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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

LONG BEACH MUNICIPAL AIRPORT

33834

AMENDED AND RESTATED LEASE

CITY OF LONG BEACH

LANDLORD

CONCEPTS 4, INC.

TENANT

AMENDED AND RESTATED LEASE

The following Amended and Restated Lease is made and entered into, in duplicate, as of the 1st day of May, 2015 ("Effective Date"), pursuant to a minute order adopted by the City Council, City of Long Beach, at its meeting held on the 16th day of December, 2014, by and between the CITY OF LONG BEACH, a municipal corporation, ("LANDLORD") and CONCEPTS 4, INC., a California corporation, with its place of business at 3229 East Spring Street, Long Beach, California ("TENANT").

1. LEASED PREMISES.

In consideration of the faithful performance of the covenants and conditions hereinafter agreed to be kept by LANDLORD and TENANT, LANDLORD does hereby lease and TENANT does hereby take and accept the following described premises consisting of approximately 0.81 acres of land located at the Long Beach Municipal Airport (LGB) (the "Airport") legally described in Exhibit "A" attached hereto and made a part hereof, and shown on the drawing marked Exhibit "B" attached hereto and made a part hereof (the "Premises"). The parties acknowledge and agree that the Premises were previously leased by LANDLORD to TENANT pursuant to Fixed Base Operation Lease No. 16419 dated as of March 14, 1983 (as amended, the "Original Lease"). The Original Lease shall no longer be of any further force or effect as of the Effective Date.

2. CONDITION OF PREMISES.

A. TENANT accepts the Premises in an "AS IS" condition and acknowledges that TENANT has not received and LANDLORD has not made any warranty, express or implied as to the condition of the Premises or any improvements, structures substructures, or infrastructures located thereon.

B. Except as otherwise set forth in this Lease, TENANT agrees to bear all expenses incurred in the development, operation and maintenance of the Premises including improvements thereto existing as of the Effective Date.

C. TENANT agrees to keep the Premises in a neat, orderly and

1 safe condition and free of waste, rubbish ,and debris during the term of this Lease.

2 3. CONSTRUCTION, ALTERATION AND CHANGES.

3 A. TENANT shall not construct, install, or modify any structures,
4 facilities or exterior signs on the Premises costing in excess of Fifty Thousand
5 Dollars (\$50,000) without the prior written approval of LANDLORD'S Airport Director
6 or designee (the "Airport Director").

7 B. After the Effective Date, TENANT shall not place upon the
8 Premises any portable buildings, trailers, or other portable structures without the
9 prior written approval of the Airport Director.

10 4. CONSTRUCTION AND BONDING.

11 A. BONDS. Prior to beginning any construction valued at more
12 than Two Hundred Fifty Thousand Dollars (\$250,000.00), TENANT shall provide
13 written notice of such proposed construction to the Airport Director. Within ten (10)
14 days of receipt of such notice the Airport Director, in his or her reasonable discretion,
15 may require TENANT to file with LANDLORD a Performance Bond or letter of credit
16 or an assignment of a Certificate of Deposit (CD) in the amount of fifty percent (50%)
17 of the estimated cost of the construction and a Labor and Material Bond (also known
18 as a Payment Bond) in the amount of fifty percent (50%) of the estimated cost of
19 the construction, executed by LESSEE or LESSEE'S contractor, as Principal, and
20 by a surety authorized to do business in California as a Surety. The bonds shall
21 name LANDLORD as a joint obligee with TENANT. Should the Airport Director fail
22 to respond to the written notice as described above, then TENANT may commence
23 construction without provision of any bonds or other construction security to
24 LANDLORD. Nothing contained in this Lease shall be deemed to release TENANT
25 from the duty to keep the Premises free of liens. The Performance Bond shall
26 remain in effect until the expiration of the statutory period for filing liens or stop
27 notices, or until the Premises are free from the effect of such liens or stop notices,
28 if liens have been filed.

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B. FORCE MAJEURE. The time within which TENANT is obligated hereunder to construct, repair or rebuild any building or other improvement, or cure any default on the part of TENANT hereunder shall be extended for a period of time equal in duration to, and performance in the meantime shall be excused on account of and for and during the period of time equal in duration to, any delay caused by strikes, threats of strikes, lockouts, war, threats of war, insurrection, invasion, acts of God, calamities, violent action of the elements, fire action or regulation of any governmental agency, law or ordinance, impossibility of obtaining materials, or other things beyond the reasonable control of TENANT.

C. ZONING. The Premises are presently zoned PD-13.

D. PROPERTY OF TENANT. Any buildings, structures or other improvements existing as of the Effective Date or thereafter constructed or placed on the Premises by TENANT shall remain the property of TENANT until the expiration or earlier termination of this Lease.

E. LIENS.

i. Subject to TENANT's right, to contest the same as hereinafter provided, TENANT agrees that it will pay as soon as due all mechanics, laborers, materialmens, contractors, subcontractors or similar charges, and all other charges of whatever nature which may become due, attached to or payable on said property or any part thereof or any building, structure or other improvements thereon, from and after the Effective Date. Nothing herein contained shall in any respect make TENANT the agent of LANDLORD, or (except as otherwise specifically provided in this Lease), authorize TENANT to do any act or to make any contract encumbering or in any manner affecting the title or rights of LANDLORD in or to the Premises or in the improvements thereon.

ii. Before any buildings, structures or other improvements, repairs or additions thereto are constructed or reconstructed upon the

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Premises, costing in excess of Fifty Thousand Dollars (\$50,000), TENANT shall serve written notice upon the Airport Director in the manner specified in this Lease of TENANT's intention to perform such work for the purpose of enabling LANDLORD to post notices of non-responsibility under the provisions of Section 3094 of the Civil Code of the State of California, or any other similar notices which may be required by law.

iii. If any such mechanics or other liens shall at any time be filed against the Premises, TENANT shall cause the same to be discharged of record within thirty (30) days after the date of filing the same, or otherwise free the Premises from the effect of such claim of lien and any action brought to foreclose such lien, or TENANT shall promptly furnish to LANDLORD a bond in an amount and issued by a surety company satisfactory to LANDLORD securing LANDLORD against payment of such lien and against any and all loss or damage whatsoever in any way arising from the failure of TENANT to discharge such lien.

iv. Any contest by TENANT of any such liens shall be made by TENANT in good faith and with due diligence and TENANT shall fully pay and immediately discharge the amount of any final judgment rendered against LANDLORD or TENANT in any litigation involving the enforcement of such liens or the validity thereof.

v. In the event of TENANT'S failure to discharge of record any such uncontested lien within said thirty (30) day period or to pay and satisfy any such judgment as aforesaid, LANDLORD may, but shall not be obliged to, pay the amount thereof, inclusive of any interest thereon and any costs assessed against TENANT in said litigation, or may discharge such lien by contesting its validity or by any other lawful means.

vi. Any amount paid by LANDLORD for any of the aforesaid purposes, and all reasonable legal and other expenses of LANDLORD

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including reasonable counsel fees, in defending any such action or in connection with procuring the discharge of such lien, with all necessary disbursements in connection therewith, together with interest thereon at the rate provided by law from the date of payment shall be repaid by TENANT to LANDLORD on demand.

F. COMPLIANCE WITH CONSTRUCTION LAWS. TENANT shall cause all construction work performed at the Premises to comply with (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies (including, without limitation, all applicable federal and state labor standards, including the prevailing wage provisions of Section 1770 et seq. of the California Labor Code), and (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. TENANT shall indemnify, defend and hold LANDLORD harmless from any and all claims based upon or arising from the failure of any work related to the Premises to comply with all such applicable legal requirements, including, without limitation, any such claims that may be asserted against or incurred by LANDLORD with respect to or in any way arising from such construction work's compliance with or failure to comply with applicable laws, including all federal and state labor requirements including, without limitation, the requirements of California Labor Code Section 1770 et seq.

5. IMPROVEMENTS TO BE REMOVED BY TENANT OR BECOME PROPERTY OF LANDLORD. Upon the expiration or earlier termination of this Lease, (i) all buildings and improvements on the Premises shall immediately become the property of LANDLORD without compensation to TENANT, and (ii) any fixtures, furniture, equipment or other personal property remaining on the Premises may be disposed of by LANDLORD, and TENANT shall reimburse LANDLORD the costs of such disposal (if any).

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6. TERM. The term of this Lease shall be a period of forty (40) years, beginning on the Effective Date and terminating on April 30, 2055 (the "Lease Term"), unless sooner terminated in accordance with the terms of the Lease.

7. RENT.

A. Beginning on the Effective Date and continuing thereafter until May 1, 2030, TENANT shall pay rent to LANDLORD monthly in advance, without deduction, setoff, notice or demand, on the first day of each month, in accordance with the rent schedule included as Exhibit "C" attached hereto and made a part hereof.

B. The monthly rent shall be adjusted to reflect fair market value conditions. In order to adjust the monthly rent, the fair market land value of the Premises and the prevailing rate of return shall be determined as of November 1 of the year immediately preceding the year in which the fair market value rent adjustment is to become effective. Adjusted rent payment shall take effect on the following dates (each, an "FMV Adjustment Date"): May 1, 2030, May 1, 2040 and May 1, 2050.

i. Approximately six (6) months prior to an FMV Adjustment Date, LANDLORD and TENANT shall meet to determine the fair market land value and prevailing rate of return. Should LANDLORD and TENANT not be able to come to agreement at least four (4) months prior to the FMV Adjustment Date, then the fair rental value of the subject land and/or the prevailing rate of return shall be determined by appraisals prepared by two appraisers, one appointed by LANDLORD at its expense and one appointed by TENANT at its expense. All appraisers shall be MAI members of the American Institute of Real Estate Appraisers or a successor organization in the event the American Institute of Real Estate Appraisers ceases to exist. Both appraisals must be completed and exchanged between LANDLORD and TENANT respectively within forty (40) days after the

1 appointment of the appraisers. The two appraisals shall be averaged unless
2 the higher of the two appraisals exceeds the lesser by ten percent (10%) or
3 more, in which case the two appraisers shall appoint a third appraiser, also
4 an MAI member of the American Institute. In order to select such third
5 appraiser, if the two appraisers do not agree, the appraisers shall obtain a
6 list of five appraisers from the President of the American Institute of Real
7 Estate Appraisers and shall alternately strike names from such list until one
8 remains to become the third appraiser. The third appraiser shall be
9 appointed by the first two appraisers within fourteen (14) days after notice
10 from either of the parties to this Lease that the appointment of a third
11 appraiser is necessary. The cost of such third appraiser shall be shared
12 equally by the parties to this Lease. The third appraiser shall complete and
13 submit the required appraisal to both parties within forty (40) days after
14 appointment. All appraisals shall be in the form of written reports supported
15 by facts and analysis. The two of the three appraisers arriving at values
16 closest to each other shall attempt to concur on a value. If they are unable
17 to do so within forty (40) days, the two closest appraisals shall be averaged
18 and that value shall be the fair market value of the land or the prevailing rate
19 of return, as appropriate. The adjusted fair market land value shall be
20 converted into an annual rent obligation based on the prevailing rate of return
21 on similar ground leases then current in the market. Disagreements between
22 the two appraisers as to the method of appraisal shall be resolved by a third
23 appraiser, appointed in the manner described in this subsection.

24 ii. Upon completion of the determination of the adjusted
25 rent to be paid by Tenant hereunder, Landlord and Tenant shall execute an
26 amendment to this Lease to formally recognize the new rent amount.

27 C. Beginning on May 1, 2031 and continuing annually thereafter
28 (except on FMV Adjustment Dates), the then-current monthly rent shall be adjusted

1 to reflect the increase (if any) in the Consumer Price Index for All Urban Consumers,
2 All Items, for the Los Angeles-Riverside-Orange County, CA Area, published by the
3 United States Department of Labor, Bureau of Labor Statistics ("index"). If the index
4 for the month of February for the year of such review (hereinafter referred to as the
5 "current index") is more than the index for the month of February in the year
6 immediately prior to the year of such review (hereinafter referred to as the
7 "beginning index"), then the then-current monthly rental payable by Lessee to City
8 thereafter, unless and until adjusted as a result of further periodic reviews, shall be
9 increased by the same percentage that the current index increased over the
10 beginning index; provided, however, that in no event shall the rent increase
11 calculated in accordance with this Paragraph C be less than two percent (2%) nor
12 more than six percent (6%) of the rent during the prior one (1) year period.

13 8. LATE PAYMENT. TENANT hereby acknowledges that late
14 payment by TENANT to LANDLORD of rent and other sums due hereunder will
15 cause LANDLORD to incur costs not contemplated by this Lease, the exact amount
16 of which will be extremely difficult to ascertain. Such costs include, but are not limited
17 to, processing and accounting charges. Accordingly, if any installment of rent or
18 other sum due from TENANT shall not be received by LANDLORD within ten (10)
19 days after such amount shall be due, shall pay to LANDLORD a late charge equal to
20 ten percent (10%) of such overdue amount. The parties hereby agree that such late
21 charge by LANDLORD shall in no event constitute a waiver of TENANT'S default
22 with respect to such overdue amount, nor prevent LANDLORD from exercising any
23 of the other rights and remedies granted at law or equity or pursuant to this Lease.

24 9. SECURITY DEPOSIT. Pursuant to Section 9 of the Original
25 Lease, LANDLORD does not hold any security deposit for this leasehold. TENANT
26 shall have no obligation to maintain a security deposit with LANDLORD under this
27 Lease.

28 10. USE. The Leased Premises is for "Office Use", which under the

1 PD13 means use of a building for administrative, professional or clerical tasks.

2 11. UNAUTHORIZED USES. Only the uses specified in Section 10
3 are authorized uses, and such uses are authorized only when (i) such uses do not
4 conflict with applicable zoning and Airport rules and regulations, and (ii) are
5 conducted by TENANT or a Subtenant approved in advance by the Airport Director.

6 12. OPERATION OF BUSINESS.

7 A. TENANT, for itself, or through its subtenants, shall continuously
8 use and operate the Premises, during all usual business hours and on all such days
9 as comparable business of like nature in the area are open for business in
10 accordance with the provisions of this Lease relating to use. If the Premises are
11 destroyed or partially condemned and this Lease remains in full force and effect,
12 TENANT shall continue operation of its business at the Premises to the extent
13 reasonably practical as determined by good business judgment during any period
14 of reconstruction.

15 B. TENANT shall appoint in writing an authorized local agent duly
16 empowered to make decisions on behalf of TENANT in all routine administrative
17 and operational matters relating to the Premises who shall be available at the
18 Premises during normal business hours. TENANT shall notify the Airport Director
19 in writing of the name, address and telephone number of said agent.

20 13. COMPLIANCE WITH LAW. TENANT shall at all times conduct
21 its operations in accordance with all applicable Airport rules and regulations, as may
22 hereafter be amended by LANDLORD from time to time. These rules and regulations
23 are set out in full in Exhibit "F" attached hereto and made a part hereof. No
24 improvements or structures, either permanent, temporary or portable, shall be
25 erected, placed upon, operated or maintained on the Premises, nor shall business
26 or any other activity be conducted or carried on, in, onto, or from the Premises in
27 violation of the terms of this Lease or any duly adopted rules, regulations, orders,
28 law, statute, by-law, or ordinance of any governmental agency having jurisdiction

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thereover.

