

**MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND AVIATION ADMINISTRATION
MARTIN STATE AIRPORT**

CONTRACT FOR AIRCRAFT PARKING SPACE

This Contract, made this 1st day of _____ between the State of Maryland, Maryland Department of Transportation, Maryland Aviation Administration (hereinafter referred to as "Lessor") and _____ (hereinafter referred to as "Lessee"), is subject to the terms and conditions set forth below.

In consideration of the mutual covenants contained herein, and for other good and valuable consideration, the parties hereby agree as follows:

1. Leased Space:
Tie-down _____ T-hangar _____ Community Hangar _____
Location: _____
2. Aircraft Identification:
Make and Model: _____
FAA Registration No.: _____
3. The effective date of this Contract is: _____
4. **Performance Guarantee:** Lessor shall bill Lessee monthly for rental fees and other Airport use fees. Charges shall be due and payable by Lessee within thirty (30) days of billing. In the event that Lessee fails to pay such invoices within thirty (30) days of billing on two (2) separate occasions within a twelve (12) month period, Lessee agrees to deliver to Lessor, within thirty (30) days after demand therefore, a performance bond. Said bond shall be maintained in effect thereafter for such period as Lessor may require as a condition for Lessee's continued use of the Leased Premises, and shall be in an amount specified by Lessor, which amount shall be approximately equivalent to the rental payments for a six (6) month period. Said bond shall be obtained from a surety company qualified to do business in the State of Maryland. The bond shall contain language that the surety company shall notify Lessor in writing within five (5) days of a determination that the bond is to be terminated or is not going to be renewed. Alternatively, if Lessee elects not to furnish a surety bond, Lessee shall deposit with Lessor an irrevocable letter of credit from a bank (acceptable to Lessor), a bank certificate of deposit, a cashier's check, or a certified check in the amount specified by Lessor, and made payable to Lessor.
5. **Right to Occupy Space:** Lessor hereby grants to Lessee the right to occupy and use the space identified below (hereinafter, "Leased Space") solely and exclusively for the parking or storage of the above identified aircraft (hereinafter, "Aircraft") or any other similar Aircraft (hereinafter, "Substitute Aircraft") at the same rate, owned or leased by Lessee, provided Lessee has obtained Lessor's prior written consent to store a Substitute Aircraft in the Leased Space. However, at no time shall Lessee store more than one (1) Aircraft in the Leased Space. All provisions of this Contract applicable to the Aircraft

shall apply to any Substitute Aircraft. All other activity including, but not limited to, the parking of vehicles and support equipment and the performance of maintenance, is expressly prohibited without the prior written consent of Lessor.

6. **Lessor's Obligations and Right to Inspect:** Lessor and its agents shall have the right to enter upon, inspect, and perform maintenance on the Leased Space and to make such repairs, alterations, or improvements as Lessor may deem necessary or proper. In addition, Lessee hereby agrees to consent to routine inspections by the State Fire Marshal or his designee.

Lessor will maintain the structural components of the Hangar, including doors and door mechanisms. Lessee shall be responsible and liable for any damage to the Hangar caused by Lessee's negligent use of the Hangar including, but not limited to, damage to interior walls, floors, and doors due to Lessee's improper operation.

7. **Term:** The term of this Contract shall commence on the effective date shown below, and shall continue in effect for a one (1) year period, through ~~«Expires»~~, with two (2) one-year options to renew, subject to Lessor's approval. If Lessee elects to exercise the renewal option, Lessee shall notify Lessor in writing at least thirty (30) days prior to the renewal date. Any such renewal shall be subject to the same terms and conditions of the Contract, with the rent subject to adjustment based upon Tenant Directive 401.1, which is attached hereto and incorporated by reference herein.

8. **Rental Payments:** Lessee shall pay each month to Lessor a monthly rental rate of ~~«Monthly Fee»~~ as set forth in Airport Tenant Directive 401.1, and may be amended by Lessor from time to time. Said amount shall be payable in advance on the first day of each month, and may be adjusted by Lessor upon forty-five (45) days' written notice to Lessee. Lessor shall bill Lessee monthly for the Leased Space. Charges shall be payable by Lessee within fifteen (15) days of billing and, if not paid when due, Lessee shall be charged late fees at a rate of one and one quarter percent (1-1/4%) per month of amount owed to Lessor. Rates will not be prorated when due on a monthly basis, other than for the applicable portion of the first month and last month.

