

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 6592/007521

THIS AGREEMENT, made this 18th day of January, 2007, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: NORTH SHORE AVIATION SERVICES CORPORATION

2. ADDRESS:



3. AIRPORT: Dillingham Airfield

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:

Building 91A, Room No. 102, containing an area of approximately 3,750 square feet and Space No. 001-102B, containing an area of approximately 6,194 square feet.

5. PURPOSE(S): General Aviation Maintenance Hangar

6. RENTAL:

| | |
|--------------|-----------|
| HDH-91A-102 | \$ 522.00 |
| HDH-001-102B | \$ 113.56 |
| | \$ _____ |

Total Monthly Rental

\$ 635.56

7. SECURITY DEPOSIT: \$ 1,906.68

8. EFFECTIVE DATE OF PERMIT: November 1, 2006

9. HOLD OVER TENANCY: \$ 21.16

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:

- Environmental Compliance – Permittee's Duties
- Special Terms and Conditions for Dillingham Airfield
- The term of this Revocable Permit shall be for one year effective November 1, 2006 to ~~October 31~~ Aug. 15 2007. Permittee agrees to replace the supporting structural member(s) of the hangar roof that was removed by its predecessor under State Lease No. DOT-A-85-0025.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

PERMITTEE: NORTH SHORE AVIATION
SERVICES CORPORATION

By

Title:

PRESIDENT

By

Its Deputy Director

(I AM SIGNING UNDER PROTEST,)

Pacific Ocean

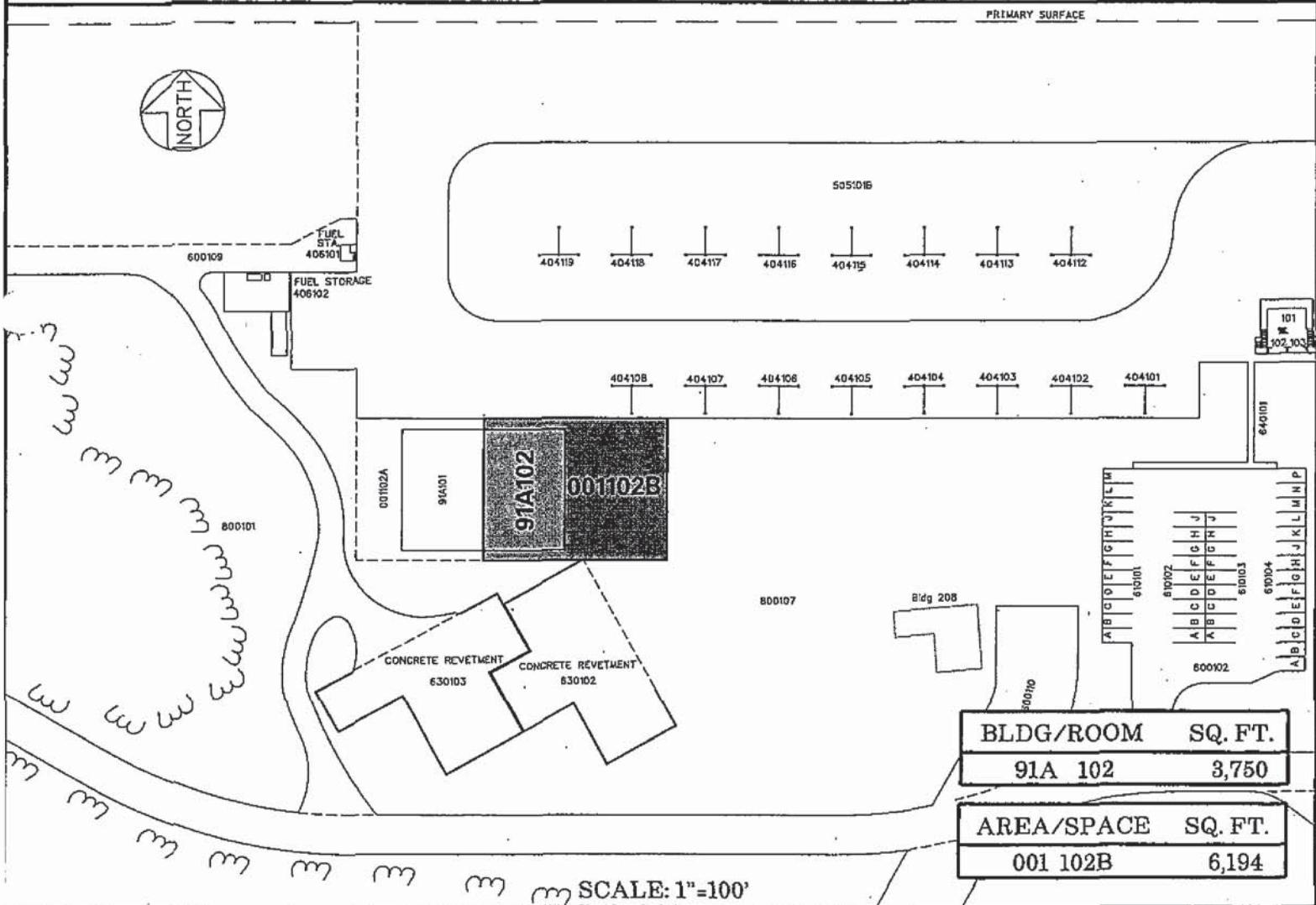


FARRINGTON HIGHWAY

TAXIWAY "A" RUNWAY B-26

LOCATION PLAN

1500-1



| BLDG/ROOM | SQ. FT. |
|-----------|---------|
| 91A 102 | 3,750 |

| AREA/SPACE | SQ. FT. |
|------------|---------|
| 001 102B | 6,194 |

SCALE: 1"=100'

DATE: JANUARY 2006

EXHIBIT: **A**

DEPT OF TRANSPORTATION
STATE OF HAWAII

Airports Division

NORTH SHORE
AVIATION SERVICES
CORPORATION

LOTS

91A102
001102
PLAT B1

DILLINGHAM AIRFIELD

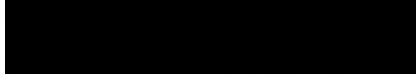
STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 8802

THIS AGREEMENT, made this 30th day of January, 2019, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: **RANDY PACHECO AND RENO SOVERNS**

2. ADDRESS:



3. AIRPORT: **KAWAIHĀPAI AIRFIELD**

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:

T-Hangar Unit No. 402-102, containing an area of approximately 1,107 square feet.

5. PURPOSE(S): Storage of personal aircraft (1959 Cessna C182/Tail No. N-2777G).

6. RENTAL:

Monthly Rental

\$ 379.00

\$ _____

Total Monthly Rental

\$ 379.00

7. SECURITY DEPOSIT: \$ 1,137.00, or three times the monthly rent in effect

8. EFFECTIVE DATE OF PERMIT: DECEMBER 1, 2018

9. HOLDOVER TENANCY: \$ 12.63

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:

- Environmental Compliance – Permittee's Duties
- Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
- Chapter 13 entitled "Aircraft Operations at Public Airports."
- Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
- Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.
- Permittee is fully aware that the Army Lease will expire on July 5, 2019, and there is no guarantee that the DEPARTMENT will either extend the term of the existing Army Lease or enter into a new lease.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

APPROVED BY THE BOARD OF LAND AND
NATURAL RESOURCES AT ITS MEETING HELD ON

12-14-18, Item M-8

By

ROSS M. HIGASHI
Deputy Director-Airports

PERMITTEE:

By

RANDY PACHECO

By

RENO SOVERNS

TERMS AND CONDITIONS

1. Term. This Permit is granted on a month-to-month basis only, for a period not to exceed one year from the effective date hereof. Any renewal of this permit shall be on a month-to-month basis for a period not to exceed one year. Notice of renewal need not be reduced to writing, it being agreed that such renewal shall be automatic, unless a party hereto shall give the other party ten (10) days' notice of its intention not to renew.

2. Termination. This Permit may be terminated by either party without cause upon thirty (30) days' advance written notice.

3. Change in Rent. The DEPARTMENT reserves the right to increase or decrease the monthly rental at any time upon thirty (30) days' advance written notice.

4. Payment of Rent. Without notice or demand, the PERMITTEE shall pay, at the Fiscal Office of the Airports Division, Department of Transportation, Honolulu, Hawaii, or at the Airport District Manager's office of the above named AIRPORT, the sum hereinbefore set forth upon the execution of this Permit and on the first (1st) day of each and every month thereafter during the remainder of the life of this Permit or until it is terminated or revoked as provided herein.

5. Interest; Service Charge. Without prejudice to any other remedy available to the DEPARTMENT, PERMITTEE agrees without further notice or demand, as follows: (a) to pay interest at the rate of twelve percent (12%) per annum on all delinquent payments; (b) that the term "delinquent payments" as used herein means any payment of rent, fees, service charges, or other charges payable by PERMITTEE to DEPARTMENT, which are not paid when due.

6. Acceptance of Rent not a Waiver. The acceptance of rent by the DEPARTMENT shall not constitute a waiver of any breach by the PERMITTEE of any of the terms and conditions, upon which this Permit is granted and to which the PERMITTEE agrees, nor of the DEPARTMENT's right to terminate or revoke this Permit. Failure by the DEPARTMENT to insist upon strict performance thereof by the PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of its rights under this Permit.

7. Security Deposit. The PERMITTEE, upon execution this Permit, shall deposit with the DEPARTMENT in legal tender or in such other form acceptable to the DEPARTMENT in the amount of hereinbefore set forth as security that it will perform faithfully all the terms and conditions of this Permit. The said deposit will be returned without interest to the PERMITTEE within a reasonable time after the termination of this Permit only if the PERMITTEE has faithfully performed said terms and conditions to the satisfaction of the DEPARTMENT. In the event the PERMITTEE does not so perform, then the DEPARTMENT shall keep all of the said sum as compensation for the damages resulting from the PERMITTEE's breach of contract, and the DEPARTMENT's retention of all the said deposit shall not prevent the DEPARTMENT from recovering any damages not compensated thereby.

8. Cost of Collection. The PERMITTEE shall pay any and all court costs, including attorney's fees, incurred by the DEPARTMENT in collecting rents, penalties, interest, fees or other charges due and payable by the PERMITTEE under this Permit or in removing the PERMITTEE and/or the improvements or additions, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by the PERMITTEE's breach of any of the terms and conditions under this Permit.

9. Equal Treatment. The PERMITTEE will furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and will charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the PERMITTEE may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

10. Repairs. The PERMITTEE shall at its own expense keep and maintain the Premises in a condition similar to that which existed on the effective date of this Permit, ordinary wear and tear and damage by acts of God excepted.

11. Waste, Strip and Nuisance, and Maintenance. The PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises. The PERMITTEE shall, at all times and at its own expense keep the Premises clean, neat, safe and orderly, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse from its activities on the Premises.

12. Utilities and Other Charges. The PERMITTEE shall be responsible for and pay all charges for water, electricity, telephone and other utilities, and all charges for sewer, garbage and trash disposal. Where any of such services are provided by the DEPARTMENT at the request of the PERMITTEE, the PERMITTEE shall pay the DEPARTMENT's charges therefor.

13. Property Taxes. The PERMITTEE will pay all taxes including real property taxes, imposts and assessments required under the laws of all governing authorities, in relations to the use and occupancy of the Premises and the conduct of its activities thereon.

14. Commercial General Liability Insurance. The PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this Permit, a Commercial General Comprehensive Public Liability Insurance policy or policies with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence. The specification of limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of the PERMITTEE under this Permit. Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the DEPARTMENT; (b) name the State of Hawaii as an additional insured; (c) provide that the DEPARTMENT shall be notified at least thirty (30) days prior to any termination, cancellation or material change in its insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of the PERMITTEE, its officers, agents, employees, invitees or licensees in connection with the PERMITTEE's use or occupancy of the Premises. The PERMITTEE shall furnish to the DEPARTMENT upon execution of this Permit and prior to occupancy of the Premises, a certificate showing such insurance policy to have been issued to the PERMITTEE and to be then in force, and shall furnish a like certificate upon each renewal thereof.

15. Fire Insurance. The PERMITTEE shall procure immediately and keep in force with respect to the Premises a fire insurance policy for real property improvements in the amount determined by the DEPARTMENT whenever it is deemed necessary and specified in the special terms and conditions.

16. PERMITTEE's Prior Inspection. The PERMITTEE warrants that it has inspected the Premises and all improvements thereon, knows the conditions thereof and fully assumes all risks incidental to the use and enjoyment thereof.

17. Indemnity. The PERMITTEE shall at all times with respect to the Premises use due care for public safety and shall defend, hold harmless and indemnify the DEPARTMENT, its officers, agents, and employees from and against all claims, or demand for damages, including claims for property damage, personal injury or death, (a) arising on the Premises, or caused by any fire or explosion thereon; or (b) arising from, growing out of, or caused by any act or omission on the part of the PERMITTEE, its officers, agents, employees, invitees or licensees, in connection with the PERMITTEE's use or occupancy of the Premises.

18. Surrender and Restoration. The PERMITTEE shall, prior to the termination or revocation of this Permit, restore, at its own cost and risk, the Premises to a condition similar to that which existed prior to the effective date of this Permit, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to the DEPARTMENT. In the event the PERMITTEE fails to effectuate such restoration of the Premises, the DEPARTMENT reserves the right to accomplish same by its own employees or by an independent contractor and assess the PERMITTEE and total costs thereof. The DEPARTMENT is not required to furnish replacement facilities or relocation assistance to the PERMITTEE.

19. Transferability. This Permit and the Premises or any part thereof inclusive of any and all rights or obligations accruing or arising under it shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

20. Improvements, Alterations or Additions. No substantial improvement, alteration or addition of a structural nature shall be made, installed or constructed on, under or within the Premises by the PERMITTEE unless it first submits plans and specifications therefor to the DEPARTMENT for its approval and unless said plans and specifications are in fact approved in writing by the DEPARTMENT. Such plans and specifications shall not be submitted unless they are in full compliance with all applicable statutes and rules and regulations. The DEPARTMENT may impose reasonable conditions on its approval.

Any improvements, alterations or additions shall be constructed at the sole cost and risk of the PERMITTEE and the DEPARTMENT shall not be responsible for any damage to or injury to persons or property arising from the construction, maintenance or use of any such improvements, alterations or additions. Once installed or constructed, no improvements, alterations or additions shall be removed except in accordance with the terms and conditions of this Permit (paragraph 22 herein).

21. Removal of Fixtures and Equipment. The PERMITTEE shall have the right at its own expense to remove any and all fixtures and equipment installed by it on the Premises, provided that (a) PERMITTEE shall give five (5) days' prior written notice of its intention to remove such fixtures and equipment, (b) the removal shall be completed during the time PERMITTEE occupies the Premises and at a time PERMITTEE is current in the payment of rent and is in compliance with all other obligations under the Permit, (c) the Premises are restored by PERMITTEE to a condition similar to what existed immediately prior to the installation thereof, reasonable wear and tear excepted. The PERMITTEE's failure to give such written notice shall be deemed to be a waiver of the right of removal and shall constitute an abandonment of such fixtures and equipment.

22. Option to Require Removal of Improvements, Additions, Alterations, Fixtures and Equipment. The DEPARTMENT, with respect to any improvements, additions, alterations, fixtures and equipment or any portions thereof constructed or installed on the Premises by PERMITTEE, reserves the right upon giving written notice within twenty (20) days after the date of termination of this Permit, to require PERMITTEE to remove the same at PERMITTEE's cost and risk, such removal to be completed within thirty (30) days after receipt of such notice. PERMITTEE shall restore the Premises to condition similar to what existed immediately prior to the construction or installation. If PERMITTEE shall fail to effect such removal and restoration within the specified time, the DEPARTMENT may effect such removal and restore the Premises to a condition similar to what existed immediately prior to the construction or installation by its own employees or independent contractor and assess the cost of such removal, disposition, and restoration to PERMITTEE.

23. Entry by DEPARTMENT. The DEPARTMENT or its agents and employees may enter the Premises at all reasonable hours to inspect the Premises and determine if the PERMITTEE is complying with the terms and conditions of this permit or for any other proper purpose. The PERMITTEE shall not make any claim for damages or set off of rent or other charges by reason or on account of such entry.

24. Advertising Signs. The PERMITTEE may install and operate, at its own expense, such signs and advertising materials as shall be expressly approved by the DEPARTMENT as being of acceptable character on the basis of appearance, size, design, color, quality, number, location, content, and general conformity with the architectural character of the AIRPORT. Prior to the termination or revocation of this Permit, the PERMITTEE shall remove, obliterate or paint out any and all advertising signs, posters and similar devices placed by him on the Premises. If the PERMITTEE fails to carry out this requirement, the DEPARTMENT may perform such work as may be necessary and the PERMITTEE shall pay the costs thereof immediately upon demand by the DEPARTMENT.

25. Public Address System. The PERMITTEE shall permit the installation of the DEPARTMENT's public address system within the Premises and the reception within such Premises of public announcements, flight information and background music broadcast over such systems.

26. Hold Over Tenancy. If the PERMITTEE does not vacate the Premises upon the revocation or termination of the Permit, the PERMITTEE shall pay the DEPARTMENT hold over rent. The rent for each day, or part of a day, during which the PERMITTEE remains in possession will be the amount payable immediately prior to the revocation or termination of the Permit. During any hold over period, the PERMITTEE shall be deemed an illegal occupant and acceptance of such payment by the DEPARTMENT shall not constitute a waiver of any of the terms and conditions of this Permit and shall not preclude the DEPARTMENT from pursuing any other rights or remedies the DEPARTMENT may be entitled to pursue under this Permit, including but not limited to assuming possession of the Premises as provided in paragraph 32 or bringing an ejectment action for the recovery of Premises, without first giving notice to quit or making a demand for possession.

27. Non-Discrimination. The PERMITTEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Permit for a 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 Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the DEPARTMENT and its assigns.

The PERMITTEE, for itself, its personal representatives, successor 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, creed, color, sex, national origin, or physical handicap 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, creed, color, sex, national origin or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the PERMITTEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to terminate this permit and re-enter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued.

28. Civil Rights Provision. The PERMITTEE assures that it will undertake an affirmative action program as required by Title 14 Code of Federal Regulations, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, sex, national origin, or physical handicap be excluded from participating in or receiving the services or benefits of any program or activity covered by this subpart. The PERMITTEE assures that it will require that its covered suborganizations provide assurances to the DEPARTMENT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

29. Interpretation. The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

30. Conflicting Terms and Conditions. Where an inconsistency exists between these printed terms and conditions and the special terms and conditions, the special terms and conditions shall govern.

31. Compliance with Laws. The PERMITTEE shall comply with all laws, ordinances and rules and regulations of all governmental agencies, applicable to the Premises or relating to and affecting any business or other commercial activity conducted on the Premises.

32. Breach of Revocable Permit or Terms and Conditions. Upon a breach of any of the aforementioned terms and conditions, including but not limited to PERMITTEE's failure to pay any rental, interest, fees or charges when due, DEPARTMENT may revoke this Permit upon five (5) business days' written notice of said breach and shall be entitled to regain possession of the Premises administratively, without court action.

REVOCABLE PERMIT NO. 8802
SPECIAL TERMS AND CONDITIONS

1. ENVIRONMENTAL COMPLIANCE - PERMITTEE'S DUTIES

- A. Definitions. For purposes of this Permit, the PERMITTEE agrees and understands that the following terms shall have the following meanings:

"Environmental Laws" shall mean all federal, state and local laws of every nature including statutes, ordinances, rules, regulations, codes, notices, standards, directives of every kind, guidelines, permits, licenses, authorizations, approvals, interpretations of the foregoing by any court, legislative body, agency or official, judicial decisions, orders, rulings or judgments, or rules of common law which currently are in effect or which may come into effect through enactment, issuance, promulgation, adoption or otherwise, which in any way pertain to, relate to, or have any relevance to the environment, health or safety. These environmental laws include, but are not limited to, regulations and orders of the federal Environmental Protection Agency and of the State of Hawaii Department of Health.

"Hazardous Substance" shall mean and include any chemical, substance, organic or inorganic material, controlled substance, object, condition, waste, living organism, or combination thereof which is, may be, or has been determined by proper state or federal authority under any environmental law to be, hazardous to human health or safety or detrimental to the environment. This term shall include, but not be limited to, petroleum hydrocarbons, asbestos, radon, polychlorinated biphenyls (PCBs), methane, fuels of any kind, and other materials or substances that are regulated by state or federal authorities.

- B. PERMITTEE's Activities and Duties.

1. **Compliance with Environmental Laws.** The PERMITTEE agrees, at its sole expense and cost, to comply with all environmental laws that apply to the Premises during the term of this Permit, and the PERMITTEE's occupancy or use of, and activities on, the Premises. This duty shall survive the expiration or termination of this Permit which means that the PERMITTEE's duty to comply with environmental laws shall include complying with all environmental laws, regulations and orders that may apply, or be determined to apply, to the occupancy and activities of the PERMITTEE on the Premises after the expiration or termination of this Permit. Failure of the PERMITTEE to comply with any environmental laws shall constitute a breach of this Permit for which the DEPARTMENT shall be entitled, in its discretion, to terminate this Permit, exercise its remedies under this Permit, including remediating any condition on behalf of the PERMITTEE at the PERMITTEE's expense under Section B.5 and

Section B.7, and take any other action at law or in equity it deems appropriate.

2. **Hazardous Substances.** The PERMITTEE shall not use, store, treat, dispose, discharge, release, generate, create, or otherwise handle any hazardous substance, or allow the same by any third person, on the Premises without first obtaining the prior written consent of the DEPARTMENT and complying with all environmental laws, including giving all required notices, reporting to, and obtaining permits from all appropriate authorities, and complying with all provisions of this Permit.

3. **Notice to DEPARTMENT.** The PERMITTEE shall keep the Department fully informed at all times regarding all environmental law related matters affecting the PERMITTEE or the Premises. This duty shall include, without limiting the foregoing duty, providing the DEPARTMENT with a current and complete list and accounting of all hazardous substances of every kind which are present on or about the Premises, and with evidence that the PERMITTEE has in effect all required and appropriate permits, licenses, registrations, approvals and other consents that may be required of or by federal, state, and county authorities under all environmental laws. This duty shall also include providing immediate written notice of any investigation, enforcement action, remediation or other regulatory action, order of any type, or any legal action, initiated, issued, or any indication of an intent to do so, communicated in any way to the PERMITTEE by any federal, state, or county authority or any individual which relates in any way to any environmental law or any hazardous substance and the PERMITTEE or the Premises. This written notice to the DEPARTMENT shall include the PERMITTEE immediately providing the DEPARTMENT with copies of all written communications from individuals or state, county, and federal authorities, including copies of all correspondence, claims, complaints, warnings, reports, technical data and any other documents received or obtained by the PERMITTEE. At least thirty days prior to termination of this Permit, or termination of the possession of the Premises by the PERMITTEE, whichever shall first occur, the PERMITTEE shall provide the DEPARTMENT with written evidence satisfactory to the DEPARTMENT that the PERMITTEE has fully complied with all environmental laws, including any orders issued by any governmental authority to the PERMITTEE that relate to the Premises.

4. **Notice to Authorities.** The PERMITTEE shall provide written notice to the State of Hawaii Department of Health at least thirty (30) days prior to the termination of this Permit, or thirty (30) days prior to the PERMITTEE's termination of possession of the Premises, whichever occurs first, the fact that the PERMITTEE intends to vacate the Premises and terminate its operations on those Premises. The PERMITTEE shall

allow the agents or representatives of said authority access to the Premises at any and all reasonable times for the purpose of inspecting the Premises and taking samples of any material for inspection or testing for compliance with any environmental laws. The PERMITTEE shall provide copies of said written notices to the DEPARTMENT at the time said notices are provided to said authorities.

5. **Disposal/Removal.** Except for materials that are lawfully sold in the ordinary course of the PERMITTEE's business, and for which the PERMITTEE has obtained all required authorizations from appropriate authorities including the prior written permission of the DEPARTMENT to have said substance on the Premises, the PERMITTEE shall cause any hazardous substances to be removed from the Premises for disposal. This duty shall include the transportation of said hazardous substances from the Premises solely by duly licensed hazardous substance transporters to duly licensed facilities for final disposal as required by all applicable environmental laws. The PERMITTEE shall provide the DEPARTMENT with copies of documentary proof, including manifests, receipts or bills of lading, which reflect that said hazardous substances have been properly removed and disposed of in accordance with all environmental laws.
6. **Environmental Investigations and Assessments.** The PERMITTEE, at its sole cost and expense, shall cause to be conducted such investigations and assessments of the Premises to determine the presence of any hazardous substance on, in, or under the Premises as may be directed from time to time by the DEPARTMENT, in its sole discretion, or by any federal or state authority. The extent and number of any environmental investigations and assessments shall be determined by the DEPARTMENT or the federal or state authority directing said investigations and assessments to be conducted. The PERMITTEE shall retain a competent and qualified person or entity that is satisfactory to the DEPARTMENT or governmental authority, as the case may be, to conduct said investigations and assessments. The PERMITTEE shall direct said person or entity to provide the DEPARTMENT or governmental authority, if so requested, with testable portions of all samples of any soils, water, ground water or other material that may be obtained for testing, and provide directly to the State and the governmental authority at the sole expense of the PERMITTEE, written results of all tests on said samples upon completion of said testing.

In any event, the PERMITTEE shall be required to have environmental assessments conducted as aforesaid prior to, or at the time of, the PERMITTEE taking possession of the Premises and prior to, or at the time of, the termination of this Permit in order to determine the condition of the Premises. The DEPARTMENT may, in its sole discretion, waive this requirement; provided, however, that any such waiver shall be in writing.

7. **Remediation.** In the event that any hazardous substance is used, stored, treated, disposed on the Premises, handled, discharged, released, or determined to be present on the Premises, or to have migrated from the Premises, the PERMITTEE shall, at its sole expense and cost, remediate the Premises, or any location off the Premises to which it is determined that the hazardous substance has migrated, of any hazardous substances. Said duty to remediate includes the removal and disposal of said hazardous substances in accordance with Section B.5. This duty to remediate includes strictly complying with all environmental laws and directives to remediate said hazardous substances issued from the DEPARTMENT or any federal or state governmental authority charged with enforcing the environmental laws. This duty to remediate shall include replacement of any materials, such as soils, so removed with material that is satisfactory to the DEPARTMENT and or any governmental authority, as the case may be. If the PERMITTEE has conducted an initial site assessment of the Premises which includes soil and ground water analyses for hazardous substances at the commencement of this Revocable Permit or the PERMITTEE's occupancy, whichever shall have first occurred, to the satisfaction of the DEPARTMENT, the PERMITTEE shall be responsible for remediation and restoration of the Premises to the extent it is necessary to remediate and restore the Premises to the condition of the premises and levels of contamination or hazardous substances that existed on the Premises at the commencement of the PERMITTEE's occupancy or term of this Permit, whichever shall have first occurred, as shown by said initial site assessment.

8. **Tanks, Pipelines; Inspections and Repairs.** All tanks, pipelines, containers or conduits of any kind that may at any time be used to contain, or may be intended to contain, hazardous substances of any type (hereinafter referred to as a "facility"), that the PERMITTEE intends to install on the permitted Premises, must be installed above ground level in such manner that allows for periodic inspection and maintenance of the facility for purposes of determining the existence of leaks and discharges from, and deterioration of any kind to, and that allows repair of, the facility. The PERMITTEE shall provide the DEPARTMENT with prior notice of the PERMITTEE's intent to install a facility to allow the DEPARTMENT ample time, as determined by the DEPARTMENT, to inspect such a facility. Unless and until each facility and its manner of installation are approved by the DEPARTMENT, said facility shall not be installed. Within ninety (90) days of the commencement of this Permit, or commencement of possession of the permitted Premises by the PERMITTEE, whichever first occurs, the PERMITTEE shall submit a contingency plan to control and remedy any spill, discharge or leak from any facility on the permitted Premises, which plan shall include the cleanup of all hazardous substances so spilled, discharged or leaked, all to the satisfaction of the DEPARTMENT. The PERMITTEE shall also

submit a plan for the PERMITTEE to conduct, or have conducted, regular inspections of all facilities on the permitted Premises for the purpose of prevention of any leak, discharge or spill from said facilities. Said contingency plan and inspection plan are subject to the approval of the DEPARTMENT. Failure to submit said plans, or to comply with said plans, constitutes a breach of this Permit, giving the DEPARTMENT the right to immediately terminate this Permit, and pursue the DEPARTMENT's remedies under this Permit, at law, or in equity.