14. CAPITAL IMPROVEMENTS. During the Lease Term, TENANT shall be required to spend not less than Eight Hundred Thousand Dollars (\$800,000) on capital improvements to the Premises ("Capital Improvements") at the times provided in this Section 14. Capital Improvements shall include certain tenant improvement and other improvements which add additional capacity or function to the Premises or which extend the useful life of the Premises for at least five (5) years, including without limitation (i) the rehabilitation or replacement of structural components of buildings located on the Premises such as walls, roofs and sub-flooring, (ii) the repair or replacement of HVAC systems, (iii) the rehabilitation or replacement of common area spaces, including restrooms, (iv) the replacement of utility and telecommunication infrastructure, and (v) the costs of any bonds or other construction security that may be required under Section 4. TENANT shall obtain prior written approval from LANDLORD for all Capital Improvements costing in excess of Fifty Thousand Dollars (\$50,000). Capital Improvements shall not include (i) maintenance costs, (ii) landscaping costs, (iii) routine repairs, such as interior painting, carpet replacement, and/or pest abatement, or (iv) costs associated with tenant improvements required in connection with specific subleased space within the Premises. On or before the date which is ninety (90) days after the Effective Date, and thereafter on each fifth (5th) anniversary of the Effective Date, TENANT shall submit to LANDLORD a facilities condition report for the Premises ("FC Report"), prepared, at TENANT's cost, by an appropriately licensed engineering firm with previous experience preparing such reports in the Los Angeles metropolitan area. Each FC Report shall establish a facilities condition index ("FCI"). TENANT shall use its best efforts to maintain an FCI equal to ten percent (10%) or less; provided, however, that it shall not be a default under this Lease unless an FC Report shows an FCI equal to twenty percent (20%) or more. After receipt of an FC Report by LANDLORD, LANDLORD and TENANT shall promptly thereafter meet to review the

1 FC Report and the parties shall mutually negotiate and agree upon a schedule of
2 Capital Improvements to be completed by TENANT over the succeeding five-year
3 period reasonably necessary to maintain an ongoing FCI equal to approximately ten
4 percent (10%). Should the parties fail to mutually agree upon a Capital Improvement
5 schedule, LANDLORD shall submit to TENANT a list of three (3) independent
6 arbitrators in the Los Angeles area with previous experience arbitrating similar
7 disputes. TENANT shall thereafter promptly select one arbitrator from the list and
8 the parties shall promptly submit the matter to arbitration and the finding of the
9 arbitrator with respect to the appropriate schedule of Capital Improvements shall be
10 final. The parties shall split the cost of the arbitrator. TENANT shall submit to
11 LANDLORD annual reports detailing all Capital Improvement expenditures actually
12 made by TENANT during the preceding year.

13 15. INDEMNIFICATION AND HOLD HARMLESS.

14 A. TENANT shall indemnify, protect and hold harmless
15 LANDLORD, its Boards, Commissions, and their officials, employees and agents
16 ("Indemnified Parties"), from and against any and all liability, claims, demands,
17 damage, loss, obligations, causes of action, proceedings, awards, fines, judgments,
18 penalties, costs and expenses, including attorneys' fees, court costs, expert and
19 witness fees, and other costs and fees of litigation, arising or alleged to have arisen,
20 in whole or in part, out of or in connection with (1) the use of the Premises by
21 TENANT, its officers, employees, agents, subcontractors, or anyone under
22 TENANT'S control, or (2) TENANT'S breach or failure to comply with any of its
23 obligations contained in this Lease (collectively "Claims" or individually "Claim").

24 B. In addition to TENANT'S duty to indemnify, TENANT shall have
25 a separate and wholly independent duty to defend Indemnified Parties at TENANT'S
26 expense by legal counsel approved by LANDLORD, from and against all Claims,
27 and shall continue this defense until the Claims are resolved, whether by settlement,
28 judgment or otherwise. No finding or judgment of negligence, fault, breach, or the

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like on the part of TENANT shall be required for the duty to defend to arise. LANDLORD shall notify TENANT of any Claim, shall tender the defense of the Claim to TENANT, and shall assist TENANT, as may be reasonably requested, in the defense.

C. If a court of competent jurisdiction determines that a Claim was caused by the sole negligence or willful misconduct of Indemnified Parties, TENANT'S costs of defense and indemnity shall be (1) reimbursed in full if the court determines sole negligence by the Indemnified Parties, or (2) reduced by the percentage of willful misconduct attributed by the court to the Indemnified Parties.

D. The provisions of this Section 15 shall survive the expiration or termination of this Lease.

16. INSURANCE. Concurrent with and as a condition of obtaining occupancy of the Premises, TENANT shall procure and maintain at TENANT'S expense for the duration of this Lease including any extensions, renewals, or holding over thereof, from insurance companies that are admitted to write insurance in the State of California or that have ratings of or equivalent to an A:VIII by A.M. Best and Company, the following insurance:

A. Commercial general liability insurance equivalent in coverage scope to ISO CG 00 01 10 93 or airport liability insurance, including contractual coverage, and, as may be applicable to TENANT'S operations, products and completed operations, sudden and accidental pollution and cleanup liability, and garage-keeper's legal liability, naming the City of Long Beach, its officials, employees, and agents as additional insureds from and against claims, demands, causes of action, expenses, costs, or liability for injury to or death of persons, or damage to or loss of property arising out activities performed by or on behalf of TENANT in an amount not less than Five Million Dollars per occurrence and in aggregate. Said insurance shall be primary insurance with respect to LANDLORD and shall include cross liability protection, and its insurer shall agree to waive its

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right of subrogation against the City.

B. Commercial automobile liability insurance equivalent in coverage scope to ISO CA 00 01 06 92), covering Symbol 1 in an amount not less than One Million Dollars combined single limit. Said insurance shall be primary insurance with respect to LANDLORD and shall include cross liability protection.

C. In the event the terms of Section 10 are modified, and, as applicable, aircraft liability insurance, including contractual coverage, and, as may be applicable to TENANT'S operations, products and completed operations, naming the City of Long Beach, its officials, employees, and agents as additional insureds from and against claims, demands, causes of action, expenses, costs, or liability for injury to or death of persons, or damage to or loss of property arising out activities performed by or on behalf of TENANT in an amount not less than Five Million Dollars per occurrence. Said insurance shall be primary insurance with respect to LANDLORD and shall include cross liability protection, and its insurer shall agree to waive its right of subrogation against the City.

D. "All Risk" property insurance, including Builder's Risk protection during the course of construction, in an amount sufficient to cover the full replacement value of all buildings and structural improvements erected on the Premises. LANDLORD shall be named as an additional insured under a standard loss payable endorsement.

E. "All Risk" property insurance in an amount sufficient to cover the full replacement value of TENANT'S personal property, improvements, and equipment on the Premises.

F. Business interruption insurance providing that the rent due LANDLORD shall be paid for a period up to twelve (12) months if the Premises are destroyed or rendered inaccessible.

G. Workers' compensation insurance in an amount and form as required by all applicable laws. Said insurer of such coverage shall agree to waive

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its right of subrogation against the City.

H. Any self-insurance program, self-insurance retention, or deductibles must be approved separately in writing by LANDLORD and shall protect the City of Long Beach, its officials, employees, and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained retention provisions. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, changed, or canceled by either party except after thirty (30) days prior written notice to LANDLORD, and shall be primary and not contributing to any other insurance or self-insurance maintained by LANDLORD.

I. With respect to damage to property, LANDLORD and TENANT hereby waive all rights of subrogation, one against the other, but only to the extent that collectible commercial insurance is available for said damage.

J. TENANT shall deliver to LANDLORD certificates of insurance and original endorsements for approval as to sufficiency and form prior to occupancy of the new improvements. The certificates and endorsements for each insurance policy shall contain the original signature of a person authorized by that insurer to bind coverage on its behalf. "Claims-made" policies are not acceptable unless LANDLORD'S Risk Manager determines that "Occurrence" policies are not available in the market for the risk being insured. In a "Claims-made" policy is accepted, it must provide for an extended reporting period of not less than one hundred eighty (180) days.

K. Not more frequently that every three years, if in the opinion of LANDLORD or of LANDLORD'S Risk Manager or designee, the amount of the foregoing insurance coverage is not adequate, TENANT shall increase the insurance coverage as required by LANDLORD.

L. Such insurance as required herein shall not be deemed to limit TENANT'S liability relating to performance under this Lease. LANDLORD reserves

1 the right to require complete certified copies of all said policies at any time. The
2 procuring of insurance shall not be construed as a limitation on liability or as full
3 performance of the indemnification and hold harmless provisions of this LEASE.
4 TENANT understands and agrees that, notwithstanding any insurance, TENANT'S
5 obligation to defend, indemnify, and hold LANDLORD, its officials, agents, and
6 employees harmless hereunder is for the full and total amount of any damage,
7 injuries, loss, expense, costs, or liabilities caused by the condition of the Premises
8 or in any manner connected with or attributed to the acts or omissions of TENANT,
9 its officers, agents contractors, employees, subtenants, licensees, patrons, or
10 visitors, or the operations conducted by TENANT, or the TENANT'S use, misuse, or
11 neglect of the Premises.

12 M. Any modification or waiver of the insurance requirements
13 herein shall be made only with the written approval of the LANDLORD'S Risk
14 Manager or designee.

15 17. ENCUMBRANCES.

16 A. ASSIGNMENTS TO LENDERS. During the Lease Term,
17 TENANT may encumber TENANT's interest under this Lease and the leasehold
18 estate hereby created to a lender on the security of the leasehold estate and in that
19 connection may perform any and all acts and execute any and all instruments
20 necessary or proper to consummate any loan transaction and perfect the security
21 therefore to be given such lender on the security of the leasehold estate, and
22 LANDLORD shall execute a form of estoppel acceptable to LANDLORD in
23 connection with such loan transaction within ten (10) business days after request
24 from TENANT.

25 B. LENDER'S RIGHTS. Any such lender shall have the right at
26 any time during the Lease Term:

27 i. To do any act or thing required of TENANT hereunder
28 and all such acts or things done and performed shall be as effective to

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prevent a forfeiture of TENANT'S rights hereunder as if done by TENANT;
and

ii. To realize on the security afforded by the leasehold estate and to acquire and succeed to the interest of TENANT hereunder by foreclosure of any mortgage or deed of trust and to convey or assign the title to the leasehold estate created hereby to any purchaser at a foreclosure sale;
and

iii. In the event of any default by TENANT in the payment of an installment of rent hereunder, to pay such rent to LANDLORD and such rent payments alone, without further requirement, shall be sufficient to prevent a termination or forfeiture of the leasehold estate created hereby; provided, however, that such right to prevent such termination or forfeiture shall exist only for a period of sixty (60) days after notice of such default has been given by LANDLORD to such lender and only as to those lenders who have notified the Airport Director of their interest in the Premises, as provided herein; and after said sixty (60) day period such lender, to prevent such termination or forfeiture, shall be required to do all acts and things required of TENANT to be done and performed hereunder; and

iv. Cure such default or breach if the same can be cured by the payment or expenditure of money provided to be paid under the terms of this Lease; or if such default or breach is not so curable, cause the trustee under the trust deed to commence and thereafter to diligently pursue to completion steps and proceedings for the exercise of the power of sale under and pursuant to the trust deed in the manner provided by law; and

v. Keep and perform all of the covenants and conditions of this Lease requiring the payment or expenditure of money by TENANT until such time as said leasehold shall be sold upon foreclosure pursuant to the trust deed or shall be released or reconveyed thereunder; and

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vi. However, if the holder of the trust deed shall fail or refuse to comply with any and all of the conditions of this Section, then and thereupon LANDLORD shall be released from the covenant of forbearance herein contained.

C. LENDER DEFINED. The term "lender on the security of the leasehold estate" as used in this Section and elsewhere in this Lease shall mean the mortgagee under any mortgage, or the trustee and beneficiary under any deed of trust or indenture of mortgage and deed of trust encumbering the leasehold estate or TENANT'S interest therein (including the assignee or successor of any such mortgage, beneficiary or trustee of any such mortgage, deed of trust or indenture of mortgage and deed of trust and the holder of any promissory note or bond secured thereby), and executed by TENANT and delivered for the purpose of securing to such mortgagee, trustee or beneficiary payment of any indebtedness incurred by TENANT and secured by such mortgage, deed of trust or indenture of mortgage and deed of trust.

D. NOTICE. As a condition to the vesting of any rights in this Lease or in the leasehold estate created hereby in any encumbrancer, except as may be otherwise provided by law, there shall first have been delivered to the Airport Director a written notice of such encumbrance which shall state the name and address of the encumbrancer for the purpose of enabling notices to be given under Section 36.L.

E. NOTICE OF DEFAULT. Upon and immediately after the recording of the trust deed, TENANT, at TENANT's expense, shall cause to be recorded in the office of the Recorder of Los Angeles County, California, provided same has been duly executed and acknowledged by LANDLORD, a written Request for Notice for a copy of any notice of default and of any notice of sale under the trust deed as provided by the statutes of the State of California relating thereto. Concurrently with the execution of such Deed of Trust and Note, TENANT shall

1 furnish to LANDLORD a complete copy of the trust deed and note secured thereby,
2 together with the name and address of the holder thereof. Lender's Rights as set
3 forth in this Section shall not be valid or effective unless and until TENANT shall
4 have provided LANDLORD with the documents and information specified in this
5 Section.

6 F. LANDLORD'S TITLE; PRIORITY AND ENCUMBRANCES.

7 LANDLORD is not subjecting its fee interest to the lien of any leasehold financing
8 obtained by TENANT hereunder. It is the intention of the parties that LANDLORD's
9 fee interest shall be superior and prior to TENANT'S leasehold estate; provided,
10 however, that on the Effective Date, the Premises shall be free and clear of all
11 encumbrances. Thereafter, any deed of trust placed on the Premises by
12 LANDLORD shall expressly provide that it is subject and subordinate to this Lease
13 and TENANT's and subtenant's rights herein, or under any sub lease, to any
14 mortgage then in existence on the improvements and the leasehold estate as
15 permitted by this Lease and to TENANT's right as permitted by this Lease
16 subsequently to encumber the improvements and the leasehold estate.

17 18. ASSIGNMENT AND SUBLETTING.

18 A. CONSENT.

19 i. TENANT shall not assign or sublet this Lease or any
20 interest therein (including without limitation subleases or licenses for wireless
21 communication facilities) without first obtaining the written consent of
22 LANDLORD and the giving of such consent shall not be a waiver of any rights
23 to object to further or future assignments or subleases, but the consent to
24 each successive assignment or sublease must be first obtained in writing
25 from and by LANDLORD. TENANT may sublease individual offices or
26 tiedown spaces without LANDLORD's consent if TENANT provides
27 LANDLORD with notice of the names of such subtenants and airplane
28 identification numbers in case of tie downs prior to occupancy by such

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subtenants.

ii. Any request to assign or sublease shall be accompanied by such data relating to the identity and financial condition of the proposed assignee or sublessee as may be requested to permit LANDLORD to render its decision.

iii. Except as otherwise provided herein, if TENANT be a partnership or joint venture, a withdrawal, addition or change (voluntary, involuntary, by operation of law, or otherwise) of any of the partners or adventurers thereof, or if TENANT be composed of more than one person, a purported assignment or transfer (voluntary, involuntary, by operation of law, or otherwise) from one thereof unto the other or others thereof, or if TENANT be a corporation, a change in the ownership (voluntary, involuntary, by operation of law, or otherwise) of twenty-five percent (25%) or more of its capital stock owned as of the date of its acquisition of this Lease shall be deemed an assignment prohibited hereby unless the written consent of LANDLORD be first obtained thereto; provided, however, that a change in the ownership of said capital stock as a result of the death or judicially declared incompetency of TENANT may be made without the consent of LANDLORD.

iv. LANDLORD shall not unreasonably refuse to grant its written consent to such transfer or assignment, however, any such transfer without said approval, whether voluntary or involuntary, shall be void and shall confer no right or occupancy upon said assignee or purchaser.

v. A transfer or an assignment of any such stock or interest to a shareholder's or partner's spouse, children or grandchildren is accepted from the provisions hereof. Transfers of partnership interests naming original partners in Aerolease-Long Beach shall not require consent of LANDLORD.

B. VESTING OF ASSIGNMENTS. As a condition of the vesting

1 of any rights in this Lease or in the leasehold estate created hereby in any assignee
2 of TENANT's interest hereunder, whether voluntary or involuntary, each such
3 assignee shall first have delivered to LANDLORD a written notice of such
4 assignment, which notice:

5 i. Shall contain a statement that the assignee agrees to be
6 bound by all the terms, covenants and conditions of this Lease which are to
7 be performed by TENANT.

8 ii. Shall state the name and address of the assignee for the
9 purpose of enabling notices to be given under Section 48L.

10 iii. Shall state whether the assignee is an individual, a
11 corporation or a partnership, and if such assignee be a corporation, the
12 names of such corporation's principal officers and of its directors and state of
13 incorporation, and if such assignee be a partnership, the names and
14 addresses of the members of such partnership.

15 iv. Shall state the amount of capital stock assigned and the
16 total amount of capital stock outstanding at the time of the assignment.

17 C. VESTING OF SUBLEASES. As a condition to the vesting of
18 any rights in this Lease or in the leasehold estate created hereby in any sublessee
19 of TENANT's interest hereunder, whether voluntary or involuntary, each such
20 sublessee shall first have delivered to LANDLORD a written notice of such
21 subleases which notice:

22 i. Shall state the name and address of the sublessee for
23 the purpose of enabling notices to be given under Section 47L.

