

ASSIGNMENT AND ASSUMPTION OF LEASE WITH LANDLORD CONSENT

This Assignment and Assumption of Lease With Landlord Consent (this "Assignment") is entered into to be effective as of May 1, 2015 (the "Effective Date") which date is preceded by the Closing Date of April 30, 2015 for closing and funding of the "Transaction" further described in Recital F, below, and entered into between Stinson Jet Center, LLC, a Texas limited liability company (hereinafter called "Assignor"), and Imperial Aviation, LLC, dba Gateone, a Texas limited liability company (hereinafter called "Assignee"), and consented to by the City of San Antonio, a Texas Municipal Corporation (hereafter called "City" or "Landlord"), acting by and through its City Manager pursuant to Ordinance Number _____, passed and approved by the San Antonio City Council on _____.

WITNESSETH

- A. WHEREAS, an original lease agreement ("Original Lease") was executed on July 1, 2004 between the City and Check Six Aviation, Inc. pursuant to Ordinance No. 99269 dated June 3, 2004; and
- B. WHEREAS, on July 7, 2007, Check Six Aviation, Inc. assigned the Original Lease to Sky Safety, Inc. as approved by City Ordinance No. 2007-06-28-0782 dated June 28, 2007; and
- C. WHEREAS, Sky Safety, Inc. assigned the Original Lease to San Antonio Piper, Inc. as approved by City Ordinance No. 2010-01-21-0053 dated January 21, 2010; and
- D. WHEREAS, San Antonio Piper, Inc. changed its name to San Antonio Air Charter, Inc. as approved by the Texas Secretary of State on April 2, 2014; and
- E. WHEREAS, San Antonio Air Charter, Inc. assigned the Original Lease to Stinson Jet Center LLC as approved by City Ordinance No. 2014-08-07-0531 dated August 7, 2014; and
- F. WHEREAS, Assignee has agreed to purchase from Assignor, and Assignor has agreed to sell to Assignee, certain of Assignor's assets (the "Transaction" known between Assignor and Assignee as the "Asset Purchase Agreement") including, but not limited to, all of Assignor's right, title and interest in and to the Original Lease; and
- G. WHEREAS, Stinson Jet Center LLC ("Assignor") has requested the City's consent to the assignment of Assignor's rights and obligations under the Original Lease, to Imperial Aviation LLC dba Gateone ("Assignee"); subject only to the conditions in Recital H; and
- H. WHEREAS, the City ("Landlord") is willing to consent to this request of Assignor to assign its rights under the Original Lease, as amended by the First Amendment of Lease executed by Assignee simultaneously to this Assignment, to Assignee, which consent shall become null and void if the closing and funding of the Transaction ("Asset Purchase Agreement") does not occur immediately following the consent to this Assignment by the San Antonio City Council;

NOW THEREFORE, in consideration of the terms, covenants and promises, agreements, and demises herein contained, and for other good and valuable consideration, each to the other given, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignor hereby conveys, transfers, and assigns and delivers to Assignee and its successors and assigns all of Assignor's rights, title, and interest in and to the Original Lease Agreement, as amended, effective as hereinafter set forth.
2. In consideration therefore, Assignee hereby accepts, assumes, takes over, and succeeds to all of the Assignor's rights, duties, interests, liabilities, and obligations under the Original Lease Agreement, as amended. Assignee agrees to indemnify and hold harmless the City with respect to any and all such duties, liabilities, or obligations.
3. Assignor warrants to Assignee that it is not in material breach of the Original Lease and hereby agrees for itself and its successors and assigns to indemnify and hold harmless Assignee from any loss, damage, environmental damage, claim, cost, or expense arising from the failure of Assignor or its successors or assigns to perform any of the terms, conditions, covenants, and obligations of the Original Lease, provided, however, that such indemnity shall apply only to failure accruing prior to the Effective Date of this Agreement.
4. The City consents to the assignment of the rights and obligations of Stinson Jet Center LLC, Assignor, to Imperial Aviation LLC, dba Gateone, Assignee, which consent shall be null and void if the closing and funding of the Transaction does not occur after this Agreement is consented to by City Council. The City authorizes the City Manager or her designee to consent to this Assignment and Assumption Agreement.
5. The Effective Date of this Agreement shall be May 1, 2015.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Agreement as of the Effective Date.

[signature page follows]

EXECUTED the _____ day of April, 2015.