9. **Restoration and Surrender of Premises.** The PERMITTEE hereby agrees to restore the Premises, at its sole cost and expense, including the soil, water and structures on, in, or under the Premises, to the same condition as the Premises existed at the commencement of this Permit, fair wear and tear to the structures excepted. In the event the PERMITTEE does not restore the Premises to the same condition as it existed at the commencement of this Permit, as determined by the DEPARTMENT, the PERMITTEE understands and agrees that the DEPARTMENT may exercise its rights under Section B.10, and until such time as the restoration is complete to the satisfaction of the DEPARTMENT, the PERMITTEE shall be liable for the Permit rent in the same manner and amount as if this Permit had continued in effect during the same period of restoration.
10. **DEPARTMENT's Right to Act.** In the event the PERMITTEE fails for any reason to comply with any of its duties under this Permit or under any environmental laws within the time set for doing so, or within a reasonable time as determined by the DEPARTMENT, the DEPARTMENT shall have the right, but not the obligation, in its sole discretion, to perform those duties, or cause them to be performed. The PERMITTEE hereby grants access to the Premises at all reasonable hours to the DEPARTMENT, its agents and anyone designated by the DEPARTMENT in order to perform said acts and duties. Any cost, expense or liability of any type that may be incurred by the DEPARTMENT in performing said acts or duties shall be the sole responsibility of the PERMITTEE, and the PERMITTEE hereby agrees to pay for those costs and expenses, and indemnify the DEPARTMENT for any liability incurred. This obligation shall extend to any costs and expenses incident to enforcement of the right to act, including litigation costs, attorneys fees, and the cost and fees for collection of said cost, expense or liability.
11. **Release and Indemnity.** The PERMITTEE hereby agrees to release the DEPARTMENT, its officers, employees, agents, successors and assigns from any liability of any kind, including, but not limited to, any liability for any damages, penalties, fines, judgments or assessments that may be imposed or obtained by any person, agency or governmental authority

against the DEPARTMENT and/or the PERMITTEE, by reason of any hazardous substance that may be present by whatever means on, in or under the Premises. The PERMITTEE hereby agrees to indemnify, defend with counsel suitable to the DEPARTMENT, and hold harmless the DEPARTMENT from any liability that may arise in connection with, or by reason of, any occurrence involving any hazardous substance that may be alleged to be connected or related in any way with the Premises, the ownership of the Premises, or this Permit, including the presence of any hazardous substance on the Premises. The PERMITTEE understands and agrees that any assessments, fines or penalties that may be assessed against the PERMITTEE or the DEPARTMENT by reason of any environmental law violation concerning the Premises, shall be paid, complied with, and in every way satisfied by the PERMITTEE, and not the DEPARTMENT.

12. **Insurance.** As part of the insurance requirements under Paragraph 14, of the general Terms and Conditions and effective at the commencement of this Permit, the insurance coverage the PERMITTEE obtains shall provide coverage for personal injury and damage to property caused by hazardous substances, or any occurrence that may constitute a violation of any environmental law by the PERMITTEE or the DEPARTMENT. The DEPARTMENT shall be named as additional insured.

RANDY PACHECO AND RENO SOVERNS
REVOCABLE PERMIT NO. 8802
KAWAHĀPAI AIRFIELD
T-HANGAR UNIT NO. 402-102

THE FOLLOWING ARE NOT ATTACHED:

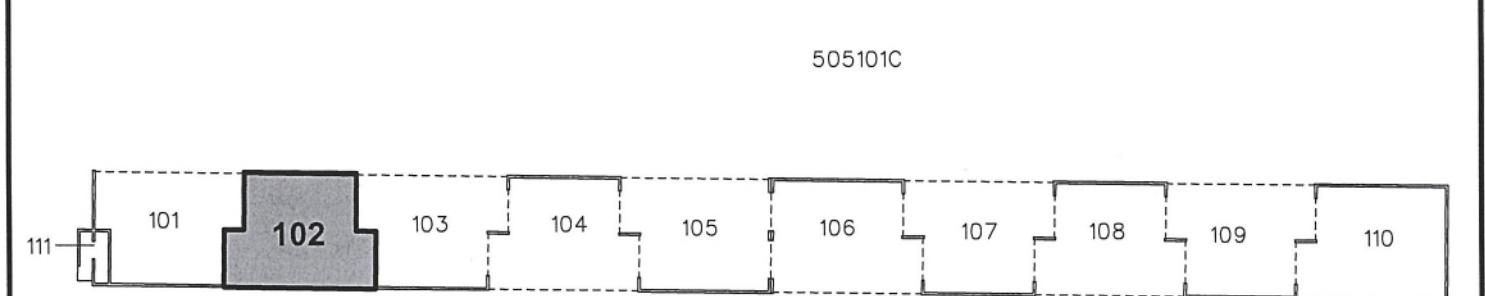
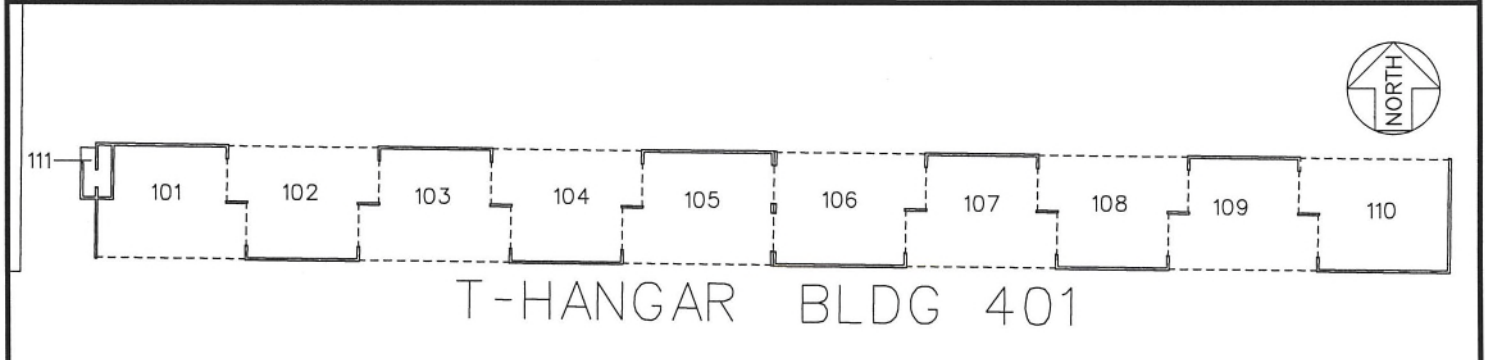
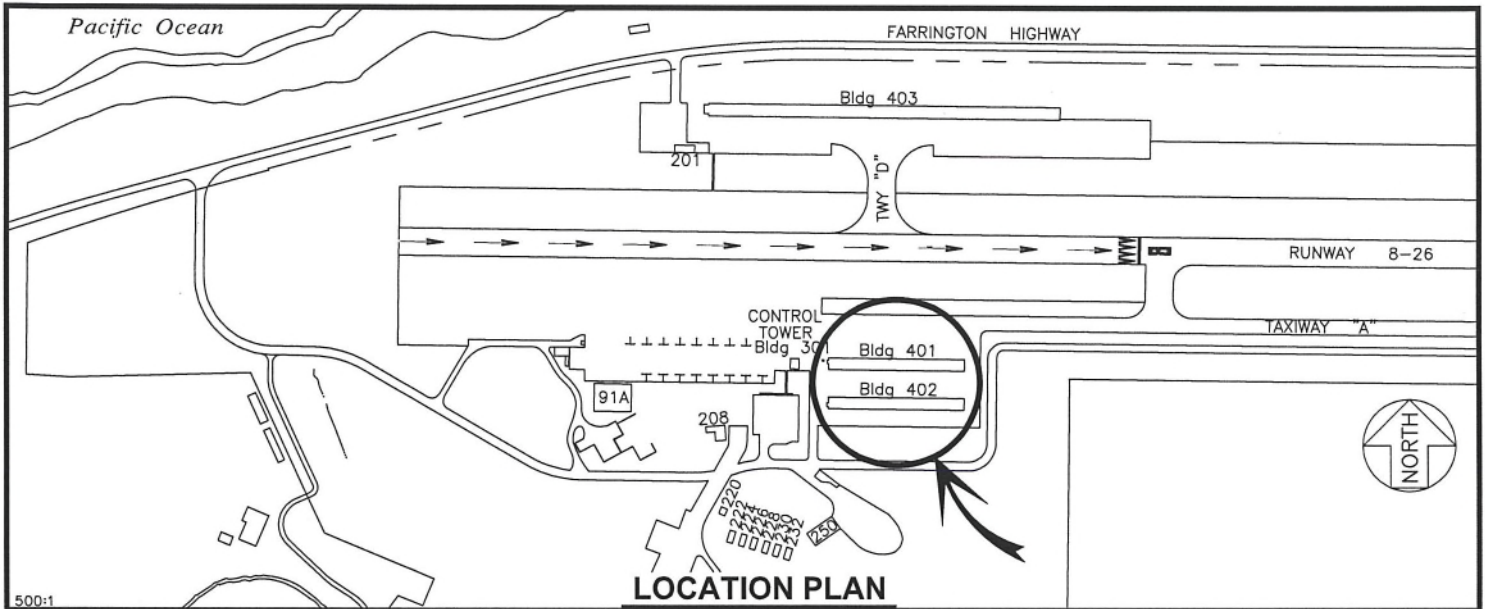
- 1) Chapter 13, entitled “Aircraft Operations at Public Airports.”
- 2) Chapter 17.1 entitled “Small Plane Units and Tie-Down Spaces at Public Airports.”
- 3) Chapter 31.1 entitled “Aircraft Registration” of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.

AND

Dillingham Military Reservation Lease No. DACA84-01-09-135 dated July 16, 2009,

Together with:

Supplemental Agreement No. 1 - extend lease term to July 5, 2014
Supplemental Agreement No. 2 - extend lease term to July 5, 2015
Supplemental Agreement No. 3 – extend lease term to July 5, 2019



505101C

| | | | | |
|---------|---------|--------|--------|--|
| 001107B | 001107A | 001107 | 001108 | |
|---------|---------|--------|--------|--|

SCALE: 1" = 50'

| BLDG/ROOM | SQ. FT. |
|-----------|---------|
| 402 102 | 1,107 |

| | | |
|-------------------|--|---|
| RP-8802 | DATE : OCTOBER 2018 | EXHIBIT: A |
| Airports Division | PACHECO, RANDY AND SOVERNS, RENO | BUILDING 402 T - HANGAR GROUND LEVEL 402102 PLAT B1 |

DILLINGHAM AIRFIELD

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 8432

THIS AGREEMENT, made this 12th day of February, 2016, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: PARADISE AIR HAWAII, INC.

2. ADDRESS:



3. AIRPORT: KAWAIHĀPAI AIRFIELD

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:

Small Plane Hangars: Space No. 402-103, containing an area of approximately 1,107 sq. ft. and Space No. 402-105, containing an area of approximately 1,202 sq. ft.

5. PURPOSE(S): Aircraft Storage – Air Borne XT912/N-333PA (Space No. 402-103)
Air Borne XT912/N-999ZT (Space No. 402-105)

6. RENTAL:

Monthly Rental \$ 686.00 (Hangar w/o door)
Total Monthly Rental \$ 686.00

7. SECURITY DEPOSIT: Three (3) times the monthly rental in effect

8. EFFECTIVE DATE OF PERMIT: **APRIL 1, 2016**

9. HOLD OVER TENANCY: \$ 22.87

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:

- Environmental Compliance – Permittee's Duties
- Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
- Chapter 13 entitled "Aircraft Operations at Public Airports."
- Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
- Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.
- Permittee is fully aware that the Army Lease expired on July 5, 2015, and there is no guarantee that the DEPARTMENT will either extend the term of the existing Army Lease or enter into a new lease.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

Approved by the Board at its meeting held on

11/13/2015, Item M-10

BOARD OF LAND AND NATURAL RESOURCES

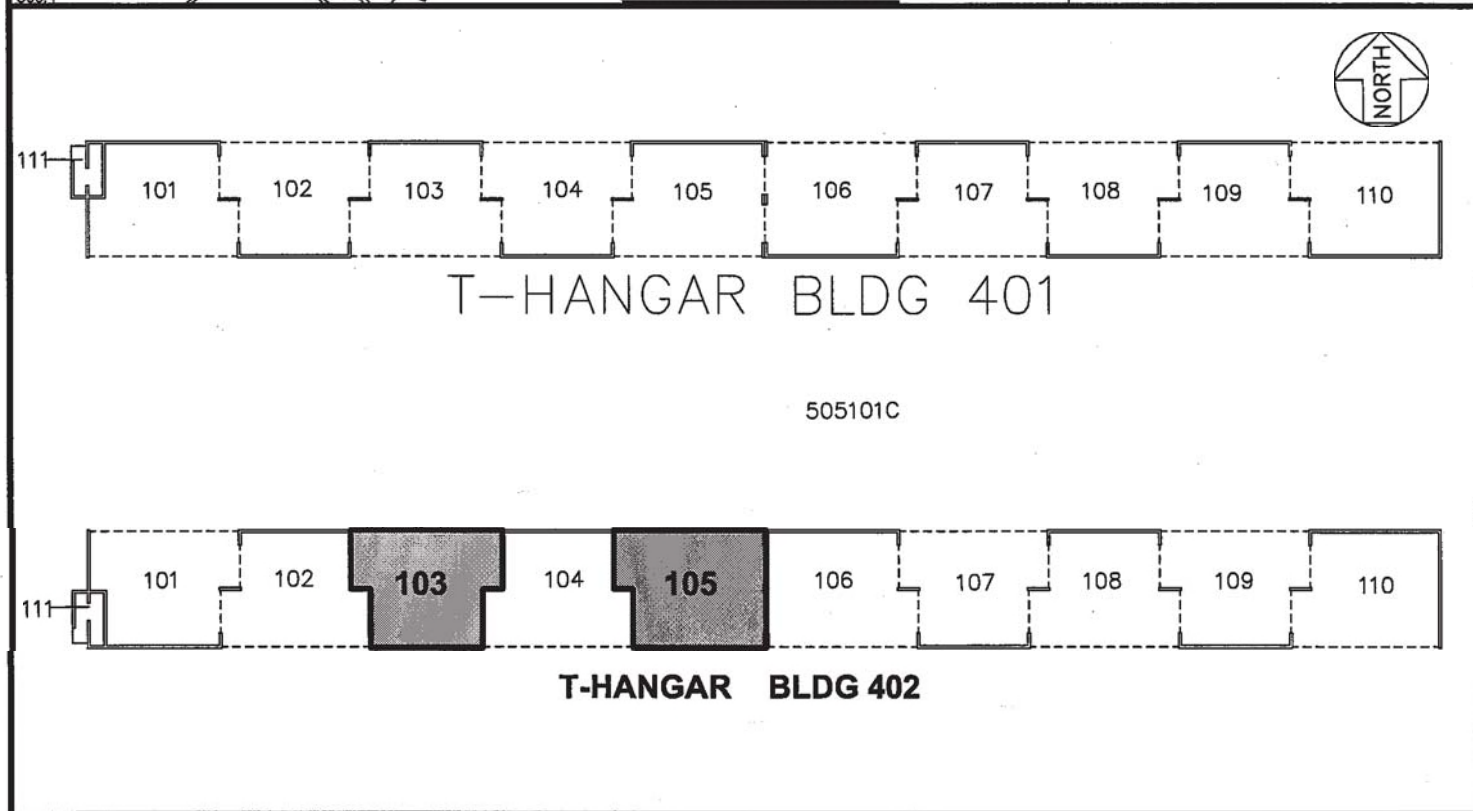
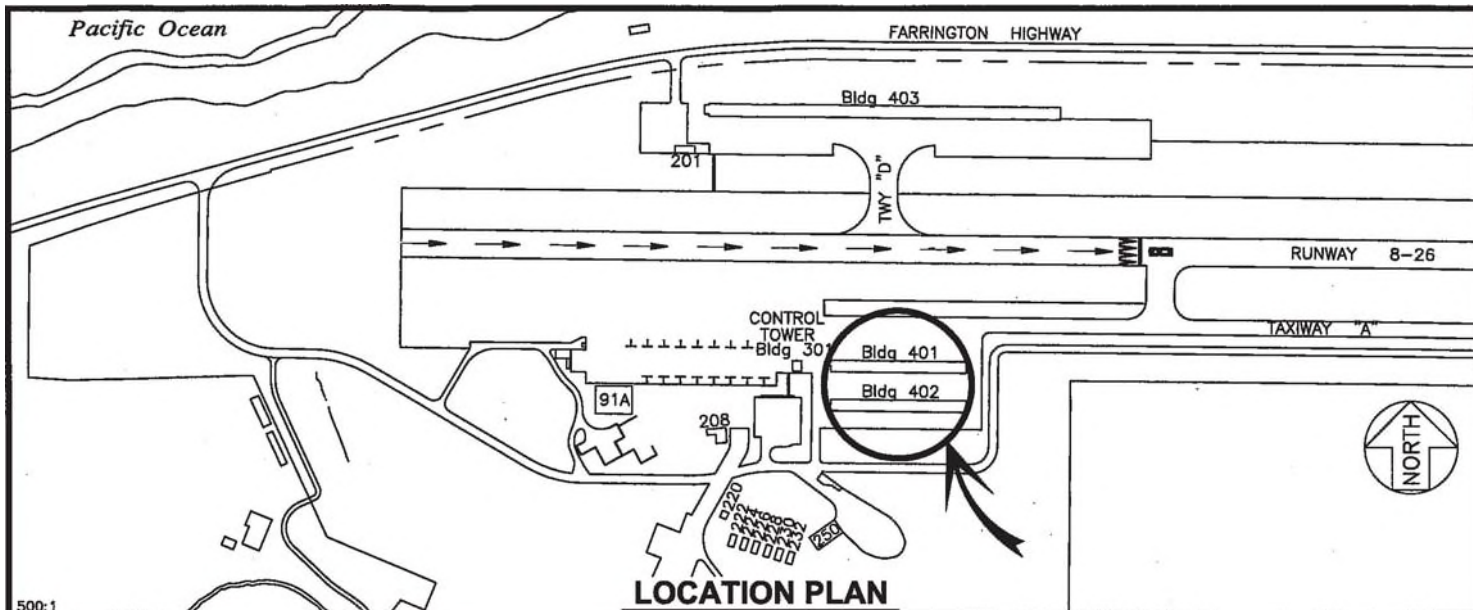
By SUZANNE D. GASE
Chairperson and Member of the Board

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION


By ROSS M. HIGASHI
Deputy Director-Airports

PERMITTEE: PARADISE AIR HAWAII, INC.

By: President
Title: President



| 001107B | | | | | | | | | |
|-----------------|---------|--|--|-----------|---------|---------|-------|---------|-------|
| 001107A | 001107 | 001108 | | | | | | | |
| SCALE: 1" = 50' | | | | | | | | | |
| | | <table border="1"> <thead> <tr> <th>BLDG/ROOM</th> <th>SQ. FT.</th> </tr> </thead> <tbody> <tr> <td>402 103</td> <td>1,107</td> </tr> <tr> <td>402 105</td> <td>1,202</td> </tr> </tbody> </table> | | BLDG/ROOM | SQ. FT. | 402 103 | 1,107 | 402 105 | 1,202 |
| BLDG/ROOM | SQ. FT. | | | | | | | | |
| 402 103 | 1,107 | | | | | | | | |
| 402 105 | 1,202 | | | | | | | | |

| | | |
|---|---------------------------|---|
| RP-8432 | DATE : OCTOBER 2015 | EXHIBIT: A |
|  Airports Division | PARADISE AIR HAWAII, INC. | BUILDING 402 T-HANGAR GROUND LEVEL |
| | | 402103 402105 PLAT B1 |

DLD

PARKING PERMIT NO. PP-05-0010 / 006642

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION

DILLINGHAM AIRFIELD

THIS AGREEMENT made this 7th day of JUNE, 2005, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT," hereby grants to the PERMITTEE, hereinafter named, permission to occupy the following space(s) in accordance with the terms and conditions herein specified.

1. PERMITTEE: POFOLK AVIATION HAWAII, INC.

ADDRESS: [REDACTED]

TELEPHONE: [REDACTED]

| | | | | |
|----|-----------|-------------|------------------|-----------------------------|
| 2. | LOCATION: | <u>PLAT</u> | <u>SPACE NO.</u> | <u>AIRCRAFT DESCRIPTION</u> |
| | | B1 | HDH-404-112 | 1985 CESSNA 208, N9454F |

3. PURPOSE (System I.D.): AIRCRAFT PARKING

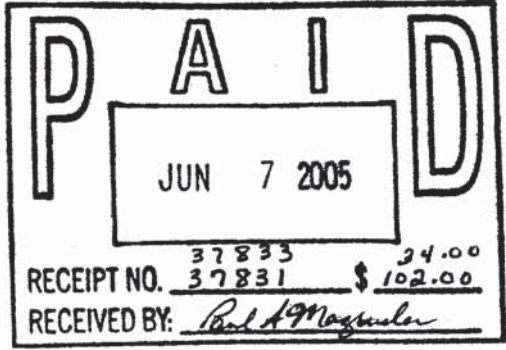
4. FEES: \$34.00 PER MONTH

5. SECURITY DEPOSIT: \$102.00 (3 MONTH'S RENT)

6. EFFECTIVE DATE: JUNE 1, 2005

7. TERMS AND CONDITIONS:

- a. This permit is revocable with or without cause.
- b. The fees may be amended by twenty-five (25) days' advance written notice to the PERMITTEE.
- c. The DEPARTMENT shall not be liable to the PERMITTEE for the PERMITTEE shall indemnify and save harmless the DEPARTMENT, its officers, agents and employees from any action, liability or claim for damages or injury to person or property which may result from the use of the space by the PERMITTEE.
- d. The PERMITTEE shall comply with any and all laws, ordinances and rules and regulations of any and all governmental agencies applicable to the parking spaces granted herein.



PERMITTEE:

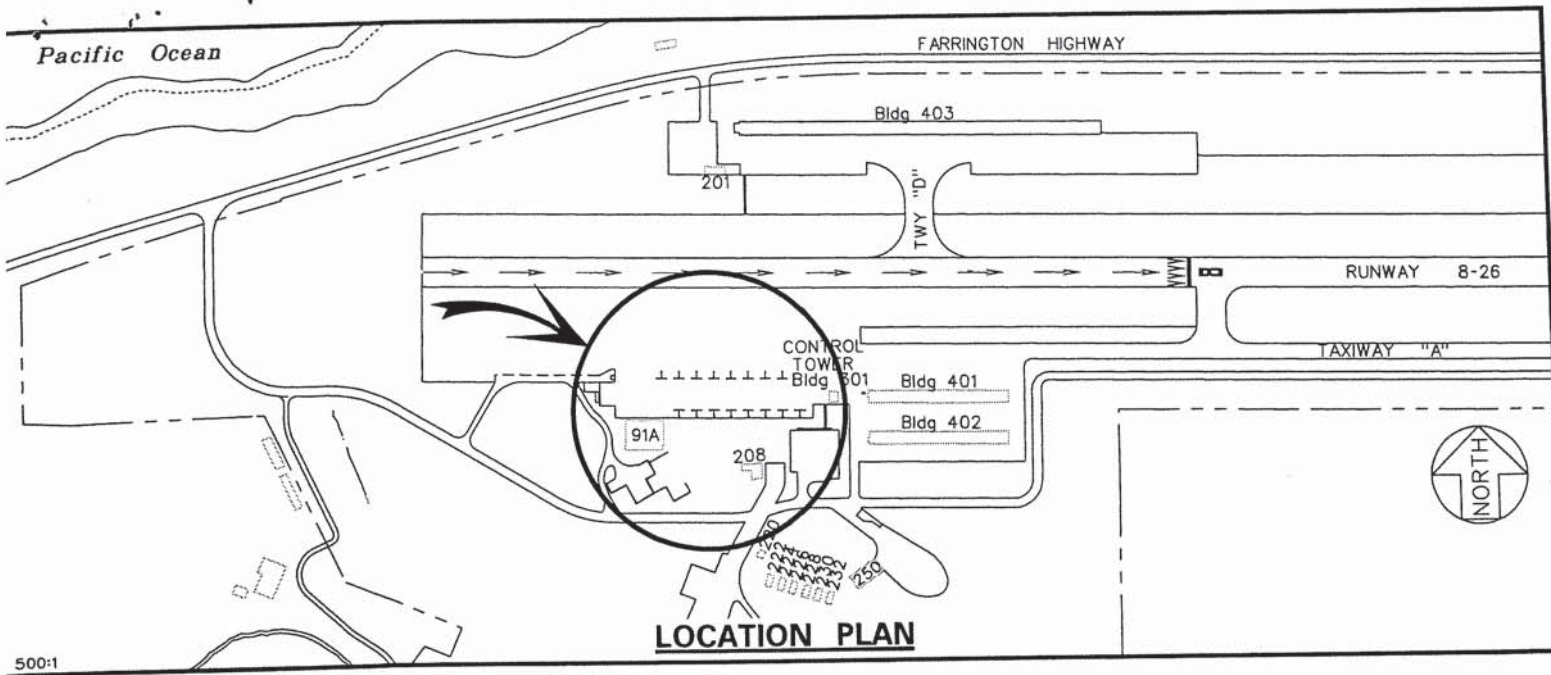
STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

Frank Hinshaw
(Signature)

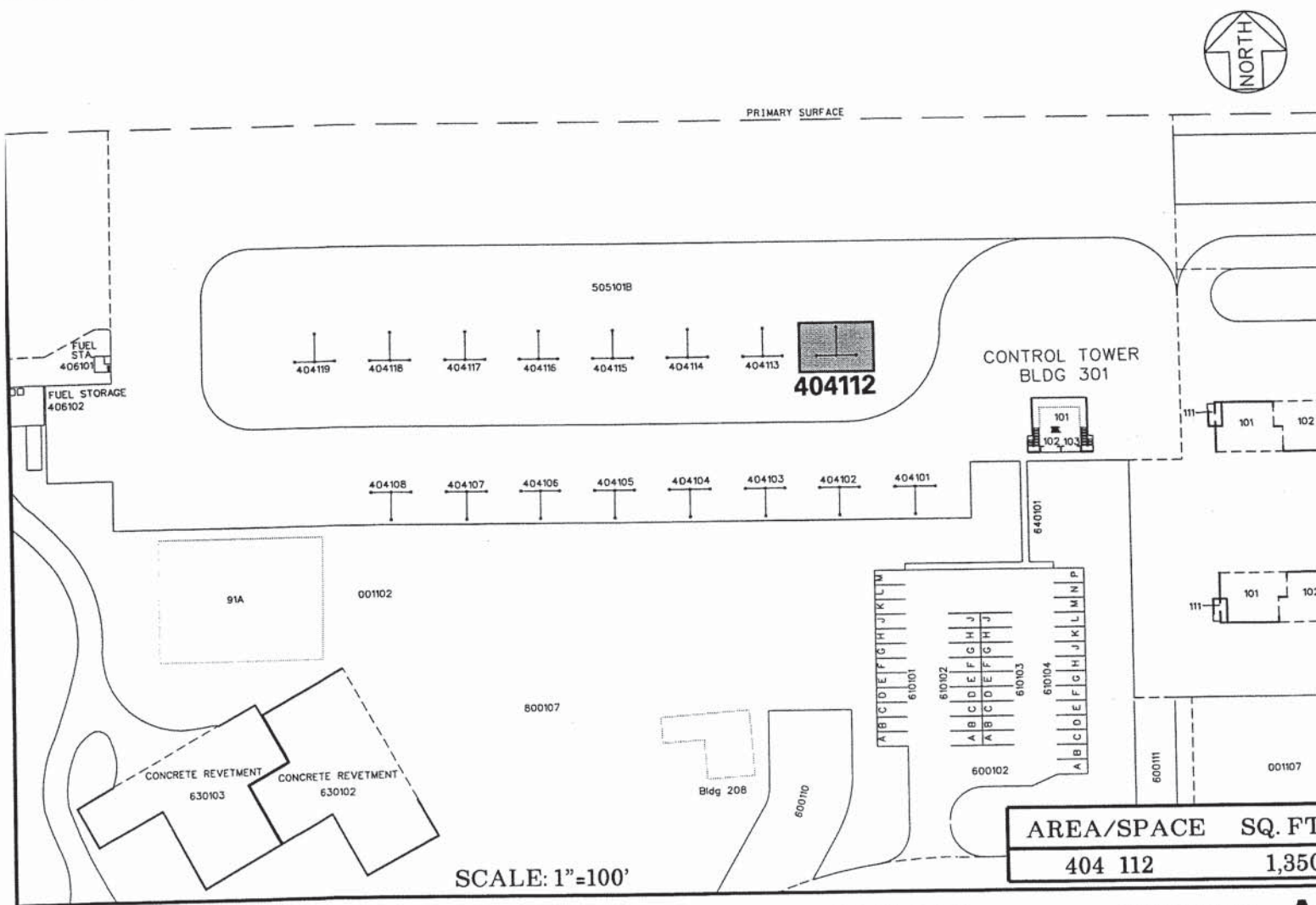
By Ken Schlozak
Airports District Manager

By: FRANK HINSHAW

Title: PRESIDENT



500:1



| | | |
|--|---------------------------------|--|
| PP-05-0010 | DATE: MAY 2005 | EXHIBIT: A |
|  Airports Division | POFOLK AVIATION HAWAII, INC. | TIE-DOWN AREA 404112 PLAT B1 |

HONOLULU INTERNATIONAL AIRPORT

\\d2112640\oahu_cad\ndh projects\pm\4047112.hd

**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION**

REVOCABLE PERMIT NO. 6956

THIS AGREEMENT, made this 1st day of December, 2010, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. **PERMITTEE:** **DONALD V. ROHRBACH
DBA SGR SOARING ENTERPRISES**

2. **ADDRESS:** 

3. **AIRPORT:** **DILLINGHAM AIRFIELD**

4. **PREMISES AS SHOWN ON ATTACHED EXHIBIT:**

Building 201, Space No. 103, containing an area of approximately 86 square feet.