24 ii. Shall state whether the sublessee is an individual, a
25 corporation or a partnership, and if such sublessee be a corporation, the
26 names of such corporation's principal officers and its directors and state of
27 incorporation, and if such sublessee be a partnership, the names and
28 addresses of the members of such partnership.

1 D. TERMINATION. This Lease shall not be terminated by reason
2 of any assignment or transfer by operation of law of TENANT's interest hereunder
3 or in the leasehold estate created hereby.

4 E. LENDER'S LIABILITY. In the event that any lender on the
5 security of the leasehold estate obtains title to the leasehold estate or to any part
6 hereof, by sale on foreclosure proceedings or by deed given in lieu of foreclosure
7 and subsequently assigns its interest therein and such lender and its assignee
8 comply with all the provisions of this Section, then such lender shall be relieved of
9 any liability hereunder as the successor of TENANT, except:

10 i. Liability for the amount of any rental or other moneys due
11 and owing to LANDLORD by the lender or by TENANT or any other of the
12 assignees or successors of the lender or TENANT at the time of such
13 assignment;

14 ii. Liability to apply the proceeds of any insurance policy in
15 accordance with the provisions of Section 16; and

16 iii. Liability under the provisions of Section 19.

17 F. LENDER'S RIGHT TO ASSIGNMENT. Notwithstanding
18 anything to the contrary contained in this Section 18, any lender on the security of
19 the leasehold estate upon succeeding to TENANT's interest shall have the right to
20 make one (1) assignment thereafter without the prior written consent of LANDLORD.

21 19. EMINENT DOMAIN.

22 A. DEFINITIONS. As used in this Lease:

23 i. "Condemnation" means (i) the taking or damaging,
24 including severance damage, by eminent domain or by inverse
25 condemnation or for any public or quasi-public use under any statute,
26 whether by legal proceedings or otherwise, by a condemnor (hereinafter
27 defined), and (ii) a voluntary sale or transfer to a condemnor, either under
28 threat of condemnation or while condemnation legal proceedings are

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pending.

ii. "Date of taking" means, the earlier of (i) the date actual physical possession is taken by the condemnor, or (ii) the date on which the right to compensation and damages accrues under the law applicable to the Premises.

iii. "Award" means all compensation, sums, or anything of value awarded, paid or received for a total taking, a substantial taking or a partial taking (hereinafter defined), whether pursuant to judgment or by agreement or otherwise.

iv. "Condemnor" means any public or quasi-public authority or private corporation or individual having the power of condemnation.

v. "Total taking" means the taking by condemnation of the fee title to all the Premises and all the improvements.

vi. "Substantial taking" means the taking by condemnation of so much of the Premises or improvements or both that one or more of the following conditions results:

(a) The remainder of the Premises would not be economically and feasibly usable by TENANT; and/or

(b) A reasonable amount of reconstruction would not make the Premises and improvements a practical improvement and reasonably suited for the uses and purposes for which the Premises are leased hereunder.

vii. "Partial taking" means any taking of the fee title that is not either a total taking or a substantial taking.

viii. "Notice of intended condemnation" means any notice or notification on which a reasonably prudent man would rely and which he would interpret as expressing an existing intention of condemnation as distinguished from a mere preliminary inquiry or proposal.

1 B. NOTICE. LANDLORD and TENANT shall give each other
2 prompt notice of any condemnation action or threat thereof. LANDLORD, TENANT,
3 and any lender shall all have the right to participate in any settlement of awards,
4 compensation, and damages and may contest any such awards, compensation, and
5 damages and. prosecute appeals therefrom. Each party shall bear its own cost
6 thereof. Any lender shall be entitled to notice from both TENANT and LANDLORD
7 with regard to any condemnation action, threat thereof, or settlement proceedings.

8 C. TOTAL OR SUBSTANTIAL TAKING.

9 i. On a total taking, this Lease shall terminate on the date
10 of taking.

11 ii. If a taking is a substantial taking as defined above,
12 TENANT may, by notice to LANDLORD given within thirty (30) days after
13 TENANT receives notice of intended condemnation, elect to treat the taking
14 as a substantial taking. If TENANT does not so notify LANDLORD, the taking
15 shall be deemed a partial taking. If TENANT gives such notice and
16 LANDLORD gives TENANT notice disputing TENANT's contention within ten
17 (10) days following receipt of TENANT'S notice, the dispute shall be promptly
18 submitted to arbitration before the American Arbitration Association in Los
19 Angeles County, California. If LANDLORD gives no such notice, the taking
20 shall be deemed a substantial taking. A substantial taking shall be treated as
21 a total taking.

22 iii. On a total taking all sums, including damages and
23 interest awarded for the fee or leasehold or both, shall be distributed and
24 disbursed in the following order of priority:

25 (a) To LANDLORD a sum equal to the fair market
26 value of the land, valued as unimproved land exclusive of
27 improvements and encumbered by the terms and conditions of this
28 Lease and subleases, as well as any compensation awarded for its

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loss of revenue from this lease, and the value of LANDLORD'S reversionary interest in the Premises, to the extent that said reversionary interest has a separate value from the unimproved land.

(b) To TENANT, subject to the rights of any leasehold Lender, the value of the Leasehold estate under this Lease, and the value of any buildings or improvements, on the Premises, less the sum of any payments made to LANDLORD with respect to LANDLORD's reversionary interest, if any, in the buildings or improvements.

D. PARTIAL TAKING.

i. On a partial taking, this Lease shall cease as to the part so taken, as of the date of taking, and shall remain in full force and effect covering the remainder of the Premises and improvements, except that the minimum annual rent, and minimum monthly rent, shall be reduced in proportion to percentage of the lost subrentals (or relative value) of the portion taken ears to the total subrentals (or relative value) of the Premises prior to such taking.

ii. Promptly after a partial taking, TENANT, to the extent of any award paid to TENANT on account of such taking, shall repair, alter, modify, or reconstruct the improvements restoring so as to make them reasonably suitable for TENANT's continued occupancy for the uses and purposes for which the Premises are leased. If TENANT does not restore as above, the cost of such restoring shall be deducted from TENANT's share of the award and paid to any leasehold mortgagee demanding it and otherwise to LANDLORD.

iii. On a partial taking, all sums, including damages and interest, awarded for the fee or leasehold or both, shall be distributed and disbursed in the following order of priority:

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(a) To TENANT the cost of restoring the improvements, plus any amount awarded or assessed for severance damages, plus any amount assessed, awarded, paid, or incurred to remove or relocate subtenants, plus any amount awarded for detriment to business.

(b) To LANDLORD a sum equal to that percent of the value of the Premises equal to the percentage the area of the Premises taken bears to the total area of the Premises; the value of the Premises shall be as unimproved land exclusive of improvements and burdened by all leases and subleases.

iv. Rent shall be abated or reduced during the period from the date of taking until the completion of restoration, but all other obligations of TENANT under this Lease shall remain in full force and effect. The amount of abatement or reduction of rent shall be based on the extent to which the restoration interferes with TENANT's use of the Premises.

v. Each party waives the provisions of Code of Civil Procedure Section 1265.130, allowing either party to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises under the circumstances described in said Section.

E. LIMITED TAKING. If the Premises or any portion thereof or any improvements thereon should be taken for governmental occupancy for a limited period not extending beyond the Lease Term, this Lease shall not terminate and TENANT shall continue to perform and observe all of its obligations hereunder as though such taking had not occurred, except only to the extent that it may be prevented from performing such obligations by reason of such taking. In such event, TENANT shall be entitled to receive the entire amount of any awards, compensation, and damages made for such taking, and LANDLORD hereby assigns any and all of its interest in such awards, compensation, and damages to

1 TENANT to the extent that the governmental occupancy does not extend beyond
2 the expiration of the Lease Term.

3 20. RESERVATIONS TO LANDLORD.

4 A. The Premises are accepted by TENANT subject to any and all
5 existing or planned easements or other encumbrances and LANDLORD shall have
6 the right to install, lay, construct, maintain, repair and operate such sanitary sewers,
7 drains, storm water sewers, pipelines, manholes, connections, water, oil and gas
8 pipelines, and telephone and telegraph power lines and such other appliances and
9 appurtenances necessary or convenient to use in connection therewith over, in,
10 upon, through, across and along the Premises or any part thereof, as will not
11 interfere with TENANT's operations hereunder and to enter thereupon for any and
12 all such purposes. LANDLORD also reserves the right to grant franchises,
13 easements, rights of way and permits in, over, and upon, along, or across any and
14 all portions of the Premises as LANDLORD may elect so to do, provided, however,
15 that no right of LANDLORD provided for in this Section shall be so executed as to
16 interfere unreasonably with TENANT's operations hereunder, or impair the security
17 of any secured creditor of TENANT or be in competition with businesses carried on
18 by TENANT or its subtenants.

19 B. LANDLORD agrees that any right as set forth by this Section
20 shall not be exercised unless a prior written notice of sixty (60) days is given to
21 TENANT. However, if such right must be exercised by reason of emergency
22 LANDLORD will give TENANT such notice as is possible under the existing
23 circumstances.

24 C. LANDLORD will cause the surface of the Premises to be
25 restored to its original condition upon the completion of any construction done
26 pursuant to this Section.

27 D. LANDLORD reserves the right to enter and have access to the
28 Premises in order to make, construct or carry out airport improvements after at least

1 forty-eight (48) hours prior written notice to TENANT.

2 E. LANDLORD shall exercise its best efforts to avoid
3 unreasonable interference with TENANT's operations or enjoyment of the Premises
4 or impairment of the security of any secured creditor in its exercise of rights pursuant
5 to this Section.

6 F. Should any exercise of the rights described in this Section
7 result in a significant interference with TENANT's use of the Premises, LANDLORD
8 shall provide compensation to TENANT by means of a reduction in rent
9 proportionate to the amount of the interference which shall continue until TENANT
10 has been compensated in an amount equal to its actual out of pocket costs.

11 21. MAINTENANCE.

12 A. TENANT agrees, at TENANT's sole cost and expense, to repair
13 and maintain the Premises and all improvements or landscaping existing or
14 constructed thereon in good order and repair and to keep the Premises and facilities
15 in a neat, clean, attractive and orderly condition. Failure of TENANT to properly
16 maintain and repair the Premises shall constitute a breach of the terms of this Lease.

17 B. If, in the opinion of the Airport Director, the Premises are not
18 being properly maintained, the Airport Director may, after giving thirty (30) days
19 written notice to TENANT to remedy discrepancies, cause such repair and
20 maintenance to be made. The cost of such maintenance or repair shall be added to
21 the rent. If said costs are not paid promptly by TENANT, this Lease shall be deemed
22 to be in default, and LANDLORD shall be entitled to all legal remedies provided
23 hereunder.

24 22. AUTOMOBILE PARKING. TENANT agrees to provide sufficient
25 automobile parking on the Premises as specified in TENANT'S approved site plan
26 and PD zoning ordinance to accommodate the parking needs of patrons, visitors and
27 employees, provided, however, that Airport streets and access roadways may not be
28 utilized to comply with this requirement. TENANT agrees to execute an amended

1 and restated parking agreement generally in the form attached hereto as Exhibit "D",
2 and TENANT shall abide by the terms of such agreement at all times during the
3 Lease Term.

4 23. AVIGATION EASEMENT. There is hereby reserved to
5 LANDLORD, its successors and assigns, for the use and benefit of the public, a right
6 of flight for the passage of aircraft in the airspace above the surface of the Premises.
7 This public right of flight shall include the right to cause in said airspace any noise
8 inherent in the operation of any aircraft used for navigation or flight through said
9 airspace or landing at, taking off from or operation at the Airport.

10 24. UTILITIES. TENANT shall, at its own cost, pay for all electricity,
11 gas, water, telephone and other utility services furnished to TENANT, including the
12 cost of installation of necessary connections for all of said services. All utilities added
13 from or after the Effective Date shall be underground.

14 25. WASTE DISPOSAL.

15 A. TENANT shall construct all facilities necessary to prevent any
16 water or industrial waste from the operations of TENANT on the Premises from
17 flowing into adjacent property. TENANT shall dispose of all sewage and industrial
18 waste in accordance with all applicable regulations and laws of those governmental
19 agencies having jurisdiction or authority thereover.

20 B. TENANT shall insure that all solid waste materials are placed
21 in appropriate covered containers designed for use with the type of waste involved,
22 which shall remain covered, and that said containers are maintained within
23 enclosures located on the Premises and designated to keep said trash containers
24 out of the flow of traffic and obscured from view.

25 26. FAA SECURITY AND SAFETY REGULATIONS.

26 A. This Lease is subject to Federal Aviation Regulations Part 107
27 and Part 139 relating to Safety and Security. LANDLORD shall provide copies
28 thereof to TENANT who shall provide copies thereof to all subtenants.

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B. If any violation of Part 107 or Part 139 occurs on the Premises, TENANT or its subtenants shall be strictly liable to reimburse LANDLORD for the full amount of any finer penalty or other financial loss resulting therefrom.

27. BILLBOARDS AND SIGNS. TENANT agrees not to construct, install or maintain, nor to allow upon the Premises any billboards, signs, banners or like displays which may be placed in or upon any building or structure in such manner as to be visible from the outside thereof, except those approved in TENANT'S site plan or the applicable zoning ordinance. All signs are subject to the limitations of the City's sign ordinance.

28. AUDIT. LANDLORD and its designated representatives shall be permitted to examine and review TENANT'S records at all reasonable times, with or without prior notification, for the purpose of determining compliance with all terms, covenants and conditions of this Lease. Such examinations and reviews shall be conducted during TENANT'S regular business hours in a manner causing as little inconvenience as possible to TENANT.

29. TERMINATION BY LANDLORD.

A. Should TENANT default in the performance of any term, covenant, condition or agreement imposed upon or promised by TENANT to be performed and such default is not corrected within thirty (30) days from and after written notice to TENANT by LANDLORD, specifying said default and demanding its immediate correction, LANDLORD may declare this Lease and all rights and interests created thereby to be terminated. Provided, however, that where it appears to the satisfaction of LANDLORD that such default cannot be cured within thirty (30) days by the exercise of due diligence, and where TENANT has begun and continues a good faith effort to cure such default, LANDLORD shall grant an extension of time for the curing of said default sufficient to permit said default to be cured.

B. Nothing herein shall be deemed to deprive TENANT of any right to legal redress which TENANT would otherwise have.

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C. NON-DISTURBANCE AGREEMENT. LANDLORD agrees that it will from time to time enter into so called "non-disturbance" agreements with any subtenant of TENANT which requests such an agreement. Such non-disturbance agreement shall provide that in the event of early termination of this Lease as a result of TENANT's default thereunder, LANDLORD shall recognize the sublease and not disturb the subtenant's possession thereunder only so long as such subtenant shall not be in default under its sublease, that the subtenant will attorn to LANDLORD, and that the subtenant will pay rent to LANDLORD from the date of such attornment, and that LANDLORD shall not be responsible to the subtenant under the sublease except for obligations accruing subsequent to the date of such attornment.

30. TERMINATION BY TENANT. Should LANDLORD default in the performance of any term, covenant, or condition to be performed by LANDLORD and such default is not remedied by LANDLORD within thirty (30) days from and after written notice by TENANT specifying said default, TENANT may declare this Lease and all rights and interests created thereby to be terminated. Should any law or ordinance become effective which results in substantial interference with the use of the Premises by TENANT, then TENANT may terminate this Lease upon giving written notice to LANDLORD of such termination.