ASSIGNOR:

STINSON JET CENTER, LLC, a Texas
limited liability company

By: John R. Bean
John R. Bean, Manager

ASSIGNEE:

IMPERIAL AVIATION, LLC, dba Gateone, a
Texas limited liability company

By: Thomas Mathew
Thomas Mathew, Manager

CONSENT GRANTED: City of San Antonio

By: _____
Name: _____
Title: _____

APPROVED:

Signature

City Attorney

Date Approved

**STINSON MUNICIPAL AIRPORT
FIRST AMENDMENT OF LEASE**

THIS FIRST AMENDMENT OF LEASE ("First Amendment") is entered into by and between Imperial Aviation, LLC dba Gateone ("Lessee"), a Texas Limited Liability Company, acting by and through its Manager; which Lessee is assignee of Stinson Jet Center, LLC, and the **City of San Antonio** ("City" or "Lessor") acting by and through its City Manager pursuant to Ordinance No. _____ passed and approved on _____, which First Amendment is set forth as follows:

WHEREAS, City and Check-Six Aviation, Inc. entered into that certain Stinson Municipal Airport Lease on July 1, 2004, pursuant to Ordinance No. 99269 dated June 3, 2004 (hereinafter the "Lease"); and

WHEREAS, on July 7, 2007, Check Six Aviation, Inc. assigned the Original Lease to Sky Safety, Inc. as approved by City Ordinance No. 2007-06-28-0782 dated June 28, 2007; and

WHEREAS, Sky Safety, Inc. assigned the Original Lease to San Antonio Piper, Inc. as approved by City Ordinance No. 2010-01-21-0053 dated January 21, 2010; and

WHEREAS, San Antonio Piper, Inc., operating under the name San Antonio Air Charter, Inc. assigned the Original Lease to Stinson Jet Center, LLC as approved by City Ordinance 2014-08-07-0531 dated August 7, 2014; and

WHEREAS, Stinson Jet Center, LLC and Lessee have requested City's approval of an Assignment and Assumption of the Lease; and

WHEREAS, Lessee and City have agreed to amend the Lease to provide an option to Lessee to extend the term of the Lease and to modify other provisions of the Lease as set forth herein;

NOW THEREFORE: in consideration of the terms, covenants and promises, agreements and demises herein contained, and for other good and valuable consideration, each to the other given, the receipt and sufficiency of which is hereby acknowledged, Lessee and City agree:

I. The following Articles, Sections, and Exhibits of the Lease Agreement are modified as set forth herein.

1. **Article III, Lease Term, Section 3.1** of the Lease is modified to read as follows:

3.1 This lease commenced on the effective date of this Lease Agreement, February 1, 2004, and is for a term of twenty (20) years, unless sooner terminated according to the provisions hereof. Notwithstanding the foregoing, upon Lessee's providing 90 days written notice to Lessor, which notice shall be provided to Lessor no later than October 31, 2023, Lessee may exercise an option to extend the lease term for an additional five (5) years, commencing on February 1, 2024, and terminating on January 31, 2029.

The remainder of Section 3.1 shall remain unchanged.

3. **Exhibit No. 2, Standard Provisions, Provision 17, Default and Remedies**, is hereby modified to add the following to Subsection 17.1:

J. An event of default on the part of Lessee occurs under that certain Lease Agreement assigned to and assumed by Lessee on this date, which Lease Agreement is dated July 24, 2006, authorized pursuant to Ordinance No. 2006-06-29-0783 dated June 9, 2006, which Lease Agreement was originally by and between San Antonio Aviation, Inc. and City.

The remainder of Provision 17 shall remain unchanged.

II. This First Amendment sets forth the entire agreement between the parties regarding the subject matter hereof. Unless modified herein, the terms and conditions of the Lease, as amended by this First Amendment, remain in full force and effect.

III. The First Amendment shall be effective upon passage of Ordinance authorizing this First Amendment and consenting to assignment and assumption by Lessee of the Lease, as amended.

IV. This First Amendment is executed in multiple counterparts each of which contains all required original signatures and shall be considered an original on its own.

IN WITNESS WHEREOF, the undersigned have duly executed this First Amendment of Lease as of the dates set forth below.