9. **Substitution of Space:** Lessor will make reasonable efforts to ensure that the Aircraft is accommodated in the Leased Space during the term of this Contract. However, Lessor shall retain the right to move and/or relocate the Aircraft to, and/or park the Aircraft in, another location in the event that Lessor, in its sole discretion, determines that such a move is necessary or appropriate. If Lessor elects to exercise this right, Lessor will make reasonable efforts to notify Lessee prior to the change, and to relocate the Aircraft to a space of similar nature.

10. **Limitations to Use of Leased Space:** Lessee shall use the Leased Space only for the parking and storage of the designated Aircraft or Substitute Aircraft. In accordance with the applicable Airport Rules and Regulations, Lessee shall not use said Aircraft for hire, flight training, or other commercial aeronautical activities without the prior written authorization of Lessor.

- a. **Community Hangars:** Lessor will provide the service of moving the Aircraft from the Leased Space onto the ramp area, and from the ramp area into the Leased Space. It is agreed that Lessee shall not perform this service, or any maintenance on the Aircraft, while occupying the Leased Space without the written approval of Lessor.
- b. **T-hangars:** Only locks provided by Lessor are authorized for use in securing T-hangars. Lessor retains the right to remove unauthorized locks from T-hangars and to replace them with an approved type. Lessee shall be liable for any damage to the Leased Space caused by Lessee's use including, but not limited to, bent or broken walls, and damage to floors due to spillage (including, but not limited to, fuel oil). Lessee shall make no alterations, additions, changes, or improvements to the Leased Space without the prior written approval of Lessor. All additions, alterations, and improvements made to the Leased Space shall remain in the Leased Space upon termination of this Contract, without compensation or payment to Lessee. Upon termination of this Contract, Lessee shall immediately surrender possession of the Leased Space, including additions, alterations, and improvements, and shall remove the Aircraft or Substitute Aircraft and any other personal property therefrom, and return to Lessor all Lessor owned keys, leaving the Leased Space in good condition, ordinary wear and tear excepted.
- c. **Outdoor Tie-downs:** Lessor will provide and maintain suitable anchors for the purpose of securing the Aircraft in the Leased Space.
- d. **Preventive Maintenance:** The performance of maintenance other than that listed below is prohibited in the T-hangars. Airport Tenant Directive 401.3, which is attached hereto and incorporated by reference herein, establishes the specific area in which tenants may perform maintenance on their Aircraft or Substitute Aircraft.
 - (1) Removing, installing, and repairing landing gear tires.
 - (2) Replacing elastic shock absorber cords on landing gear.
 - (3) Servicing landing gear shock struts by adding oil and/or air.
 - (4) Servicing landing gear wheel bearings, including cleaning and greasing.
 - (5) Replacing defective safety wiring or cotter keys.
 - (6) Lubrication not requiring disassembly beyond removal of nonstructural items such as cover plates, cowlings, and fairings.
 - (7) Making simple fabric patches not requiring rib stitching or the removal of structural parts or control surfaces.
 - (8) Replenishing hydraulic fluid in the hydraulic reservoir.

- (9) Applying preservative or protective material to components where no disassembly of any primary structure or operating system is involved and where such coating is not prohibited or is not contrary to acceptable practices.
- (10) Repairing upholstery and decorative furnishings of the cabin or cockpit when such repairs do not require disassembly of any primary structure or operating system, nor interfere with an operating system, nor affect the primary structure of the Aircraft.
- (11) Making small, simple repairs to fairings, nonstructural cover plates, and cowlings; and, making small patches and reinforcements that do not interfere with proper airflow by changing the contour.
- (12) Replacing side windows where such work interferes with neither the structure nor any operating system such as controls, electrical equipment, etc.
- (13) Replacing safety belts.
- (14) Replacing seats or seat parts with replacement parts approved for the Aircraft and where such work does not involve disassembly of any primary structure or operating system.
- (15) Troubleshooting/repairing broken circuits in landing light wiring circuits.
- (16) Replacing bulbs, reflectors, and lenses of position and landing lights.
- (17) Replacing wheels and skis where no weight and balance computation is involved.
- (18) Replacing any cowling not requiring removal of the propeller or disconnection of flight controls.
- (19) Replacing or cleaning spark plugs, and setting spark plug gap clearance.
- (20) Replacing any hose connection, except hydraulic connections.
- (21) Replacing prefabricated fuel lines.
- (22) Replacing or cleaning fuel and oil strainers or filter elements.
- (23) Replacing and servicing batteries.
- (24) Replacing or adjusting nonstructural standard fasteners incidental to operations.

