies in the event of termination for default provided in this Agreement and now or hereafter provided by law.

Section 8.04 - Assignment and Transfer. Operator shall not, in any manner, assign, transfer, mortgage, pledge, encumber or otherwise convey an interest in this Agreement, without the prior written consent of Airport Authority, such consent to be at Airport Authority's sole discretion. Any purported assignment, transfer or encumbrance of this Agreement or Operator's interest without the Airport Authority's prior written consent shall be null and void and shall constitute a default. Any assignment, transfer or encumbrance that is approved by the Airport Authority will be subject to the terms and conditions of this Agreement and only for the same purpose permitted under this Agreement.

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ARTICLE 9 GOVERNMENTAL CONDITIONS

Section 9.01 - Operation as a Public Airport. Operator acknowledges that Airport Authority is required to operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by Airport Authority to the United States Government under the Airport and Airway Improvement Act of 1982, as the same may be amended from time to time.

Section 9.02 - Airport Landing Area Development or Improvement. Airport Authority reserves the right to further develop or improve the Landing Area of the Airport as it sees fit, regardless of the desires or view of Operator, and without interference or hindrance.

Section 9.03 - Maintenance of the Airport. Airport Authority reserves the right but shall not be obligated to Operator to maintain and keep in repair the Landing Area of the Airport and all publicly owned facilities of the Airport together with the right to direct and control all Activities of Operator in this regard.

Section 9.04 - Right of Flight. Airport Authority reserves unto itself, its successors and assigns, for the use and benefit of the public, the right of flight for the passage of aircraft in the airspace above the surface of the Airport. This right of flight shall include the right to cause in said airspace such noise as may be inherent in the operation of any aircraft now known or hereafter used for navigation or flight through the said airspace for landing at, taking off from or operating on the Airport.

Section 9.05 - No Exclusive Right. It is understood and agreed that nothing contained in this Agreement shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a), as the same may be amended from time to time.

Section 9.06 - Airport Security Plan and Facilities. Operator hereby acknowledges that Airport Authority is required by 49 CFR Part 1542, as may be amended and superseded from time to time, to adopt and put into use facilities and procedures designed to prevent and deter persons and vehicles from unauthorized access to Air Operations Areas. Airport Authority has met said requirements by developing a master security plan for the Airport, and Operator acknowledges that there is a master security plan and agrees that this Agreement is subject to the requirements of the master security plan in connection with Operator's exercise of the privileges granted to Operator hereunder.

Section 9.07 - Agreements and Covenants. Operator, for itself, its heirs, personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree to the following, as a covenant running with the land:

- A. **Subordination of Agreement** - This Agreement and all provisions set forth herein are and shall be subject and subordinate to the terms and conditions of any instruments and documents under which Airport Authority acquired the land or improvements thereto, of which any premises leased to Operator are a part, and shall be given only such effect as will not conflict with or be inconsistent with such terms and conditions. It is further understood and agreed by Operator that this Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between Airport Authority and the United States of America, or any of its agencies, relative to the development, operation or maintenance of the Airport, the execution of which has been

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or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

- B. Compliance With Title 49 - In the event facilities are constructed, maintained or otherwise operated on the any premises leased to Operator for a purpose for which a United States Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, Operator shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations (“CFR”), Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, as said regulations may be amended (49 CFR Part 21), and Title 49 CFR Part 27, Nondiscrimination on the Basis of Disability, in compliance with the intent of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C.794), as amended.
- C. Compliance With Title VI of Civil Rights Act of 1964
1. No person, on the grounds of race, color, or, national origin shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of said facilities;
 2. In the construction of any improvements on, over or under the land and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of or otherwise be subject to discrimination on the grounds of race, color, or national origin;
 3. Operator shall use any premises leased to Operator in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21.
- D. Breach of Nondiscrimination Covenants - In the event of breach of any of the above nondiscrimination covenants described in Paragraphs B and C above, Airport Authority shall have the right to terminate this Agreement and to re-enter and repossess said land and the facilities thereon and hold the same as if this Agreement had never been made or issued; provided, however, that Operator allegedly in breach shall have the right to contest said allegation of breach under applicable FAA procedures, and any sanctions under this Agreement, including but not limited to termination, shall be withheld pending completion of such procedures.
- E. Nondiscriminatory Pricing - Operator shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof, and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service, provided that Operator may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers. Noncompliance with this Paragraph and failure to substantially remedy such noncompliance within a reasonable period of time shall constitute a material breach hereof; and, in the event of such noncompliance, Airport Authority shall have the right to terminate this Agreement without liability therefor or, at the election of Airport Authority or the United States Government, either or both shall have the right to judicially enforce this Paragraph E.