31. LANDLORD'S RIGHT TO RE-ENTER. If any default by TENANT shall continue uncured following notice of default for the period applicable to the default under the provisions of this Lease, LANDLORD may, at its option, terminate this Lease by giving tenant notice of termination. On the expiration of the Lease Term or in the event of a sooner termination following TENANT'S default, upon giving written notice of termination to TENANT, TENANT agrees to yield and peaceably deliver possession of the Premises to LANDLORD on the date of termination of this Lease, without regard to the reason for such termination. Upon giving written notice of termination to TENANT, LANDLORD shall have the right to

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Lona Beach, CA 90802-4664

1 re-enter and take possession of the Premises on the date such termination becomes
2 effective without further notice of any kind and without institution of summary or
3 regular legal proceedings. Termination of the Lease and re-entry of the Premises by
4 LANDLORD shall in no way alter or diminish any obligation of TENANT under the
5 Lease terms and shall not constitute an acceptance or surrender. TENANT waives
6 any and all right of redemption under any existing or future law or statute in the event
7 of eviction from or dispossession of the Premises for any reason or in the event
8 LANDLORD re-enters and takes possession of the Premises in a lawful manner. If
9 upon service by LANDLORD upon TENANT of a termination notice, TENANT
10 disputes LANDLORD's right to terminate, TENANT shall seek its appropriate
11 provisional or preliminary relief by filing an application for same in the appropriate
12 court, prior to the termination date in the notice of termination, it being the intention
13 of the parties that any dispute as to the right of LANDLORD to terminate this Lease,
14 shall thereafter be fully adjudicated in that forum. In the event that TENANT fails to
15 seek provisional or preliminary relief as provided for herein within the time period set
16 forth above, TENANT agrees that should the manner or method employed by
17 LANDLORD in re-entering or taking possession of the Premises give TENANT a
18 cause of action for damages or in forcible entry and detainer, the total amount of
19 damages to which TENANT shall be entitled in any such action shall be One Dollar
20 (\$1.00). TENANT agrees that this Clause may be filed in any such action and that
21 when filed, it shall be a stipulation of TENANT fixing the total damages to which
22 TENANT is entitled in such an action.

23 32. ABANDONMENT. If TENANT shall abandon or be
24 dispossessed by process of law or otherwise, any personal property belonging to
25 TENANT remaining on the premises thirty (30) days after such abandonment or
26 dispossession shall be deemed to have been transferred to LANDLORD, and
27 LANDLORD shall have the right to remove and to dispose of the same without liability
28 to account therefore to TENANT, or to any person claiming under TENANT.

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33. POSSESSORY INTEREST. TENANT recognizes and understands that this Lease may create a possessory interest subject to property taxation and that TENANT may be subject to the payment of property taxes on such interest.

34. FEDERAL AVIATION ADMINISTRATION ASSURANCES. This Lease is subject to certain assurances mandated by the Federal Aviation Administration for inclusion in airport leases. These assurances are set out in full in Exhibit "E" attached hereto and made a part hereof.

35. TERMINATION OF PRIOR AGREEMENTS. It is mutually agreed that this Lease shall supersede any prior agreements between the parties hereto covering all or any portion of the Premises, including without limitation the Original Lease.

36. GENERAL CONDITIONS.

A. HOLDING OVER BY TENANT. In the event of TENANT holding over and failing to surrender the Premises at the expiration of the Lease Term, or any extension thereof, with or without the consent of LANDLORD, said holdover shall result in the creation of a tenancy from month to month at the monthly rental in effect for the last month prior to termination hereof, payable on the first day of each month during said month to month tenancy. Nothing herein shall be construed to grant TENANT any right to hold over at the expiration of the Lease Term, or any extension thereof. All other terms and conditions of this Lease shall remain in full force and effect and be fully applicable to any month to month tenancy hereunder.

B. BANKRUPTCY. Should TENANT make an assignment for benefit of creditors or should a voluntary or involuntary petition of bankruptcy or for reorganization or for any arrangements be filed by or against TENANT, or if TENANT becomes bankrupt or insolvent, or if a receiver be appointed of TENANT's business or assets (except a receiver appointed at request of LANDLORD), such

1 action shall constitute a breach of this Lease for which LANDLORD, at its option,
2 may terminate all rights of TENANT or TENANT'S successors in interest under this
3 Lease except as provided in this Lease; provided, however, that an involuntary
4 petition for bankruptcy or reorganization which is dismissed within sixty (60) days
5 after filing without loss to LANDLORD shall not constitute a breach of this Lease.

6 C. DISPOSITION OF PERSONAL PROPERTY ABANDONED BY
7 TENANT. If TENANT abandons the Premises or is dispossessed thereof by
8 process of law or otherwise, title to any personal property belonging to TENANT and
9 left on the Premises thirty (30) days after such abandonment or dispossession shall
10 be deemed to have been transferred to LANDLORD. LANDLORD shall have the
11 right to remove and to dispose of such property without liability therefore to TENANT
12 or to any person claiming under TENANT and shall have no duty or obligation to
13 account therefore.

14 D. SUCCESSORS IN INTEREST. Unless otherwise provided in
15 this Lease, the terms, covenants and conditions contained herein shall apply to and
16 find the heirs, successors, executors, administrators and assigns of all of the parties
17 hereto, all of whom shall be jointly and severably liable hereunder.

18 E. TAXES AND ASSESSMENTS. TENANT shall pay before
19 delinquency, all taxes, license fees, assessments and other charges which are
20 levied and assessed against and upon the premises, fixtures, equipment, aircraft or
21 other property caused or suffered by TENANT to be placed upon the Premises or
22 located at the Airport. TENANT shall furnish LANDLORD with satisfactory evidence
23 of these payments upon demand by LANDLORD.

24 F. COSTS OF SUSTAINING AN ACTION FOR BREACH OR
25 DEFAULT. In the event LANDLORD commences legal action against TENANT
26 claiming a breach or default of this Lease, LANDLORD, if successful, shall be
27 entitled to recover from TENANT its costs and expenses of said litigation, including
28 but not limited to legal fees.

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G. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE. If either party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, restrictive governmental laws or regulations or other cause, without fault and beyond control of the party obligated other than financial incapacity, performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this section shall excuse TENANT from the prompt payment of any rental or other charge required of TENANT hereunder except as may be expressly provided elsewhere in this Lease.

H. AMENDMENTS. This Lease sets forth all of the agreements and understandings of the parties hereto and is not subject to modification, except in writing duly executed by the legally authorized representatives of each of the parties.

I. LEASE ORGANIZATION. The various headings in this Lease, the number of letters thereof, and the organization of this Lease into separate sections and paragraphs are for purposes of convenience only and shall not be considered otherwise.

J. PARTIAL INVALIDITY. If any term, covenant, condition or provisions of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

K. WAIVER OF RIGHTS. The failure of TENANT or LANDLORD to insist upon strict performance of any of the terms, conditions or covenants herein shall not be deemed a waiver of any rights or remedies that either may have, and shall not be deemed a waiver of any subsequent breach or default of the terms, conditions or covenants herein contained.

L. NOTICES. All notices given or to be given by either party to

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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the other, shall be served by either: (1) enclosing the same in a sealed envelope addressed to the party intended to receive the same at the address indicated herein or at such other address as the parties may by written notice hereafter designate, and deposited in the U. S. Postal Service, with postage prepaid; or (2) personal service upon the Airport Director or upon an officer or authorized agent of TENANT. Such notices shall be effective on the date of mailing if served by mail or on the date personal service is effected if such notice is personally served. For the purposes hereof, notices to LANDLORD and TENANT shall be addressed as follows:

LANDLORD: City of Long Beach
333 W. Ocean Blvd., 13th Floor
Long Beach, CA 90802
Attn: City Manager

With a copy to: City of Long Beach
4100 Donald Douglas Drive
Long Beach, CA 90808
Attn: Airport Director

TENANT: Bill Legg
HFS Concepts4
3229 E. Spring Street, Suite 200
Long Beach, CA 90806

M. TIME. Time is of the essence of this Lease.

N. APPROVALS AND CONSENTS BY CITY. Wherever in this Lease consents or approvals by LANDLORD or LANDLORD's Airport Manager are required, such consents or approvals shall not unreasonably be withheld or delayed.

O. PROHIBITION AGAINST RECORDING LEASE;
RECORDABLE MEMORANDUM OF LEASE. This Lease shall not be recorded. LANDLORD and TENANT agree that they shall, at any time at the request of the other, promptly execute a memorandum or short form of this Lease, in recordable form, setting forth a description of the Premises, the Lease Term, and any other provisions herein, or the substance thereof, as either party desires, and the cost of recording any such memorandum or short form shall be paid by TENANT.

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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P. QUIET POSSESSION. LANDLORD covenants and agrees that TENANT, upon paying the rent and other charges herein provided for and observing and keeping the covenants, conditions, and terms of this Lease on TENANT'S part to be kept or performed, shall lawfully and quietly hold, occupy, and enjoy the Premises during the Lease Term without any hindrance or molestation by LANDLORD or any person claiming under LANDLORD.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed with all the formalities required by law on the respective dates set forth opposite their signatures.

May 5, 2015

CITY OF LONG BEACH, a municipal corporation

By [Signature]
City Manager

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

"LANDLORD" Assistant City Manager

April 24, 2015

CONCEPTS 4, INC., a California corporation

By [Signature]

"TENANT"

This Lease is approved as to form on April 30, 2015.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL LEASE AREA
CONCEPTS 4, INC.

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 4 SOUTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PART OF RANCHO LOS CERRITOS AS PER MAP RECORDED IN BOOK 2, PAGE 202 OF PATENTS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF REDONDO AVENUE AND SPRING STREET AS SHOWN ON TRACT NO. 27805 PER MAP RECORDED IN BOOK 712, PAGES 95 THROUGH 97 OF MAPS IN THE OFFICE OF SAID COUNTY RECORDER;

THENCE ALONG THE CENTERLINE OF SAID SPRING STREET, NORTH 89°55'35" WEST, 655.00 FEET;

THENCE LEAVING SAID CENTERLINE, NORTH 00°04'25" EAST, 40.00 FEET TO THE NORTHERLY LINE OF SAID SPRING STREET AND THE TRUE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY LINE, NORTH 89°55'35" WEST, 255.42 FEET;

THENCE LEAVING SAID NORTHERLY LINE, NORTH 00°04'25" EAST, 138.54 FEET;

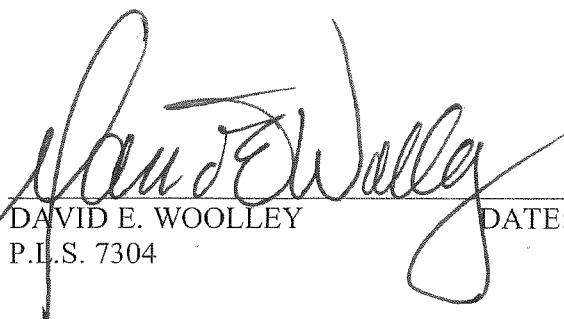
THENCE SOUTH 89°55'35" EAST, 255.42 FEET;

THENCE SOUTH 00°04'25" WEST, 138.54 FEET TO THE TRUE POINT OF BEGINNING.

THE ABOVE-DESCRIBED PARCEL OF LAND CONTAINS APPROXIMATELY 35,386 SQUARE FEET.

AS MORE PARTICULARLY SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

THIS REAL PROPERTY DESCRIPTION HAS BEEN PREPARED BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.



DAVID E. WOOLLEY DATE: 12/16/14
P.L.S. 7304



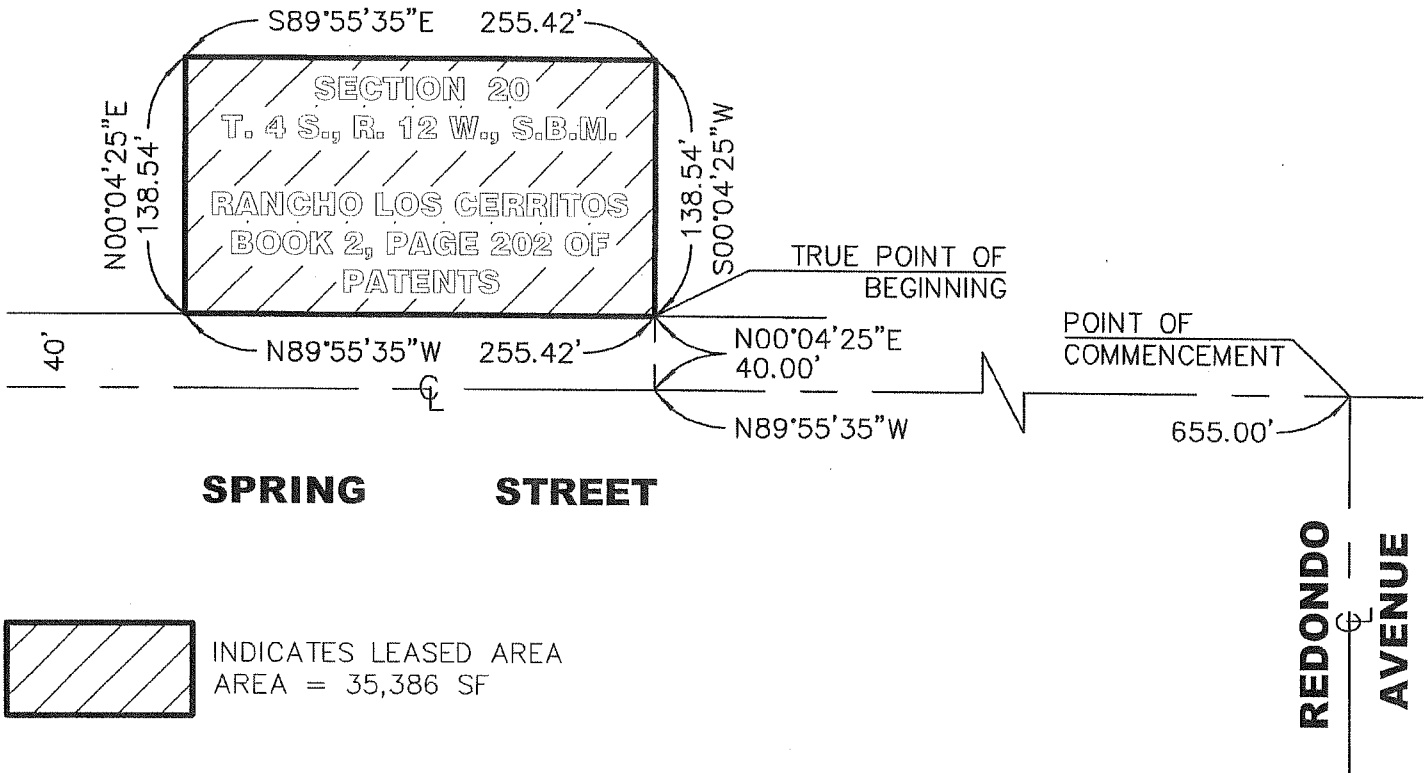
EXHIBIT B


IN THE CITY OF LONG BEACH
 COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

PARCEL LEASE MAP CONCEPTS 4, INC.



SCALE: 1" = 100'



 INDICATES LEASED AREA
 AREA = 35,386 SF

THIS EXHIBIT WAS PREPARED BY ME
 OR UNDER MY SUPERVISION.

David E. Woolley
 DAVID E. WOOLLEY DATE: 12/16/14
 P.L.S. 7304



IF THERE IS NO SURVEYOR'S SIGNATURE HEREON, THIS MAP AND THE CONTENTS
 CONTAINED HEREIN ARE CONSIDERED PRELIMINARY AND SUBJECT TO CHANGE.