CITY OF SAN ANTONIO
A Texas home-rule municipality

IMPERIAL AVIATION, LLC
dba Gateone

By: _____
Sheryl Sculley, City Manager

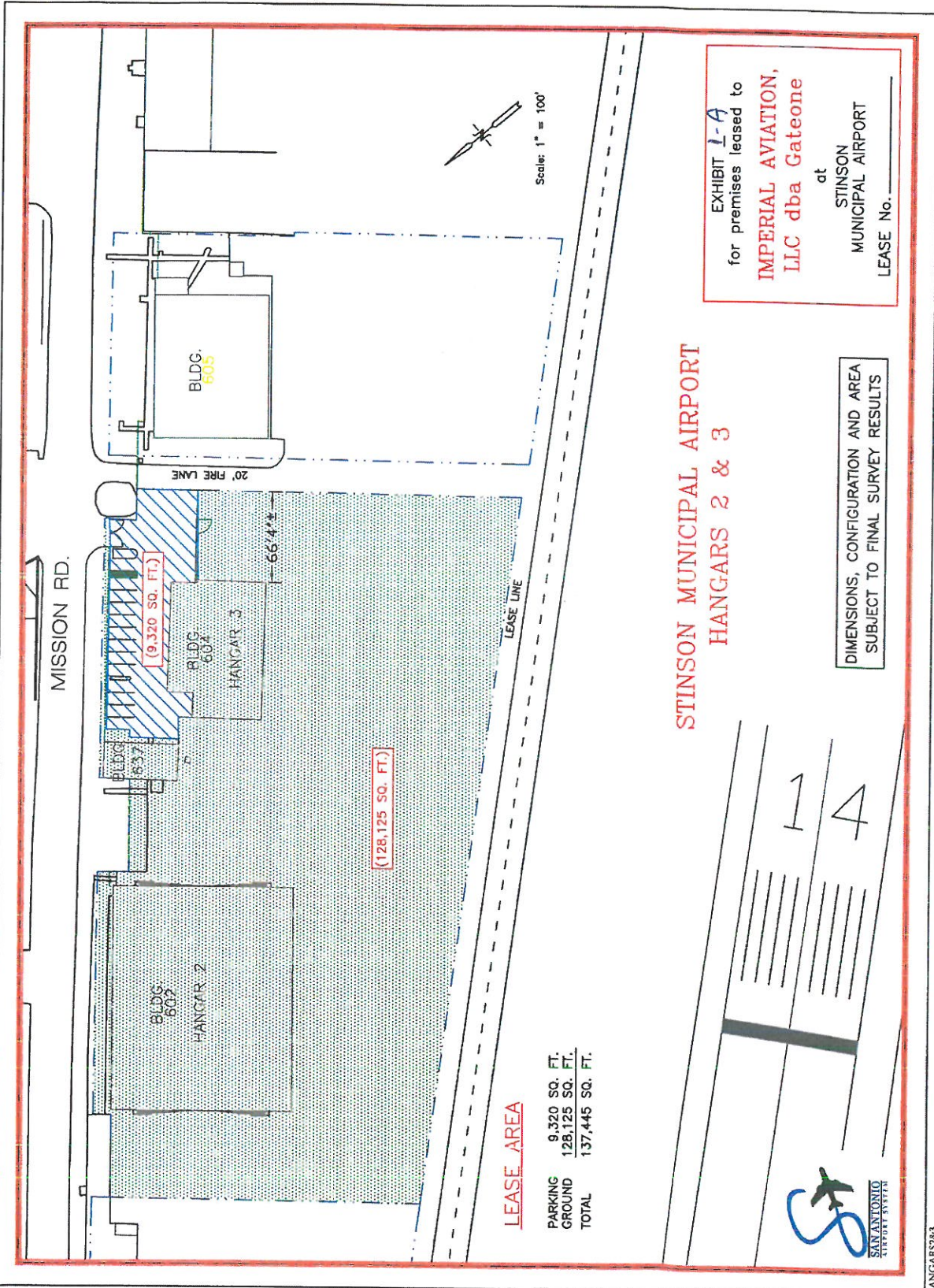
By: 
Thomas Mathew, Manager

Date: _____

Date: _____

Approved as to form:

City Attorney



**STINSON MUNICIPAL AIRPORT
HANGARS 2 & 3**

EXHIBIT **L-A**
for premises leased to
**IMPERIAL AVIATION,
LLC dba Gateone**
at
STINSON
MUNICIPAL AIRPORT
LEASE No. _____

DIMENSIONS, CONFIGURATION AND AREA
SUBJECT TO FINAL SURVEY RESULTS