5. **PURPOSE(S):** Sailplane (glider) flight instruction sales counter

6. **RENTAL:**

| | | |
|----------------------|-----------------|-----------------|
| Monthly Rental | \$ <u>71.67</u> | |
| | \$ _____ | |
| | \$ _____ | |
| Total Monthly Rental | | \$ <u>71.67</u> |

7. **SECURITY DEPOSIT:** \$ 215.01

8. **EFFECTIVE DATE OF PERMIT:** DECEMBER 1, 2010

9. **HOLD OVER TENANCY:** \$ 2.39

10. **SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:**

- a. Environmental Compliance – Permittee's Duties
- b. Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
- c. Chapter 13 entitled "Aircraft Operations at Public Airports."
- d. Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
- e. Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

**PERMITTEE: DONALD V. ROHRBACH
DBA SGR SOARING ENTERPRISES**

By Donald V Rohrbach

Title: OWNER

By Jiro A. Sumada
Its Director of Transportation

TERMS AND CONDITIONS

- 1. Term.** This Permit is granted on a month-to-month basis only, for a period not to exceed one year from the effective date hereof. Any renewal of this permit shall be on a month-to-month basis for a period not to exceed one year. Notice of renewal need not be reduced to writing, it being agreed that such renewal shall be automatic unless a party hereto shall give the other party ten (10) days' notice of its intention not to renew or unless the Board of Land and Natural Resources shall fail to approve the renewal.
- 2. Termination.** This Permit may be terminated by either party without cause upon thirty (30) days' advance written notice.
- 3. Change in Rent.** The DEPARTMENT reserves the right to increase or decrease the monthly rental at any time upon thirty (30) days' advance written notice.
- 4. Payment of Rent.** Without notice or demand, the PERMITTEE shall pay, at the Fiscal Office of the Airports Division, Department of Transportation, Honolulu, Hawaii, or at the Airport District Manager's office of the above named AIRPORT, the sum hereinbefore set forth upon the execution of this Permit and on the first (1st) day of each and every month thereafter during the remainder of the life of this Permit or until it is terminated or revoked as provided herein.
- 5. Interest; Service Charge.** Without prejudice to any other remedy available to the DEPARTMENT, PERMITTEE agrees without further notice or demand, as follows: (a) to pay interest at the rate of twelve percent (12%) per annum on all delinquent payments; (b) that the term "delinquent payments" as used herein means any payment of rent, fees, service charges, or other charges payable by PERMITTEE to DEPARTMENT, which are not paid when due.
- 6. Acceptance of Rent not a Waiver.** The acceptance of rent by the DEPARTMENT shall not constitute a waiver of any breach by the PERMITTEE of any of the terms and conditions, upon which this Permit is granted and to which the PERMITTEE agrees, nor of the DEPARTMENT's right to terminate or revoke this Permit. Failure by the DEPARTMENT to insist upon strict performance thereof by the PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of its rights under this Permit.
- 7. Security Deposit.** The PERMITTEE, upon execution of this Permit, shall deposit with the DEPARTMENT in legal tender or in such other form acceptable to the DEPARTMENT in the amount hereinbefore set forth as security that it will perform faithfully all the terms and conditions of this Permit. The said deposit will be returned without interest to the PERMITTEE within a reasonable time after the termination of this Permit only if the PERMITTEE has faithfully performed said terms and conditions to the satisfaction of the DEPARTMENT. In the event the PERMITTEE does not so perform, then the DEPARTMENT shall keep all of the said sum as compensation for the damages resulting from the PERMITTEE's breach of contract, and the DEPARTMENT's retention of all the said deposit shall not prevent the DEPARTMENT from recovering any damages not compensated thereby.
- 8. Cost of Collection.** The PERMITTEE shall pay any and all court costs, including attorney's fees, incurred by the DEPARTMENT in collecting rents, penalties, interest, fees or other charges due and payable by the PERMITTEE under this Permit or in removing the PERMITTEE and/or the improvements or additions, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by the PERMITTEE's breach of any of the terms and conditions under this Permit.
- 9. Equal Treatment.** The PERMITTEE will furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and will charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the PERMITTEE may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- 10. Repairs.** The PERMITTEE shall at its own expense keep and maintain the Premises in a condition similar to that which existed on the effective date of this Permit, ordinary wear and tear and damage by acts of God excepted.
- 11. Waste, Strip and Nuisance, and Maintenance.** The PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises. The PERMITTEE shall, at all times and at its own expense keep the Premises clean, neat, safe and orderly, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse from its activities on the Premises.
- 12. Utilities and Other Charges.** The PERMITTEE shall be responsible for and pay all charges for water, electricity, telephone and other utilities, and all charges for sewer, garbage and trash disposal. Where any of such services are provided by the DEPARTMENT at the request of the PERMITTEE, the PERMITTEE shall pay the DEPARTMENT's charges therefor.
- 13. Property Taxes.** The PERMITTEE will pay all taxes including real property taxes, imposts and assessments required under the laws of all governing authorities, in relations to the use and occupancy of the Premises and the conduct of its activities thereon.
- 14. Commercial General Liability Insurance.** The PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this Permit, a Commercial General Comprehensive Public Liability Insurance policy or policies with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence. The specification of limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of the PERMITTEE under this Permit. Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the DEPARTMENT; (b) name the State of Hawaii as an additional insured; (c) provide that the DEPARTMENT shall be notified at least thirty (30) days prior to any termination, cancellation or material change in its insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of the PERMITTEE, its officers, agents, employees, invitees or licensees in connection with the PERMITTEE's use or occupancy of the Premises. The PERMITTEE shall furnish to the DEPARTMENT upon execution of this Permit and prior to occupancy of the Premises, a certificate showing such insurance policy to have been issued to the PERMITTEE and to be then in force, and shall furnish a like certificate upon each renewal thereof.
- 15. Fire Insurance.** The PERMITTEE shall procure immediately and keep in force with respect to the Premises a fire insurance policy for real property improvements in the amount determined by the DEPARTMENT whenever it is deemed necessary and specified in the special terms and conditions.
- 16. PERMITTEE's Prior Inspection.** The PERMITTEE warrants that it has inspected the Premises and all improvements thereon, knows the conditions thereof and fully assumes all risks incidental to the use and enjoyment thereof.

17. Indemnity. The PERMITTEE shall at all times with respect to the Premises use due care for public safety and shall defend, hold harmless and indemnify the DEPARTMENT, its officers, agents, and employees from and against all claims, or demand for damages, including claims for property damage, personal injury or death, (a) arising on the Premises, or caused by any fire or explosion thereon; or (b) arising from, growing out of, or caused by any act or omission on the part of the PERMITTEE, its officers, agents, employees, invitees or licensees, in connection with the PERMITTEE's use or occupancy of the Premises.

18. Surrender and Restoration. The PERMITTEE shall, prior to the termination or revocation of this Permit, restore, at its own cost and risk, the Premises to a condition similar to that which existed prior to the effective date of this Permit, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to the DEPARTMENT. In the event the PERMITTEE fails to effectuate such restoration of the Premises, the DEPARTMENT reserves the right to accomplish same by its own employees or by an independent contractor and assess the PERMITTEE and total costs thereof. The DEPARTMENT is not required to furnish replacement facilities or relocation assistance to the PERMITTEE.

19. Transferability. This Permit and the Premises or any part thereof inclusive of any and all rights or obligations accruing or arising under it shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

20. Improvements, Alterations or Additions. No substantial improvement, alteration or addition of a structural nature shall be made, installed or constructed on, under or within the Premises by the PERMITTEE unless it first submits plans and specifications therefor to the DEPARTMENT for its approval and unless said plans and specifications are in fact approved in writing by the DEPARTMENT. Such plans and specifications shall not be submitted unless they are in full compliance with all applicable statutes and rules and regulations. The DEPARTMENT may impose reasonable conditions on its approval.

Any improvements, alterations or additions shall be constructed at the sole cost and risk of the PERMITTEE and the DEPARTMENT shall not be responsible for any damage to or injury to persons or property arising from the construction, maintenance or use of any such improvements, alterations or additions. Once installed or constructed, no improvements, alterations or additions shall be removed except in accordance with the terms and conditions of this Permit (paragraph 22 herein).

21. Removal of Fixtures and Equipment. The PERMITTEE shall have the right at its own expense to remove any and all fixtures and equipment installed by it on the Premises, provided that (a) PERMITTEE shall give five (5) days' prior written notice of its intention to remove such fixtures and equipment, (b) the removal shall be completed during the time PERMITTEE occupies the Premises and at a time PERMITTEE is current in the payment of rent and is in compliance with all other obligations under the Permit, (c) the Premises are restored by PERMITTEE to a condition similar to what existed immediately prior to the installation thereof, reasonable wear and tear excepted. The PERMITTEE's failure to give such written notice shall be deemed to be a waiver of the right of removal and shall constitute an abandonment of such fixtures and equipment.

22. Option to Require Removal of Improvements, Additions, Alterations, Fixtures and Equipment. The DEPARTMENT, with respect to any improvements, additions, alterations, fixtures and equipment or any portions thereof constructed or installed on the Premises by PERMITTEE, reserves the right upon giving written notice within twenty (20) days after the date of termination of this Permit, to require PERMITTEE to remove the same at PERMITTEE's cost and risk, such removal to be completed within thirty (30) days after receipt of such notice. PERMITTEE shall restore the Premises to condition similar to what existed immediately prior to the construction or installation. If PERMITTEE shall fail to effect such removal and restoration within the specified time, the DEPARTMENT may effect such removal and restore the Premises to a condition similar to what existed immediately prior to the construction or installation by its own employees or independent contractor and assess the cost of such removal, disposition, and restoration to PERMITTEE.

23. Entry by DEPARTMENT. The DEPARTMENT or its agents and employees may enter the Premises at all reasonable hours to inspect the Premises and determine if the PERMITTEE is complying with the terms and conditions of this permit or for any other proper purpose. The PERMITTEE shall not make any claim for damages or set off of rent or other charges by reason or on account of such entry.

24. Advertising Signs. The PERMITTEE may install and operate, at its own expense, such signs and advertising materials as shall be expressly approved by the DEPARTMENT as being of acceptable character on the basis of appearance, size, design, color, quality, number, location, content, and general conformity with the architectural character of the AIRPORT. Prior to the termination or revocation of this Permit, the PERMITTEE shall remove, obliterate or paint out any and all advertising signs, posters and similar devices placed by him on the Premises. If the PERMITTEE fails to carry out this requirement, the DEPARTMENT may perform such work as may be necessary and the PERMITTEE shall pay the costs thereof immediately upon demand by the DEPARTMENT.

25. Public Address System. The PERMITTEE shall permit the installation of the DEPARTMENT's public address system within the Premises and the reception within such Premises of public announcements, flight information and background music broadcast over such systems.

26. Hold Over Tenancy. If the PERMITTEE does not vacate the Premises upon the revocation or termination of the Permit, the PERMITTEE shall pay the DEPARTMENT hold over rent. The rent for each day, or part of a day, during which the PERMITTEE remains in possession will be the amount payable immediately prior to the revocation or termination of the Permit. During any hold over period, the PERMITTEE shall be deemed an illegal occupant and acceptance of such payment by the DEPARTMENT shall not constitute a waiver of any of the terms and conditions of this Permit and shall not preclude the DEPARTMENT from pursuing any other rights or remedies the DEPARTMENT may be entitled to pursue under this Permit, including but not limited to assuming possession of the Premises as provided in paragraph 32 or bringing an ejectment action for the recovery of Premises, without first giving notice to quit or making a demand for possession.

27. Non-Discrimination. The PERMITTEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Permit for a 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 Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the DEPARTMENT and its assigns.

The PERMITTEE, for itself, its personal representatives, successor 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, creed, color, sex, national origin, or physical handicap 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, creed, color, sex, national origin or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the PERMITTEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to terminate this permit and re-enter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued.

28. Civil Rights Provision. The PERMITTEE assures that it will undertake an affirmative action program as required by Title 14 Code of Federal Regulations, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, sex, national origin, or physical handicap be excluded from participating in or receiving the services or benefits of any program or activity covered by this subpart. The PERMITTEE assures that it will require that its covered suborganizations provide assurances to the DEPARTMENT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

29. Interpretation. The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

30. Conflicting Terms and Conditions. Where an inconsistency exists between these printed terms and conditions and the special terms and conditions, the special terms and conditions shall govern.

31. Compliance with Laws. The PERMITTEE shall comply with all laws, ordinances and rules and regulations of all governmental agencies, applicable to the Premises or relating to and affecting any business or other commercial activity conducted on the Premises.

32. Breach of Revocable Permit or Terms and Conditions. Upon a breach of any of the aforementioned terms and conditions, including but not limited to PERMITTEE's failure to pay any rental, interest, fees or charges when due, DEPARTMENT may revoke this Permit upon five (5) business days' written notice of said breach and shall be entitled to regain possession of the Premises administratively, without court action.

33. Disputes and/or Questions. Any and all disputes and/or questions arising under this Permit shall be referred to the Director of Transportation and his determination of such disputes or questions shall be final and binding on the parties.

REVOCABLE PERMIT NO. 6956
SPECIAL TERMS AND CONDITIONS

1. ENVIRONMENTAL COMPLIANCE - PERMITTEE'S DUTIES

- A. Definitions. For purposes of this Permit, the PERMITTEE agrees and understands that the following terms shall have the following meanings:

"Environmental Laws" shall mean all federal, state and local laws of every nature including statutes, ordinances, rules, regulations, codes, notices, standards, directives of every kind, guidelines, permits, licenses, authorizations, approvals, interpretations of the foregoing by any court, legislative body, agency or official, judicial decisions, orders, rulings or judgments, or rules of common law which currently are in effect or which may come into effect through enactment, issuance, promulgation, adoption or otherwise, which in any way pertain to, relate to, or have any relevance to the environment, health or safety. These environmental laws include, but are not limited to, regulations and orders of the federal Environmental Protection Agency and of the State of Hawaii Department of Health.

"Hazardous Substance" shall mean and include any chemical, substance, organic or inorganic material, controlled substance, object, condition, waste, living organism, or combination thereof which is, may be, or has been determined by proper state or federal authority under any environmental law to be, hazardous to human health or safety or detrimental to the environment. This term shall include, but not be limited to, petroleum hydrocarbons, asbestos, radon, polychlorinated biphenyls (PCBs), methane, fuels of any kind, and other materials or substances that are regulated by state or federal authorities.

B. PERMITTEE's Activities and Duties.

1. **Compliance with Environmental Laws.** The PERMITTEE agrees, at its sole expense and cost, to comply with all environmental laws that apply to the Premises during the term of this Permit, and the PERMITTEE's occupancy or use of, and activities on, the Premises. This duty shall survive the expiration or termination of this Permit which means that the PERMITTEE's duty to comply with environmental laws shall include complying with all environmental laws, regulations and orders that may apply, or be determined to apply, to the occupancy and activities of the PERMITTEE on the Premises after the expiration or termination of this Permit. Failure of the PERMITTEE to comply with any environmental laws shall constitute a breach of this Permit for which the DEPARTMENT shall be entitled, in its discretion, to terminate this Permit, exercise its remedies under this Permit, including remediating any condition on behalf of the PERMITTEE at the PERMITTEE's expense under Section B.5 and

Section B.7, and take any other action at law or in equity it deems appropriate.

2. **Hazardous Substances.** The PERMITTEE shall not use, store, treat, dispose, discharge, release, generate, create, or otherwise handle any hazardous substance, or allow the same by any third person, on the Premises without first obtaining the prior written consent of the DEPARTMENT and complying with all environmental laws, including giving all required notices, reporting to, and obtaining permits from all appropriate authorities, and complying with all provisions of this Permit.
3. **Notice to DEPARTMENT.** The PERMITTEE shall keep the Department fully informed at all times regarding all environmental law related matters affecting the PERMITTEE or the Premises. This duty shall include, without limiting the foregoing duty, providing the DEPARTMENT with a current and complete list and accounting of all hazardous substances of every kind which are present on or about the Premises, and with evidence that the PERMITTEE has in effect all required and appropriate permits, licenses, registrations, approvals and other consents that may be required of or by federal, state, and county authorities under all environmental laws. This duty shall also include providing immediate written notice of any investigation, enforcement action, remediation or other regulatory action, order of any type, or any legal action, initiated, issued, or any indication of an intent to do so, communicated in any way to the PERMITTEE by any federal, state, or county authority or any individual which relates in any way to any environmental law or any hazardous substance and the PERMITTEE or the Premises. This written notice to the DEPARTMENT shall include the PERMITTEE immediately providing the DEPARTMENT with copies of all written communications from individuals or state, county, and federal authorities, including copies of all correspondence, claims, complaints, warnings, reports, technical data and any other documents received or obtained by the PERMITTEE. At least thirty days prior to termination of this Permit, or termination of the possession of the Premises by the PERMITTEE, whichever shall first occur, the PERMITTEE shall provide the DEPARTMENT with written evidence satisfactory to the DEPARTMENT that the PERMITTEE has fully complied with all environmental laws, including any orders issued by any governmental authority to the PERMITTEE that relate to the Premises.
4. **Notice to Authorities.** The PERMITTEE shall provide written notice to the State of Hawaii Department of Health at least thirty (30) days prior to the termination of this Permit, or thirty (30) days prior to the PERMITTEE's termination of possession of the Premises, whichever occurs first, the fact that the PERMITTEE intends to vacate the Premises and terminate its operations on those Premises. The PERMITTEE shall

allow the agents or representatives of said authority access to the Premises at any and all reasonable times for the purpose of inspecting the Premises and taking samples of any material for inspection or testing for compliance with any environmental laws. The PERMITTEE shall provide copies of said written notices to the DEPARTMENT at the time said notices are provided to said authorities.

5. **Disposal/Removal.** Except for materials that are lawfully sold in the ordinary course of the PERMITTEE's business, and for which the PERMITTEE has obtained all required authorizations from appropriate authorities including the prior written permission of the DEPARTMENT to have said substance on the Premises, the PERMITTEE shall cause any hazardous substances to be removed from the Premises for disposal. This duty shall include the transportation of said hazardous substances from the Premises solely by duly licensed hazardous substance transporters to duly licensed facilities for final disposal as required by all applicable environmental laws. The PERMITTEE shall provide the DEPARTMENT with copies of documentary proof, including manifests, receipts or bills of lading, which reflect that said hazardous substances have been properly removed and disposed of in accordance with all environmental laws.

6. **Environmental Investigations and Assessments.** The PERMITTEE, at its sole cost and expense, shall cause to be conducted such investigations and assessments of the Premises to determine the presence of any hazardous substance on, in, or under the Premises as may be directed from time to time by the DEPARTMENT, in its sole discretion, or by any federal or state authority. The extent and number of any environmental investigations and assessments shall be determined by the DEPARTMENT or the federal or state authority directing said investigations and assessments to be conducted. The PERMITTEE shall retain a competent and qualified person or entity that is satisfactory to the DEPARTMENT or governmental authority, as the case may be, to conduct said investigations and assessments. The PERMITTEE shall direct said person or entity to provide the DEPARTMENT or governmental authority, if so requested, with testable portions of all samples of any soils, water, ground water or other material that may be obtained for testing, and provide directly to the State and the governmental authority at the sole expense of the PERMITTEE, written results of all tests on said samples upon completion of said testing.

In any event, the PERMITTEE shall be required to have environmental assessments conducted as aforesaid prior to, or at the time of, the PERMITTEE taking possession of the Premises and prior to, or at the time of, the termination of this Permit in order to determine the condition of the Premises. The DEPARTMENT may, in its sole discretion, waive this requirement; provided, however, that any such waiver shall be in writing.

7. **Remediation.** In the event that any hazardous substance is used, stored, treated, disposed on the Premises, handled, discharged, released, or determined to be present on the Premises, or to have migrated from the Premises, the PERMITTEE shall, at its sole expense and cost, remediate the Premises, or any location off the Premises to which it is determined that the hazardous substance has migrated, of any hazardous substances. Said duty to remediate includes the removal and disposal of said hazardous substances in accordance with Section B.5. This duty to remediate includes strictly complying with all environmental laws and directives to remediate said hazardous substances issued from the DEPARTMENT or any federal or state governmental authority charged with enforcing the environmental laws. This duty to remediate shall include replacement of any materials, such as soils, so removed with material that is satisfactory to the DEPARTMENT and or any governmental authority, as the case may be. If the PERMITTEE has conducted an initial site assessment of the Premises which includes soil and ground water analyses for hazardous substances at the commencement of this Revocable Permit or the PERMITTEE's occupancy, whichever shall have first occurred, to the satisfaction of the DEPARTMENT, the PERMITTEE shall be responsible for remediation and restoration of the Premises to the extent it is necessary to remediate and restore the Premises to the condition of the premises and levels of contamination or hazardous substances that existed on the Premises at the commencement of the PERMITTEE's occupancy or term of this Permit, whichever shall have first occurred, as shown by said initial site assessment.
8. **Tanks, Pipelines; Inspections and Repairs.** All tanks, pipelines, containers or conduits of any kind that may at any time be used to contain, or may be intended to contain, hazardous substances of any type (hereinafter referred to as a "facility"), that the PERMITTEE intends to install on the permitted Premises, must be installed above ground level in such manner that allows for periodic inspection and maintenance of the facility for purposes of determining the existence of leaks and discharges from, and deterioration of any kind to, and that allows repair of, the facility. The PERMITTEE shall provide the DEPARTMENT with prior notice of the PERMITTEE's intent to install a facility to allow the DEPARTMENT ample time, as determined by the DEPARTMENT, to inspect such a facility. Unless and until each facility and its manner of installation are approved by the DEPARTMENT, said facility shall not be installed. Within ninety (90) days of the commencement of this Permit, or commencement of possession of the permitted Premises by the PERMITTEE, whichever first occurs, the PERMITTEE shall submit a contingency plan to control and remedy any spill, discharge or leak from any facility on the permitted Premises, which plan shall include the cleanup of all hazardous substances so spilled, discharged or leaked, all to the satisfaction of the DEPARTMENT. The PERMITTEE shall also

submit a plan for the PERMITTEE to conduct, or have conducted, regular inspections of all facilities on the permitted Premises for the purpose of prevention of any leak, discharge or spill from said facilities. Said contingency plan and inspection plan are subject to the approval of the DEPARTMENT. Failure to submit said plans, or to comply with said plans, constitutes a breach of this Permit, giving the DEPARTMENT the right to immediately terminate this Permit, and pursue the DEPARTMENT's remedies under this Permit, at law, or in equity.

9. **Restoration and Surrender of Premises.** The PERMITTEE hereby agrees to restore the Premises, at its sole cost and expense, including the soil, water and structures on, in, or under the Premises, to the same condition as the Premises existed at the commencement of this Permit, fair wear and tear to the structures excepted. In the event the PERMITTEE does not restore the Premises to the same condition as it existed at the commencement of this Permit, as determined by the DEPARTMENT, the PERMITTEE understands and agrees that the DEPARTMENT may exercise its rights under Section B.10, and until such time as the restoration is complete to the satisfaction of the DEPARTMENT, the PERMITTEE shall be liable for the Permit rent in the same manner and amount as if this Permit had continued in effect during the same period of restoration.
10. **DEPARTMENT's Right to Act.** In the event the PERMITTEE fails for any reason to comply with any of its duties under this Permit or under any environmental laws within the time set for doing so, or within a reasonable time as determined by the DEPARTMENT, the DEPARTMENT shall have the right, but not the obligation, in its sole discretion, to perform those duties, or cause them to be performed. The PERMITTEE hereby grants access to the Premises at all reasonable hours to the DEPARTMENT, its agents and anyone designated by the DEPARTMENT in order to perform said acts and duties. Any cost, expense or liability of any type that may be incurred by the DEPARTMENT in performing said acts or duties shall be the sole responsibility of the PERMITTEE, and the PERMITTEE hereby agrees to pay for those costs and expenses, and indemnify the DEPARTMENT for any liability incurred. This obligation shall extend to any costs and expenses incident to enforcement of the right to act, including litigation costs, attorneys fees, and the cost and fees for collection of said cost, expense or liability.
11. **Release and Indemnity.** The PERMITTEE hereby agrees to release the DEPARTMENT, its officers, employees, agents, successors and assigns from any liability of any kind, including, but not limited to, any liability for any damages, penalties, fines, judgments or assessments that may be imposed or obtained by any person, agency or governmental authority

against the DEPARTMENT and/or the PERMITTEE, by reason of any hazardous substance that may be present by whatever means on, in or under the Premises. The PERMITTEE hereby agrees to indemnify, defend with counsel suitable to the DEPARTMENT, and hold harmless the DEPARTMENT from any liability that may arise in connection with, or by reason of, any occurrence involving any hazardous substance that may be alleged to be connected or related in any way with the Premises, the ownership of the Premises, or this Permit, including the presence of any hazardous substance on the Premises. The PERMITTEE understands and agrees that any assessments, fines or penalties that may be assessed against the PERMITTEE or the DEPARTMENT by reason of any environmental law violation concerning the Premises, shall be paid, complied with, and in every way satisfied by the PERMITTEE, and not the DEPARTMENT.

12. **Insurance.** As part of the insurance requirements under Paragraph 14, of the general Terms and Conditions and effective at the commencement of this Permit, the insurance coverage the PERMITTEE obtains shall provide coverage for personal injury and damage to property caused by hazardous substances, or any occurrence that may constitute a violation of any environmental law by the PERMITTEE or the DEPARTMENT. The DEPARTMENT shall be named as additional insured.

REVOCABLE PERMIT NO. 6956
SPECIAL CONDITIONS

DONALD V. ROHRBACH

DILLINGHAM AIRFIELD

The Permittee understands and acknowledges that the Permit is subject to all applicable terms and conditions contained in Contract No. DACA84-01-09-135 dated July 6, 2009, entered into between the United States of America, by its Secretary of the Army, and the State of Hawaii regarding the lease of the Dillingham Military Reservation ("Lease"). Compliance with the Lease includes, but is not limited to, non-use of the airfield by the Permittee because of the airfield's closure for military exercises. The Permittee agrees that it will not hold the State of Hawaii ("State") responsible for any damage or injury, including but not limited to any rebate of rent or compensation to the Permittee for any loss of revenue, occupancy, or quiet enjoyment during the time the airfield is closed; Permittee further agrees not to institute any action or suit at law or in equity against the State, nor institute or prosecute any claim for damage, injury, costs, or expenses arising out of or related to compliance with the Lease.

DEPARTMENT OF THE ARMY LEASE

Dillingham Military Reservation

Honolulu, Hawaii

THIS LEASE, made on behalf of the United States ("Government"), between the **SECRETARY OF THE ARMY** hereinafter referred to as the Secretary, and **STATE OF HAWAII, DEPARTMENT OF TRANSPORTATION**, hereinafter referred to as the "Lessee".