SHEET <u>1</u> OF <u>1</u>	SCALE: 1" = 100' DATE: 12/16/14	EXHIBIT	D. WOOLLEY & ASSOCIATES
FILE NO. <u>14200</u>	DRAWN BY: BJM CHKD. BY: DEW		
		CLIENT: CITY OF LONG BEACH	(714) 734-8462 FAX (714) 508-7521

Exhibit "C"

CONCEPTS 4
LEASED PREMISES: 35,386 SF

	Annual Rent	Monthly Rent	Price per SF	
May 1, 2015	\$ 42,468	\$ 3,539	\$ 0.100	\$0.005 per SF Annual Increases
May 1, 2016	\$ 44,592	\$ 3,716	\$ 0.105	
May 1, 2017	\$ 46,704	\$ 3,892	\$ 0.110	
May 1, 2018	\$ 48,828	\$ 4,069	\$ 0.115	
May 1, 2019	\$ 50,952	\$ 4,246	\$ 0.120	
May 1, 2020	\$ 52,656	\$ 4,388	\$ 0.124	3% Annual Increases
May 1, 2021	\$ 54,348	\$ 4,529	\$ 0.128	
May 1, 2022	\$ 56,052	\$ 4,671	\$ 0.132	
May 1, 2023	\$ 57,744	\$ 4,812	\$ 0.136	
May 1, 2024	\$ 59,448	\$ 4,954	\$ 0.140	
May 1, 2025	\$ 61,152	\$ 5,096	\$ 0.144	
May 1, 2026	\$ 62,844	\$ 5,237	\$ 0.148	
May 1, 2027	\$ 64,548	\$ 5,379	\$ 0.152	
May 1, 2028	\$ 66,672	\$ 5,556	\$ 0.157	
May 1, 2029	\$ 68,796	\$ 5,733	\$ 0.162	

May 1, 2030	Fair Market Value Rate Adjustment Annual CPI Increase Minimum 2% - Maximum 6%
May 1, 2031	
May 1, 2032	
May 1, 2033	
May 1, 2034	
May 1, 2035	
May 1, 2036	
May 1, 2037	
May 1, 2038	
May 1, 2039	
May 1, 2040	Fair Market Value Rate Adjustment Annual CPI Increase Minimum 2% - Maximum 6%
May 1, 2041	
May 1, 2042	
May 1, 2043	
May 1, 2044	
May 1, 2045	
May 1, 2046	
May 1, 2047	
May 1, 2048	
May 1, 2049	
May 1, 2050	Fair Market Value Rate Adjustment Annual CPI Increase Minimum 2% - Maximum 6%
May 1, 2051	
May 1, 2052	
May 1, 2053	
May 1, 2054	

EXHIBIT "D"

AMENDED AND RESTATED PARKING AGREEMENT

This Amended and Restated Parking Agreement ("Agreement") is entered into this 1st day of May, 2015, by and among the City of Long Beach, a municipal corporation, hereinafter referred to as "Landlord", Aerolease-Long Beach, a California General Partnership, dba as Aeroplex Aviation, hereinafter referred to as "Aerolease", and Concepts 4, Inc., a California corporation, hereinafter referred to as "Concepts 4", in reference to the following facts.

WHEREAS, Landlord and Aerolease have entered into an Amended and Restated Lease Agreement dated as of even date herewith whereby Landlord has leased to Aerolease that certain real property described on Exhibit "A" attached hereto and incorporated herein by reference ("Lease No. 1").

WHEREAS, Landlord and Concepts 4 have entered into an Amended and Restated Lease Agreement whereby Landlord has leased to Concepts 4 that certain real property described on Exhibit "B" attached hereto and incorporated herein by reference ("Lease No. 2").

WHEREAS, Aerolease desires, as hereinafter provided, to restrict the leasehold estate demised in Lease No. 1 with covenants running with such leasehold estate for the benefit of the leasehold estate described in Lease No. 2.

NOW, THEREFORE, the parties agree as follows:

1. Aerolease, as lessee of the leasehold estate demised under Lease No. 1, expressly covenants for itself and its successors and assigns, so long as Lease No. 1 is in full force and effect, to provide 99 automobile parking spaces, on an unreserved basis, on the land described on Exhibit "A" for the benefit, use and enjoyment of the leasehold estate demised under Lease No. 2. The access to the parking lot in which the 99 parking spaces are located shall not be impaired by the use and enjoyment of the 99 parking spaces.

2. Concepts 4, as lessee of the leasehold estate demised under Lease

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 No. 2, shall have the obligation to pay on demand to the lessee of Lease No. 1, 50 percent
2 of all taxes, insurance, assessments costs, charges, maintenance, repairs and the other
3 expenses attributable to the parking lot in which the 99 spaces are located. Failure to
4 comply with the provisions of this paragraph within 30 days after receipt of written notice
5 from the lessee of Lease No. 1, and to any holder of the beneficial interest ("Beneficiary")
6 under a first deed of trust encumbering the leasehold estate demised under Lease No. 2
7 shall cause the termination of the covenants provided in this Agreement.

8 3. Landlord hereby expressly consents to the covenants described in
9 paragraphs 1 and 2 above, and agrees, for the benefit, use and enjoyment of the leasehold
10 estate demised under Lease No. 2, that Landlord will recognize said covenants in the event
11 of the termination of Lease No. 1 and Landlord will permit said covenants to continue in full
12 force and effect so long as Lease No. 2 remains in full force and effect.

13 4. The covenants provided for in paragraphs 1 through 3 above are
14 intended and shall be covenants running with the land as provided in California Civil Code
15 Section 1468.

16 5. Tenant shall cause the recordation of this Agreement in the Official
17 Records in the office of the County Recorder of Los Angeles County, California.

18 6. Any notice required by this Agreement shall be in writing and shall be
19 deemed received when personally given or 5 days after deposit in the United States first
20 class mail, postage prepaid, as follows:

21 If to Aerolease: Aerolease-Long Beach
22 3333 E. Spring Street
23 Long Beach, CA 90806
Attn: Curt Castagna

24 If to Concepts 4: Bill Legg
25 HFS Concepts4
26 3229 E. Spring Street, Suite 200
Long Beach, CA 90806

27 If to Beneficiary: To the Beneficiary at the address set
28 Forth in the recorded first trust deed of trust.

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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If to Landlord: Airport Director
Long Beach Municipal Airport
4100 Donald Douglas Avenue
Long Beach, California 90808

IN WITNESS WHEREOF, and for the purpose of complying with California
Civil Code Section 1468, the parties hereto have executed this Agreement as of the date
and year first above written.

CITY OF LONG BEACH, a municipal
corporation

By [Signature] EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.
City Manager
Assistant City Manager.

"LANDLORD"

AEROLEASE-LONG BEACH, a California
general partnership

By [Signature]
Name COLE CASTAGNA
Title PRESIDENT/CEO

CONCEPTS 4, INC., a California
corporation

By [Signature]
Name William Legg
Title PRESIDENT

"TENANT"

This Agreement is approved as to form on April 30, 2015.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

EXHIBIT "A"

Page 1 of 3

LEGAL DESCRIPTION

PARCEL LEASE AREA
AEROLEASE - LONG BEACH

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 4 SOUTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PART OF RANCHO LOS CERRITOS AS PER MAP RECORDED IN BOOK 2, PAGE 202 OF PATENTS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF REDONDO AVENUE AND SPRING STREET AS SHOWN ON TRACT NO. 27805 PER MAP RECORDED IN BOOK 712, PAGES 95 THROUGH 97 OF MAPS IN THE OFFICE OF SAID COUNTY RECORDER;

THENCE ALONG THE CENTERLINE OF SAID SPRING STREET, NORTH 89°55'35" WEST, 125.00 FEET;

THENCE LEAVING SAID CENTERLINE, NORTH 00°04'25" EAST, 50.00 FEET TO THE NORTHERLY LINE OF SAID SPRING STREET AND THE TRUE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY LINE, NORTH 89°55'35" WEST, 142.73 FEET;

THENCE SOUTH 88°20'16" WEST, 330.15 FEET;

THENCE NORTH 89°55'35" WEST, 57.27 FEET;

THENCE NORTH 00°04'25" EAST, 138.54 FEET;

THENCE NORTH 89°55'35" WEST, 290.00 FEET;

THENCE NORTH 00°04'25" EAST, 161.86 FEET;

THENCE NORTH 89°55'35" WEST, 150.00 FEET;

THENCE NORTH 00°04'25" EAST, 100.00 FEET;

THENCE NORTH 02°00'55" EAST, 47.80 FEET;

THENCE NORTH 00°09'28" WEST, 254.53 FEET;

THENCE NORTH 44°50'35" EAST, 35.35 FEET;

THENCE NORTH 89°50'38" EAST, 944.52 FEET;

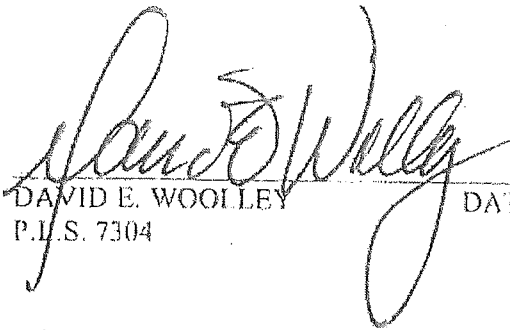
THENCE SOUTH 00°04'25" WEST, 721.58 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT "A"
Page 2 of 3

THE ABOVE-DESCRIBED PARCEL OF LAND CONTAINS APPROXIMATELY 618,789
SQUARE FEET.

AS MORE PARTICULARLY SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE
A PART HEREOF.

THIS REAL PROPERTY DESCRIPTION HAS BEEN PREPARED BY ME OR UNDER MY
DIRECTION IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.



DAVID E. WOOLLEY
P.L.S. 7304

DATE: 12/16/14

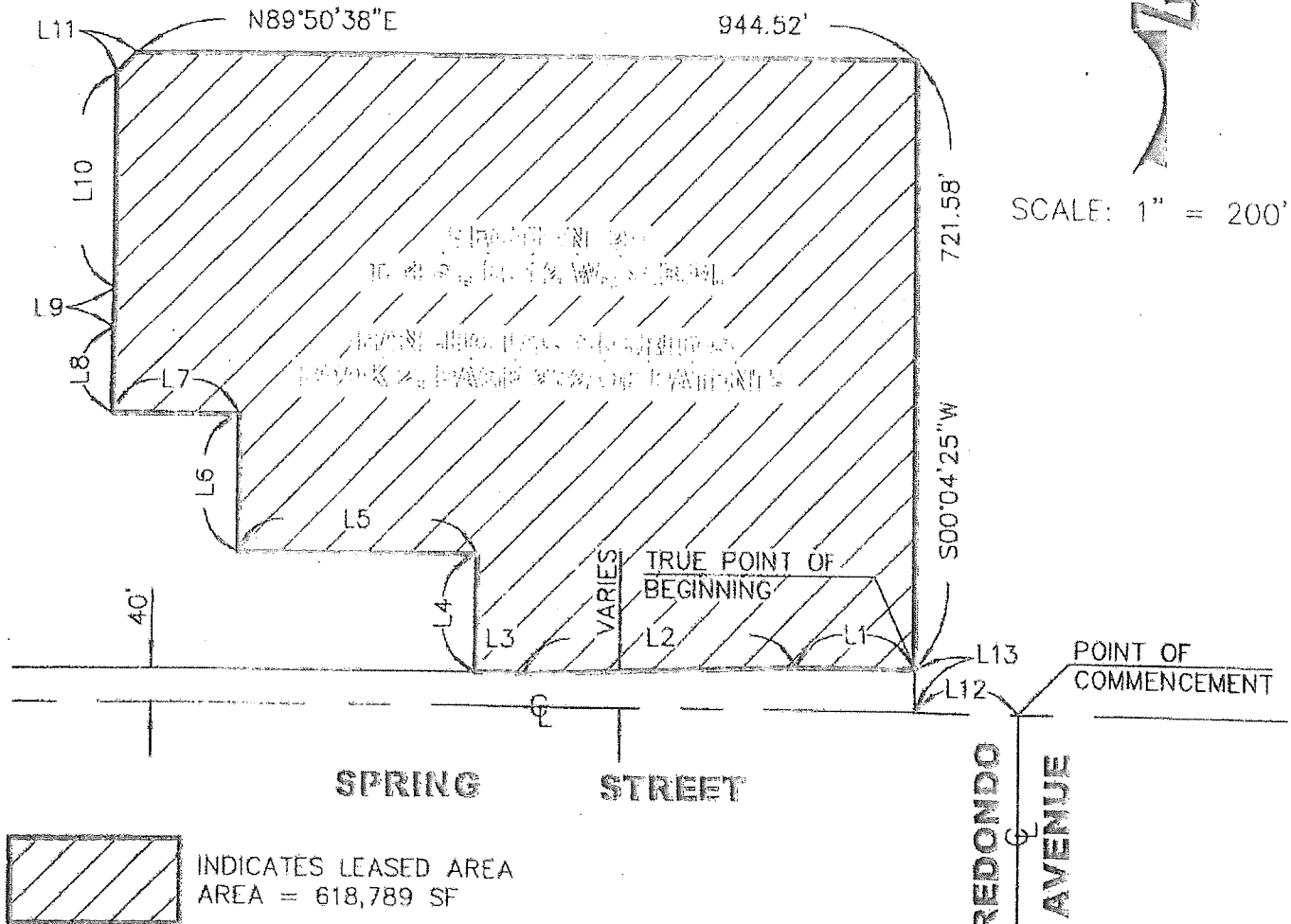



EXHIBIT "A"

Page 3 of 3

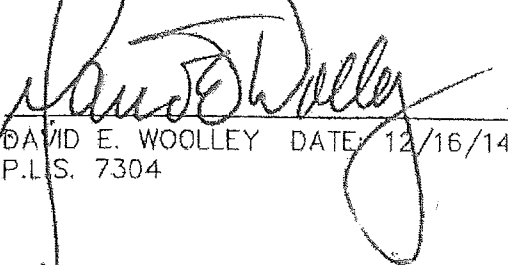
IN THE CITY OF LONG BEACH
 COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

PARCEL LEASE MAP
 AEROLEASE - LONG BEACH



 INDICATES LEASED AREA
 AREA = 618,789 SF

THIS EXHIBIT WAS PREPARED BY ME
 OR UNDER MY SUPERVISION.


 DAVID E. WOOLLEY DATE 12/16/14
 P.L.S. 7304



LINE DATA:

L1	— N89°55'35"W	142.73'
L2	— S88°20'16"W	330.15'
L3	— N89°55'35"W	57.27'
L4	— N00°04'25"E	138.54'
L5	— N89°55'35"W	290.00'
L6	— N00°04'25"E	161.86'
L7	— N89°55'35"W	150.00'
L8	— N00°04'25"E	100.00'
L9	— N02°00'55"E	47.80'
L10	— N00°09'28"W	254.53'
L11	— N44°50'35"E	35.35'
L12	— N89°55'35"W	125.00'
L13	— N00°04'25"E	50.00'

IF THERE IS NO SURVEYOR'S SIGNATURE HEREON, THIS MAP AND THE CONTENTS
 CONTAINED HEREIN ARE CONSIDERED PRELIMINARY AND SUBJECT TO CHANGE.

SHEET 1 OF 1	SCALE: 1" = 200' DATE: 12/16/14	EXHIBIT	D. WOOLLEY & ASSOCIATES
FILE NO. 14200	DRAWN BY: BJM CHKD. BY: DEW	ADDRESS: AEROLEASE -- LONG BEACH LONG BEACH, CALIFORNIA	2832 WALNUT AVENUE, SUITE A TUSTIN, CA 92780
		CLIENT: CITY OF LONG BEACH	(714) 734-8462 FAX (714) 508-7521

EXHIBIT "B"

Page 1 of 2

LEGAL DESCRIPTION

PARCEL LEASE AREA
CONCEPTS 4, INC.

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 4 SOUTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PART OF RANCHO LOS CERRITOS AS PER MAP RECORDED IN BOOK 2, PAGE 202 OF PATENTS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

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THENCE LEAVING SAID CENTERLINE, NORTH 00°04'25" EAST, 40.00 FEET TO THE NORTHERLY LINE OF SAID SPRING STREET AND THE TRUE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY LINE, NORTH 89°55'35" WEST, 255.42 FEET;

THENCE LEAVING SAID NORTHERLY LINE, NORTH 00°04'25" EAST, 138.54 FEET;

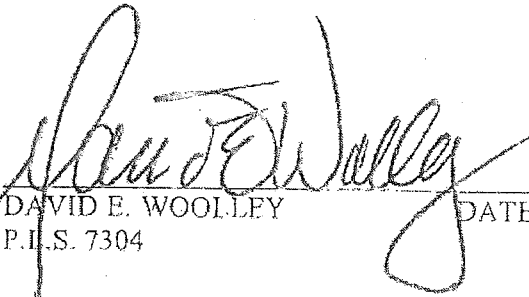
THENCE SOUTH 89°55'35" EAST, 255.42 FEET;

THENCE SOUTH 00°04'25" WEST, 138.54 FEET TO THE TRUE POINT OF BEGINNING.

THE ABOVE-DESCRIBED PARCEL OF LAND CONTAINS APPROXIMATELY 35,386 SQUARE FEET.

AS MORE PARTICULARLY SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

THIS REAL PROPERTY DESCRIPTION HAS BEEN PREPARED BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.