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- F. Inclusion of Provisions in Operator's Agreements - Operator agrees that it shall insert the provisions of Paragraphs B through E of this Section 9.07, inclusive, in any agreement by which Operator grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on any premises leased to Operator.
- G. Disadvantaged Business Enterprise Program - Operator shall abide and be bound by the Disadvantaged Business Enterprise Program adopted and as amended from time to time by Airport Authority pursuant to 49 CFR Part 23, Participation by Disadvantaged Business Enterprise in Department of Transportation Programs, as may be applicable to Operator's Activities hereunder.
- H. Affirmative Action Plan - Operator assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, as may be amended from time to time, to ensure that no person shall, on the grounds of race, creed, color, national origin or sex, be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Operator assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by said Subpart. Operator assures that it will require that its covered suborganizations provide assurances to Operator and Airport Authority that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.
- I. Height Restriction - Operator will neither erect nor permit the erection of any structure or object, nor permit the growth of any tree, on any premises leased to Operator above the mean sea level elevation applicable to the most critical area of the Airport in accordance with Part 77 of the Federal Aviation Regulations. In the event the aforesaid covenant is breached, Airport Authority reserves the right to enter upon any premises leased to Operator and to remove the offending structure or object or cut the offending tree, all of which shall be at the expense of Operator.

Section 9.08 - Federal Review. This Agreement is subject to any applicable review by the FAA or any federal agency having jurisdiction over the Airport Authority, to determine satisfactory compliance with federal law and said Agreement shall be in full force and effect and binding upon both parties pending such review and approval by the FAA or other federal regulatory agency, as applicable; provided, however, that upon such review, all parties hereto agree to modify any of the terms hereof which may be determined to be in violation of or contrary to existing laws, regulations or other requirements.

It is anticipated that changes will come from regulatory agencies having jurisdiction over the Airport or Airport Authority in the form of regulatory changes. It is Operator's responsibility to obtain all Notices of Proposed Rule Making directly from such agencies. Where possible, Airport Authority may provide notice of proposed changes but nothing contained herein shall render this provision unenforceable by virtue of Operator not receiving notice of proposed changes.

Section 9.09 - Federal Right to Reclaim. If a United States governmental agency shall demand and take over the entire facilities of the Airport for public purposes, then and in that event Airport Authority shall be released and fully discharged from any and all liability hereunder; provided, however that Operator

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expressly reserves any and all legal rights, claims and causes of action which it may have against the United States Government or any agency thereof arising out of or resulting from the reclamation of the Airport and the taking of any of Operator's improvements, fixtures and property located thereon.

Section 9.10 - Anti-Lobbying Certifications. Operator certifies, to the best of its knowledge and belief, that:

- A. No federally appropriated funds have been paid or will be paid by or on behalf of Operator, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member, officer or employee of Congress, or an employee or member of Congress in connection with the award of any federal contract, in making any federal grant or federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
- B. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a member, officer or employee of Congress, or an employee or member of Congress in connection with any contract, grant, loan or cooperative agreement relating to this Agreement, Operator shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.
- C. Operator shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Section 9.11 – Citizenship Certification.

- A. Operator certifies that it:
 - 1. Is not owned or controlled by one or more citizens or nationals of a foreign country included in the list, published by the Office of the United States Trade Representative or any successor thereto, of countries that discriminate against United States of America business entities;
 - 2. Has not knowingly entered into any contract or subcontract hereunder with a contractor that is a citizen or national, owned or controlled directly or indirectly by one or more citizens or nationals, of such a country; or indirectly by one or more citizens or nationals of a foreign country on that list; and
 - 3. Has not procured any product or subcontracted for the supply of any product, for use hereunder, that is produced in such a country.
- B. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR Part 30.17, no contract shall be awarded to any party hereunder that is unable to certify to the above. If Operator knowingly procures or subcontracts for the supply of any product or service from such a country for use hereunder, the FAA and/or the TSA may direct, through the Airport Authority, the cancellation of such contract, at no cost to the United States of America or the Airport Authority.

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- C. Operator shall ensure the incorporation by reference of this provision for certification, without modification, in each contract and in all subcontracts. Operator may rely upon the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous. Operator shall provide immediate written notice to Airport Authority if it learns that a prospective contractor's certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances, and shall require its contractors and their subcontractors to provide immediate written notice to Operator and Airport Authority if, at any time, such contractor or subcontractor learns that its certification was erroneous by reason of changed circumstances.
- D. This certification is a material representation of fact upon which Airport Authority relied when entering this Agreement. If it is determined that Operator or any contractor or subcontractor thereof knowingly rendered an erroneous certification, the FAA may direct, through Airport Authority, termination of the contract or subcontract at no cost to the United States of America or the Airport Authority.
- E. Nothing contained herein shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information required of Operator need not exceed that normally possessed by a prudent person in the ordinary course of business dealings.
- F. This certification concerns a matter within the jurisdiction of an agency of the United States of America, so that making a false, fictitious or fraudulent certification might render the maker subject to prosecution under 18 U.S.C. Section 1001.