WITNESSETH:

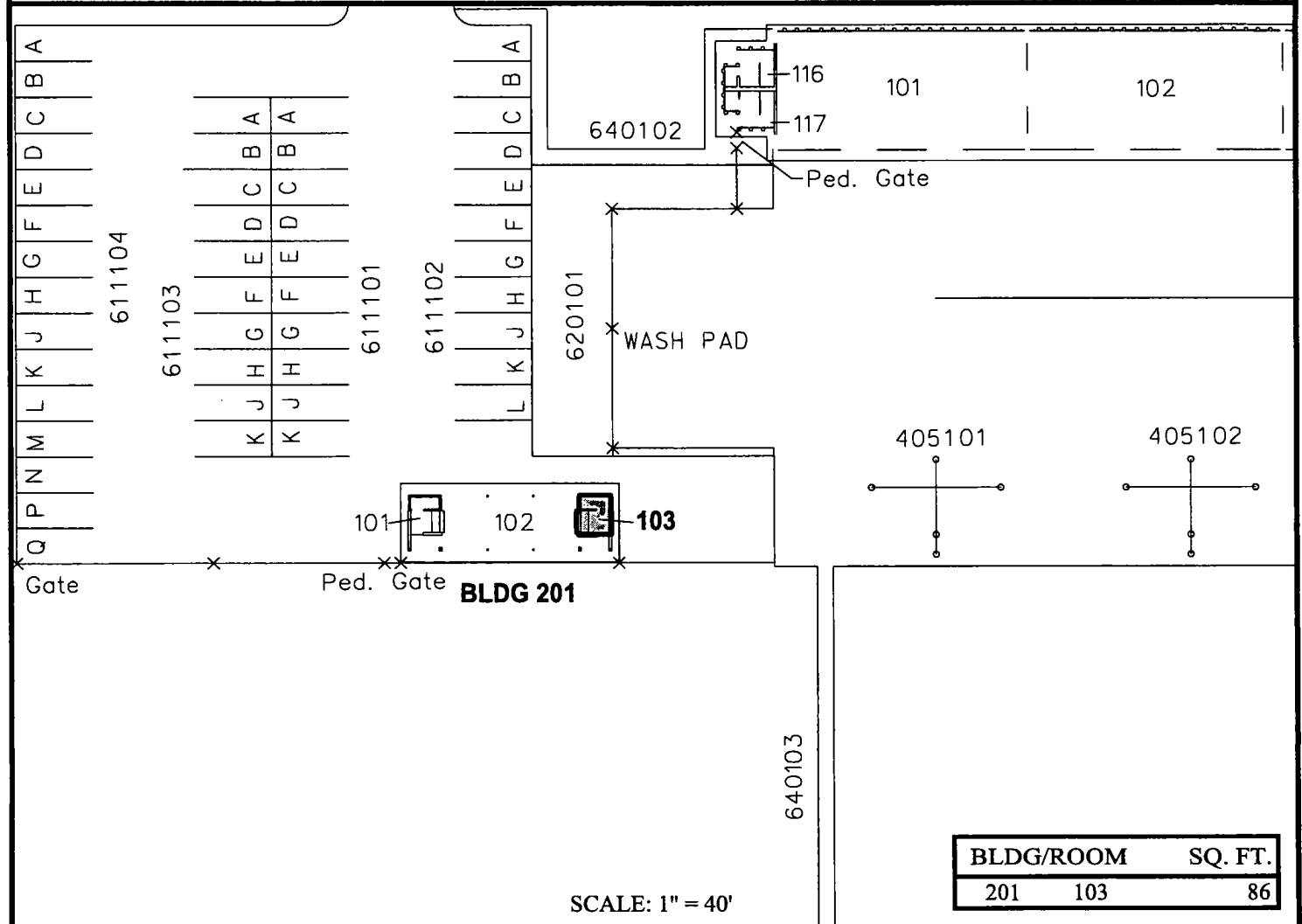
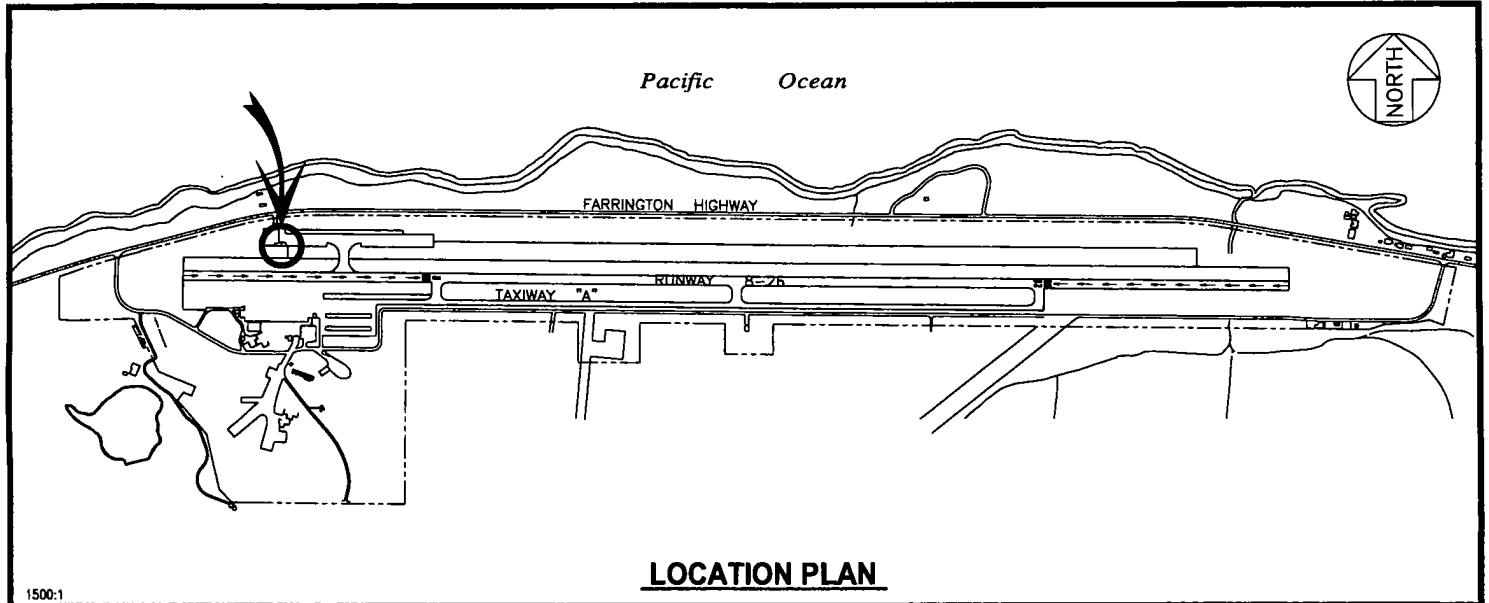
That the Secretary, by the authority of Title 10, United States Code, Section 2667, and for the consideration hereinafter set forth, hereby leases to the Lessee the property identified in **Exhibit A and B**, attached hereto and made a part hereof, hereinafter referred to as the "premises", for the purposes of operating an airfield, parallel runways, taxiways, parking areas and various building and improvements for use as a joint Department of Defense/Civil Airport, being a portion of Dillingham Military Reservation (for the purpose of this lease identified as Dillingham Airfield), as delineated in Red on Exhibit "A" and more particularly described on Exhibit "B", **TOGETHER WITH** other pertinent aviation facilities located thereon, including the entire water system as shown in red on Exhibit "C", and the nonexclusive right to use as a means of ingress and egress, such existing road within Dillingham Military Reservation as may designated by the officer having immediate jurisdiction over said property, hereinafter referred to as "said officer."

RESERVING unto the United States the right to use, and to authorize to use jointly with the lessee, all existing roads located within the aforesaid demised premises.

THIS LEASE is granted subject to the following conditions:

1. TERM

Said premises are hereby leased for a term of Twenty-Five (25) years, beginning on the date of execution, but revocable at will by the Secretary during a national emergency declared by the President or the Congress of the United States, or in the event the lessee violates any of the terms and conditions of this lease.



| | | |
|-------------------|------------------|--|
| RP-6956 | DATE : JULY 2010 | EXHIBIT: A |
| Airports Division | ROHRBACH, DONALD | BUILDING 201 GLIDER RIDE GROUND LEVEL 201103 PLAT A1 |

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 6968

THIS AGREEMENT, made this 25th day of February, 2011, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: DONALD V. ROHRBACH
DBA SGR SOARING ENTERPRISES

2. ADDRESS: [REDACTED]

3. AIRPORT: DILLINGHAM AIRFIELD

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:

Building 800, Space No. 107C, containing an area of approximately 1,500 square feet

5. PURPOSE(S): Storage of containers

6. RENTAL:

Monthly Rental

\$ 90.00

\$ _____

\$ _____

Total Monthly Rental

\$ 90.00

7. SECURITY DEPOSIT: \$ 270.00

8. EFFECTIVE DATE OF PERMIT: February 1, 2011

9. HOLD OVER TENANCY: \$ 3.00

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:


- a. Environmental Compliance – Permittee's Duties
- b. Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
- c. Chapter 13 entitled "Aircraft Operations at Public Airports."
- d. Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
- e. Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

PERMITTEE: DONALD V. ROHRBACH
DBA SGR SOARING ENTERPRISES

By 

By 

FORD N. FUCHIGAMI
Deputy Director - Airports

Title: _____

TERMS AND CONDITIONS

1. Term. This Permit is granted on a month-to-month basis only, for a period not to exceed one year from the effective date hereof. Any renewal of this permit shall be on a month-to-month basis for a period not to exceed one year. Notice of renewal need not be reduced to writing, it being agreed that such renewal shall be automatic unless a party hereto shall give the other party ten (10) days' notice of its intention not to renew or unless the Board of Land and Natural Resources shall fail to approve the renewal.

2. Termination. This Permit may be terminated by either party without cause upon thirty (30) days' advance written notice.

3. Change in Rent. The DEPARTMENT reserves the right to increase or decrease the monthly rental at any time upon thirty (30) days' advance written notice.

4. Payment of Rent. Without notice or demand, the PERMITTEE shall pay, at the Fiscal Office of the Airports Division, Department of Transportation, Honolulu, Hawaii, or at the Airport District Manager's office of the above named AIRPORT, the sum hereinbefore set forth upon the execution of this Permit and on the first (1st) day of each and every month thereafter during the remainder of the life of this Permit or until it is terminated or revoked as provided herein.

5. Interest; Service Charge. Without prejudice to any other remedy available to the DEPARTMENT, PERMITTEE agrees without further notice or demand, as follows: (a) to pay interest at the rate of twelve percent (12%) per annum on all delinquent payments; (b) that the term "delinquent payments" as used herein means any payment of rent, fees, service charges, or other charges payable by PERMITTEE to DEPARTMENT, which are not paid when due.

6. Acceptance of Rent not a Waiver. The acceptance of rent by the DEPARTMENT shall not constitute a waiver of any breach by the PERMITTEE of any of the terms and conditions, upon which this Permit is granted and to which the PERMITTEE agrees, nor of the DEPARTMENT's right to terminate or revoke this Permit. Failure by the DEPARTMENT to insist upon strict performance thereof by the PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of its rights under this Permit.

7. Security Deposit. The PERMITTEE, upon execution of this Permit, shall deposit with the DEPARTMENT in legal tender or in such other form acceptable to the DEPARTMENT in the amount hereinbefore set forth as security that it will perform faithfully all the terms and conditions of this Permit. The said deposit will be returned without interest to the PERMITTEE within a reasonable time after the termination of this Permit only if the PERMITTEE has faithfully performed said terms and conditions to the satisfaction of the DEPARTMENT. In the event the PERMITTEE does not so perform, then the DEPARTMENT shall keep all of the said sum as compensation for the damages resulting from the PERMITTEE's breach of contract, and the DEPARTMENT's retention of all the said deposit shall not prevent the DEPARTMENT from recovering any damages not compensated thereby.

8. Cost of Collection. The PERMITTEE shall pay any and all court costs, including attorney's fees, incurred by the DEPARTMENT in collecting rents, penalties, interest, fees or other charges due and payable by the PERMITTEE under this Permit or in removing the PERMITTEE and/or the improvements or additions, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by the PERMITTEE's breach of any of the terms and conditions under this Permit.

9. Equal Treatment. The PERMITTEE will furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and will charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the PERMITTEE may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

10. Repairs. The PERMITTEE shall at its own expense keep and maintain the Premises in a condition similar to that which existed on the effective date of this Permit, ordinary wear and tear and damage by acts of God excepted.

11. Waste, Strip and Nuisance, and Maintenance. The PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises. The PERMITTEE shall, at all times and at its own expense keep the Premises clean, neat, safe and orderly, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse from its activities on the Premises.

12. Utilities and Other Charges. The PERMITTEE shall be responsible for and pay all charges for water, electricity, telephone and other utilities, and all charges for sewer, garbage and trash disposal. Where any of such services are provided by the DEPARTMENT at the request of the PERMITTEE, the PERMITTEE shall pay the DEPARTMENT's charges therefor.

13. Property Taxes. The PERMITTEE will pay all taxes including real property taxes, imposts and assessments required under the laws of all governing authorities, in relations to the use and occupancy of the Premises and the conduct of its activities thereon.

14. Commercial General Liability Insurance. The PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this Permit, a Commercial General Comprehensive Public Liability Insurance policy or policies with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence. The specification of limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of the PERMITTEE under this Permit. Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the DEPARTMENT; (b) name the State of Hawaii as an additional insured; (c) provide that the DEPARTMENT shall be notified at least thirty (30) days prior to any termination, cancellation or material change in its insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of the PERMITTEE, its officers, agents, employees, invitees or licensees in connection with the PERMITTEE's use or occupancy of the Premises. The PERMITTEE shall furnish to the DEPARTMENT upon execution of this Permit and prior to occupancy of the Premises, a certificate showing such insurance policy to have been issued to the PERMITTEE and to be then in force, and shall furnish a like certificate upon each renewal thereof.

15. Fire Insurance. The PERMITTEE shall procure immediately and keep in force with respect to the Premises a fire insurance policy for real property improvements in the amount determined by the DEPARTMENT whenever it is deemed necessary and specified in the special terms and conditions.

16. PERMITTEE's Prior Inspection. The PERMITTEE warrants that it has inspected the Premises and all improvements thereon, knows the conditions thereof and fully assumes all risks incidental to the use and enjoyment thereof.

17. Indemnity. The PERMITTEE shall at all times with respect to the Premises use due care for public safety and shall defend, hold harmless and indemnify the DEPARTMENT, its officers, agents, and employees from and against all claims, or demand for damages, including claims for property damage, personal injury or death, (a) arising on the Premises, or caused by any fire or explosion thereon; or (b) arising from, growing out of, or caused by any act or omission on the part of the PERMITTEE, its officers, agents, employees, invitees or licensees, in connection with the PERMITTEE's use or occupancy of the Premises.

18. Surrender and Restoration. The PERMITTEE shall, prior to the termination or revocation of this Permit, restore, at its own cost and risk, the Premises to a condition similar to that which existed prior to the effective date of this Permit, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to the DEPARTMENT. In the event the PERMITTEE fails to effectuate such restoration of the Premises, the DEPARTMENT reserves the right to accomplish same by its own employees or by an independent contractor and assess the PERMITTEE and total costs thereof. The DEPARTMENT is not required to furnish replacement facilities or relocation assistance to the PERMITTEE.

19. Transferability. This Permit and the Premises or any part thereof inclusive of any and all rights or obligations accruing or arising under it shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

20. Improvements, Alterations or Additions. No substantial improvement, alteration or addition of a structural nature shall be made, installed or constructed on, under or within the Premises by the PERMITTEE unless it first submits plans and specifications therefor to the DEPARTMENT for its approval and unless said plans and specifications are in fact approved in writing by the DEPARTMENT. Such plans and specifications shall not be submitted unless they are in full compliance with all applicable statutes and rules and regulations. The DEPARTMENT may impose reasonable conditions on its approval.

Any improvements, alterations or additions shall be constructed at the sole cost and risk of the PERMITTEE and the DEPARTMENT shall not be responsible for any damage to or injury to persons or property arising from the construction, maintenance or use of any such improvements, alterations or additions. Once installed or constructed, no improvements, alterations or additions shall be removed except in accordance with the terms and conditions of this Permit (paragraph 22 herein).

21. Removal of Fixtures and Equipment. The PERMITTEE shall have the right at its own expense to remove any and all fixtures and equipment installed by it on the Premises, provided that (a) PERMITTEE shall give five (5) days' prior written notice of its intention to remove such fixtures and equipment, (b) the removal shall be completed during the time PERMITTEE occupies the Premises and at a time PERMITTEE is current in the payment of rent and is in compliance with all other obligations under the Permit, (c) the Premises are restored by PERMITTEE to a condition similar to what existed immediately prior to the installation thereof, reasonable wear and tear excepted. The PERMITTEE's failure to give such written notice shall be deemed to be a waiver of the right of removal and shall constitute an abandonment of such fixtures and equipment.

22. Option to Require Removal of Improvements, Additions, Alterations, Fixtures and Equipment. The DEPARTMENT, with respect to any improvements, additions, alterations, fixtures and equipment or any portions thereof constructed or installed on the Premises by PERMITTEE, reserves the right upon giving written notice within twenty (20) days after the date of termination of this Permit, to require PERMITTEE to remove the same at PERMITTEE's cost and risk, such removal to be completed within thirty (30) days after receipt of such notice. PERMITTEE shall restore the Premises to condition similar to what existed immediately prior to the construction or installation. If PERMITTEE shall fail to effect such removal and restoration within the specified time, the DEPARTMENT may effect such removal and restore the Premises to a condition similar to what existed immediately prior to the construction or installation by its own employees or independent contractor and assess the cost of such removal, disposition, and restoration to PERMITTEE.

23. Entry by DEPARTMENT. The DEPARTMENT or its agents and employees may enter the Premises at all reasonable hours to inspect the Premises and determine if the PERMITTEE is complying with the terms and conditions of this permit or for any other proper purpose. The PERMITTEE shall not make any claim for damages or set off of rent or other charges by reason or on account of such entry.

24. Advertising Signs. The PERMITTEE may install and operate, at its own expense, such signs and advertising materials as shall be expressly approved by the DEPARTMENT as being of acceptable character on the basis of appearance, size, design, color, quality, number, location, content, and general conformity with the architectural character of the AIRPORT. Prior to the termination or revocation of this Permit, the PERMITTEE shall remove, obliterate or paint out any and all advertising signs, posters and similar devices placed by him on the Premises. If the PERMITTEE fails to carry out this requirement, the DEPARTMENT may perform such work as may be necessary and the PERMITTEE shall pay the costs thereof immediately upon demand by the DEPARTMENT.

25. Public Address System. The PERMITTEE shall permit the installation of the DEPARTMENT's public address system within the Premises and the reception within such Premises of public announcements, flight information and background music broadcast over such systems.

26. Hold Over Tenancy. If the PERMITTEE does not vacate the Premises upon the revocation or termination of the Permit, the PERMITTEE shall pay the DEPARTMENT hold over rent. The rent for each day, or part of a day, during which the PERMITTEE remains in possession will be the amount payable immediately prior to the revocation or termination of the Permit. During any hold over period, the PERMITTEE shall be deemed an illegal occupant and acceptance of such payment by the DEPARTMENT shall not constitute a waiver of any of the terms and conditions of this Permit and shall not preclude the DEPARTMENT from pursuing any other rights or remedies the DEPARTMENT may be entitled to pursue under this Permit, including but not limited to assuming possession of the Premises as provided in paragraph 32 or bringing an ejectment action for the recovery of Premises, without first giving notice to quit or making a demand for possession.

27. Non-Discrimination. The PERMITTEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Permit for a 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 Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the DEPARTMENT and its assigns.

The PERMITTEE, for itself, its personal representatives, successor 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, creed, color, sex, national origin, or physical handicap 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, creed, color, sex, national origin or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the PERMITTEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to terminate this permit and re-enter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued.

28. Civil Rights Provision. The PERMITTEE assures that it will undertake an affirmative action program as required by Title 14 Code of Federal Regulations, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, sex, national origin, or physical handicap be excluded from participating in or receiving the services or benefits of any program or activity covered by this subpart. The PERMITTEE assures that it will require that its covered suborganizations provide assurances to the DEPARTMENT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

29. Interpretation. The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

30. Conflicting Terms and Conditions. Where an inconsistency exists between these printed terms and conditions and the special terms and conditions, the special terms and conditions shall govern.

31. Compliance with Laws. The PERMITTEE shall comply with all laws, ordinances and rules and regulations of all governmental agencies, applicable to the Premises or relating to and affecting any business or other commercial activity conducted on the Premises.

32. Breach of Revocable Permit or Terms and Conditions. Upon a breach of any of the aforementioned terms and conditions, including but not limited to PERMITTEE's failure to pay any rental, interest, fees or charges when due, DEPARTMENT may revoke this Permit upon five (5) business days' written notice of said breach and shall be entitled to regain possession of the Premises administratively, without court action.

33. Disputes and/or Questions. Any and all disputes and/or questions arising under this Permit shall be referred to the Director of Transportation and his determination of such disputes or questions shall be final and binding on the parties.

REVOCABLE PERMIT NO. 6968
SPECIAL TERMS AND CONDITIONS

1. ENVIRONMENTAL COMPLIANCE - PERMITTEE'S DUTIES

- A. Definitions. For purposes of this Permit, the PERMITTEE agrees and understands that the following terms shall have the following meanings:

"Environmental Laws" shall mean all federal, state and local laws of every nature including statutes, ordinances, rules, regulations, codes, notices, standards, directives of every kind, guidelines, permits, licenses, authorizations, approvals, interpretations of the foregoing by any court, legislative body, agency or official, judicial decisions, orders, rulings or judgments, or rules of common law which currently are in effect or which may come into effect through enactment, issuance, promulgation, adoption or otherwise, which in any way pertain to, relate to, or have any relevance to the environment, health or safety. These environmental laws include, but are not limited to, regulations and orders of the federal Environmental Protection Agency and of the State of Hawaii Department of Health.

"Hazardous Substance" shall mean and include any chemical, substance, organic or inorganic material, controlled substance, object, condition, waste, living organism, or combination thereof which is, may be, or has been determined by proper state or federal authority under any environmental law to be, hazardous to human health or safety or detrimental to the environment. This term shall include, but not be limited to, petroleum hydrocarbons, asbestos, radon, polychlorinated biphenyls (PCBs), methane, fuels of any kind, and other materials or substances that are regulated by state or federal authorities.

- B. PERMITTEE's Activities and Duties.

1. **Compliance with Environmental Laws.** The PERMITTEE agrees, at its sole expense and cost, to comply with all environmental laws that apply to the Premises during the term of this Permit, and the PERMITTEE's occupancy or use of, and activities on, the Premises. This duty shall survive the expiration or termination of this Permit which means that the PERMITTEE's duty to comply with environmental laws shall include complying with all environmental laws, regulations and orders that may apply, or be determined to apply, to the occupancy and activities of the PERMITTEE on the Premises after the expiration or termination of this Permit. Failure of the PERMITTEE to comply with any environmental laws shall constitute a breach of this Permit for which the DEPARTMENT shall be entitled, in its discretion, to terminate this Permit, exercise its remedies under this Permit, including remediating any condition on behalf of the PERMITTEE at the PERMITTEE's expense under Section B.5 and

Section B.7, and take any other action at law or in equity it deems appropriate.

2. **Hazardous Substances.** The PERMITTEE shall not use, store, treat, dispose, discharge, release, generate, create, or otherwise handle any hazardous substance, or allow the same by any third person, on the Premises without first obtaining the prior written consent of the DEPARTMENT and complying with all environmental laws, including giving all required notices, reporting to, and obtaining permits from all appropriate authorities, and complying with all provisions of this Permit.
3. **Notice to DEPARTMENT.** The PERMITTEE shall keep the Department fully informed at all times regarding all environmental law related matters affecting the PERMITTEE or the Premises. This duty shall include, without limiting the foregoing duty, providing the DEPARTMENT with a current and complete list and accounting of all hazardous substances of every kind which are present on or about the Premises, and with evidence that the PERMITTEE has in effect all required and appropriate permits, licenses, registrations, approvals and other consents that may be required of or by federal, state, and county authorities under all environmental laws. This duty shall also include providing immediate written notice of any investigation, enforcement action, remediation or other regulatory action, order of any type, or any legal action, initiated, issued, or any indication of an intent to do so, communicated in any way to the PERMITTEE by any federal, state, or county authority or any individual which relates in any way to any environmental law or any hazardous substance and the PERMITTEE or the Premises. This written notice to the DEPARTMENT shall include the PERMITTEE immediately providing the DEPARTMENT with copies of all written communications from individuals or state, county, and federal authorities, including copies of all correspondence, claims, complaints, warnings, reports, technical data and any other documents received or obtained by the PERMITTEE. At least thirty days prior to termination of this Permit, or termination of the possession of the Premises by the PERMITTEE, whichever shall first occur, the PERMITTEE shall provide the DEPARTMENT with written evidence satisfactory to the DEPARTMENT that the PERMITTEE has fully complied with all environmental laws, including any orders issued by any governmental authority to the PERMITTEE that relate to the Premises.
4. **Notice to Authorities.** The PERMITTEE shall provide written notice to the State of Hawaii Department of Health at least thirty (30) days prior to the termination of this Permit, or thirty (30) days prior to the PERMITTEE's termination of possession of the Premises, whichever occurs first, the fact that the PERMITTEE intends to vacate the Premises and terminate its operations on those Premises. The PERMITTEE shall

allow the agents or representatives of said authority access to the Premises at any and all reasonable times for the purpose of inspecting the Premises and taking samples of any material for inspection or testing for compliance with any environmental laws. The PERMITTEE shall provide copies of said written notices to the DEPARTMENT at the time said notices are provided to said authorities.

5. **Disposal/Removal.** Except for materials that are lawfully sold in the ordinary course of the PERMITTEE's business, and for which the PERMITTEE has obtained all required authorizations from appropriate authorities including the prior written permission of the DEPARTMENT to have said substance on the Premises, the PERMITTEE shall cause any hazardous substances to be removed from the Premises for disposal. This duty shall include the transportation of said hazardous substances from the Premises solely by duly licensed hazardous substance transporters to duly licensed facilities for final disposal as required by all applicable environmental laws. The PERMITTEE shall provide the DEPARTMENT with copies of documentary proof, including manifests, receipts or bills of lading, which reflect that said hazardous substances have been properly removed and disposed of in accordance with all environmental laws.

6. **Environmental Investigations and Assessments.** The PERMITTEE, at its sole cost and expense, shall cause to be conducted such investigations and assessments of the Premises to determine the presence of any hazardous substance on, in, or under the Premises as may be directed from time to time by the DEPARTMENT, in its sole discretion, or by any federal or state authority. The extent and number of any environmental investigations and assessments shall be determined by the DEPARTMENT or the federal or state authority directing said investigations and assessments to be conducted. The PERMITTEE shall retain a competent and qualified person or entity that is satisfactory to the DEPARTMENT or governmental authority, as the case may be, to conduct said investigations and assessments. The PERMITTEE shall direct said person or entity to provide the DEPARTMENT or governmental authority, if so requested, with testable portions of all samples of any soils, water, ground water or other material that may be obtained for testing, and provide directly to the State and the governmental authority at the sole expense of the PERMITTEE, written results of all tests on said samples upon completion of said testing.

In any event, the PERMITTEE shall be required to have environmental assessments conducted as aforesaid prior to, or at the time of, the PERMITTEE taking possession of the Premises and prior to, or at the time of, the termination of this Permit in order to determine the condition of the Premises. The DEPARTMENT may, in its sole discretion, waive this requirement; provided, however, that any such waiver shall be in writing.

7. **Remediation.** In the event that any hazardous substance is used, stored, treated, disposed on the Premises, handled, discharged, released, or determined to be present on the Premises, or to have migrated from the Premises, the PERMITTEE shall, at its sole expense and cost, remediate the Premises, or any location off the Premises to which it is determined that the hazardous substance has migrated, of any hazardous substances. Said duty to remediate includes the removal and disposal of said hazardous substances in accordance with Section B.5. This duty to remediate includes strictly complying with all environmental laws and directives to remediate said hazardous substances issued from the DEPARTMENT or any federal or state governmental authority charged with enforcing the environmental laws. This duty to remediate shall include replacement of any materials, such as soils, so removed with material that is satisfactory to the DEPARTMENT and or any governmental authority, as the case may be. If the PERMITTEE has conducted an initial site assessment of the Premises which includes soil and ground water analyses for hazardous substances at the commencement of this Revocable Permit or the PERMITTEE's occupancy, whichever shall have first occurred, to the satisfaction of the DEPARTMENT, the PERMITTEE shall be responsible for remediation and restoration of the Premises to the extent it is necessary to remediate and restore the Premises to the condition of the premises and levels of contamination or hazardous substances that existed on the Premises at the commencement of the PERMITTEE's occupancy or term of this Permit, whichever shall have first occurred, as shown by said initial site assessment.
8. **Tanks, Pipelines; Inspections and Repairs.** All tanks, pipelines, containers or conduits of any kind that may at any time be used to contain, or may be intended to contain, hazardous substances of any type (hereinafter referred to as a "facility"), that the PERMITTEE intends to install on the permitted Premises, must be installed above ground level in such manner that allows for periodic inspection and maintenance of the facility for purposes of determining the existence of leaks and discharges from, and deterioration of any kind to, and that allows repair of, the facility. The PERMITTEE shall provide the DEPARTMENT with prior notice of the PERMITTEE's intent to install a facility to allow the DEPARTMENT ample time, as determined by the DEPARTMENT, to inspect such a facility. Unless and until each facility and its manner of installation are approved by the DEPARTMENT, said facility shall not be installed. Within ninety (90) days of the commencement of this Permit, or commencement of possession of the permitted Premises by the PERMITTEE, whichever first occurs, the PERMITTEE shall submit a contingency plan to control and remedy any spill, discharge or leak from any facility on the permitted Premises, which plan shall include the cleanup of all hazardous substances so spilled, discharged or leaked, all to the satisfaction of the DEPARTMENT. The PERMITTEE shall also

submit a plan for the PERMITTEE to conduct, or have conducted, regular inspections of all facilities on the permitted Premises for the purpose of prevention of any leak, discharge or spill from said facilities. Said contingency plan and inspection plan are subject to the approval of the DEPARTMENT. Failure to submit said plans, or to comply with said plans, constitutes a breach of this Permit, giving the DEPARTMENT the right to immediately terminate this Permit, and pursue the DEPARTMENT's remedies under this Permit, at law, or in equity.

9. **Restoration and Surrender of Premises.** The PERMITTEE hereby agrees to restore the Premises, at its sole cost and expense, including the soil, water and structures on, in, or under the Premises, to the same condition as the Premises existed at the commencement of this Permit, fair wear and tear to the structures excepted. In the event the PERMITTEE does not restore the Premises to the same condition as it existed at the commencement of this Permit, as determined by the DEPARTMENT, the PERMITTEE understands and agrees that the DEPARTMENT may exercise its rights under Section B.10, and until such time as the restoration is complete to the satisfaction of the DEPARTMENT, the PERMITTEE shall be liable for the Permit rent in the same manner and amount as if this Permit had continued in effect during the same period of restoration.
10. **DEPARTMENT's Right to Act.** In the event the PERMITTEE fails for any reason to comply with any of its duties under this Permit or under any environmental laws within the time set for doing so, or within a reasonable time as determined by the DEPARTMENT, the DEPARTMENT shall have the right, but not the obligation, in its sole discretion, to perform those duties, or cause them to be performed. The PERMITTEE hereby grants access to the Premises at all reasonable hours to the DEPARTMENT, its agents and anyone designated by the DEPARTMENT in order to perform said acts and duties. Any cost, expense or liability of any type that may be incurred by the DEPARTMENT in performing said acts or duties shall be the sole responsibility of the PERMITTEE, and the PERMITTEE hereby agrees to pay for those costs and expenses, and indemnify the DEPARTMENT for any liability incurred. This obligation shall extend to any costs and expenses incident to enforcement of the right to act, including litigation costs, attorneys fees, and the cost and fees for collection of said cost, expense or liability.
11. **Release and Indemnity.** The PERMITTEE hereby agrees to release the DEPARTMENT, its officers, employees, agents, successors and assigns from any liability of any kind, including, but not limited to, any liability for any damages, penalties, fines, judgments or assessments that may be imposed or obtained by any person, agency or governmental authority

against the DEPARTMENT and/or the PERMITTEE, by reason of any hazardous substance that may be present by whatever means on, in or under the Premises. The PERMITTEE hereby agrees to indemnify, defend with counsel suitable to the DEPARTMENT, and hold harmless the DEPARTMENT from any liability that may arise in connection with, or by reason of, any occurrence involving any hazardous substance that may be alleged to be connected or related in any way with the Premises, the ownership of the Premises, or this Permit, including the presence of any hazardous substance on the Premises. The PERMITTEE understands and agrees that any assessments, fines or penalties that may be assessed against the PERMITTEE or the DEPARTMENT by reason of any environmental law violation concerning the Premises, shall be paid, complied with, and in every way satisfied by the PERMITTEE, and not the DEPARTMENT.