- (25) Installing anti-misfueling devices to reduce the diameter of fuel tank filler openings, provided the specific device has been made a part of the Aircraft type certificate data by the Aircraft manufacturer; the Aircraft manufacturer has provided FAA-approved instructions for installation of the specific device; and, installation does not involve the disassembly of the existing tank filler opening.
 - (26) Removing, inspecting, and/or replacing magnetic chip detectors.
- 11. **Condition of Leased Space:** Lessee accepts the Leased Space in its present condition. Additionally, Lessee shall maintain and provide evidence to Lessor of Liability Insurance, and shall maintain said insurance, at least in such amounts as are now, or may hereafter, be referenced under COMAR 11.03.04.07B(6) or which may otherwise be required by any applicable Federal, State or local laws, rules, or regulations, or by any Airport rules or regulations. (See also paragraph 15.) In the event the Leased Space, or the means of access thereto, shall be damaged by fire or any other cause, the rent payable hereunder shall not abate as long as the Leased Space is not rendered untenable as determined by Lessor.
- 12. **Obligations of Lessee:** Lessee shall provide proper safeguard and supervision for its employees, agents, or visitors entering the Leased Space to ensure both personal safety and non-interference with other tenants and with operations of Lessor. Lessee, its employees, agents, or visitors shall abide by all Federal, State, and local laws and regulations, and all Airport rules and regulations. Failure to comply with said laws and regulations, or with said Airport rules and regulations, may result in termination of this Contract upon twenty-four (24) hours' written notice to Lessee. Lessee shall not sub-lease or assign this Contract without the prior written approval of Lessor. The storage of flammable materials, or installation of heating and lighting devices, shall not be allowed without the prior written approval of Lessor, and such storage must be in compliance with applicable fire laws.
- 13. **Indemnification:** Lessee agrees to indemnify, defend, and hold harmless Lessor, the Maryland Department of Transportation and the State of Maryland, their officers, directors, agents, and employees, from and against any and all liability, damages, business interruptions, delays, losses, claims, and judgments including all costs, reasonable attorney fees, and expenses incidental thereto, which may be imposed upon, incurred by, or asserted against Lessor by reason of any loss or damage to any property, or injury or death of any person, arising out of or by reason of any breach, violation, or non-performance by Lessee or Lessee's servants, employees, or agents of any covenant or condition of this Contract, or by any act or failure to act of these persons including, but not limited to, the following:
 - a. Any use or condition of all or part of the Leased Space, surrounding aircraft parking area/ramp, or any street, passageway, or space in the vicinity thereof if caused by the acts or omissions of Lessee.
 - b. Any negligent acts or omissions by Lessee or its agents, contractors, licensees, or invitees.

- c. Any personal injury or property damage - including that incurred as a result of negligence, or strict liability, occurring on or about the area, any building, or any adjoining street, passageway, or space in the vicinity thereof caused by the acts or omissions of Lessee, its agents, employees, or invitees.

This paragraph does not apply where the claim, act, or damages complained of occurs or arises solely because of the negligence of Lessor, its officers, directors, agents, and employees. Lessor shall not be liable for its failure to perform this Contract or for any loss, injury, damage, or delay of any nature resulting therefrom caused by any act of God, the elements, fire, flood, windstorm, strike, labor dispute, riot, insurrection, war, or any other cause beyond Lessor's control.

14. **Disclaimer of Liability:** The parties hereby agree that under no circumstances shall Lessor, its officers, directors, agents, and employees be liable for indirect, consequential, special, or exemplary damages, whether in contract or tort, such as, but not limited to, loss of revenue or anticipated profits.