ARTICLE 10 **GENERAL PROVISIONS**

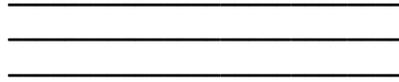
Section 10.01 - Rights Cumulative The rights and remedies of Airport Authority and Operator specified in this Agreement are not intended to be and shall not be exclusive of one another or exclusive of any rights or remedies as may be available at law or in equity to either of the parties hereto, and each party shall have the right to pursue any one or all of such rights and remedies.

Section 10.02 – Notice. Except as herein otherwise expressly provided, all notices required to be given to Airport Authority hereunder shall be in writing and shall be sent by personal delivery, fax, or email, express mail including Federal Express, United Parcel Service and/or other similar express delivery services , or by certified mail, return receipt requested, addressed to:

**President/Chief Executive Officer
Reno-Tahoe Airport Authority
P. O. Box 12490
Reno, Nevada 89510-2490**

Except as herein otherwise expressly provided, all notices required to be given to Operator hereunder shall be in writing and shall be sent by personal delivery, fax, or email, express mail including Federal Express, United Parcel Service and/or other similar express delivery services , or by certified mail, return receipt requested, addressed to:

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Notices as provided in this Section 10.02 shall be deemed received five (5) days after deposit in the mail. The parties, or either of them, may designate in writing from time to time any changes in address or addresses of substitute or supplementary persons in connection with said notices.

Section 10.03 – Nonliability of Agents or Employees. No Trustee, officer, employee or other agent of Airport Authority or Operator shall be charged personally or held contractually liable by or to the other party under the provisions of or in connection with this Agreement or because of any breach thereof or because of its or their execution or attempted execution.

Section 10.04 – Agent for Service of Process. It is expressly understood and agreed that if Operator is not a resident of the State of Nevada, or is an association or partnership without a member or partner resident of the State of Nevada, or is a foreign corporation, Operator will appoint an agent for service of process in the City of Reno. Due to any failure on the part of said agent or the inability of said agent to perform, Operator does designate the Secretary of State, State of Nevada, its agent for the purpose of service of process in any court action between it and the Airport Authority arising out of or based upon this Agreement, and the service shall be made as provided by the laws of the State of Nevada for service upon a non-resident. It is further expressly agreed, covenanted and stipulated that if for any reason service of such process is not possible, and as an alternative method of service of process, Operator may be personally served with such process out of this State by the registered mailing of such complaint and process to Operator at the address set forth herein. Any such service out of this State shall constitute valid service upon Operator as of the date of mailing.

Section 10.05 - National Emergency. This Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has, or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or nonexclusive use of the Airport by the United States Government during time of war or national emergency.

Section 10.06 - Attorneys' Fees and Expenses. In the event suit, proceeding or action is instituted to enforce any of the terms, covenants or conditions of this Agreement or litigation concerning the rights and duties of the parties to this Agreement, or to recover any amounts due hereunder, the losing party shall pay to the prevailing party, in addition to the costs and disbursements allowed by statute, such sum as the court or proceeding officer may adjudge reasonable as attorney's fees in such suit, proceeding or action, in both trial court and appellate court.

Section 10.07 – Compliance with NRS 338.125. In connection with work performed hereunder, Operator shall not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age. In addition, Operator shall require the inclusion of these terms in all contracts for work on the Airport.

Section 10.08 - Severability. .If any covenant, condition or provision herein is held to be invalid by a court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenant, condition or provision herein, provided the invalidity of any such covenant, condition or provision does not materially prejudice either Airport Authority or Operator in its respective rights and obligations contained in the valid covenants, conditions and provisions of this Agreement.

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Section 10.09 - Other Agreements. Except as specifically set out in this Agreement, the terms and provisions of this Agreement shall in no way affect or impair the terms, obligations or conditions of any other agreement between Operator and Airport Authority.