12. **Insurance.** As part of the insurance requirements under Paragraph 14, of the general Terms and Conditions and effective at the commencement of this Permit, the insurance coverage the PERMITTEE obtains shall provide coverage for personal injury and damage to property caused by hazardous substances, or any occurrence that may constitute a violation of any environmental law by the PERMITTEE or the DEPARTMENT. The DEPARTMENT shall be named as additional insured.

REVOCABLE PERMIT NO. 6968
SPECIAL CONDITIONS

DONALD V. ROHRBACH

DILLINGHAM AIRFIELD

The Permittee understands and acknowledges that the Permit is subject to all applicable terms and conditions contained in Contract No. DACA84-01-09-135 dated July 6, 2009, entered into between the United States of America, by its Secretary of the Army, and the State of Hawaii regarding the lease of the Dillingham Military Reservation ("Lease"). Compliance with the Lease includes, but is not limited to, non-use of the airfield by the Permittee because of the airfield's closure for military exercises. The Permittee agrees that it will not hold the State of Hawaii ("State") responsible for any damage or injury, including but not limited to any rebate of rent or compensation to the Permittee for any loss of revenue, occupancy, or quiet enjoyment during the time the airfield is closed; Permittee further agrees not to institute any action or suit at law or in equity against the State, nor institute or prosecute any claim for damage, injury, costs, or expenses arising out of or related to compliance with the Lease.

(NOT ATTACHED TO THIS PERMIT)
DILLINGHAM AIRFIELD

Dillingham Lease DACA84-1-09-135

The following Hawaii Administrative Rules are not attached to this revocable permit. If a hardcopy of the rules and regulations is needed, please refer to DOT-A Website, click on Hawaii Administrative Rules and select respective Chapter(s) or refer to tenant folder.

Chapter 19-13

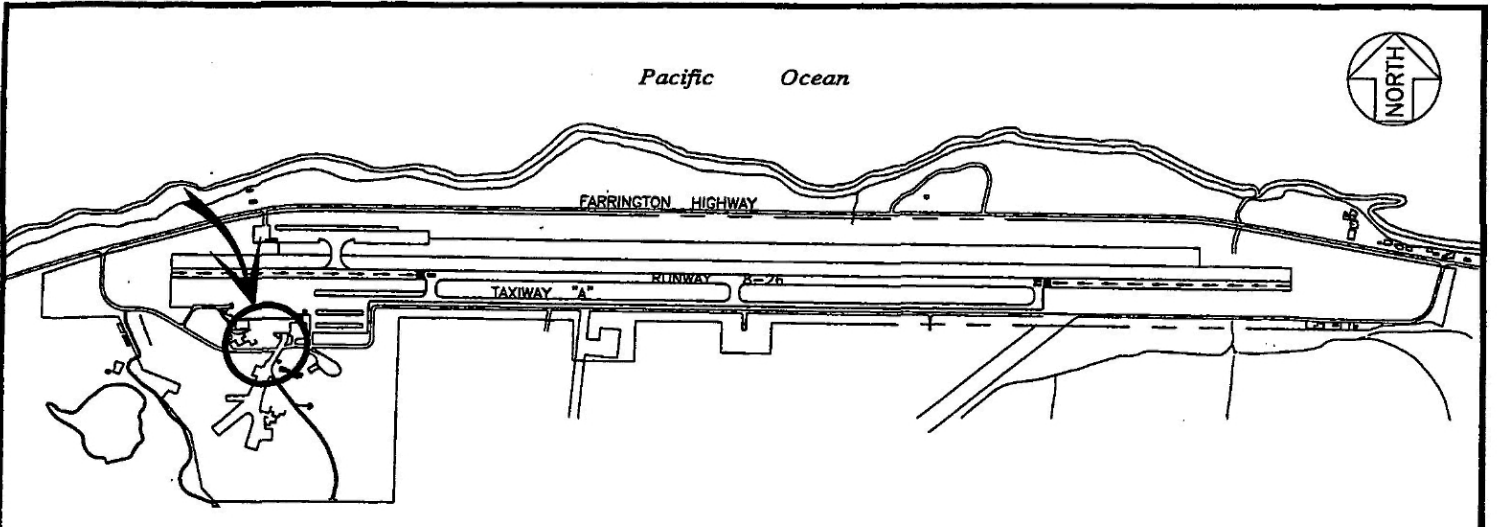
Aircraft Operations at Public Airports

Chapter 19-17 & 19-17.1

Small Plane Hangar Units and Tie-down Spaces at Public Airports

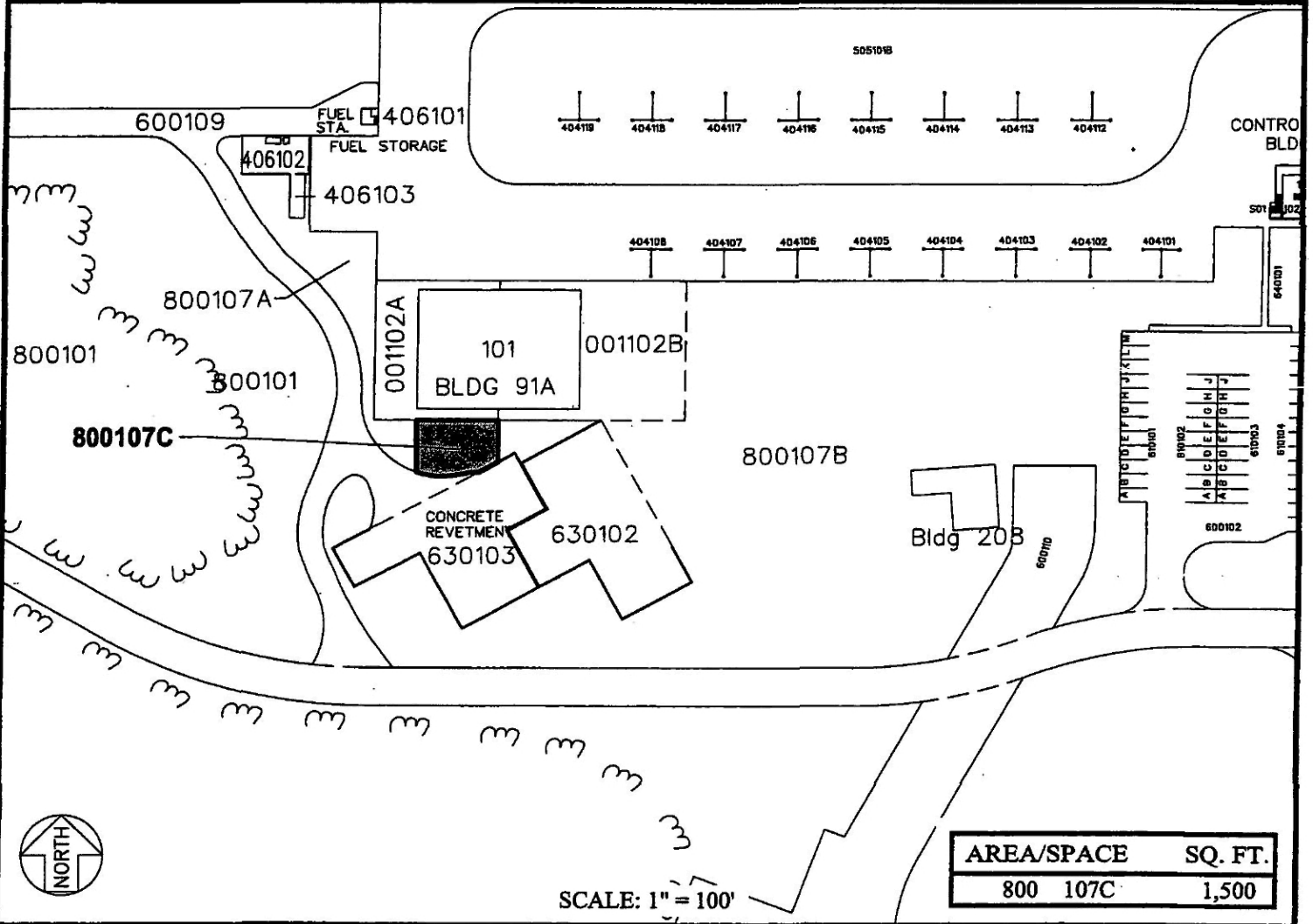
Chapter 19.31 & 19-31.1

Aircraft Registration



LOCATION PLAN

1500:1



RP-6968

DATE : AUGUST 2010

EXHIBIT: **A**



Airports Division

ROHRBACH, DONALD V.
DBA SGR SOARING ENTERPRISE

LOTS

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DILLINGHAM AIRFIELD

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 7016

THIS AGREEMENT, made this 26th day of August, 2011, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. **PERMITTEE:** DONALD V. ROHRBACH
DBA SGR SOARING ENTERPRISES

2. **ADDRESS:** [REDACTED]

3. **AIRPORT:** DILLINGHAM AIRFIELD

4. **PREMISES AS SHOWN ON ATTACHED EXHIBIT:**

Sailplane Hangar Unit No. 403-103, containing an area of approximately 1,881 square feet

5. **PURPOSE(S):** Aircraft Storage – 1973 Schwizer SGS 2-33A/N-17914

6. **RENTAL:**
Monthly Rental \$ 386.00
\$ _____
\$ _____
Total Monthly Rental \$ 386.00

7. **SECURITY DEPOSIT:** \$ 1,158.00

8. **EFFECTIVE DATE OF PERMIT:** SEPTEMBER 1, 2011

9. **HOLD OVER TENANCY:** \$ 12.87

10. **SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:**
- a. Environmental Compliance – Permittee's Duties
 - b. Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
 - c. Chapter 13 entitled "Aircraft Operations at Public Airports."
 - d. Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
 - e. Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By [Signature]
GLENN M. OKIMOTO, Ph.D.
Director of Transportation

PERMITTEE: DONALD V. ROHRBACH
DBA SGR SOARING ENTERPRISES

By [Signature]

Title: OWNER

TERMS AND CONDITIONS

1. Term. This Permit is granted on a month-to-month basis only, for a period not to exceed one year from the effective date hereof. Any renewal of this permit shall be on a month-to-month basis for a period not to exceed one year. Notice of renewal need not be reduced to writing, it being agreed that such renewal shall be automatic unless a party hereto shall give the other party ten (10) days' notice of its intention not to renew or unless the Board of Land and Natural Resources shall fail to approve the renewal.

2. Termination. This Permit may be terminated by either party without cause upon thirty (30) days' advance written notice.

3. Change in Rent. The DEPARTMENT reserves the right to increase or decrease the monthly rental at any time upon thirty (30) days' advance written notice.

4. Payment of Rent. Without notice or demand, the PERMITTEE shall pay, at the Fiscal Office of the Airports Division, Department of Transportation, Honolulu, Hawaii, or at the Airport District Manager's office of the above named AIRPORT, the sum hereinbefore set forth upon the execution of this Permit and on the first (1st) day of each and every month thereafter during the remainder of the life of this Permit or until it is terminated or revoked as provided herein.

5. Interest; Service Charge. Without prejudice to any other remedy available to the DEPARTMENT, PERMITTEE agrees without further notice or demand, as follows: (a) to pay interest at the rate of twelve percent (12%) per annum on all delinquent payments; (b) that the term "delinquent payments" as used herein means any payment of rent, fees, service charges, or other charges payable by PERMITTEE to DEPARTMENT, which are not paid when due.

6. Acceptance of Rent not a Waiver. The acceptance of rent by the DEPARTMENT shall not constitute a waiver of any breach by the PERMITTEE of any of the terms and conditions, upon which this Permit is granted and to which the PERMITTEE agrees, nor of the DEPARTMENT's right to terminate or revoke this Permit. Failure by the DEPARTMENT to insist upon strict performance thereof by the PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of its rights under this Permit.

7. Security Deposit. The PERMITTEE, upon execution of this Permit, shall deposit with the DEPARTMENT in legal tender or in such other form acceptable to the DEPARTMENT in the amount hereinbefore set forth as security that it will perform faithfully all the terms and conditions of this Permit. The said deposit will be returned without interest to the PERMITTEE within a reasonable time after the termination of this Permit only if the PERMITTEE has faithfully performed said terms and conditions to the satisfaction of the DEPARTMENT. In the event the PERMITTEE does not so perform, then the DEPARTMENT shall keep all of the said sum as compensation for the damages resulting from the PERMITTEE's breach of contract, and the DEPARTMENT's retention of all the said deposit shall not prevent the DEPARTMENT from recovering any damages not compensated thereby.

8. Cost of Collection. The PERMITTEE shall pay any and all court costs, including attorney's fees, incurred by the DEPARTMENT in collecting rents, penalties, interest, fees or other charges due and payable by the PERMITTEE under this Permit or in removing the PERMITTEE and/or the improvements or additions, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by the PERMITTEE's breach of any of the terms and conditions under this Permit.

9. Equal Treatment. The PERMITTEE will furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and will charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the PERMITTEE may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

10. Repairs. The PERMITTEE shall at its own expense keep and maintain the Premises in a condition similar to that which existed on the effective date of this Permit, ordinary wear and tear and damage by acts of God excepted.

11. Waste, Strip and Nuisance, and Maintenance. The PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises. The PERMITTEE shall, at all times and at its own expense keep the Premises clean, neat, safe and orderly, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse from its activities on the Premises.

12. Utilities and Other Charges. The PERMITTEE shall be responsible for and pay all charges for water, electricity, telephone and other utilities, and all charges for sewer, garbage and trash disposal. Where any of such services are provided by the DEPARTMENT at the request of the PERMITTEE, the PERMITTEE shall pay the DEPARTMENT's charges therefor.

13. Property Taxes. The PERMITTEE will pay all taxes including real property taxes, imposts and assessments required under the laws of all governing authorities, in relations to the use and occupancy of the Premises and the conduct of its activities thereon.

14. Commercial General Liability Insurance. The PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this Permit, a Commercial General Comprehensive Public Liability Insurance policy or policies with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence. The specification of limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of the PERMITTEE under this Permit. Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the DEPARTMENT; (b) name the State of Hawaii as an additional insured; (c) provide that the DEPARTMENT shall be notified at least thirty (30) days prior to any termination, cancellation or material change in its insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of the PERMITTEE, its officers, agents, employees, invitees or licensees in connection with the PERMITTEE's use or occupancy of the Premises. The PERMITTEE shall furnish to the DEPARTMENT upon execution of this Permit and prior to occupancy of the Premises, a certificate showing such insurance policy to have been issued to the PERMITTEE and to be then in force, and shall furnish a like certificate upon each renewal thereof.

15. Fire Insurance. The PERMITTEE shall procure immediately and keep in force with respect to the Premises a fire insurance policy for real property improvements in the amount determined by the DEPARTMENT whenever it is deemed necessary and specified in the special terms and conditions.

16. PERMITTEE's Prior Inspection. The PERMITTEE warrants that it has inspected the Premises and all improvements thereon, knows the conditions thereof and fully assumes all risks incidental to the use and enjoyment thereof.

17. Indemnity. The PERMITTEE shall at all times with respect to the Premises use due care for public safety and shall defend, hold harmless and indemnify the DEPARTMENT, its officers, agents, and employees from and against all claims, or demand for damages, including claims for property damage, personal injury or death, (a) arising on the Premises, or caused by any fire or explosion thereon; or (b) arising from, growing out of, or caused by any act or omission on the part of the PERMITTEE, its officers, agents, employees, invitees or licensees, in connection with the PERMITTEE's use or occupancy of the Premises.

18. Surrender and Restoration. The PERMITTEE shall, prior to the termination or revocation of this Permit, restore, at its own cost and risk, the Premises to a condition similar to that which existed prior to the effective date of this Permit, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to the DEPARTMENT. In the event the PERMITTEE fails to effectuate such restoration of the Premises, the DEPARTMENT reserves the right to accomplish same by its own employees or by an independent contractor and assess the PERMITTEE and total costs thereof. The DEPARTMENT is not required to furnish replacement facilities or relocation assistance to the PERMITTEE.

19. Transferability. This Permit and the Premises or any part thereof inclusive of any and all rights or obligations accruing or arising under it shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

20. Improvements, Alterations or Additions. No substantial improvement, alteration or addition of a structural nature shall be made, installed or constructed on, under or within the Premises by the PERMITTEE unless it first submits plans and specifications therefor to the DEPARTMENT for its approval and unless said plans and specifications are in fact approved in writing by the DEPARTMENT. Such plans and specifications shall not be submitted unless they are in full compliance with all applicable statutes and rules and regulations. The DEPARTMENT may impose reasonable conditions on its approval.

Any improvements, alterations or additions shall be constructed at the sole cost and risk of the PERMITTEE and the DEPARTMENT shall not be responsible for any damage to or injury to persons or property arising from the construction, maintenance or use of any such improvements, alterations or additions. Once installed or constructed, no improvements, alterations or additions shall be removed except in accordance with the terms and conditions of this Permit (paragraph 22 herein).

21. Removal of Fixtures and Equipment. The PERMITTEE shall have the right at its own expense to remove any and all fixtures and equipment installed by it on the Premises, provided that (a) PERMITTEE shall give five (5) days' prior written notice of its intention to remove such fixtures and equipment, (b) the removal shall be completed during the time PERMITTEE occupies the Premises and at a time PERMITTEE is current in the payment of rent and is in compliance with all other obligations under the Permit, (c) the Premises are restored by PERMITTEE to a condition similar to what existed immediately prior to the installation thereof, reasonable wear and tear excepted. The PERMITTEE's failure to give such written notice shall be deemed to be a waiver of the right of removal and shall constitute an abandonment of such fixtures and equipment.

22. Option to Require Removal of Improvements, Additions, Alterations, Fixtures and Equipment. The DEPARTMENT, with respect to any improvements, additions, alterations, fixtures and equipment or any portions thereof constructed or installed on the Premises by PERMITTEE, reserves the right upon giving written notice within twenty (20) days after the date of termination of this Permit, to require PERMITTEE to remove the same at PERMITTEE's cost and risk, such removal to be completed within thirty (30) days after receipt of such notice. PERMITTEE shall restore the Premises to condition similar to what existed immediately prior to the construction or installation. If PERMITTEE shall fail to effect such removal and restoration within the specified time, the DEPARTMENT may effect such removal and restore the Premises to a condition similar to what existed immediately prior to the construction or installation by its own employees or independent contractor and assess the cost of such removal, disposition, and restoration to PERMITTEE.

23. Entry by DEPARTMENT. The DEPARTMENT or its agents and employees may enter the Premises at all reasonable hours to inspect the Premises and determine if the PERMITTEE is complying with the terms and conditions of this permit or for any other proper purpose. The PERMITTEE shall not make any claim for damages or set off of rent or other charges by reason or on account of such entry.

24. Advertising Signs. The PERMITTEE may install and operate, at its own expense, such signs and advertising materials as shall be expressly approved by the DEPARTMENT as being of acceptable character on the basis of appearance, size, design, color, quality, number, location, content, and general conformity with the architectural character of the AIRPORT. Prior to the termination or revocation of this Permit, the PERMITTEE shall remove, obliterate or paint out any and all advertising signs, posters and similar devices placed by him on the Premises. If the PERMITTEE fails to carry out this requirement, the DEPARTMENT may perform such work as may be necessary and the PERMITTEE shall pay the costs thereof immediately upon demand by the DEPARTMENT.

25. Public Address System. The PERMITTEE shall permit the installation of the DEPARTMENT's public address system within the Premises and the reception within such Premises of public announcements, flight information and background music broadcast over such systems.

26. Hold Over Tenancy. If the PERMITTEE does not vacate the Premises upon the revocation or termination of the Permit, the PERMITTEE shall pay the DEPARTMENT hold over rent. The rent for each day, or part of a day, during which the PERMITTEE remains in possession will be the amount payable immediately prior to the revocation or termination of the Permit. During any hold over period, the PERMITTEE shall be deemed an illegal occupant and acceptance of such payment by the DEPARTMENT shall not constitute a waiver of any of the terms and conditions of this Permit and shall not preclude the DEPARTMENT from pursuing any other rights or remedies the DEPARTMENT may be entitled to pursue under this Permit, including but not limited to assuming possession of the Premises as provided in paragraph 32 or bringing an ejectment action for the recovery of Premises, without first giving notice to quit or making a demand for possession.

27. Non-Discrimination. The PERMITTEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Permit for a 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 Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the DEPARTMENT and its assigns.

The PERMITTEE, for itself, its personal representatives, successor 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, creed, color, sex, national origin, or physical handicap 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, creed, color, sex, national origin or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the PERMITTEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to terminate this permit and re-enter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued.

28. Civil Rights Provision. The PERMITTEE assures that it will undertake an affirmative action program as required by Title 14 Code of Federal Regulations, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, sex, national origin, or physical handicap be excluded from participating in or receiving the services or benefits of any program or activity covered by this subpart. The PERMITTEE assures that it will require that its covered suborganizations provide assurances to the DEPARTMENT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

29. Interpretation. The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

30. Conflicting Terms and Conditions. Where an inconsistency exists between these printed terms and conditions and the special terms and conditions, the special terms and conditions shall govern.

31. Compliance with Laws. The PERMITTEE shall comply with all laws, ordinances and rules and regulations of all governmental agencies, applicable to the Premises or relating to and affecting any business or other commercial activity conducted on the Premises.

32. Breach of Revocable Permit or Terms and Conditions. Upon a breach of any of the aforementioned terms and conditions, including but not limited to PERMITTEE's failure to pay any rental, interest, fees or charges when due, DEPARTMENT may revoke this Permit upon five (5) business days' written notice of said breach and shall be entitled to regain possession of the Premises administratively, without court action.

33. Disputes and/or Questions. Any and all disputes and/or questions arising under this Permit shall be referred to the Director of Transportation and his determination of such disputes or questions shall be final and binding on the parties.

REVOCABLE PERMIT NO. **7016**
SPECIAL TERMS AND CONDITIONS

1. ENVIRONMENTAL COMPLIANCE - PERMITTEE'S DUTIES

- A. Definitions. For purposes of this Permit, the PERMITTEE agrees and understands that the following terms shall have the following meanings:

"Environmental Laws" shall mean all federal, state and local laws of every nature including statutes, ordinances, rules, regulations, codes, notices, standards, directives of every kind, guidelines, permits, licenses, authorizations, approvals, interpretations of the foregoing by any court, legislative body, agency or official, judicial decisions, orders, rulings or judgments, or rules of common law which currently are in effect or which may come into effect through enactment, issuance, promulgation, adoption or otherwise, which in any way pertain to, relate to, or have any relevance to the environment, health or safety. These environmental laws include, but are not limited to, regulations and orders of the federal Environmental Protection Agency and of the State of Hawaii Department of Health.

"Hazardous Substance" shall mean and include any chemical, substance, organic or inorganic material, controlled substance, object, condition, waste, living organism, or combination thereof which is, may be, or has been determined by proper state or federal authority under any environmental law to be, hazardous to human health or safety or detrimental to the environment. This term shall include, but not be limited to, petroleum hydrocarbons, asbestos, radon, polychlorinated biphenyls (PCBs), methane, fuels of any kind, and other materials or substances that are regulated by state or federal authorities.

- B. PERMITTEE's Activities and Duties.

1. **Compliance with Environmental Laws.** The PERMITTEE agrees, at its sole expense and cost, to comply with all environmental laws that apply to the Premises during the term of this Permit, and the PERMITTEE's occupancy or use of, and activities on, the Premises. This duty shall survive the expiration or termination of this Permit which means that the PERMITTEE's duty to comply with environmental laws shall include complying with all environmental laws, regulations and orders that may apply, or be determined to apply, to the occupancy and activities of the PERMITTEE on the Premises after the expiration or termination of this Permit. Failure of the PERMITTEE to comply with any environmental laws shall constitute a breach of this Permit for which the DEPARTMENT shall be entitled, in its discretion, to terminate this Permit, exercise its remedies under this Permit, including remediating any condition on behalf of the PERMITTEE at the PERMITTEE's expense under Section B.5 and

Section B.7, and take any other action at law or in equity it deems appropriate.

2. **Hazardous Substances.** The PERMITTEE shall not use, store, treat, dispose, discharge, release, generate, create, or otherwise handle any hazardous substance, or allow the same by any third person, on the Premises without first obtaining the prior written consent of the DEPARTMENT and complying with all environmental laws, including giving all required notices, reporting to, and obtaining permits from all appropriate authorities, and complying with all provisions of this Permit.
3. **Notice to DEPARTMENT.** The PERMITTEE shall keep the Department fully informed at all times regarding all environmental law related matters affecting the PERMITTEE or the Premises. This duty shall include, without limiting the foregoing duty, providing the DEPARTMENT with a current and complete list and accounting of all hazardous substances of every kind which are present on or about the Premises, and with evidence that the PERMITTEE has in effect all required and appropriate permits, licenses, registrations, approvals and other consents that may be required of or by federal, state, and county authorities under all environmental laws. This duty shall also include providing immediate written notice of any investigation, enforcement action, remediation or other regulatory action, order of any type, or any legal action, initiated, issued, or any indication of an intent to do so, communicated in any way to the PERMITTEE by any federal, state, or county authority or any individual which relates in any way to any environmental law or any hazardous substance and the PERMITTEE or the Premises. This written notice to the DEPARTMENT shall include the PERMITTEE immediately providing the DEPARTMENT with copies of all written communications from individuals or state, county, and federal authorities, including copies of all correspondence, claims, complaints, warnings, reports, technical data and any other documents received or obtained by the PERMITTEE. At least thirty days prior to termination of this Permit, or termination of the possession of the Premises by the PERMITTEE, whichever shall first occur, the PERMITTEE shall provide the DEPARTMENT with written evidence satisfactory to the DEPARTMENT that the PERMITTEE has fully complied with all environmental laws, including any orders issued by any governmental authority to the PERMITTEE that relate to the Premises.
4. **Notice to Authorities.** The PERMITTEE shall provide written notice to the State of Hawaii Department of Health at least thirty (30) days prior to the termination of this Permit, or thirty (30) days prior to the PERMITTEE's termination of possession of the Premises, whichever occurs first, the fact that the PERMITTEE intends to vacate the Premises and terminate its operations on those Premises. The PERMITTEE shall

allow the agents or representatives of said authority access to the Premises at any and all reasonable times for the purpose of inspecting the Premises and taking samples of any material for inspection or testing for compliance with any environmental laws. The PERMITTEE shall provide copies of said written notices to the DEPARTMENT at the time said notices are provided to said authorities.

5. **Disposal/Removal.** Except for materials that are lawfully sold in the ordinary course of the PERMITTEE's business, and for which the PERMITTEE has obtained all required authorizations from appropriate authorities including the prior written permission of the DEPARTMENT to have said substance on the Premises, the PERMITTEE shall cause any hazardous substances to be removed from the Premises for disposal. This duty shall include the transportation of said hazardous substances from the Premises solely by duly licensed hazardous substance transporters to duly licensed facilities for final disposal as required by all applicable environmental laws. The PERMITTEE shall provide the DEPARTMENT with copies of documentary proof, including manifests, receipts or bills of lading, which reflect that said hazardous substances have been properly removed and disposed of in accordance with all environmental laws.

6. **Environmental Investigations and Assessments.** The PERMITTEE, at its sole cost and expense, shall cause to be conducted such investigations and assessments of the Premises to determine the presence of any hazardous substance on, in, or under the Premises as may be directed from time to time by the DEPARTMENT, in its sole discretion, or by any federal or state authority. The extent and number of any environmental investigations and assessments shall be determined by the DEPARTMENT or the federal or state authority directing said investigations and assessments to be conducted. The PERMITTEE shall retain a competent and qualified person or entity that is satisfactory to the DEPARTMENT or governmental authority, as the case may be, to conduct said investigations and assessments. The PERMITTEE shall direct said person or entity to provide the DEPARTMENT or governmental authority, if so requested, with testable portions of all samples of any soils, water, ground water or other material that may be obtained for testing, and provide directly to the State and the governmental authority at the sole expense of the PERMITTEE, written results of all tests on said samples upon completion of said testing.

In any event, the PERMITTEE shall be required to have environmental assessments conducted as aforesaid prior to, or at the time of, the PERMITTEE taking possession of the Premises and prior to, or at the time of, the termination of this Permit in order to determine the condition of the Premises. The DEPARTMENT may, in its sole discretion, waive this requirement; provided, however, that any such waiver shall be in writing.