15. **Insurance:**

- a. Lessee shall, at its own expense, maintain primary liability insurance with a reputable insurance company authorized to conduct business in the State of Maryland, and said insurance shall not be cancelled without at least thirty (30) days' advance written notice to Lessor.
- b. Lessee, at its own cost and expense, shall take out and carry in effect, throughout the term of this Contract, a standard form policy, or policies, of insurance for the foregoing stated liability, in the following types and amounts:
 - (1) Aircraft Liability Insurance referred to in COMAR 11.03.04.07B.
 - (2) Automobile Liability with a combined single limit of not less than \$1,000,000.00 for bodily injury and property damage per occurrence. Lessee shall provide comprehensive form, owned, hired, and non-owned coverage.
- c. Lessee agrees to furnish Lessor with a certificate of aircraft liability insurance from the insurance carrier evidencing Lessee's coverage and the period of the policy, indicating the type, kind, and amount of insurance in effect. The policy shall identify the State of Maryland, the Maryland Department of Transportation, the Maryland Aviation Administration, their authorized agents, employees, and representatives as additional insureds, not named insureds. The Lessor shall be provided with at least thirty (30) days' advance notice, in writing, of cancellation or of any material change.

- d. Lessee shall furnish the certificate of aircraft liability insurance in duplicate to the Lessor, for approval, within thirty (30) days from the effective date of this Contract, unless otherwise specifically authorized by Lessor in writing. Certificate(s) shall be issued to:

Maryland Aviation Administration
Martin State Airport
Box 1 – 701 Wilson Point Road
Baltimore, Maryland 21220

- e. Lessor reserves the right to obtain relevant endorsements, declaration pages, and/or a complete copy of Lessee’s insurance policy(s) from Lessee, evidencing the coverage required herein, upon written demand.
 - f. The failure of Lessee, at any time or from time to time, to enforce the foregoing insurance provisions shall not constitute a waiver of those provisions.
16. **Environmental Indemnification:** Lessee shall indemnify, defend, and save harmless Lessor, its officers, directors, agents, and employees from and against any and all environmental claims, liabilities, fines, penalties, damages, or losses including, but not limited to, any penalty or fine imposed by a governmental agency, and the expense of cleaning up or disposing of any such hazardous waste or materials, but only when such claims, liabilities, etc., arise out of Lessee’s use of the Leased Space. Lessee shall have no responsibility for any claims or liability, and/or latent claims or liability, including any type of environmental claim that preceded Lessee’s initial date of use.
17. **Default:** It shall be considered a default of this Contract if: (a) Lessee shall fail to make timely rental payments required hereunder by the date due; (b) Lessee shall fail to perform any other obligation herein, and such default shall continue for ten (10) days after Lessor sends Lessee notice to cure; (c) Lessee ceases to do business as a going concern; (d) a petition is filed by or against Lessee under the Bankruptcy code or any amendment thereto (including a petition for reorganization) or any other debtor protection laws; (e) Lessee assigns any of its property for the benefit of creditors; (f) Lessee abandons the Leased Space; or, (g) Lessee conducts unauthorized activities in its Leased Space. In the event of any default by Lessee hereunder, Lessor shall, pursuant to its furnishing written notice to Lessee of the existence of a default condition and Lessee’s subsequent failure to rectify same within ten (10) days from the date of such default notification, have the right to terminate this Contract and to remove the Aircraft and any other property of Lessee from the Leased Space, using such force as may be necessary, without being deemed guilty of trespass, breach of peace, or forcible entry and detainer. Exercise by Lessor of either or both of the rights specified above shall not prejudice Lessor’s right to pursue any other remedy available to it in law or equity. In the event Lessor shall prevail in any action for the enforcement of its rights hereunder, Lessee shall pay to Lessor reasonable attorneys’ fees in addition to any other damages recoverable in such action.

18. **Termination:** Either party shall have the right to terminate this Contract upon thirty (30) days' prior written notice to the other party. Lessee shall be liable for rental charges until thirty (30) days after such written notice is given, or until the termination date of this Contract, whichever is later. This Contract shall be considered breached if:
- a. Lessee shall default in the performance of any covenant herein and such default shall continue for five (5) business days after Lessor sends Lessee notice thereof;
 - b. A petition is filed by or against Lessee under the Bankruptcy Code or any amendment thereto (including a petition for reorganization); or
 - c. Lessee assigns any of his/her property for the benefit of creditors.

In the event of breach or default by Lessee and termination of this Contract by Lessor, the Lessor shall have the right to remove the Aircraft, and any other property belonging to Lessee, from the Leased Space, without being deemed guilty of trespass, breach of peace, or forcible entry, and Lessee waives the service of any notice. Exercise of rights herein specified by Lessor shall not prejudice Lessor's right to pursue any other remedy available to Lessor in law or equity.