Section 10.10 - Force Majeure. Each party's obligation to perform or observe any term, condition, covenant or agreement on such party's part to be performed or observed under this Agreement (other than any obligation to pay money when due unless expressly set forth otherwise in this Agreement) shall be suspended during such time as such performance or observance is prevented or delayed by reason of any "Force Majeure Event." A Force Majeure Event means an industry-wide strike, boycotts, labor disputes, embargoes, acts of the public enemy, act of superior governmental Airport Authority, riots, rebellion or sabotage, war, fire, earthquake, flood or other natural disaster or any other circumstances not within the reasonable control of the party required to perform, notwithstanding such party's reasonable diligent efforts to perform. A Force Majeure Event shall extend the time permitted for such performance only by the number of Days by which such Force Majeure Event actually delayed performance.

Section 10.11 - Governing Law. This Agreement, its interpretation and performance, the relationship between the parties, and any disputes arising from or relating to any of the foregoing, shall be governed, construed, interpreted, and regulated under the laws of Nevada, without regard to principles of conflict of laws.

Section 10.12 – Headings; Days. The headings of the Articles and Sections of this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provisions of this Agreement and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof. All references in this Agreement to “days” means calendar days unless specifically modified to be “business” days.

Section 10.13 - Bailee Disclaimer. It is hereby understood and agreed that Airport Authority in no way purports to be a bailee and is, therefore, not responsible in any way for any damage to the property of others, including, but not limited to, the property of Operator, Operator's contractors, agents, employees, subtenants, licensees, guests and invitees.

Section 10.14 – Waivers. Failure of either party to complain of any act or omission on the part of the other party shall not be deemed a waiver by the noncomplaining party of any of its rights under this Agreement. No waiver by either party at any time, express or implied, of any breach of any provisions of this Agreement shall be a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision.

Section 10.15 – Successors and Assigns Bound. This Agreement shall be binding upon and inure to the benefit of Airport Authority and Operator and their successors and assigns of the parties hereto, but this shall not limit or supersede any restrictions on assignment or transfer as described in Section 8.04 in this Agreement.

Section 10.16 – Estoppel Certificates. From time to time, each party to this Agreement may, up to twice a year, require the other party to execute, acknowledge and deliver to the requesting party (or directly to a designated third party) up to four (4) original counterparts of an Estoppel Certificate. The certifying party shall sign, acknowledge, and return such Estoppel Certificate within ten (10) Days after request. Any third party to whom an Estoppel Certificate is directed may rely on such Estoppel Certificate.

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Section 10.17 – Venue; Jurisdiction. The parties each hereby irrevocably agree that any legal action or other proceeding relating to this Agreement which may be brought by one party against the other party in a court of law shall be commenced and prosecuted in the Second Judicial District Court of the State of Nevada in and of the County of Washoe in the State of Nevada, District of Nevada-Reno, and each party further irrevocably consents to the jurisdiction of such courts, which shall be the exclusive and only proper forum for adjudicating such a claim.

Section 10.18 – Joint and Several Obligations. The obligations of the parties identified herein as Operator, or any of them, shall be joint and several for all purposes hereunder.

Section 10.19 - Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship between the parties hereto. The parties shall understand and agree that neither the method of computation of Concession Fees, nor any other provision contained herein, nor any acts of the parties hereto creates a relationship other than the relationship of Airport Authority and Operator.

Section 10.20 - Representative of Airport Authority. The President/CEO shall be designated as the official representative of the Airport Authority in all matters pertaining to this Agreement and shall have the right to act on behalf of the Airport Authority with respect to all action required of the Airport Authority in this Agreement.

Section 10.21 – Amendment. This Agreement may be amended only in writing and executed by duly authorized representatives of the parties hereto, at a date subsequent to the date of this Agreement.

Section 10.22 - Entire Agreement. This Agreement, together with all Exhibits attached hereto and any document incorporated herein by reference, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and all other representations or statements heretofore made, verbal or written, are merged herein. and this Agreement may be amended only in writing and executed by duly authorized representatives of the parties hereto, at a date subsequent to the date of this Agreement.

Section 10.23 – Execution in Counterparts: Electronic Delivery. This Agreement can be executed in counterparts, each of which shall be an original and, upon the delivery to each party of one or more copies of the Agreement signed by all parties, together will constitute a fully executed and binding contract. The exchange of executed signature pages by facsimile or email transmission shall constitute effective delivery of such signature pages and may be used in lieu of the original signature pages for all purposes. In the event this Agreement is delivered by facsimile or email, the parties agree to exchange ink-signed counterparts promptly after the execution and delivery of this Agreement at the request of either party.

[This space intentionally left blank. Signatures on the next page.]

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WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

OPERATOR:

By: _____

Name: _____
(Please Print)

Title: _____

AIRPORT AUTHORITY:

RENO-TAHOE AIRPORT AUTHORITY

By: _____

Name: _____ Marily M. Mora, A.A.E.

Title: _____ President/CEO