7. **Remediation.** In the event that any hazardous substance is used, stored, treated, disposed on the Premises, handled, discharged, released, or determined to be present on the Premises, or to have migrated from the Premises, the PERMITTEE shall, at its sole expense and cost, remediate the Premises, or any location off the Premises to which it is determined that the hazardous substance has migrated, of any hazardous substances. Said duty to remediate includes the removal and disposal of said hazardous substances in accordance with Section B.5. This duty to remediate includes strictly complying with all environmental laws and directives to remediate said hazardous substances issued from the DEPARTMENT or any federal or state governmental authority charged with enforcing the environmental laws. This duty to remediate shall include replacement of any materials, such as soils, so removed with material that is satisfactory to the DEPARTMENT and or any governmental authority, as the case may be. If the PERMITTEE has conducted an initial site assessment of the Premises which includes soil and ground water analyses for hazardous substances at the commencement of this Revocable Permit or the PERMITTEE's occupancy, whichever shall have first occurred, to the satisfaction of the DEPARTMENT, the PERMITTEE shall be responsible for remediation and restoration of the Premises to the extent it is necessary to remediate and restore the Premises to the condition of the premises and levels of contamination or hazardous substances that existed on the Premises at the commencement of the PERMITTEE's occupancy or term of this Permit, whichever shall have first occurred, as shown by said initial site assessment.

8. **Tanks, Pipelines; Inspections and Repairs.** All tanks, pipelines, containers or conduits of any kind that may at any time be used to contain, or may be intended to contain, hazardous substances of any type (hereinafter referred to as a "facility"), that the PERMITTEE intends to install on the permitted Premises, must be installed above ground level in such manner that allows for periodic inspection and maintenance of the facility for purposes of determining the existence of leaks and discharges from, and deterioration of any kind to, and that allows repair of, the facility. The PERMITTEE shall provide the DEPARTMENT with prior notice of the PERMITTEE's intent to install a facility to allow the DEPARTMENT ample time, as determined by the DEPARTMENT, to inspect such a facility. Unless and until each facility and its manner of installation are approved by the DEPARTMENT, said facility shall not be installed. Within ninety (90) days of the commencement of this Permit, or commencement of possession of the permitted Premises by the PERMITTEE, whichever first occurs, the PERMITTEE shall submit a contingency plan to control and remedy any spill, discharge or leak from any facility on the permitted Premises, which plan shall include the cleanup of all hazardous substances so spilled, discharged or leaked, all to the satisfaction of the DEPARTMENT. The PERMITTEE shall also

submit a plan for the PERMITTEE to conduct, or have conducted, regular inspections of all facilities on the permitted Premises for the purpose of prevention of any leak, discharge or spill from said facilities. Said contingency plan and inspection plan are subject to the approval of the DEPARTMENT. Failure to submit said plans, or to comply with said plans, constitutes a breach of this Permit, giving the DEPARTMENT the right to immediately terminate this Permit, and pursue the DEPARTMENT's remedies under this Permit, at law, or in equity.

9. **Restoration and Surrender of Premises.** The PERMITTEE hereby agrees to restore the Premises, at its sole cost and expense, including the soil, water and structures on, in, or under the Premises, to the same condition as the Premises existed at the commencement of this Permit, fair wear and tear to the structures excepted. In the event the PERMITTEE does not restore the Premises to the same condition as it existed at the commencement of this Permit, as determined by the DEPARTMENT, the PERMITTEE understands and agrees that the DEPARTMENT may exercise its rights under Section B.10, and until such time as the restoration is complete to the satisfaction of the DEPARTMENT, the PERMITTEE shall be liable for the Permit rent in the same manner and amount as if this Permit had continued in effect during the same period of restoration.
10. **DEPARTMENT's Right to Act.** In the event the PERMITTEE fails for any reason to comply with any of its duties under this Permit or under any environmental laws within the time set for doing so, or within a reasonable time as determined by the DEPARTMENT, the DEPARTMENT shall have the right, but not the obligation, in its sole discretion, to perform those duties, or cause them to be performed. The PERMITTEE hereby grants access to the Premises at all reasonable hours to the DEPARTMENT, its agents and anyone designated by the DEPARTMENT in order to perform said acts and duties. Any cost, expense or liability of any type that may be incurred by the DEPARTMENT in performing said acts or duties shall be the sole responsibility of the PERMITTEE, and the PERMITTEE hereby agrees to pay for those costs and expenses, and indemnify the DEPARTMENT for any liability incurred. This obligation shall extend to any costs and expenses incident to enforcement of the right to act, including litigation costs, attorneys fees, and the cost and fees for collection of said cost, expense or liability.
11. **Release and Indemnity.** The PERMITTEE hereby agrees to release the DEPARTMENT, its officers, employees, agents, successors and assigns from any liability of any kind, including, but not limited to, any liability for any damages, penalties, fines, judgments or assessments that may be imposed or obtained by any person, agency or governmental authority

against the DEPARTMENT and/or the PERMITTEE, by reason of any hazardous substance that may be present by whatever means on, in or under the Premises. The PERMITTEE hereby agrees to indemnify, defend with counsel suitable to the DEPARTMENT, and hold harmless the DEPARTMENT from any liability that may arise in connection with, or by reason of, any occurrence involving any hazardous substance that may be alleged to be connected or related in any way with the Premises, the ownership of the Premises, or this Permit, including the presence of any hazardous substance on the Premises. The PERMITTEE understands and agrees that any assessments, fines or penalties that may be assessed against the PERMITTEE or the DEPARTMENT by reason of any environmental law violation concerning the Premises, shall be paid, complied with, and in every way satisfied by the PERMITTEE, and not the DEPARTMENT.

12. **Insurance.** As part of the insurance requirements under Paragraph 14, of the general Terms and Conditions and effective at the commencement of this Permit, the insurance coverage the PERMITTEE obtains shall provide coverage for personal injury and damage to property caused by hazardous substances, or any occurrence that may constitute a violation of any environmental law by the PERMITTEE or the DEPARTMENT. The DEPARTMENT shall be named as additional insured.

REVOCABLE PERMIT NO. **7016**
SPECIAL CONDITIONS

DONALD V. ROHRBACH

DILLINGHAM AIRFIELD

The Permittee understands and acknowledges that the Permit is subject to all applicable terms and conditions contained in Contract No. DACA84-01-09-135 dated July 6, 2009, entered into between the United States of America, by its Secretary of the Army, and the State of Hawaii regarding the lease of the Dillingham Military Reservation ("Lease"). Compliance with the Lease includes, but is not limited to, non-use of the airfield by the Permittee because of the airfield's closure for military exercises. The Permittee agrees that it will not hold the State of Hawaii ("State") responsible for any damage or injury, including but not limited to any rebate of rent or compensation to the Permittee for any loss of revenue, occupancy, or quiet enjoyment during the time the airfield is closed; Permittee further agrees not to institute any action or suit at law or in equity against the State, nor institute or prosecute any claim for damage, injury, costs, or expenses arising out of or related to compliance with the Lease.

(NOT ATTACHED TO THIS PERMIT)
DILLINGHAM AIRFIELD

Dillingham Lease DACA84-1-09-135

The following Hawaii Administrative Rules are not attached to this revocable permit. If a hardcopy of the rules and regulations is needed, please refer to DOT-A Website, click on Hawaii Administrative Rules and select respective Chapter(s) or refer to tenant folder.

Chapter 19-13

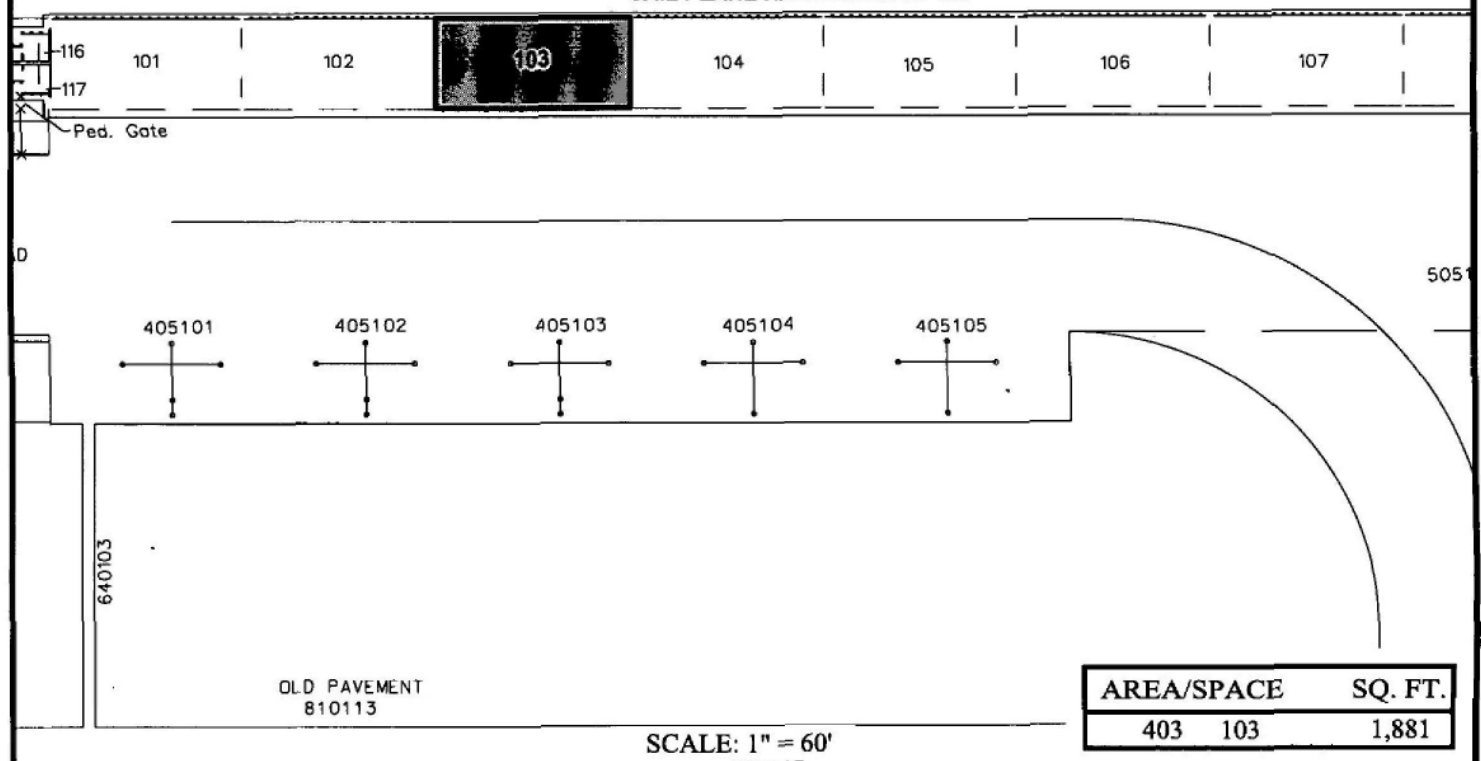
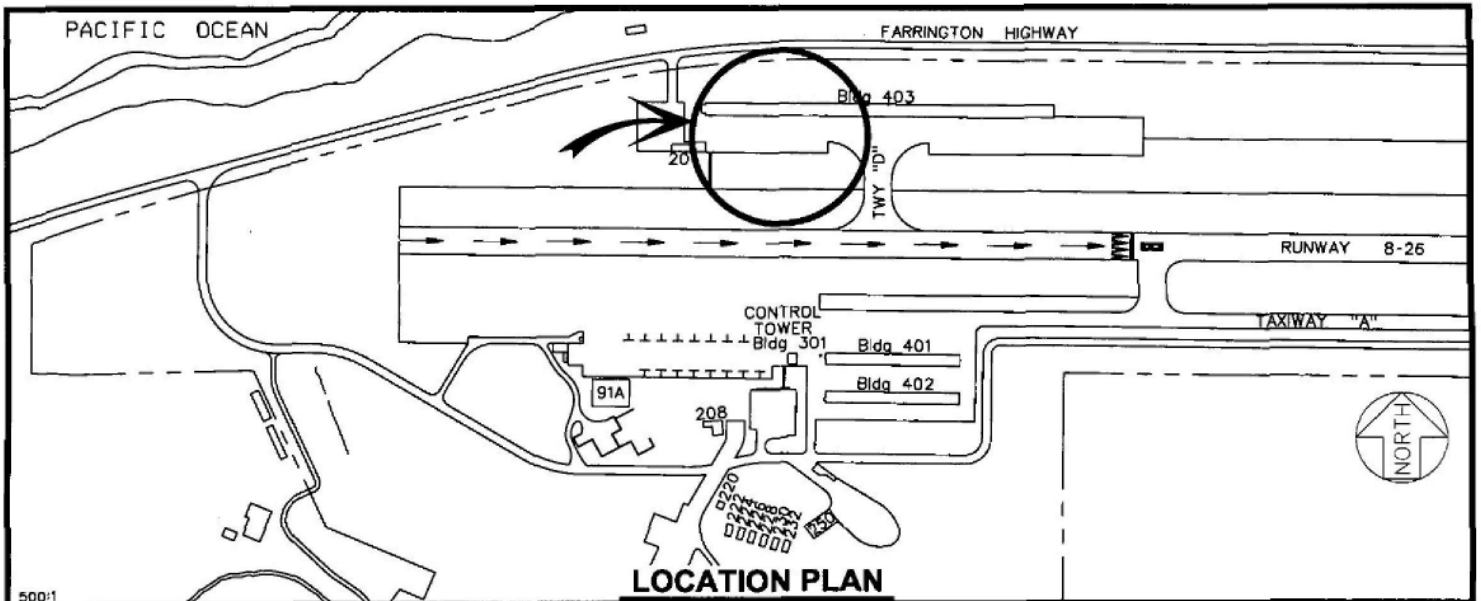
Aircraft Operations at Public Airports

Chapter 19-17 & 19-17.1

Small Plane Hangar Units and Tie-down Spaces at Public Airports

Chapter 19.31 & 19-31.1

Aircraft Registration



RP-7016

DATE : DECEMBER 2009

EXHIBIT: **A**



DONALD V. ROHRBACH
DBA
SGR SOARING ENTERPRISES

**BUILDING 403
SAIL PLANE HANGAR
AND TIE-DOWN AREA**

**403103
PLAT A1**

DILLINGHAM AIRFIELD.

PARKING PERMIT NO. PP-18-0022

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION

KAWAIHĀPAI AIRFIELD

THIS AGREEMENT, made this 18th day of December, 2018, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE, hereinafter named, permission to occupy the following space(s) in accordance with the terms and conditions herein specified.

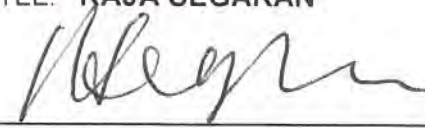
1. **PERMITTEE:** RAJA SEGARAN
ADDRESS: [REDACTED]
TELEPHONE: [REDACTED]
E-MAIL: [REDACTED]
2. **LOCATION:** SPACE NO. AIRCRAFT DESCRIPTION
HDH 404-117 1982 Cessna 172P N-173LL
3. **PURPOSE** (System I.D.): Aircraft Parking
4. **FEES:** \$54.00 per month
5. **SECURITY DEPOSIT:** \$162.00, or three (3) times the monthly rental in effect
6. **EFFECTIVE DATE:** OCTOBER 26, 2018
7. **TERMS AND CONDITIONS:** SEE ATTACHED

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

APPROVED BY THE BOARD OF LAND AND
NATURAL RESOURCES AT ITS MEETING HELD ON

By 
ROSS M. HIGASHI
Deputy Director-Airports

12-14-18, Item M-7

PERMITTEE: RAJA SEGARAN
By: 
Title: owner

**PARKING PERMIT
TERMS AND CONDITIONS**

1. Term. This Permit is granted on a month-to-month basis only, for a period not to exceed one year from the effective date hereof. Any renewal of this permit shall be on a month-to-month basis for a period not to exceed one year. Notice of renewal need not be reduced to writing, it being agreed that such renewal shall be automatic unless a party hereto shall give the other party ten (10) days' notice of its intention not to renew or unless the Board of Land and Natural Resources shall fail to approve the renewal.

2. Termination. This Permit may be terminated by either party without cause upon thirty (30) days' advance written notice.

3. Change in Rent. The DEPARTMENT reserves the right to increase or decrease the monthly rental at any time upon thirty (30) days' advance written notice.

4. Payment of Rent. Without notice or demand, the PERMITTEE shall pay, at the Fiscal Office of the Airports Division, Department of Transportation, Honolulu, Hawaii, or at the Airport District Manager's office of the above named AIRPORT, the sum hereinbefore set forth upon the execution of this Permit and on the first (1st) day of each and every month thereafter during the remainder of the life of this Permit or until it is terminated or revoked as provided herein.

5. Interest; Service Charge. Without prejudice to any other remedy available to the DEPARTMENT, PERMITTEE agrees without further notice or demand, as follows: (a) to pay interest at the rate of twelve percent (12%) per annum on all delinquent payments; (b) that the term "delinquent payments" as used herein means any payment of rent, fees, service charges, or other charges payable by PERMITTEE to DEPARTMENT, which are not paid when due.

6. Acceptance of Rent not a Waiver. The acceptance of rent by the DEPARTMENT shall not constitute a waiver of any breach by the PERMITTEE of any of the terms and conditions, upon which this Permit is granted and to which the PERMITTEE agrees, nor of the DEPARTMENT's right to terminate or revoke this Permit. Failure by the DEPARTMENT to insist upon strict performance thereof by the PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of its rights under this Permit.

7. Security Deposit. The PERMITTEE, upon execution of this Permit, shall deposit with the DEPARTMENT in legal tender or in such other form acceptable to the DEPARTMENT in the amount hereinbefore set forth as security that it will perform faithfully all the terms and conditions of this Permit. The said deposit will be returned without interest to the PERMITTEE within a reasonable time after the termination of this Permit only if the PERMITTEE has faithfully performed said terms and conditions to the satisfaction of the DEPARTMENT. In the event the PERMITTEE does not so perform, then the DEPARTMENT shall keep all of the said sum as compensation for the damages resulting from the PERMITTEE's breach of contract, and the DEPARTMENT's retention of all the said deposit shall not prevent the DEPARTMENT from recovering any damages not compensated thereby.

8. Cost of Collection. The PERMITTEE shall pay any and all court costs, including attorney's fees, incurred by the DEPARTMENT in collecting rents, penalties, interest, fees or other charges due and payable by the PERMITTEE under this Permit or in removing the PERMITTEE and/or the improvements or additions, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by the PERMITTEE's breach of any of the terms and conditions under this Permit.

9. Equal Treatment. The PERMITTEE will furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and will charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the PERMITTEE may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

10. Repairs. The PERMITTEE shall at its own expense keep and maintain the Premises in a condition similar to that which existed on the effective date of this Permit, ordinary wear and tear and damage by acts of God excepted.

11. Waste, Strip and Nuisance, and Maintenance. The PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises. The PERMITTEE shall, at all times and at its own expense keep the Premises clean, neat, safe and orderly, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse from its activities on the Premises.

12. Utilities and Other Charges. The PERMITTEE shall be responsible for and pay all charges for water, electricity, telephone and other utilities, and all charges for sewer, garbage and trash disposal. Where any of such services are provided by the DEPARTMENT at the request of the PERMITTEE, the PERMITTEE shall pay the DEPARTMENT's charges therefor.

13. Property Taxes. The PERMITTEE will pay all taxes including real property taxes, imposts and assessments required under the laws of all governing authorities, in relations to the use and occupancy of the Premises and the conduct of its activities thereon.

14. Commercial General Liability Insurance. The PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this Permit, a Commercial General Comprehensive Public Liability Insurance policy or policies with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence. The specification of limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of the PERMITTEE under this Permit. Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the DEPARTMENT; (b) name the State of Hawaii as an additional insured; (c) provide that the DEPARTMENT shall be notified at least thirty (30) days prior to any termination, cancellation or material change in its insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of the PERMITTEE, its officers, agents, employees, invitees or licensees in connection with the PERMITTEE's use or occupancy of the Premises. The PERMITTEE shall furnish to the DEPARTMENT upon execution of this Permit and prior to occupancy of the Premises, a certificate showing such insurance policy to have been issued to the PERMITTEE and to be then in force, and shall furnish a like certificate upon each renewal thereof.

15. PERMITTEE's Prior Inspection. The PERMITTEE warrants that it has inspected the Premises and all improvements thereon, knows the conditions thereof and fully assumes all risks incidental to the use and enjoyment thereof.

16. Indemnity. The PERMITTEE shall at all times with respect to the Premises use due care for public safety and shall defend, hold harmless and indemnify the DEPARTMENT, its officers, agents, and employees from and against all claims, or demand for damages, including claims for property damage, personal injury or death, (a) arising on the Premises, or caused by any fire or explosion thereon; or (b) arising from, growing out of, or caused by any act or omission on the part of the PERMITTEE, its officers, agents, employees, invitees or licensees, in connection with the PERMITTEE's use or occupancy of the Premises.

17. Surrender and Restoration. The PERMITTEE shall, prior to the termination or revocation of this Permit, restore, at its own cost and risk, the Premises to a condition similar to that which existed prior to the effective date of this Permit, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to the DEPARTMENT. In the event the PERMITTEE fails to effectuate such restoration of the Premises, the DEPARTMENT reserves the right to accomplish same by its own employees or by an independent contractor and assess the PERMITTEE and total costs thereof. The DEPARTMENT is not required to furnish replacement facilities or relocation assistance to the PERMITTEE.

18. Transferability. This Permit and the Premises or any part thereof inclusive of any and all rights or obligations accruing or arising under it shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

19. Purpose, Aircraft Ownership, and Airworthiness. This Permit is issued exclusively for the parking on the Premises of the aircraft identified herein, only for so long as the PERMITTEE maintains the same possessory interest in the aircraft as exists at the time this Permit is issued, and only for so long as the named aircraft remains airworthy. PERMITTEE may notify the DEPARTMENT in writing within five (5) days after any change in the identification of the assigned aircraft, or change in the identification of the registered owners or the name(s) of the lessee(s) of the aircraft, and request the issuance of a new Permit. In the event the aircraft becomes unairworthy, Permittee shall either immediately remove the aircraft from the Premises, or request a waiver, in writing, from the Director by specifying the nature of repair or maintenance needed to make it airworthy, and the estimated time such repair or maintenance will require. The issuance of a new Permit or waiver under the above described circumstances, and the terms and conditions of any permit or waiver are within the exclusive discretion of the DEPARTMENT.

20. Improvements, Alterations or Additions. No improvements, alterations or addition of a structural nature shall be made, installed or constructed on, under or within the Premises by the PERMITTEE.

21. Hold Over Tenancy. If the PERMITTEE does not vacate the Premises upon the revocation or termination of the Permit, the PERMITTEE shall pay the DEPARTMENT hold over rent. The rent for each day, or part of a day, during which the PERMITTEE remains in possession will be the amount payable immediately prior to the revocation or termination of the Permit. During any hold over period, the PERMITTEE shall be deemed an illegal occupant and acceptance of such payment by the DEPARTMENT shall not constitute a waiver of any of the terms and conditions of this Permit and shall not preclude the DEPARTMENT from pursuing any other rights or remedies the DEPARTMENT may be entitled to pursue under this Permit, or the laws and regulations of the State of Hawaii including but not limited to assuming possession of the Premises, removal, temporarily disabling and/or impounding any aircraft, equipment or other property situated on the Premises, or bringing an ejectment action for the recovery of Premises, without first giving notice to quit or making a demand for possession.

22. Non-Discrimination. The PERMITTEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Permit for a 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 Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the DEPARTMENT and its assigns.

The PERMITTEE, for itself, its personal representatives, successor 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, creed, color, sex, national origin, or physical handicap 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, creed, color, sex, national origin or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the PERMITTEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to terminate this permit and re-enter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued.

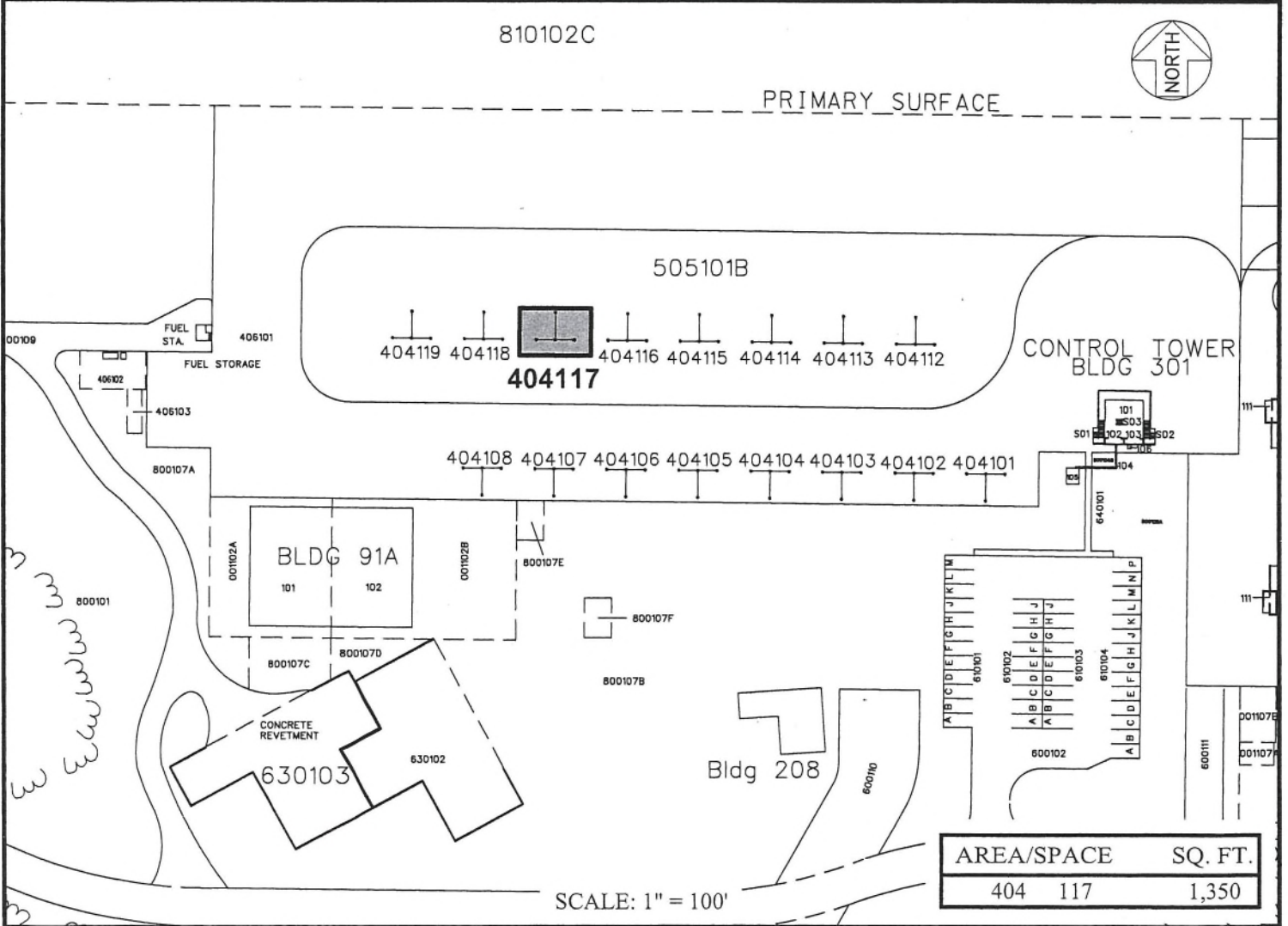
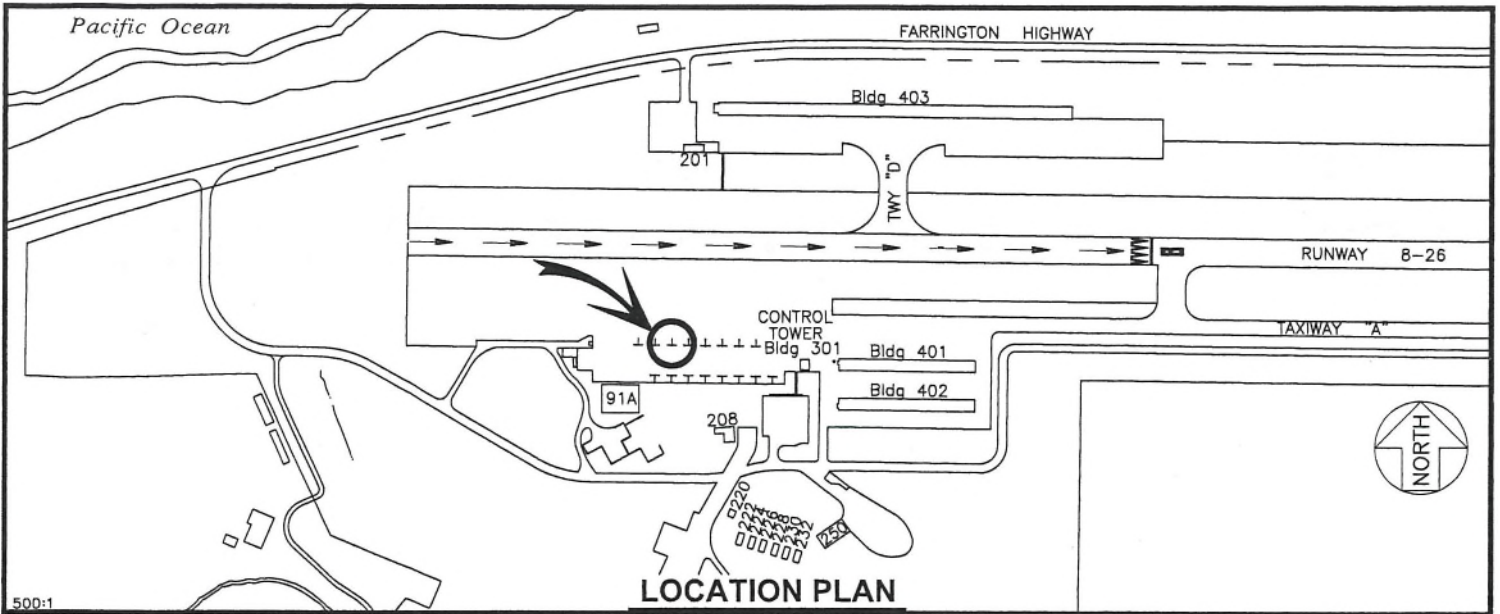
23. Civil Rights Provision. The PERMITTEE assures that it will undertake an affirmative action program as required by Title 14 Code of Federal Regulations, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, sex, national origin, or physical handicap be excluded from participating in or receiving the services or benefits of any program or activity covered by this subpart. The PERMITTEE assures that it will require that its covered suborganizations provide assurances to the DEPARTMENT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

24. Interpretation. The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

25. Conflicting Terms and Conditions. Where an inconsistency exists between these printed terms and conditions and the special terms and conditions, the special terms and conditions shall govern.