19. **Lessor Rights and Remedies:** All rights and remedies of Lessor are cumulative and none shall exclude any other right or remedy allowed by law.
20. **Lessee's Liability:** Lessee shall reimburse Lessor for all expenses, damages, or fines incurred or suffered by Lessor by reason of any breach, violation, or nonperformance by Lessee of any provision of this Contract.
21. **No Waiver:** No waiver by Lessor of any breach by Lessee of any of the terms or conditions of this Contract shall be deemed to constitute a waiver of any succeeding breach thereof, or a waiver of any breach of any of the other terms and conditions herein contained.

No provision of this Contract shall be deemed to have been waived by Lessor, unless such waiver be in writing and signed by Lessor.

The receipt by Lessor of rent with knowledge of the breach of any provision of this Contract shall not be deemed a waiver of such breach.

22. **Extent of Contractual Modifications:** This Contract represents the entire integrated agreement between Lessor and Lessee and supercedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument, executed by both Lessor and Lessee.

23. **Invalid Provisions:** In the event any condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such condition or provision shall in no way affect the validity of any other condition or provision herein if the invalidity of any such condition or provision does not materially prejudice either Lessor or Lessee in their respective rights and obligations contained in the remaining valid conditions or provisions of this Contract.
24. **Jurisdiction:** Lessee consents to the jurisdiction of the courts of the State of Maryland and the United States District Courts for the District of Maryland for resolution of any dispute between Lessee and Lessor arising in connection with this Contract.
25. **Fire Extinguishers:** Lessee is required to install, and maintain in good working order, a fire extinguisher approved by the State Fire Marshal in the Leased Premises. Additionally, installation of new fire extinguishers and replacement of old fire extinguishers shall be the responsibility of the Lessee within the Leased Premises and shall be subject to Lessor's prior written approval.
26. **Holding Over:** In the event Lessee shall hold over and remain in possession of the Leased Premises after expiration of this Contract without any written renewal thereof, such holding over shall not be considered as a renewal or extension of said Contract but shall create only a tenancy from month to month, at the option of the Lessor and subject to the terms Lessor considers appropriate, and which may be terminated at any time by Lessor upon thirty (30) days' written notice. Acceptance of rent by Lessor during the holdover period does not constitute that the Lessor consents to such holdover.
27. **FAA Certificates:** Lessee hereby agrees that its Aircraft must have an FAA certificate(s) of air worthiness and is (are) maintained in current compliance with such certificate(s) at all times and able to pass any and all inspections necessary for such certification(s). Upon written request from Lessor, Lessee must produce documentation and proof that its Aircraft is (are) in compliance with such certification(s) within sixty (60) days after receiving Lessor's written request. Lessee's failure to produce such proof of current compliance with FAA certifications shall be considered a breach of this Contract and shall subject Lessee's aircraft to removal by Lessor pursuant to Section 18 of this Contract.
28. **Notice to the Parties:** All notices, demands, and requests by Lessor to Lessee shall be sent by certified mail, return receipt requested, to Lessee at:

Address

_____ _____ _____

City State Zip Code

All notices hereunder required to be given to Lessor shall be sent by certified mail, return receipt requested, to:

Director
Martin State Airport
Box 1 - 701 Wilson Point Road
Baltimore, Maryland 21220

Either party may designate in writing any changes in address or addresses of substitute or additional persons to receive such notices. The effective date of service of any such notice shall be the date such notice was mailed.

29. **Waiver of Jury Trial:** Lessor and Lessee hereby mutually waive any rights they may have to a jury trial of any issue with regard to the rights stated in this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Contract the day and year first written above.

✓ _____
Lessee's Name

BY: ✓ _____
Signature Date

✓ _____
Address

✓ _____
Home Telephone Number

✓ _____
City, State Zip Code

✓ _____
Office Telephone Number

Accepted on Behalf of MARYLAND AVIATION ADMINISTRATION (LESSOR):

Al Pollard, Director
Martin State Airport
Name (Print) Title

BY: _____
Signature (Date)

NOTE: The use of this format is subject to the terms of the approval granted by the Maryland Board of Public Works as Item 10-GM on March 8, 2000.