DAVID E. WOOLLEY
P.L.S. 7304

DATE: 12/16/14

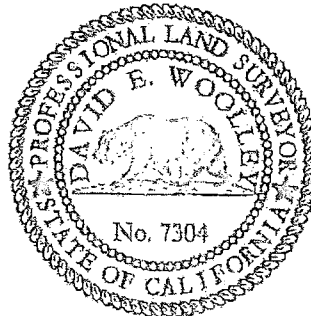
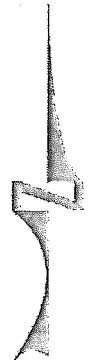


EXHIBIT "B"

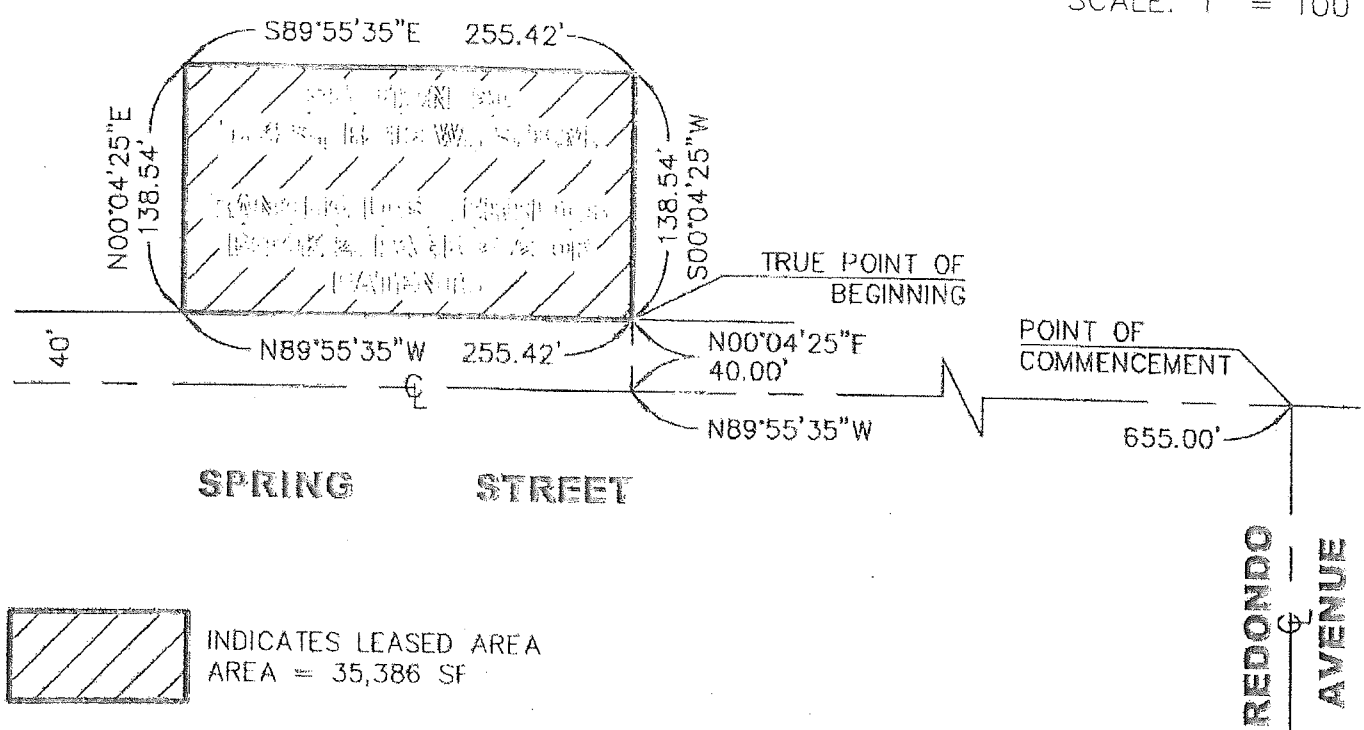
Page 2 of 2

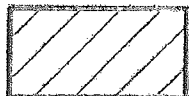
IN THE CITY OF LONG BEACH
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

PARCEL LEASE MAP
CONCEPTS 4, INC.



SCALE: 1" = 100'



 INDICATES LEASED AREA
AREA = 35,386 SF

THIS EXHIBIT WAS PREPARED BY ME
OR UNDER MY SUPERVISION.

David E. Woolley
DAVID E. WOOLLEY DATE: 12/16/14
P.L.S. 7304



IF THERE IS NO SURVEYOR'S SIGNATURE HEREON, THIS MAP AND THE CONTENTS
CONTAINED HEREIN ARE CONSIDERED PRELIMINARY AND SUBJECT TO CHANGE.

SHEET 1 OF 1	SCALE: 1" = 100' DATE: 12/16/14	EXHIBIT	D. WOOLLEY & ASSOCIATES
FILE NO. 14200	DRAWN BY: BJM CHKD. BY: DEW	ADDRESS: CONCEPTS 4, INC. LONG BEACH, CALIFORNIA	2832 WALNUT AVENUE, SUITE A TUSTIN, CA 92780
		CLIENT: CITY OF LONG BEACH	(714) 734-8462 FAX (714) 508-7521

EXHIBIT "E"

FEDERAL AVIATION ADMINISTRATION ASSURANCES

1. The lessee for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this permit for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the permittee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

The permittee for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that: (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) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the permittee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

The permittee assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This Provision obligates the lessee or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this Provision binds the contractors from the bid solicitation period through the completion of the contract.

(Additional information regarding civil rights and Disadvantaged Business Enterprise obligations can be obtained from the FAA Civil Rights Office.)

2. The airport owner/sponsor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or views of the lessee and without interference or hindrance.

3. The airport owner/sponsor reserves the right, but shall not be obligated to the lessee, to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of the lessee in this regard.

4. This permit shall be subordinate to the provisions and requirements of any existing or future agreement between the airport owner/sponsor and the United States, relative to the development, operation, or maintenance of the airport.
5. There is reserved to the airport owner/sponsor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the permitted premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from, or operating on the airport premises.
6. The lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the permitted premises or in the event of any planned modification or alteration of any present or future building or structure situated on the permitted premises.
7. The lessee by accepting this permit agreement expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or building nor permit object of natural growth or other obstruction on the land leased hereunder above a height as determined by the application of the requirements of Title 14 CFR Part 77. In the event the aforesaid covenants are breached, the owner reserves the right to enter upon the land hereunder and to remove the offending structure or object or cut the offending natural growth, all of which shall be at the expense of the lessee.
8. The lessee by accepting this license agrees for itself, its successors and assigns that it will not make use of the permitted premises in any manner which might interfere with the landing and taking off of aircraft or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the owner reserves the right to enter upon the premises hereby permitted and cause the abatement of such interference at the expense of the lessee.
9. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of U.S. Code 40103 (e) and 47107(a)(4).
10. This permit 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 said airport or the exclusive or nonexclusive use of the airport by the United States during the time of war or national emergency.
11. The lessee will furnish services on a reasonable and not unjustly discriminatory basis to all users, and charge reasonable and not unjustly discriminatory prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

EXHIBIT "F"

Long Beach Airport Rules and Regulations

1.0 Applicability

These Airport Rules and Regulations have been adopted and approved by the City of Long Beach. The following Rules and Regulations shall apply within the boundaries of the Long Beach Airport.

1.1 Violation of Rules

Any person who violates, disobeys, omits, neglects or refuses to comply with any of the provisions of these Rules and Regulations or any lawful order issued pursuant thereto may be fined, denied use of the Airport, or both, by the Airport Manager or his representative, in addition to the penalties prescribed by any federal, state or local authorities.

1.2 Severability

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of these Rules and Regulations or any part thereof, is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity or effectiveness of the remaining portions of these Rules and Regulations.

If the application of any provision or provisions of these Rules and Regulations to any building, sign or other structure, or parcel of land is found to be invalid or ineffective in whole or in part, the effect of such decision shall be limited to the property or situation immediately involved in the controversy, and the application of any such provision to other properties and situations shall not be affected.

1.3 Interpretation

In the event that an interpretation of any provision of these Rules and Regulations is required, the Airport Manager shall render such interpretation, and his/her determination shall be considered as final authority on the matter.

2.0 General

This section establishes certain conditions relating to the use of Airport facilities, including the conditions, limitations and restrictions on commercial activities and personal conduct and behavior applicable to all persons.

Written operating procedures issued by the Airport Manager may be considered as addenda to these Rules and Regulations, and hereby incorporated as part of these Rules and Regulations as though fully set forth herein.

**Long Beach Airport
Rules and Regulations**

2.1 Emergencies

When an emergency affecting the health, welfare and/or safety of persons and/or property exists at the Airport, the Airport Manager shall be empowered to take any action which, in his discretion and judgement, is necessary or desirable to protect persons and property and to facilitate the operation of the Airport.

During an emergency the Airport Manager may suspend these Rules and Regulations, or any part thereof; and may in addition, issue such orders, rules and regulations as may be necessary including, but not limited to (1) restricting airfield access (2) closing operational surfaces, etc.

2.2 Use of Airport Roadways and Walkways

No person shall travel on any portion of the Airport except upon the roadways, walkways or places provided for the particular class of traffic; nor occupy the roadways or walkways in an unsafe manner, or in such a manner as to hinder or obstruct their proper use. All persons shall abide by all posted speed and other limitations.

2.3 Personal Conduct

No person shall enter or remain on Airport property, do or omit to do any act, if the doing or omission thereof endangers unreasonably or is likely to endanger unreasonably, persons or property.

2.4 Commercial Activity

No person shall enter or remain on Airport property exclusive of leaseholds and buy, sell, peddle, or offer for sale or purchase any goods, merchandise, property or perform services (including surveys) of any kind whatsoever, on or from Airport property, without the express written consent of the Airport Manager.

LBMC Title 16, Chapter 16.44.040

2.5 Firearms

No person except authorized peace officers, post office and customs employees, members of the armed forces of the United States on official duty, or other properly authorized persons shall carry firearms or explosives at the Airport without permission as stated in Federal Aviation Regulations 1542 and 1544.

2.6 Advertisements

No person shall post, distribute, or display signs, circulars, printed or written matter of an advertising nature at the Airport, without the express written consent of the Airport Manager and in such manner as the manager may prescribe.

**Long Beach Airport
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2.7 Lost and Found Articles

Any person finding lost articles at the Airport shall deposit them with the Security Office. Articles unclaimed by the owner after 30 days will be turned over to the finder thereof, unless found by Airport Bureau employees, in which case items will be turned over to LBPD for auction sale or donated to charity.

2.8 Litter and Refuse

No person shall place; discharge or deposit in any manner, paper, trash, rubbish or other refuse anywhere on the Airport, except in receptacles and other places prescribed by the Airport Manager.

All litter and refuse must be covered when transported in vehicles, and all receptacles for same must have covers and ensure against leaking, dripping, sifting or otherwise escaping of said materials.

Each tenant shall provide sufficient trash receptacles for their leaseholds.

Any unauthorized deposit of garbage, debris or refuse shall be cleaned up, or removed immediately by the depositor.

2.9 Tenant Conduct Regarding Unauthorized Activities

No tenant, tenant employee, or any other employee authorized to perform any function on the Airport shall in any way assist any person to engage in any activity on the Airport which is not authorized by the Airport Manager.

2.10 Tenant Construction Requirements

No on or off-leasehold tenant construction or exterior signage may commence without the prior written consent of the Airport Manager and the City. All Airfield Construction Permit provisions must be met at all times if applicable.

All tenant construction must receive prior written consent from the Airport Manager and conform to the requirements as contained in the tenant's City of Long Beach Lease Agreement.

Tenants shall obtain an Airfield Construction Permit and pay the cost of any off-site improvements, including strengthening or construction of taxiways and taxilanes when such improvements are exclusively beneficial to the tenant.

Tenants shall also repair at their cost and expense any off-site damage, including damage to any runway, taxiway, or taxilane resulting from the tenants' use of the premises. Any such repair or construction shall be done in consultation with the Airport Manager after receiving written consent from the Airport Manager for such construction.

**Long Beach Airport
Rules and Regulations**

2.11 Damage to Airport Property

No person shall destroy or cause to be destroyed, injure, damage, deface, or disturb Airport property.

2.12 Abandoned Personal Property

No person shall abandon any personal property on public areas of the Airport. The registered owner of any abandoned aircraft or vehicle shall be held liable. Abandoned aircraft, vehicles or equipment shall be removed at the owner's expense, inclusive of storage fees incurred.

2.13 Smoking

No person shall smoke or carry lighted cigars, cigarettes, pipes, matches or any naked flames in or upon any fuel storage area, within 50 ft. of active fueling areas, aircraft movement areas, passenger or cargo ramp and apron areas, aircraft parking areas, or any open deck, gallery or balcony contiguous to and overlooking any such area, or in any other place where smoking is specifically prohibited by signs.

LBMC Chapter 8.68.010

3.0 Aircraft Operations

This section covers restrictions on aircraft operational procedures and other activities in the Air Operations Areas (AOA) of the Airport.

3.1 Operation of Aircraft

All persons shall operate, service, maintain, and repair aircraft in conformity with rules and regulations as set forth by the Federal Aviation Administration and State Aeronautics Board.

No person shall work on or park an aircraft on or adjacent to any active taxiways or runways without prior approval from Airport Operations/Security.

All parked aircraft shall be within the boundary lines of the tenant's leasehold.

During the hours that the control tower is closed (23:45-06:15 local), all aircraft shall broadcast on Common Traffic Advisory Frequency (CTAF) their intentions, identifying number, and location.

Aircraft shall not land/take off on runways designated as closed either by NOTAM or Noise Abatement ordinance.

**Long Beach Airport
Rules and Regulations**

3.2 Aircraft Incident/Accident Reporting

The pilot or operator of any aircraft involved in an incident or accident causing personal injury or property damage shall, in addition to all other reports required to be made to other agencies, make a prompt and complete report concerning said incident or accident to the Airport Manager.

3.3 Disabled Aircraft

Any owner, lessee, operator or other person having the control, or the right of control of any disabled aircraft on the Airport shall be responsible for the prompt removal and disposal thereof, and any or all parts thereof, subject, however, to any requirements or direction by the National Transportation Safety Board, the Federal Aviation Administration, or the Airport Manager that such removal or disposal be delayed pending an investigation of accident.

Any aircraft determined by the Airport Manager to be wrecked or in derelict condition shall be placed inside a hangar or screened fence, or removed from the Airport.

Any owner, lessee, operator or other person having control, or the right of control, of any aircraft does, by use of the Airport, agree and consent, notwithstanding any provision in any agreement, lease, permit or other instrument to the contrary, that the Airport Manager may take any and all necessary action to effect the prompt removal or disposal of disabled aircraft that obstructs any part of the Airport; that any costs incurred by or on behalf of the Airport for any such removal or disposal of any aircraft shall be paid to the removal company; that any claim for compensation against the City of Long Beach and any of their officials, agents or employees, for any and all loss or damage sustained to any such disabled aircraft, or any part thereof, by reason of any such removal or disposal is waived, and that the owner, lessee, operator or other person having control, or the right of control, of said aircraft shall indemnify, hold harmless and defend the City, the Airport Bureau, and all of their officers, agents and employees, against any and all liability for injury to or the death of any person, or for any injury to any property arising out of such removal or disposal of said aircraft.

No disabled aircraft may be left unattended or abandoned on any active Airport area.

3.4 Airfield Control

The Airport Manager shall have the right at any time to close the Air Operations Area or any portion thereof to air traffic, to delay or restrict any flight or other aircraft operation, to refuse takeoff permission to aircraft, and to deny the use of the Airport or any portion thereof to any specified class of aircraft or to any individual or group, when he considers any such action to be necessary and desirable to avoid endangering persons or property and to be consistent with the safe and proper operation of the Airport.

Long Beach Airport Rules and Regulations

If the Airport Manager determines the condition of the Air Operations Area or any part thereof to be unsafe for landings or takeoffs, he shall issue a Notice to Airmen (NOTAM) closing the Air Operations Area or any part thereof.

In the event of an aircraft accident or incident on Airport property, access to the accident scene shall be controlled by the Airport Manager.

3.5 Maintenance Run-ups

All maintenance run-ups of aircraft engines shall be performed in the run-up areas and on leased premises designated for such purposes by the Airport Manager. Maintenance run-ups are permitted during the hours specified in the Airport Noise Control Ordinance.

Aircraft engines shall not be operated during refueling or defueling operation or during a fuel spill unless otherwise approved by the Long Beach Fire Department and the Airport Manager.

3.6 Taxiing or Moving Aircraft on Operational Areas

No aircraft shall be taxied, towed, or otherwise moved on the Airport in a careless or negligent manner or at a speed or in a manner that would unreasonably endanger persons or property.