26. Compliance with Laws. The PERMITTEE shall comply with all laws, ordinances and rules and regulations of all governmental agencies, applicable to the Premises or relating to and affecting any business or other commercial activity conducted on the Premises, and the Airport.

27. Breach of Revocable Permit or Terms and Conditions. Upon a breach of any of the aforementioned terms and conditions, including but not limited to PERMITTEE's failure to pay any rental, interest, fees or charges when due, DEPARTMENT may revoke this Permit upon five (5) business days' written notice of said breach and shall be entitled to regain possession of the Premises administratively, without court action.



| AREA/SPACE | SQ. FT. |
|------------|---------|
| 404 117 | 1,350 |

SCALE: 1" = 100'

DATE : SEPTEMBER 2018

EXHIBIT: A



RAJA SEGARAN

TIE DOWN
GENERAL AVIATION
FACILITIES

404117
PLAT B1

LFT

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 5506

THIS AGREEMENT, made this 16th day of December, 1994, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: **SILENT FLYING, INC.**
c/o Elmer Udd

2. ADDRESS: [REDACTED]

3. AIRPORT: **Dillingham Airfield**

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:
Sail Plane Hangar Unit No. 403-110, containing an area of 1,873 square feet.

5. PURPOSE(S): **Aircraft Storage - GROB G 103C, Twin III ACRO/N787SF**

6. RENTAL:
Monthly Rental: \$ 124.00

\$ _____

\$ _____
Total Monthly Rental: \$ 124.00

7. SECURITY DEPOSIT: \$ 372.00

8. EFFECTIVE DATE OF PERMIT: **November 1, 1996**

9. LIQUIDATED DAMAGES: \$ 24.80

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON AND SPECIFIED AS ATTACHED HERETO:
A. **Item No. 5 - Interest on Delinquent Rentals**
B. **Chapter 13 entitled "Aircraft Operations at Public Airports."**
C. **Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."**

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated. D. **Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.**

Approved by the Board at its meeting held on _____

BOARD OF LAND AND NATURAL RESOURCES

By _____
Chairman and Member of the Board

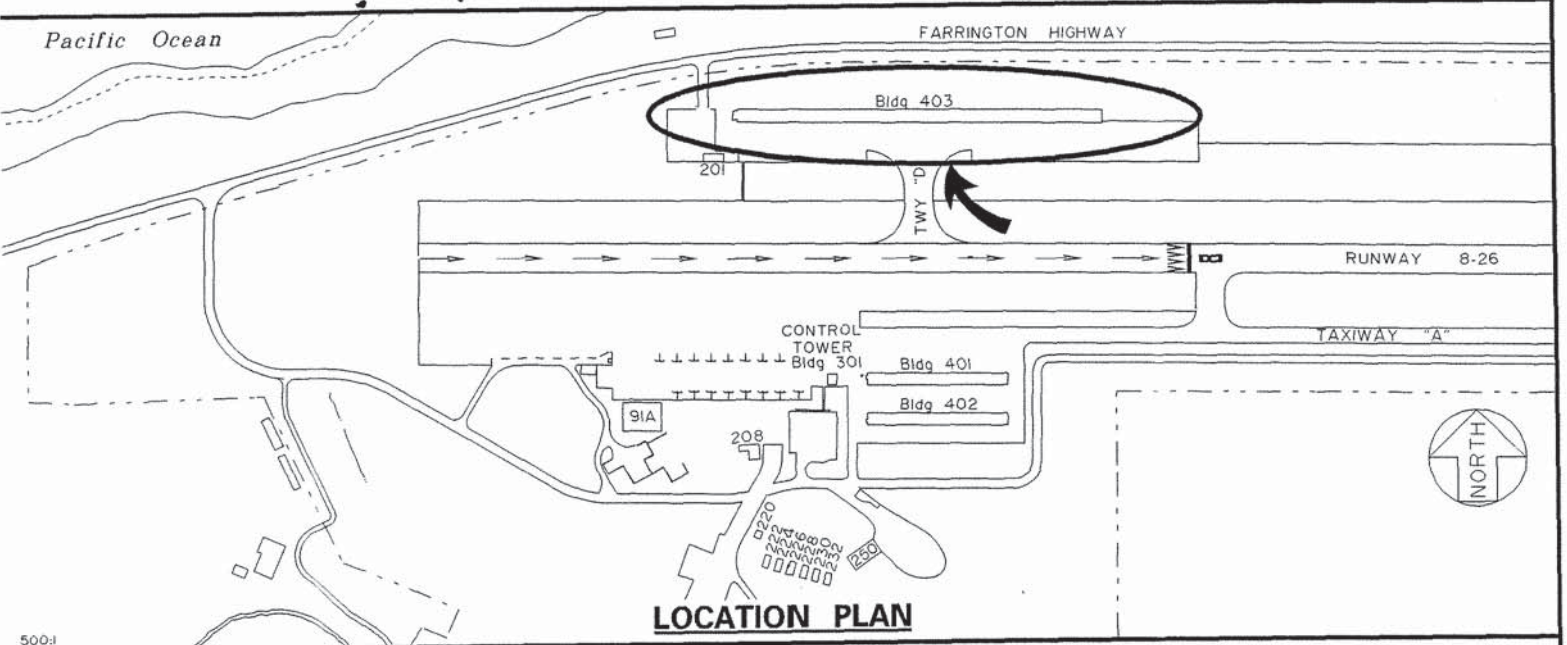
By _____
Member

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

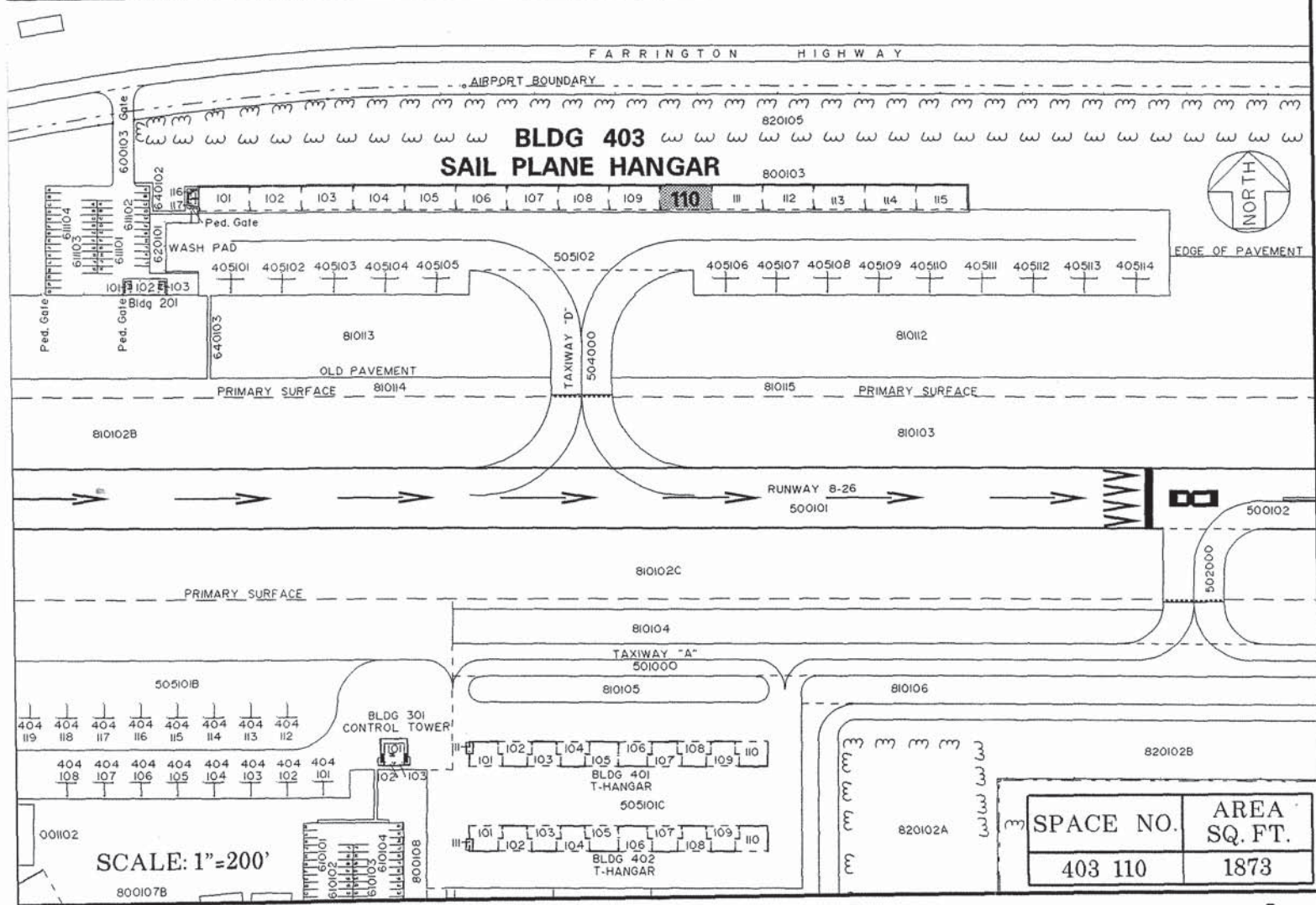
By J. M. Matsuda
Its Director of Transportation

PERMITTEE

Title: Sec



500:1



SCALE: 1"=200'

| SPACE NO. | AREA SQ. FT. |
|-----------|--------------|
| 403 110 | 1873 |

R.P. NO. 5506

DATE: NOVEMBER, 1996

EXHIBIT: **A**



Airports Division

SILENT FLYING, INC.

BLDG 403
SAIL PLANE HANGAR
AND TIE-DOWN AREA

403110
PLAT A1

DILLINGHAM AIRFIELD

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 6934

THIS AGREEMENT, made this 21st day of July, 2010, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

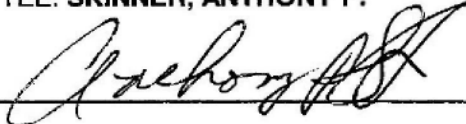
1. PERMITTEE: SKINNER, ANTHONY P.
2. ADDRESS: [REDACTED]
3. AIRPORT: Dillingham
4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:
Building 401, Space No. 110, containing an area of 1,201 square feet.
5. PURPOSE: Aircraft Storage – 1944 Piper Cub J3C (L4-J)/N-62053
6. RENTAL:
Monthly Rental \$ 220.00
Total Monthly Rental \$ 220.00
7. SECURITY DEPOSIT: \$ 660.00
8. EFFECTIVE DATE OF PERMIT: August 1, 2010
9. HOLDOVER TENANCY: \$ 7.33
10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:
 - a. Special Conditions for Dillingham Airfield dated July 6, 2009
 - b. Environmental Compliance – Permittee's Duties
 - c. Chapter 13 entitled "Aircraft Operations at Public Airports."
 - d. Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
 - e. Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By 
Deputy Director - Airports

PERMITTEE: SKINNER, ANTHONY P.

By 

Title: _____

TERMS AND CONDITIONS

1. Term. This Permit is granted on a month-to-month basis only, for a period not to exceed one year from the effective date hereof. Any renewal of this permit shall be on a month-to-month basis for a period not to exceed one year. Notice of renewal need not be reduced to writing, it being agreed that such renewal shall be automatic unless a party hereto shall give the other party ten (10) days' notice of its intention not to renew or unless the Board of Land and Natural Resources shall fail to approve the renewal.

2. Termination. This Permit may be terminated by either party without cause upon thirty (30) days' advance written notice.

3. Change in Rent. The DEPARTMENT reserves the right to increase or decrease the monthly rental at any time upon thirty (30) days' advance written notice.

4. Payment of Rent. Without notice or demand, the PERMITTEE shall pay, at the Fiscal Office of the Airports Division, Department of Transportation, Honolulu, Hawaii, or at the Airport District Manager's office of the above named AIRPORT, the sum hereinbefore set forth upon the execution of this Permit and on the first (1st) day of each and every month thereafter during the remainder of the life of this Permit or until it is terminated or revoked as provided herein.

5. Interest; Service Charge. Without prejudice to any other remedy available to the DEPARTMENT, PERMITTEE agrees without further notice or demand, as follows: (a) to pay interest at the rate of twelve percent (12%) per annum on all delinquent payments; (b) that the term "delinquent payments" as used herein means any payment of rent, fees, service charges, or other charges payable by PERMITTEE to DEPARTMENT, which are not paid when due.

6. Acceptance of Rent not a Waiver. The acceptance of rent by the DEPARTMENT shall not constitute a waiver of any breach by the PERMITTEE of any of the terms and conditions, upon which this Permit is granted and to which the PERMITTEE agrees, nor of the DEPARTMENT's right to terminate or revoke this Permit. Failure by the DEPARTMENT to insist upon strict performance thereof by the PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of its rights under this Permit.

7. Security Deposit. The PERMITTEE, upon execution of this Permit, shall deposit with the DEPARTMENT in legal tender or in such other form acceptable to the DEPARTMENT in the amount hereinbefore set forth as security that it will perform faithfully all the terms and conditions of this Permit. The said deposit will be returned without interest to the PERMITTEE within a reasonable time after the termination of this Permit only if the PERMITTEE has faithfully performed said terms and conditions to the satisfaction of the DEPARTMENT. In the event the PERMITTEE does not so perform, then the DEPARTMENT shall keep all of the said sum as compensation for the damages resulting from the PERMITTEE's breach of contract, and the DEPARTMENT's retention of all the said deposit shall not prevent the DEPARTMENT from recovering any damages not compensated thereby.

8. Cost of Collection. The PERMITTEE shall pay any and all court costs, including attorney's fees, incurred by the DEPARTMENT in collecting rents, penalties, interest, fees or other charges due and payable by the PERMITTEE under this Permit or in removing the PERMITTEE and/or the improvements or additions, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by the PERMITTEE's breach of any of the terms and conditions under this Permit.

9. Equal Treatment. The PERMITTEE will furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and will charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the PERMITTEE may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

10. Repairs. The PERMITTEE shall at its own expense keep and maintain the Premises in a condition similar to that which existed on the effective date of this Permit, ordinary wear and tear and damage by acts of God excepted.

11. Waste, Strip and Nuisance, and Maintenance. The PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises. The PERMITTEE shall, at all times and at its own expense keep the Premises clean, neat, safe and orderly, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse from its activities on the Premises.

12. Utilities and Other Charges. The PERMITTEE shall be responsible for and pay all charges for water, electricity, telephone and other utilities, and all charges for sewer, garbage and trash disposal. Where any of such services are provided by the DEPARTMENT at the request of the PERMITTEE, the PERMITTEE shall pay the DEPARTMENT's charges therefor.

13. Property Taxes. The PERMITTEE will pay all taxes including real property taxes, imposts and assessments required under the laws of all governing authorities, in relations to the use and occupancy of the Premises and the conduct of its activities thereon.

14. Commercial General Liability Insurance. The PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this Permit, a Commercial General Comprehensive Public Liability Insurance policy or policies with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence. The specification of limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of the PERMITTEE under this Permit. Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the DEPARTMENT; (b) name the State of Hawaii as an additional insured; (c) provide that the DEPARTMENT shall be notified at least thirty (30) days prior to any termination, cancellation or material change in its insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of the PERMITTEE, its officers, agents, employees, invitees or licensees in connection with the PERMITTEE's use or occupancy of the Premises. The PERMITTEE shall furnish to the DEPARTMENT upon execution of this Permit and prior to occupancy of the Premises, a certificate showing such insurance policy to have been issued to the PERMITTEE and to be then in force, and shall furnish a like certificate upon each renewal thereof.

15. Fire Insurance. The PERMITTEE shall procure immediately and keep in force with respect to the Premises a fire insurance policy for real property improvements in the amount determined by the DEPARTMENT whenever it is deemed necessary and specified in the special terms and conditions.

16. PERMITTEE's Prior Inspection. The PERMITTEE warrants that it has inspected the Premises and all improvements thereon, knows the conditions thereof and fully assumes all risks incidental to the use and enjoyment thereof.

17. Indemnity. The PERMITTEE shall at all times with respect to the Premises use due care for public safety and shall defend, hold harmless and indemnify the DEPARTMENT, its officers, agents, and employees from and against all claims, or demand for damages, including claims for property damage, personal injury or death, (a) arising on the Premises, or caused by any fire or explosion thereon; or (b) arising from, growing out of, or caused by any act or omission on the part of the PERMITTEE, its officers, agents, employees, invitees or licensees, in connection with the PERMITTEE's use or occupancy of the Premises.

18. Surrender and Restoration. The PERMITTEE shall, prior to the termination or revocation of this Permit, restore, at its own cost and risk, the Premises to a condition similar to that which existed prior to the effective date of this Permit, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to the DEPARTMENT. In the event the PERMITTEE fails to effectuate such restoration of the Premises, the DEPARTMENT reserves the right to accomplish same by its own employees or by an independent contractor and assess the PERMITTEE and total costs thereof. The DEPARTMENT is not required to furnish replacement facilities or relocation assistance to the PERMITTEE.

19. Transferability. This Permit and the Premises or any part thereof inclusive of any and all rights or obligations accruing or arising under it shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

20. Improvements, Alterations or Additions. No substantial improvement, alteration or addition of a structural nature shall be made, installed or constructed on, under or within the Premises by the PERMITTEE unless it first submits plans and specifications therefor to the DEPARTMENT for its approval and unless said plans and specifications are in fact approved in writing by the DEPARTMENT. Such plans and specifications shall not be submitted unless they are in full compliance with all applicable statutes and rules and regulations. The DEPARTMENT may impose reasonable conditions on its approval.

Any improvements, alterations or additions shall be constructed at the sole cost and risk of the PERMITTEE and the DEPARTMENT shall not be responsible for any damage to or injury to persons or property arising from the construction, maintenance or use of any such improvements, alterations or additions. Once installed or constructed, no improvements, alterations or additions shall be removed except in accordance with the terms and conditions of this Permit (paragraph 22 herein).

21. Removal of Fixtures and Equipment. The PERMITTEE shall have the right at its own expense to remove any and all fixtures and equipment installed by it on the Premises, provided that (a) PERMITTEE shall give five (5) days' prior written notice of its intention to remove such fixtures and equipment, (b) the removal shall be completed during the time PERMITTEE occupies the Premises and at a time PERMITTEE is current in the payment of rent and is in compliance with all other obligations under the Permit, (c) the Premises are restored by PERMITTEE to a condition similar to what existed immediately prior to the installation thereof, reasonable wear and tear excepted. The PERMITTEE's failure to give such written notice shall be deemed to be a waiver of the right of removal and shall constitute an abandonment of such fixtures and equipment.

22. Option to Require Removal of Improvements, Additions, Alterations, Fixtures and Equipment. The DEPARTMENT, with respect to any improvements, additions, alterations, fixtures and equipment or any portions thereof constructed or installed on the Premises by PERMITTEE, reserves the right upon giving written notice within twenty (20) days after the date of termination of this Permit, to require PERMITTEE to remove the same at PERMITTEE's cost and risk, such removal to be completed within thirty (30) days after receipt of such notice. PERMITTEE shall restore the Premises to condition similar to what existed immediately prior to the construction or installation. If PERMITTEE shall fail to effect such removal and restoration within the specified time, the DEPARTMENT may effect such removal and restore the Premises to a condition similar to what existed immediately prior to the construction or installation by its own employees or independent contractor and assess the cost of such removal, disposition, and restoration to PERMITTEE.

23. Entry by DEPARTMENT. The DEPARTMENT or its agents and employees may enter the Premises at all reasonable hours to inspect the Premises and determine if the PERMITTEE is complying with the terms and conditions of this permit or for any other proper purpose. The PERMITTEE shall not make any claim for damages or set off of rent or other charges by reason or on account of such entry.

24. Advertising Signs. The PERMITTEE may install and operate, at its own expense, such signs and advertising materials as shall be expressly approved by the DEPARTMENT as being of acceptable character on the basis of appearance, size, design, color, quality, number, location, content, and general conformity with the architectural character of the AIRPORT. Prior to the termination or revocation of this Permit, the PERMITTEE shall remove, obliterate or paint out any and all advertising signs, posters and similar devices placed by him on the Premises. If the PERMITTEE fails to carry out this requirement, the DEPARTMENT may perform such work as may be necessary and the PERMITTEE shall pay the costs thereof immediately upon demand by the DEPARTMENT.

25. Public Address System. The PERMITTEE shall permit the installation of the DEPARTMENT's public address system within the Premises and the reception within such Premises of public announcements, flight information and background music broadcast over such systems.

26. Hold Over Tenancy. If the PERMITTEE does not vacate the Premises upon the revocation or termination of the Permit, the PERMITTEE shall pay the DEPARTMENT hold over rent. The rent for each day, or part of a day, during which the PERMITTEE remains in possession will be the amount payable immediately prior to the revocation or termination of the Permit. During any hold over period, the PERMITTEE shall be deemed an illegal occupant and acceptance of such payment by the DEPARTMENT shall not constitute a waiver of any of the terms and conditions of this Permit and shall not preclude the DEPARTMENT from pursuing any other rights or remedies the DEPARTMENT may be entitled to pursue under this Permit, including but not limited to assuming possession of the Premises as provided in paragraph 32 or bringing an ejectment action for the recovery of Premises, without first giving notice to quit or making a demand for possession.

27. Non-Discrimination. The PERMITTEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Permit for a 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 Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the DEPARTMENT and its assigns.

The PERMITTEE, for itself, its personal representatives, successor 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, creed, color, sex, national origin, or physical handicap 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, creed, color, sex, national origin or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the PERMITTEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to terminate this permit and re-enter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued.

28. Civil Rights Provision. The PERMITTEE assures that it will undertake an affirmative action program as required by Title 14 Code of Federal Regulations, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, sex, national origin, or physical handicap be excluded from participating in or receiving the services or benefits of any program or activity covered by this subpart. The PERMITTEE assures that it will require that its covered suborganizations provide assurances to the DEPARTMENT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

29. Interpretation. The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

30. Conflicting Terms and Conditions. Where an inconsistency exists between these printed terms and conditions and the special terms and conditions, the special terms and conditions shall govern.

31. Compliance with Laws. The PERMITTEE shall comply with all laws, ordinances and rules and regulations of all governmental agencies, applicable to the Premises or relating to and affecting any business or other commercial activity conducted on the Premises.

32. Breach of Revocable Permit or Terms and Conditions. Upon a breach of any of the aforementioned terms and conditions, including but not limited to PERMITTEE's failure to pay any rental, interest, fees or charges when due, DEPARTMENT may revoke this Permit upon five (5) business days' written notice of said breach and shall be entitled to regain possession of the Premises administratively, without court action.

33. Disputes and/or Questions. Any and all disputes and/or questions arising under this Permit shall be referred to the Director of Transportation and his determination of such disputes or questions shall be final and binding on the parties.

REVOCABLE PERMIT NO. 6934
SPECIAL TERMS AND CONDITIONS

1. ENVIRONMENTAL COMPLIANCE - PERMITTEE'S DUTIES

- A. Definitions. For purposes of this Permit, the PERMITTEE agrees and understands that the following terms shall have the following meanings:

"Environmental Laws" shall mean all federal, state and local laws of every nature including statutes, ordinances, rules, regulations, codes, notices, standards, directives of every kind, guidelines, permits, licenses, authorizations, approvals, interpretations of the foregoing by any court, legislative body, agency or official, judicial decisions, orders, rulings or judgments, or rules of common law which currently are in effect or which may come into effect through enactment, issuance, promulgation, adoption or otherwise, which in any way pertain to, relate to, or have any relevance to the environment, health or safety. These environmental laws include, but are not limited to, regulations and orders of the federal Environmental Protection Agency and of the State of Hawaii Department of Health.

"Hazardous Substance" shall mean and include any chemical, substance, organic or inorganic material, controlled substance, object, condition, waste, living organism, or combination thereof which is, may be, or has been determined by proper state or federal authority under any environmental law to be, hazardous to human health or safety or detrimental to the environment. This term shall include, but not be limited to, petroleum hydrocarbons, asbestos, radon, polychlorinated biphenyls (PCBs), methane, fuels of any kind, and other materials or substances that are regulated by state or federal authorities.

B. PERMITTEE's Activities and Duties.

1. **Compliance with Environmental Laws.** The PERMITTEE agrees, at its sole expense and cost, to comply with all environmental laws that apply to the Premises during the term of this Permit, and the PERMITTEE's occupancy or use of, and activities on, the Premises. This duty shall survive the expiration or termination of this Permit which means that the PERMITTEE's duty to comply with environmental laws shall include complying with all environmental laws, regulations and orders that may apply, or be determined to apply, to the occupancy and activities of the PERMITTEE on the Premises after the expiration or termination of this Permit. Failure of the PERMITTEE to comply with any environmental laws shall constitute a breach of this Permit for which the DEPARTMENT shall be entitled, in its discretion, to terminate this Permit, exercise its remedies under this Permit, including remediating any condition on behalf of the PERMITTEE at the PERMITTEE's expense under Section B.5 and

Section B.7, and take any other action at law or in equity it deems appropriate.

2. **Hazardous Substances.** The PERMITTEE shall not use, store, treat, dispose, discharge, release, generate, create, or otherwise handle any hazardous substance, or allow the same by any third person, on the Premises without first obtaining the prior written consent of the DEPARTMENT and complying with all environmental laws, including giving all required notices, reporting to, and obtaining permits from all appropriate authorities, and complying with all provisions of this Permit.
3. **Notice to DEPARTMENT.** The PERMITTEE shall keep the Department fully informed at all times regarding all environmental law related matters affecting the PERMITTEE or the Premises. This duty shall include, without limiting the foregoing duty, providing the DEPARTMENT with a current and complete list and accounting of all hazardous substances of every kind which are present on or about the Premises, and with evidence that the PERMITTEE has in effect all required and appropriate permits, licenses, registrations, approvals and other consents that may be required of or by federal, state, and county authorities under all environmental laws. This duty shall also include providing immediate written notice of any investigation, enforcement action, remediation or other regulatory action, order of any type, or any legal action, initiated, issued, or any indication of an intent to do so, communicated in any way to the PERMITTEE by any federal, state, or county authority or any individual which relates in any way to any environmental law or any hazardous substance and the PERMITTEE or the Premises. This written notice to the DEPARTMENT shall include the PERMITTEE immediately providing the DEPARTMENT with copies of all written communications from individuals or state, county, and federal authorities, including copies of all correspondence, claims, complaints, warnings, reports, technical data and any other documents received or obtained by the PERMITTEE. At least thirty days prior to termination of this Permit, or termination of the possession of the Premises by the PERMITTEE, whichever shall first occur, the PERMITTEE shall provide the DEPARTMENT with written evidence satisfactory to the DEPARTMENT that the PERMITTEE has fully complied with all environmental laws, including any orders issued by any governmental authority to the PERMITTEE that relate to the Premises.
4. **Notice to Authorities.** The PERMITTEE shall provide written notice to the State of Hawaii Department of Health at least thirty (30) days prior to the termination of this Permit, or thirty (30) days prior to the PERMITTEE's termination of possession of the Premises, whichever occurs first, the fact that the PERMITTEE intends to vacate the Premises and terminate its operations on those Premises. The PERMITTEE shall

allow the agents or representatives of said authority access to the Premises at any and all reasonable times for the purpose of inspecting the Premises and taking samples of any material for inspection or testing for compliance with any environmental laws. The PERMITTEE shall provide copies of said written notices to the DEPARTMENT at the time said notices are provided to said authorities.