No aircraft may be taxied or towed on a taxiway, runway or other movement area without appropriate clearance from the Control Tower.

Aircraft with inoperative radios shall be escorted in movement areas by a vehicle in radio contact with the Control Tower.

An arriving aircraft with inoperative radios may be controlled by light signals from the Control Tower. A departing aircraft with inoperative radios must receive prior permission from the Control Tower to receive light signals, or shall be escorted by a vehicle in radio contact with the Control Tower.

Except where taxilane and perimeter road are co-located, no aircraft shall be taxied, towed, or otherwise moved on the perimeter road unless prior approval is obtained from the Airport Manager.

3.7 Power-Back Operations

Power-back operations are not permitted on the air carrier ramp without prior approval of Airport Manager.

3.8 Touch-and-Go Training Hours

Touch-and-go training is allowed under the conditions prescribed in the Airport Noise

**Long Beach Airport
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Compatibility Ordinance.

LBMC Chapter 16.43.06

3.9 Use of Unsafe Areas

No aircraft shall use any part of the airfield, apron, ramp, taxiways, runways or other areas designated as unavailable or unsafe.

3.10 Terminal, Ramp and Gate Restrictions

Aircraft operators shall not use Terminal ramp/gate facilities without prior permission from the Airport Manager.

3.11 Air Carrier, Charter Passenger Enplaning and Deplaning

All aircraft shall be loaded or unloaded, passengers enplaned or deplaned, in areas designated by the Airport Manager.

All passengers shall be channeled through designated routes to and from the terminal buildings.

There shall be no enplaning or deplaning of passengers when aircraft engines are operating on the same side of the aircraft from which passengers are enplaning or deplaning

3.12 Aircraft Operations

Aircraft are authorized to land and takeoff only from the designated operational areas of the Airport.

A qualified pilot or mechanic must be in the cockpit and at the controls of the aircraft when an aircraft engine is operating.

Operating aircraft engines inside a hangar is prohibited.

No aircraft may land or takeoff from the Airport unless it is equipped with a functioning two-way radio on a frequency to maintain communications with the Control Tower unless prior permission was received from the Federal Aviation Administration. In the event of an in-flight radio failure, an aircraft may land under direction of light signals from the Control Tower.

The aircraft's rotating beacon shall be on when the engine is running.

Helicopters shall have braking devices or rotor mooring tiedowns applied to the rotor blades when securing the aircraft between flights.

Long Beach Airport Rules and Regulations

Banner tow operators must receive approval from the Airport Manager prior to conducting banner tow operations at the Airport. Banner pick-up and drop shall be conducted only in areas designated by the Airport Manger.

Airship operators must receive prior approval to operate or moor at the Airport. Mooring sites are available by reservation through the Airport Safety office. All drivers of airship support vehicles must hold Airport driving permits, or be escorted when operating on the AOA.

3.13 Compliance

The Airport Manager shall have authority to deny the use of the Airport to any aircraft or pilot violating local, state or federal regulations.

4.0 Motor Vehicle Operations

This section specifies the general required operating procedures for all vehicles at the Long Beach Airport within the AOA.

4.1 Operation of Motor Vehicles

Unless authorized by the Airport Manager no motor vehicles shall be operated on the Airport premises except on roadways, parking areas, or other areas which are specifically designated for such vehicles.

All vehicles operated on the AOA shall display required identifying markings, placards and signage at all times.

Vehicles shall be parked only in the manner prescribed by the Airport Manager and as indicated by posted signs on the Airport premises.

No leasehold vehicles shall be parked off leasehold.

4.2 Vehicle Operating Rules

All employees are responsible for the equipment they are driving and may be personally cited for failure to comply with these Rules and Regulations and applicable vehicle codes.

Under all conditions, aircraft shall have the right-of-way over all vehicles.

All vehicles shall yield the right-of-way to emergency equipment responding to an emergency. Included are aircraft rescue and fire fighting equipment, other fire trucks, security vehicles, operations vehicles or vehicles displaying a red flashing beacon.

Long Beach Airport Rules and Regulations

No vehicle may be driven onto the AOA without first obtaining permission from the Airport Manager.

Vehicles being driven onto the AOA shall be equipped for two-way radio communication with the FAA Control Tower and have a flashing beacon on top or be escorted by another vehicle so equipped.

Only vehicles, equipment, and personnel who have prior authorization by the Airport Manager may operate on runways, taxiways and movement areas, or cross runways and taxiways.

Under no circumstances shall any vehicle operate on or cross a runway, taxiway, or any movement area unless permission from the Tower is granted. Vehicles requiring an escort must be escorted by Airport Security, Operations, or authorized company vehicles, equipped with two-way radio, and in constant radio communication with the FAA Control Tower.

Fuel trucks shall NOT operate on taxiways or runways and shall NOT cross runways at any time unless authorized by the Airport Manager.

Motorcycles, bicycles and pedestrians are not authorized to travel the perimeter road or on the AOA.

Any accident involving an aircraft and vehicle shall be immediately reported to Airport Operations/Security.

For night operations, all headlights, taillights, and running or clearance lights on all vehicles shall be in proper working order. The vehicle driver shall be responsible for the proper operation of such lights. Rear shining spotlights or other similar lights shall be in the off position when driving on ramps or service roads.

Each vehicle shall enter the Airport by authorized means (i.e., padlock key or gate card key that is obtained from the leaseholder that controls that gate; or a card key or electronic opener that operates Airport controlled gates and are issued by Airport Security). Any other means of entry shall be deemed unauthorized.

Each individual having access to restricted areas is responsible to ensure that his/her operation does not result in debris being left in aircraft operation areas which might be the source of FOD damage.

The maximum number of baggage carts in a single train shall not exceed five (5) empty or four (4) full.

It is unlawful to load a vehicle, cart, or truck so as to create a hazard by allowing articles to fall off of the vehicle as it travels on service roads or ramp areas.

Vehicles must have an approved seat for each passenger.

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4.3 Parking Time Limits and Tow-Away Zones

It is unlawful for any person to park or leave standing any vehicle, whether occupied or not, for a period in excess of such time limits as are designated by appropriate signs.

Vehicles parked in violation of these rules are subject to citation, fine, and/or towing at the owner's expense.

4.4 Negligent Operation

No person shall operate any vehicle in a careless or negligent manner or in disregard for the safety of others.

Except for aircraft and authorized emergency vehicles, it is unlawful for any person to operate or drive any vehicle on the following areas of the Airport faster than the following speeds:

The speed limit in **all portions of the Airport or AOA** authorized to public vehicular traffic is twenty-five (25) miles per hour unless otherwise posted.

The speed limit on the ramp area is ten (10) miles per hour; five (5) miles per hour in the vicinity of aircraft.

At all times, vehicle speed shall be no greater than is reasonable and prudent, consistent with existing traffic conditions, night lighting, and weather conditions.

All vehicles shall be driven in a safe manner and stop at all stop signs.

4.5 Authorized Vehicles on the Air Operations Area

Access to and driving in the AOA is subject to prior approval by the Airport Manager.

4.6 Airport Driver Permit

No vehicle shall be operated on the AOA unless the following conditions are met:

The driver is licensed to operate such vehicle as required by the Department of Motor Vehicles of the State of California.

In addition, unless otherwise authorized by the Airport Manager, the driver must be licensed by the Airport to operate a vehicle on the AOA and be in possession of said driver permit.

No person may operate any vehicle on the AOA prior to obtaining an Airport driver permit unless accompanied by a Long Beach Airport permitted driver for training purposes.

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The driver permit shall be valid until the expiration date listed on the employee's state driver license, and shall be renewed through the Airport Operations Office when the state driver license is renewed.

The privilege to drive on active ramp areas and portions of the airport may be revoked if the driver receives more than three moving violations within one calendar year. If the violation is of a serious nature, driving privileges may be revoked as a result of one incident.

If revoked, the driver permit may be reinstated by the joint approval of the Chief of Security, Airport Operations Officer and the company manager.

4.7 Driver Training and Testing

Every driver/applicant who operates a vehicle on the AOA of the Airport must be familiar with the pertinent provisions of the State of California Vehicle Code and, the traffic and licensing subsections of these Rules and Regulations. The driver must have been trained in the vehicle to be operated.

A minimum of eight supervised hours of practical driver training behind the wheel on the AOA is required prior to the testing of the applicant for issuance of the Airport Driver Permit. Experience driving on other Airports may be substituted for some of the 8 hours. Note: **Training should include driving on roadways, access lanes and ramp/apron areas.**

The applicant shall take and pass a written driving test prior to being issued a permit. The Airport Manager may require a practical demonstration of driving ability.

Individuals renewing their Airport Driver's Permit are required to take and pass a written driving test.

4.8 Vehicle Identification

Each vehicle operated in or upon the AOA must display a Long Beach Airport decal attached to the left side of the bumper.

Each vehicle operating on the AOA shall have an approved logo or company name displayed on both sides of the vehicle. For vehicles having front doors, the identification shall be located on the front door panels. Magnetic or temporary identification panels are acceptable. Identifying logos shall be large enough to be readily visible from a distance of 100 yards.

4.9 Escorted Driving on the Air Operations Area

Drivers without an Airport driver permit shall not drive on the AOA unless guided by an escort vehicle authorized by the Airport Manager.

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Permission must be obtained from the Airport Security Office prior to escorting any vehicle onto the AOA when such vehicle does not have a current and valid Airport Motor Vehicle Operating Permit.

No more than two vehicles may be escorted at one time.

A vehicle not otherwise permitted, but temporarily authorized, to operate in the AOA may be required to display an orange and white checkered flag during daylight hours and yellow lights after sunset.

4.10 Vehicle and Equipment Condition

All equipment shall be operated in accordance with City and state laws, codes and these Airport Rules and Regulations.

Airport Operations, Security, and Fire Station 16, are authorized to inspect and declare unfit for use on Airport property, any vehicle or piece of equipment that does not comply with applicable rules and regulations, codes, and laws. Prior to declaring any vehicle or equipment unfit, the matter will be discussed with the appropriate manager/supervisor of the company involved. Equipment not in use shall be parked in designated areas with the parking brake set, engine and lights off and transmission in park. In addition, cart tongues shall be placed in the upright position to engage the brakes. All equipment shall have brakes set and/or chocks in place.

No person shall work on or park a vehicle adjacent to or on any active taxiways or runways without prior approval from Airport Operations/Security.

Vehicles or equipment in a wrecked or inoperable condition shall not be parked on the Airport.

No disabled vehicle may be left unattended or abandoned on any active Airport area (except to seek assistance), unless parked in an authorized parking area.

4.11 Ramp and Apron Operations

Except for vehicles in the act of servicing aircraft, no vehicle may drive under any portion of an aircraft.

When driving by a parked aircraft, minimum clearance from any portion of the aircraft is twenty (20) feet.

A vehicle guide person is required any time the driver's vision is limited or obscured due to obstructions, load, equipment, etc.

At no time shall a vehicle be driven within less than a safe distance appropriate to aircraft type from the intake or exhaust of a jet when the engines are running.

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At no time during enplaning or deplaning of passengers shall a vehicle be driven between an aircraft and a loading gate.

When an aircraft's engines are operating, ground personnel shall be present in a position to provide direction to other vehicles.

Vehicle operators shall follow signals/instructions of ground personnel.

Unless directed by ground personnel, no vehicle shall be driven behind an aircraft pushing back from a gate.

Equipment not required for aircraft servicing shall be removed from aircraft gates.

5.0 Fire and Safety

All fire and fire-related safety provisions of these Rules and Regulations, including provisions concerning hazardous materials, shall be in accordance with applicable sections of the Uniform Fire Code, and/or the National Fire Protection Association's Codes and Standards, and those of the Long Beach Fire Department.

5.1 Handling of Explosives

Class A explosives and explosives not acceptable for transportation under applicable Federal Regulations are not permitted on the Airport.

5.2 Handling Hazardous Materials

No person shall store, keep, handle, use, dispense, or transport at, in, or upon the Airport, any explosives, blasting agents, flammable liquids, combustible liquids, flammable solids, oxidizers, organic peroxides, corrosive materials, flammable gases, nonflammable gases, Class A or B Poisons, irritating materials (ORM A, B, C, D and E), or cryogenic liquids at such time or place or in such manner or condition as to endanger unreasonably or as to be likely to endanger unreasonably persons or property. For purposes of this hazardous class scheme, the U. S. Department of Transportation (DOT) definitions as contained in 49 CFR Parts 171-177 shall be utilized.

The following controls and procedures are required for handling hazardous materials:

Hazardous materials shall be handled by designated personnel only.

Applicable hazardous materials placards shall be posted.

Procedures must be provided for storage and handling of the following: fuel, hydraulic fluid, oil, de-icing fluid, detergents, and solvents. The procedures shall contain at least

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the following:

- A list of the hazardous waste associated with the operation.
- Copies of Material Safety Data Sheets for each of the materials listed above.
- A list of personnel responsible for the handling of hazardous waste and their duties.
- Procedures for the storage of hazardous waste including maps indicating storage areas.
- A list of equipment and materials used in the handling of hazardous waste.
- Procedures for the containment, clean-up and disposal of hazardous waste.
- A list of the licensed hazardous waste haulers contracted with for the disposal.

5.3 Fire Extinguishers and Related Equipment

Fire extinguisher equipment and fire alarms at the Airport shall not be tampered with at any time, nor used for any purpose other than fire fighting or fire prevention. All such equipment shall be inspected in conformity with National Fire Protection Association Regulations. Tags showing the date of the last inspection shall be attached to each unit.

5.4 Reporting Fires

Any person observing any unattended or uncontrolled fire on Airport premises shall immediately report it directly to the Long Beach Fire Department at 9-1-1. No person shall make any regulation or order, written or verbal, that would require any person to take any unnecessary delaying action prior to reporting such fire to the Long Beach Fire Department.

5.5 Fueling Operations

The NFPA standards titled "Aircraft Fuel Servicing" #407, governing the operation of aircraft fueling and storage are hereby made part of these Airport Rules and Regulations.

No aircraft shall be fueled or have fuel drained from it while the aircraft engine is running, unless specifically authorized by the Airport Manager and Long Beach Fire Department. All such operations must conform to NFPA 407 standards governing such operations.

Smoking or lighting of an open flame is prohibited within fifty (50) feet of any fueling operation.

No fueling operations shall be conducted within fifty (50) feet of any building.

No person shall conduct fueling operations when lightning is visible in the vicinity of the Airport.

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Aircraft fueling operators shall not leave the fueling unit unattended while it is pumping fuel into the aircraft.

An aircraft and fueling unit must be properly grounded and bonded prior to fueling operations to prevent the possibility of fire or explosion due to discharge of static electricity.

Fueling of aircraft parked on runways, taxiways or the perimeter road is prohibited.

When parked, refueling vehicles shall be positioned for immediate drive away or towing, and a clear space of not less than 10 feet shall be maintained between the vehicle and any other parked or moving vehicle.

All fueling on the Airport must be conducted by authorized fuel service providers, unless specifically authorized by the Airport Manager and the Long Beach Fire Department. Such authorization to conduct "self fueling" shall conform to the applicable standards in NFPA 407.

5.6 Dangerous Conditions Prohibited

The following acts are prohibited while fuel is being put into or removed from any aircraft:

- Start or operate any engine on the aircraft unless specifically authorized by the Long Beach Fire Department and the Airport Manager.
- Allow any fuel to overflow any fuel tanks or container.
- Use or move any material which might cause a discharge of static electricity within fifty (50) feet of the aircraft.

5.7 Storage Approval Required

No person shall store gasoline or other flammable substances in an unsafe manner on the airport, above or under the surface of the ground.

5.8 Orderly Premises

Tenants and their employees are required to keep their premises clean and clear of rubbish, junk, debris, and unsightly objects. All tenants shall keep all floors and walls of the building or premises free and clear of oil, grease, or other flammable substances, and shall maintain and regularly empty suitable covered metal rubbish containers.

All trash, debris and rubbish shall be disposed of in an appropriate manner.

6.0 Airport Operating Permit or Landing Fee Agreement

Commercial aircraft activity at Long Beach Airport is subject to the following conditions and restrictions.

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6.1 Commercial Use Permit

No person shall use the Airport for the carrying on or conduct of commercial aviation or the carrying of passengers, freight, express mail, or for student instruction, communications or any other commercial purpose without prior written approval from the Airport Manager, unless operating as a sub-tenant to an Airport leaseholder. Excepted from this requirement are instructional flights originating from another airport.

Notwithstanding the above, any operator of regularly scheduled air carrier operations at the Airport must secure a written agreement with the Airport Manager prior to commencing regularly scheduled operations at the Airport.

7.0 Airport Security

The regulatory provisions of the Airport's Security Program are established by Municipal Codes, Administrative Orders of the Director, Department of Public Works, directives issued by the Airport Manager and provisions of Federal Aviation Regulations 14 CFR Parts 1542, 1544, and 139.

7.1 Designation of Airport Areas

Long Beach Airport is broadly divided into two security-related categories designated as Restricted Areas and the Security Identification Display Area.

Restricted Areas:

Restricted areas are those parts of the Airport so designated and posted by the Airport Manager under the authority of the F.A.A. No person shall enter any restricted area except those who are duly authorized by the Airport Manager. The AOA in its entirety is a Restricted Area.

SIDA:

The Security Identification Display Area (SIDA) is that portion of the terminal building and air carrier aircraft parking ramp subject to FAR 1542.207 access control requirements.

7.2 Security Requirements

All persons using the Airport are subject to the Security Program pursuant to Part 1542 of the Federal Aviation Regulations.

Air carrier tenants must have an approved security, safety and passenger handling program.

Only personnel and vehicles, properly identified by the Airport are authorized access to the SIDA.

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Leaseholders are responsible for ensuring the security of leasehold boundaries.

7.3 Restricted Area Entry/Exit Points

Leaseholders are responsible for any and all vehicles and their occupants, or pedestrians that gain entry onto the Airport through their gates.

All gates, including sliding doors in baggage claim area, shall be closed and re-locked immediately after use. Any gate or door observed open should be secured, or, if broken, reported to Airport Security.

7.4 Security Identification Display Area

Approved Airport Identification Badges must be worn at all times in the SIDA.

This requirement applies to law enforcement officers and all other persons who access the SIDA.

An escort is required for anyone not having a permanent Airport ID Badge.

The only exceptions to the Airport's badge display requirement are flight crews in the vicinity of and while transiting to their aircraft, and FAA Aviation Safety Inspectors in possession of FAA Form 8000-39. In the case of flight crews, company identification shall be displayed.

Each individual holding an identification badge allowing access to the SIDA shall challenge, and refer to Airport Security, any individual not displaying appropriate identification.

7.5 Lost or Stolen Identification Cards

Lost or stolen identification badges shall be promptly reported to Airport Security.

Air carriers and other tenants whose employees have been issued SIDA badges shall immediately notify Airport Security when an employee is fired or otherwise ceases to be employed by the tenant.

The tenant shall be responsible for collecting identification badges and all access media from employees who have ceased employment with the tenant. In the event that the tenant is unable to collect such media, he shall immediately notify Airport Security.

7.6 Escort/Aircraft Ownership

An individual requesting escort of an aircraft must show proof of ownership of that aircraft, or otherwise demonstrate that he is acting on behalf of the owner.

7.7 Airport Security Compliance

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No person shall willfully refuse to comply with any lawful order, direction, or signal of an Airport Security Officer.

8.0 Noise Control or Abatement

All aircraft operations shall abide by the provisions of the Noise Compatibility Ordinance of the Long Beach Municipal Code.

LBMC Chapter 16.43

9.0 Minimum Standards

This section describes the Minimum Standards for Commercial Aeronautical Activities conducted at Long Beach Airport.

9.1 Background

The purpose of "Standards for Commercial Aeronautical Activities" is to promote fair competition at public airports and not to expose those who have undertaken to provide commodities and services to irresponsible competition. Prudent airport owners will adopt and enforce minimum standards to be met by those who propose to conduct commercial aeronautical activity. Such standards, by expressing minimum levels of service that must be offered, relate primarily to the public interest, but appropriate requirements uniformly applied also discourage substandard enterprises, thereby protecting both the established aeronautical activity and the airport patrons.

The following minimum standards and requirements for commercial aeronautical activities have been established in the public interest for the safe and efficient operation of the Long Beach Airport; to enhance its orderly growth; to preclude the granting of an exclusive right to conduct an aeronautical activity in violation of Section 308(a) of the Federal Aviation Act of 1958; to conform to Title VI of the Civil Rights Act of 1964 and Part 21 of the U.S. Department of Transportation Regulations; and to assure all lessees and potential lessees the availability of airport property on fair and reasonable terms and without unjust discrimination.

FAA Advisory Circulars 150/5190-1A, "Minimum Standards for Commercial Aeronautical Activities on Public Airports," and 150/5190-2A, "Exclusive Rights at Airports," have been used to provide guidance in the preparation of these standards.

9.2 General

Regarding all of the below-mentioned specific activities, it shall be understood that the following general minimum standards shall apply:

9.2.1 All applicable federal, state and local laws, including building codes and City of Long

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Beach business licensing requirements, shall be met.

- 9.2.2 Insurance coverage for the particular use shall be provided pursuant to contract requirements.
- 9.2.3 The purveyor of aeronautical activity shall operate with a lease, sublease, license, agreement and/or permit issued by the City of Long Beach, with facilities located in an area designated by the City.
- 9.2.4 The purveyor of aeronautical activity shall provide adequate employee and customer vehicle parking pursuant to applicable jurisdiction guidelines or as otherwise addressed in the minimum standards.
- 9.2.5 The purveyor of aeronautical activity shall conform to City of Long Beach rules, regulations, and ordinances.
- 9.2.6 All charges for services on the airport shall be reasonable, equally and fairly applied to all users of the services.
- 9.2.7 All tenants, permittees, operators and licensees shall pay all taxes and assessments against any buildings or other structures placed on the premises by them, as well as all taxes and assessments against the personal property used by them in their operations.
- 9.2.8 All contracts and leases between tenant and the City shall be subordinate to the provisions of any existing or future agreement between the City of Long Beach and the United States government, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport properties.
- 9.2.9 Unless otherwise specified by agreement, no tenants shall sublease or sublet any premises leased by such operator from the City, or assign any such lease, without the prior written approval of the City, and any such subletting or assignment shall be subject to all of the minimum standards herein set forth.
- 9.2.10 In the event the tenant sublets any portion of his lease, the sublessee shall agree to assume the full obligations of the lease as set out herein and shall agree to fully cooperate with the City in seeing that these standards are complied with. The sublessee shall immediately comply with any reasonable request or direction of the City as it relates to the enforcement of these standards.
- 9.2.11 In the event that the lessee, permittee, operator, licensee, or sublessee fails to comply with the reasonable requests or direction of the City as it relates to these standards, said lessee or sublessee shall be in default. If said default continues for more than 30 days after written

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notice of said default; the City may terminate the agreement. Said lessee is responsible for the performance of the sublessee, or for other activities taking place on lessee's designated leasehold property.

- 9.2.12** The City reserves the right to take any actions it considers necessary to protect the aerial approaches to the Airport against obstructions, together with the right to prevent any tenant from erecting, or permitting to be erected, any building, sign, or other structure on the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.
- 9.2.13** The provisions of these standards shall in no way negate or cause to be null or void existing leases with tenants at the Long Beach Airport. Upon the adoption of these standards, any new leases entered into and any amendments to existing leases shall be in accordance with the standards, unless otherwise specified by agreement.
- 9.2.14** The City reserves the right to enter upon any premises leased to tenants at reasonable times for the purpose of making such inspections as it may deem necessary to ensure proper enforcement of these minimum standards and for the proper enforcement of any covenant or condition of any tenant's contract or lease agreement.
- 9.2.15** Only the uses specified in an authorizing lease, license, agreement or permit may be performed, and such uses are authorized only when conducted by the tenant or a subtenant. All other business activities engaged in, on, or from the leasehold premises involving provision of services or products to parties other than tenant or an approved subtenant for financial gain are prohibited. Said prohibition shall be enforced by tenant.
- 9.2.16** Airport property shall be available for any aeronautical uses consistent with the Standards for Commercial Aeronautical Activities and the adopted Airport Land Use Plan. However, the City of Long Beach retains the right, as Airport proprietor, to attempt to lease an available building or area as one parcel (rather than to several tenants with smaller lease parcel sizes), provided that such activity shall not be done for the purpose of excluding any individual(s), but merely to reduce lease administrative costs and other problems relative to multiple tenancy buildings. City shall not unreasonably withhold the right to sublease for uses which conform to the Land Use Plan and Standards for Commercial Aeronautical Activities.
- 9.2.17** The City reserves the right to change these standards from time to time, based on changing requirements. Such changes shall be accomplished for the purpose of not unduly discriminating against an individual/business or group of individuals/businesses.

9.3 Aeronautical Activities

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9.3.1 Based Aircraft Flight Instruction

Providers of flight instruction shall hold FAA and state certification where applicable.

Provider shall have an on-Airport office space and telephone.

Restroom facilities within reasonable walking distance of office space shall be provided.

Provider shall have parking (customer & employee vehicles) available consistent with local jurisdiction guidelines.

9.3.2 Aircraft Sales

The business shall maintain an on-Airport office space.

The business shall hold licenses as required by other governmental agencies.

Aircraft owners selling their own airplane and exempt from state sales licensing requirements are considered exempt from these requirements.

9.3.3 Aircraft Storage

Tiedown spaces shall be designed to provide for no aircraft overlap.

Adequate tiedown hardware shall be provided for wing and tail tiedowns.

For taxilanes used by aircraft under power, minimum taxilane widths consistent with FAA Advisory Circular 150/5300-13, "Airport Design" shall be provided unless otherwise approved by the Airport Manager.

Taxilanes shall be marked in accordance with the standards set forth in FAA Advisory Circular 150/5340-1G, "Standards for Airport Markings."

9.3.4 Aircraft Storage Hangars

No commercial operations shall be conducted out of a hangar unless authorized in writing by the Airport Manager.

Storage of marine craft or other vehicles not required to support aviation activity is not permitted.

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9.3.5 Aircraft Maintenance and Repair

All Aircraft repairs must be made in accordance with FAA standards.

Purveyor must provide an on-Airport office and hangar or tiedown area for parking of customer aircraft.

Performing maintenance on an aircraft parked beyond the boundary lines of tenant leasehold or FBO is prohibited.

9.3.6 Fuel/Line Service

For full-service fuel facilities, fuel & service shall be available by staffed fuel providers between the hours of 7:00 a.m. and 7:00 p.m. Fuel shall be available through a posted call-up number 24 hours/day, 365 days/year, for a reasonable call-up fee and a response time not to exceed 30 minutes.

For self-service facilities, fuel shall be available 24 hours per day. The facility shall provide on-call response 24 hours per day. Response time shall not exceed 30 minutes.

Fuel facilities shall be staffed during all fuel deliveries.

An on-Airport refueling truck or service island shall be in operating condition at all times that fuel is required to be available, and meet all applicable building and fire codes.

Purveyor shall provide below ground minimum storage capacity (applies to new fuel facility construction where fuel is to be sold on a retail basis) of 20,000 gallons for each grade for aviation use, unless otherwise authorized by the Airport Manager.

9.3.7 Aircraft Rental

The purveyor shall maintain an on-Airport office and adequate assigned tiedowns or inside storage areas for rental aircraft.

Restroom facilities within reasonable walking distance of office space shall be provided.

9.3.8 Radio and Electronics Sales and Service

Purveyor shall hold required FAA and FCC licenses.

Purveyor shall maintain on-Airport shop/office spaces for storage of customer aircraft.

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9.3.9 Flying Clubs (Non-Profit)

The flying club shall be a non-profit corporation or partnership.

The aircraft shall be owned or leased by the club.

The club may not offer or conduct charter, air taxi, rental, or flight instruction, and only members of the flying club may operate the aircraft.

The club shall not permit its aircraft to be used for giving flight instruction to any person, including club members, when such person pays or becomes obligated to reimburse for such instruction, except when instruction is given by a lessee or permittee authorized by the City to give such instruction.

Exceptions are permitted to the above when flight instructors or mechanics are club members. They may perform instruction/maintenance/repair where compensation is limited to credit against payment of dues or flight time.

9.3.10 Aircraft Charter

Adequate sheltered waiting area shall be provided within 500 feet of the loading ramp. The waiting area shall be of sufficient size to hold the passenger load for the type of aircraft and meet applicable Fire Codes regarding occupancy load.

Restrooms shall be available at the waiting area.

Adequate vehicle parking spaces shall be provided on-site in accordance with LBMC Chapter 21.41.

The operator shall hold all applicable FAA and DOT licenses and/or certificates.

The operator shall provide adequate ground handling equipment for type aircraft.

The operator shall provide public telephones within reasonable distance of waiting area.

No publicly scheduled operations or public charters with a scheduled frequency of five flights or more per week are permitted except at the main terminal building.

9.3.11 Scheduled Airline Operations

Scheduled airline operators are those companies operating publicly available (or advertised) scheduled flights with a frequency of five flights or more per week using aircraft with a certificated maximum take-off weight equal to or greater than 75,000 lbs.

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Scheduled airline operations shall be conducted solely from the Airport's terminal building and associated air carrier ramp.

The Airline operator shall provide either customer service counter personnel, a direct line customer service counter telephone, or a toll free number posted at the ticket counter from 6:00 a.m. to 11:00 p.m., and any additional hours as required to coincide with a delayed flight.

The Airline operator shall provide skycap service.

The Airline operator shall provide adequate guidance and escort between the boarding lounge gate and the aircraft door.

The Airline operator shall provide queuing stanchions, of approved type, for crowd control.

The Airline operator shall abide by the current approved Graphics Standards Manual.

The Airline operator shall utilize the pre-approved Alternate Operation Plan for diverted flights between 11:00 p.m. and 7:00 a.m.

9.3.12 Commuter Operations

Scheduled commuter operators are those companies operating publicly available (or advertised) scheduled flights with a frequency of five flights or more per week using aircraft with a certificated maximum take-off weight of less than 75,000 lbs.

Scheduled commuter operations shall be conducted solely from the Airport's terminal building and associated ramp.

The Commuter operator shall provide either customer service counter personnel, a direct line customer service counter telephone, or a toll free telephone number posted at the ticket counter from 6:00 a.m. to 11:00 p.m., and any additional hours as required to coincide with a delayed flight.

The Commuter operator shall provide adequate guidance and escort between the boarding lounge gate and the aircraft door.

The Commuter operator shall escort all unscreened passengers from the aircraft through the Security Identification Display Area (SIDA) when disembarking. Unscreened passengers shall only use exit gates authorized by the Airport Manager.

The Commuter operator shall provide queuing stanchions, of approved type, for crowd control.

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The Commuter operator shall abide by the current approved Graphics Standards Manual.

The Commuter operator shall utilize the pre-approved Alternate Operation Plan for diverted flights between 11:00 p.m. and 7:00 a.m.

9.3.13 Specialized Aviation Services

Specialized aviation services include aircraft modifications (STCs), aircraft paint, aircraft upholstery, aircraft propeller service, aircraft engine component overhaul, aircraft major rehabilitation or reconstruction

Aircraft painting, except minor touch-up painting, shall be conducted only in City approved aircraft paint booths or paint facilities.

Purveyor shall hold the required FAA certification for type work.

9.3.14 Airship Operations

Airship mooring locations shall be assigned as appropriate by airport management.

The airship operator shall be responsible for the removal of equipment in a timely manner, not to exceed 24 hours.

The airship operator shall provide ground operations and radio training to each crewmember required to operate a vehicle on the airport surface and/or communicate via radio with the ATC tower.

9.3.15 Banner Tow Operations

Each banner tow operator shall obtain a banner tow permit from the Airport Bureau.

A ground crew consisting of at least one individual is required for all banner tow operations.

Any vehicles operated on the airfield shall display Airport-required identification and markings.

Banner tow pickup/drop operations shall be conducted only in areas designated by Airport management.

9.3.16 Mobile Aircraft Washing and Detailing

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Aircraft washing shall be conducted only in designated areas. Operators must contain all water and associated discharge from washing activities. All such effluent shall be recycled or removed from the Airport.

Aircraft washing and detailing permits are not exclusive. They may be granted to others.

Aircraft washing and detailing operators shall receive written approval of lessees or permittees prior to entering their premises.

9.3.17 Mobile Catering

Mobile catering permits are not exclusive. They may be granted to others.

Food catering permittees shall not operate their catering units within 300 feet of the terminal building.

Mobile caterers shall receive written approval of lessees or permittees prior to entering their premises.

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