5. **Disposal/Removal.** Except for materials that are lawfully sold in the ordinary course of the PERMITTEE's business, and for which the PERMITTEE has obtained all required authorizations from appropriate authorities including the prior written permission of the DEPARTMENT to have said substance on the Premises, the PERMITTEE shall cause any hazardous substances to be removed from the Premises for disposal. This duty shall include the transportation of said hazardous substances from the Premises solely by duly licensed hazardous substance transporters to duly licensed facilities for final disposal as required by all applicable environmental laws. The PERMITTEE shall provide the DEPARTMENT with copies of documentary proof, including manifests, receipts or bills of lading, which reflect that said hazardous substances have been properly removed and disposed of in accordance with all environmental laws.

6. **Environmental Investigations and Assessments.** The PERMITTEE, at its sole cost and expense, shall cause to be conducted such investigations and assessments of the Premises to determine the presence of any hazardous substance on, in, or under the Premises as may be directed from time to time by the DEPARTMENT, in its sole discretion, or by any federal or state authority. The extent and number of any environmental investigations and assessments shall be determined by the DEPARTMENT or the federal or state authority directing said investigations and assessments to be conducted. The PERMITTEE shall retain a competent and qualified person or entity that is satisfactory to the DEPARTMENT or governmental authority, as the case may be, to conduct said investigations and assessments. The PERMITTEE shall direct said person or entity to provide the DEPARTMENT or governmental authority, if so requested, with testable portions of all samples of any soils, water, ground water or other material that may be obtained for testing, and provide directly to the State and the governmental authority at the sole expense of the PERMITTEE, written results of all tests on said samples upon completion of said testing.

In any event, the PERMITTEE shall be required to have environmental assessments conducted as aforesaid prior to, or at the time of, the PERMITTEE taking possession of the Premises and prior to, or at the time of, the termination of this Permit in order to determine the condition of the Premises. The DEPARTMENT may, in its sole discretion, waive this requirement; provided, however, that any such waiver shall be in writing.

7. **Remediation.** In the event that any hazardous substance is used, stored, treated, disposed on the Premises, handled, discharged, released, or determined to be present on the Premises, or to have migrated from the Premises, the PERMITTEE shall, at its sole expense and cost, remediate the Premises, or any location off the Premises to which it is determined that the hazardous substance has migrated, of any hazardous substances. Said duty to remediate includes the removal and disposal of said hazardous substances in accordance with Section B.5. This duty to remediate includes strictly complying with all environmental laws and directives to remediate said hazardous substances issued from the DEPARTMENT or any federal or state governmental authority charged with enforcing the environmental laws. This duty to remediate shall include replacement of any materials, such as soils, so removed with material that is satisfactory to the DEPARTMENT and or any governmental authority, as the case may be. If the PERMITTEE has conducted an initial site assessment of the Premises which includes soil and ground water analyses for hazardous substances at the commencement of this Revocable Permit or the PERMITTEE's occupancy, whichever shall have first occurred, to the satisfaction of the DEPARTMENT, the PERMITTEE shall be responsible for remediation and restoration of the Premises to the extent it is necessary to remediate and restore the Premises to the condition of the premises and levels of contamination or hazardous substances that existed on the Premises at the commencement of the PERMITTEE's occupancy or term of this Permit, whichever shall have first occurred, as shown by said initial site assessment.
8. **Tanks, Pipelines; Inspections and Repairs.** All tanks, pipelines, containers or conduits of any kind that may at any time be used to contain, or may be intended to contain, hazardous substances of any type (hereinafter referred to as a "facility"), that the PERMITTEE intends to install on the permitted Premises, must be installed above ground level in such manner that allows for periodic inspection and maintenance of the facility for purposes of determining the existence of leaks and discharges from, and deterioration of any kind to, and that allows repair of, the facility. The PERMITTEE shall provide the DEPARTMENT with prior notice of the PERMITTEE's intent to install a facility to allow the DEPARTMENT ample time, as determined by the DEPARTMENT, to inspect such a facility. Unless and until each facility and its manner of installation are approved by the DEPARTMENT, said facility shall not be installed. Within ninety (90) days of the commencement of this Permit, or commencement of possession of the permitted Premises by the PERMITTEE, whichever first occurs, the PERMITTEE shall submit a contingency plan to control and remedy any spill, discharge or leak from any facility on the permitted Premises, which plan shall include the cleanup of all hazardous substances so spilled, discharged or leaked, all to the satisfaction of the DEPARTMENT. The PERMITTEE shall also

submit a plan for the PERMITTEE to conduct, or have conducted, regular inspections of all facilities on the permitted Premises for the purpose of prevention of any leak, discharge or spill from said facilities. Said contingency plan and inspection plan are subject to the approval of the DEPARTMENT. Failure to submit said plans, or to comply with said plans, constitutes a breach of this Permit, giving the DEPARTMENT the right to immediately terminate this Permit, and pursue the DEPARTMENT's remedies under this Permit, at law, or in equity.

9. **Restoration and Surrender of Premises.** The PERMITTEE hereby agrees to restore the Premises, at its sole cost and expense, including the soil, water and structures on, in, or under the Premises, to the same condition as the Premises existed at the commencement of this Permit, fair wear and tear to the structures excepted. In the event the PERMITTEE does not restore the Premises to the same condition as it existed at the commencement of this Permit, as determined by the DEPARTMENT, the PERMITTEE understands and agrees that the DEPARTMENT may exercise its rights under Section B.10, and until such time as the restoration is complete to the satisfaction of the DEPARTMENT, the PERMITTEE shall be liable for the Permit rent in the same manner and amount as if this Permit had continued in effect during the same period of restoration.
10. **DEPARTMENT's Right to Act.** In the event the PERMITTEE fails for any reason to comply with any of its duties under this Permit or under any environmental laws within the time set for doing so, or within a reasonable time as determined by the DEPARTMENT, the DEPARTMENT shall have the right, but not the obligation, in its sole discretion, to perform those duties, or cause them to be performed. The PERMITTEE hereby grants access to the Premises at all reasonable hours to the DEPARTMENT, its agents and anyone designated by the DEPARTMENT in order to perform said acts and duties. Any cost, expense or liability of any type that may be incurred by the DEPARTMENT in performing said acts or duties shall be the sole responsibility of the PERMITTEE, and the PERMITTEE hereby agrees to pay for those costs and expenses, and indemnify the DEPARTMENT for any liability incurred. This obligation shall extend to any costs and expenses incident to enforcement of the right to act, including litigation costs, attorneys fees, and the cost and fees for collection of said cost, expense or liability.
11. **Release and Indemnity.** The PERMITTEE hereby agrees to release the DEPARTMENT, its officers, employees, agents, successors and assigns from any liability of any kind, including, but not limited to, any liability for any damages, penalties, fines, judgments or assessments that may be imposed or obtained by any person, agency or governmental authority

against the DEPARTMENT and/or the PERMITTEE, by reason of any hazardous substance that may be present by whatever means on, in or under the Premises. The PERMITTEE hereby agrees to indemnify, defend with counsel suitable to the DEPARTMENT, and hold harmless the DEPARTMENT from any liability that may arise in connection with, or by reason of, any occurrence involving any hazardous substance that may be alleged to be connected or related in any way with the Premises, the ownership of the Premises, or this Permit, including the presence of any hazardous substance on the Premises. The PERMITTEE understands and agrees that any assessments, fines or penalties that may be assessed against the PERMITTEE or the DEPARTMENT by reason of any environmental law violation concerning the Premises, shall be paid, complied with, and in every way satisfied by the PERMITTEE, and not the DEPARTMENT.

12. **Insurance.** As part of the insurance requirements under Paragraph 14, of the general Terms and Conditions and effective at the commencement of this Permit, the insurance coverage the PERMITTEE obtains shall provide coverage for personal injury and damage to property caused by hazardous substances, or any occurrence that may constitute a violation of any environmental law by the PERMITTEE or the DEPARTMENT. The DEPARTMENT shall be named as additional insured.

REVOCABLE PERMIT NO. 6934
SKINNER, ANTHONY P.

SPECIAL CONDITIONS
DILLINGHAM AIRFIELD

The Permittee understands and acknowledges that the Permit is subject to all applicable terms and conditions contained in Contract No. DACA84-01-09-135 dated July 6, 2009, entered into between the United States of America, by its Secretary of the Army, and the State of Hawaii regarding the lease of the Dillingham Military Reservation ("Lease"). Compliance with the Lease includes, but is not limited to, non-use of the airfield by the Permittee because of the airfield's closure for military exercises. The Permittee agrees that it will not hold the State of Hawaii ("State") responsible for any damage or injury, including but not limited to any rebate of rent or compensation to the Permittee for any loss of revenue, occupancy, or quiet enjoyment during the time the airfield is closed; Permittee further agrees not to institute any action or suit at law or in equity against the State, nor institute or prosecute any claim for damage, injury, costs, or expenses arising out of or related to compliance with the Lease.

(NOT ATTACHED TO THIS PERMIT)

Dillingham Lease DACA84-1-09-135

AND

The following Hawaii Administrative Rules are not attached to this revocable permit. If a hardcopy of the rules and regulations is needed, please refer to DOT-A Website, click on Hawaii Administrative Rules and select respective Chapter(s) or refer to tenant folder.

Chapter 19-13


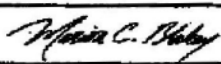
Aircraft Operations at Public Airports

Chapter 19-17 & 19-17.1


Small Plane Hangar Units and Tie-down Spaces at Public Airports

Chapter 19.31 & 19-31.1


Aircraft Registration

| MANUFACTURER AND MANUFACTURER'S DESIGNATION OF AIRCRAFT | |
|--|--|
| PIPER J3C-65 ICAO Aircraft Address Code: 52014540 | |
| ISSUED TO | SKINNER ANTHONY P  |
| | INDIVIDUAL |
| It is certified that the above described aircraft has been entered on the register of the Federal Aviation Administration, United States of America, in accordance with the Convention on International Civil Aviation dated December 7, 1944, and with Title 49, United States Code, and regulations issued thereunder. | |
| DATE OF ISSUE April 13, 2006 |  ADMINISTRATOR |
| AC Form 8060-3(10/2003) Supersedes previous editions | |

This certificate is issued for registration purposes only and is not a certificate of title. The Federal Aviation Administration does not determine rights of ownership as between private persons.

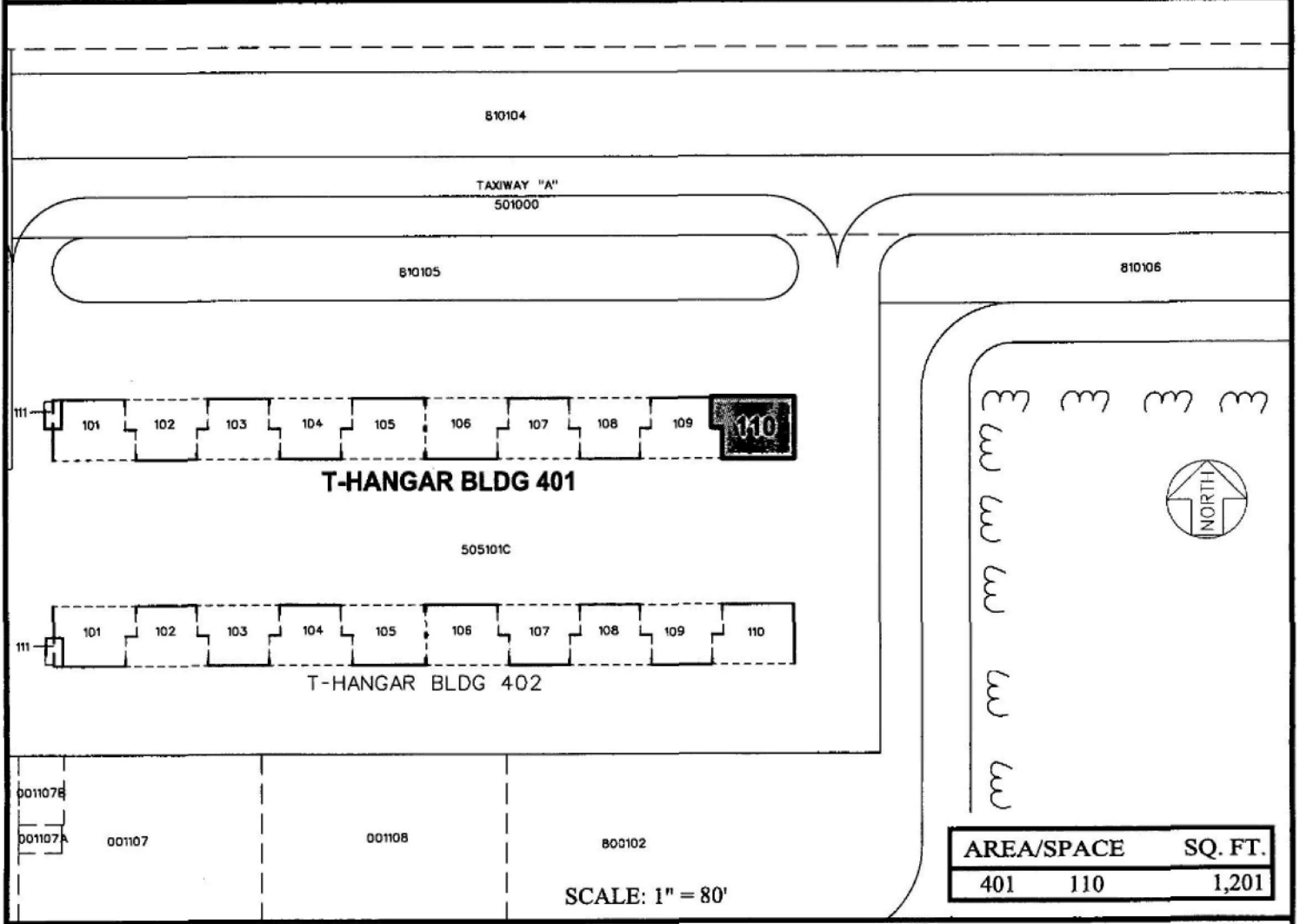
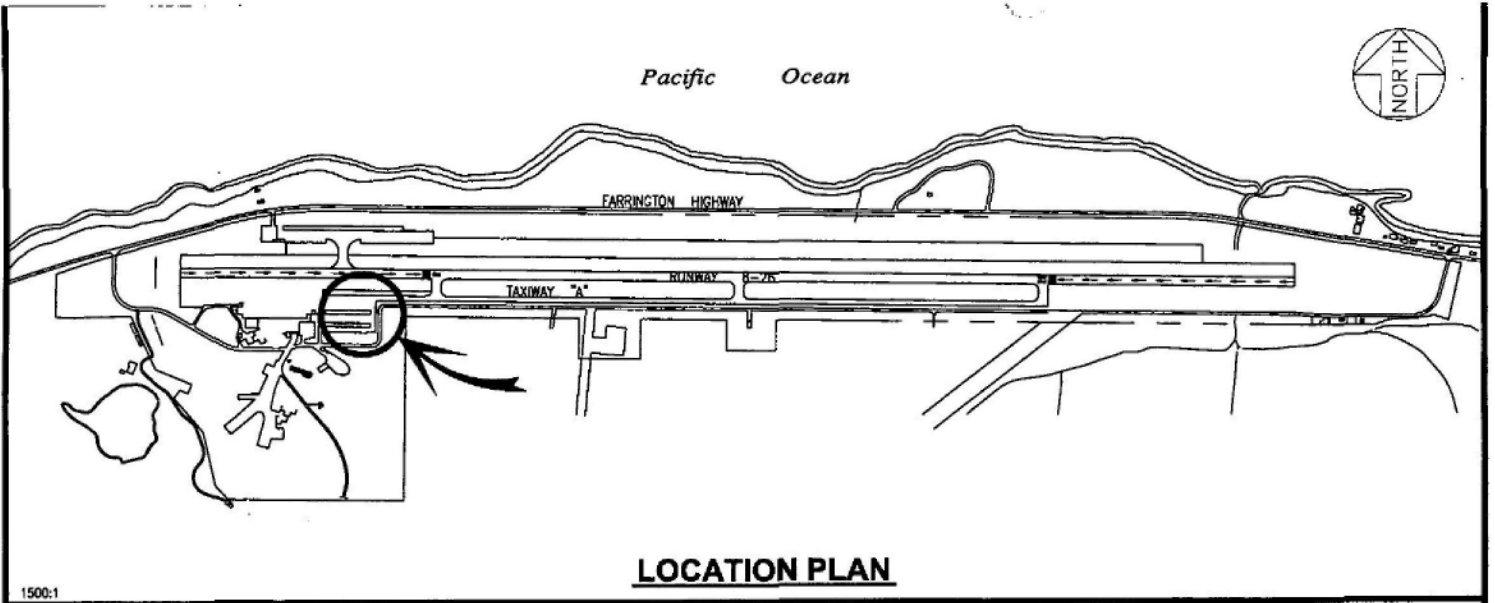


U.S. Department of Transportation
Federal Aviation Administration

| UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION STANDARD AIRWORTHINESS CERTIFICATE | | | |
|---|--|------------------------------------|-------------------------------|
| 1. NATIONALITY AND REGISTRATION MARKS N62053 | 2. MANUFACTURER AND MODEL Piper J3C-65 | 3. AIRCRAFT SERIAL NUMBER 12353 | 4. CATEGORY CAR 4a |
| 5. AUTHORITY AND BASIS FOR ISSUANCE This airworthiness certificate is issued pursuant to the Federal Aviation Act of 1958 and certifies that, as of the date of issuance, the aircraft to which issued has been inspected and found to conform to the type certificate therefor, to be in condition for safe operation, and has been shown to meet the requirements of the applicable comprehensive and detailed airworthiness code as provided by Annex 8 to the Convention on International Civil Aviation, except as noted herein. Exceptions: None | | | |
| 6. TERMS AND CONDITIONS Unless sooner surrendered, suspended, revoked, or a termination date is otherwise established by the Administrator, this airworthiness certificate is effective as long as the maintenance, preventative maintenance, and alterations are performed in accordance with Parts 21, 43, and 91 of the Federal Aviation Regulations, as appropriate, and the aircraft is registered in the United States. | | | |
| DATE OF ISSUANCE EXCHANGE 10/2/56 | FAA REPRESENTATIVE  Fred F. L. Mat | | DESIGNATION NUMBER EX-2800 |
| Any alteration, reproduction, or misuse of this certificate may be punishable by a fine not exceeding \$1,000, or imprisonment not exceeding 3 years, or both. THIS CERTIFICATE MUST BE DISPLAYED IN THE AIRCRAFT IN ACCORDANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS. | | | |

FAA Form 8100-2 (7-67) FORMERLY FAA FORM 1362

GPO : 1967-O-270-931



| | | |
|---------|---------------------|----------------------|
| RP-6934 | DATE : JUNE 2010 | EXHIBIT: A |
| | SKINNER, ANTHONY P. | BLDG 401 T-HANGAR |
| | | 401110 FLAT B1 |

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 8437

THIS AGREEMENT, made this 8th day of January 2016, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: SKYDIVE ACADEMY OF HAWAII, CORP.

2. ADDRESS:



3. AIRPORT: KAWAIHAPAI AIRFIELD

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:

SEE ATTACHMENT

5. PURPOSE(S): SEE ATTACHMENT

6. RENTAL:

| | | |
|--|-------------|-------------------|
| Space Nos. 401-101, 401-102 and 401-103 @. \$376.00/mo. | \$ 1,128.00 | (Hangar w/door) |
| Space No. 402-101 @ \$343.00/mo. | \$ 343.00 | (Hangar w/o door) |
| Total Monthly Rental | | \$ 1,471.00 |

7. SECURITY DEPOSIT: Three (3) times the monthly rental in effect

8. EFFECTIVE DATE OF PERMIT: FEBRUARY 1, 2016

9. HOLD OVER TENANCY: \$ 49.03

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:

- a. Environmental Compliance – Permittee's Duties
- b. Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
- c. Chapter 13 entitled "Aircraft Operations at Public Airports."
- d. Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
- e. Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division
- f. Permittee is fully aware that the Army Lease expired on July 5, 2015, and there is no guarantee that the DEPARTMENT will either extend the term of the existing Army Lease or enter into a new lease.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

Approved by the Board at its meeting held on

11/13/2015, Item M-11

BOARD OF LAND AND NATURAL RESOURCES

SUZANNE D. CASE
Chairperson and Member of the Board

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By

ROSS M. HIGASHI
Deputy Director-Airports

PERMITTEE: SKYDIVE/ACAD^Y OF HAWAII, CORP.

By:

At.

Title:

President

ATTACHMENT

**SKYDIVE ACADEMY OF HAWAII, CORP.
Revocable Permit No. 8437**

Premises located at KAWAIHĀPAI AIRFIELD

| SMALL PLANE HANGARS | | | | |
|----------------------------|--------------------|------------------|--------------------|-----------------------------|
| Space No. | Square Feet | Aircraft | Tail Number | With or Without Door |
| 401-101 | 1,130 | 1960 Cessna 182 | N-9022T | With Door |
| 401-102 | 1,107 | 1975 Cessna UZ06 | N-345TW | With Door |
| 401-103 | 1,107 | Pitts S-2B | N-56PS | With Door |
| 402-101 | 1,130 | 1962 Cessna 150B | N-1149Y | Without Door |

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 8441

THIS AGREEMENT, made this 25th day of JULY, 2016⁷, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: SKYDIVE ACADEMY OF HAWAII, CORP.

2. ADDRESS:



3. AIRPORT: KAWAIHĀPAI AIRFIELD

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:

Space No. 001-103, containing approx. 15,836 square feet of improved, unpaved land;
Space No. 820-107C, containing approx. 2,101 square feet of improved, unpaved land; and
Space No. 820-110F, containing approx. 5,639 square feet of unimproved, unpaved land.

5. PURPOSE(S): Facility for skydiving activities

6. RENTAL:

| | | |
|----------------------|--------------------|---------------------------|
| Monthly Rental | \$ <u>1,868.09</u> | |
| Total Monthly Rental | | \$ <u><u>1,868.09</u></u> |

7. SECURITY DEPOSIT: \$ 5,604.27, or three (3) times the monthly rental in effect

8. EFFECTIVE DATE OF PERMIT: SEPTEMBER 1, 2016

9. HOLD OVER TENANCY: \$ 62.27

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:

- Environmental Compliance – Permittee's Duties
- Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
- Permittee is fully aware that the Army Lease expired on July 5, 2015, and there is no guarantee that the DEPARTMENT will either extend the term of the existing Army Lease or enter into a new lease.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

Approved by the Board at its meeting held on

05/27/2016, Item M-6

BOARD OF LAND AND NATURAL RESOURCES

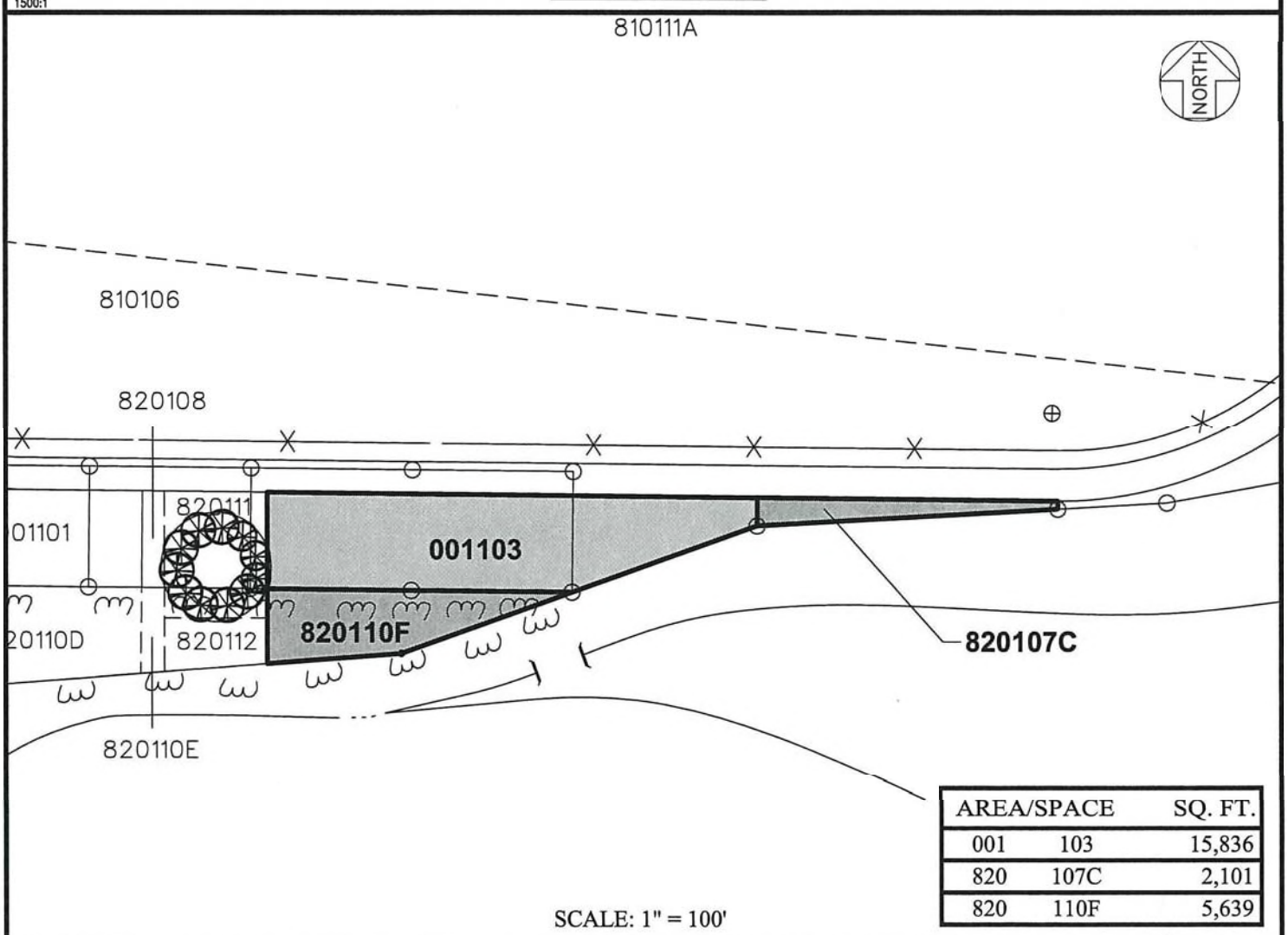
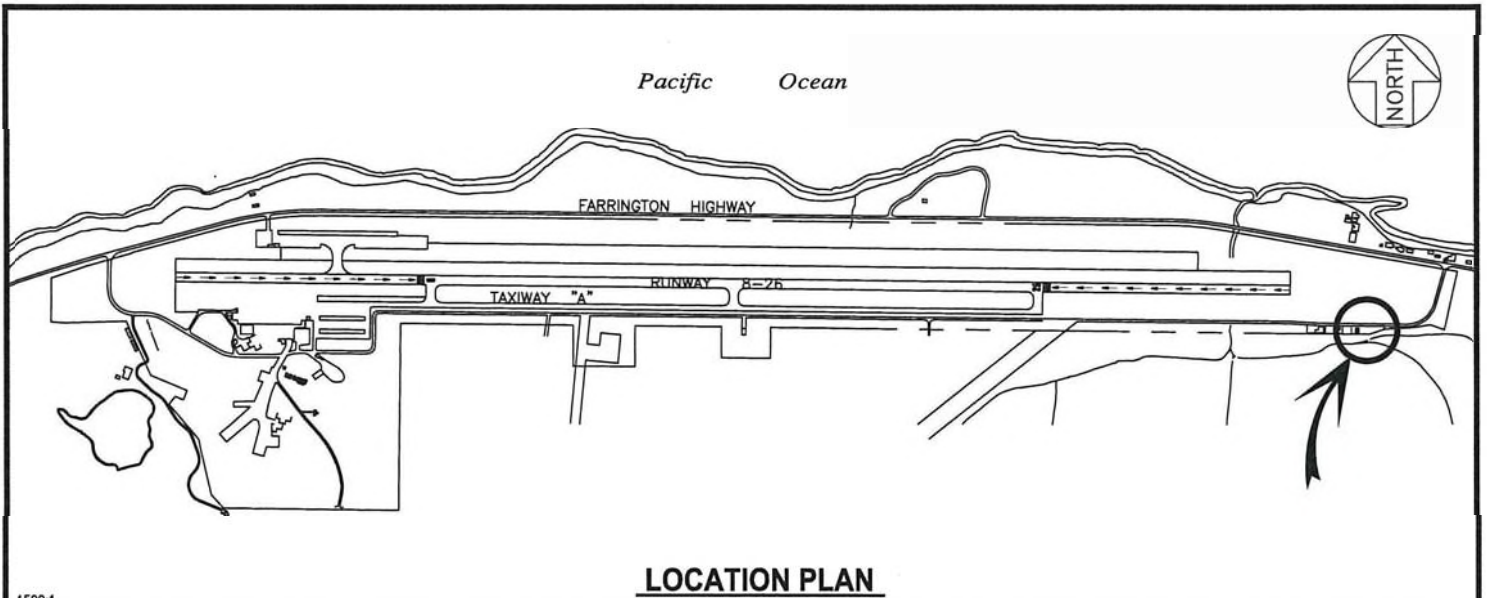
By
SUZANNE D. CASE
Chairperson and Member of the Board

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By
ROSS M. HIGASHI
Deputy Director-Airports

PERMITTEE: SKYDIVE ACADEMY OF HAWAII, CORP.

By:
Title:

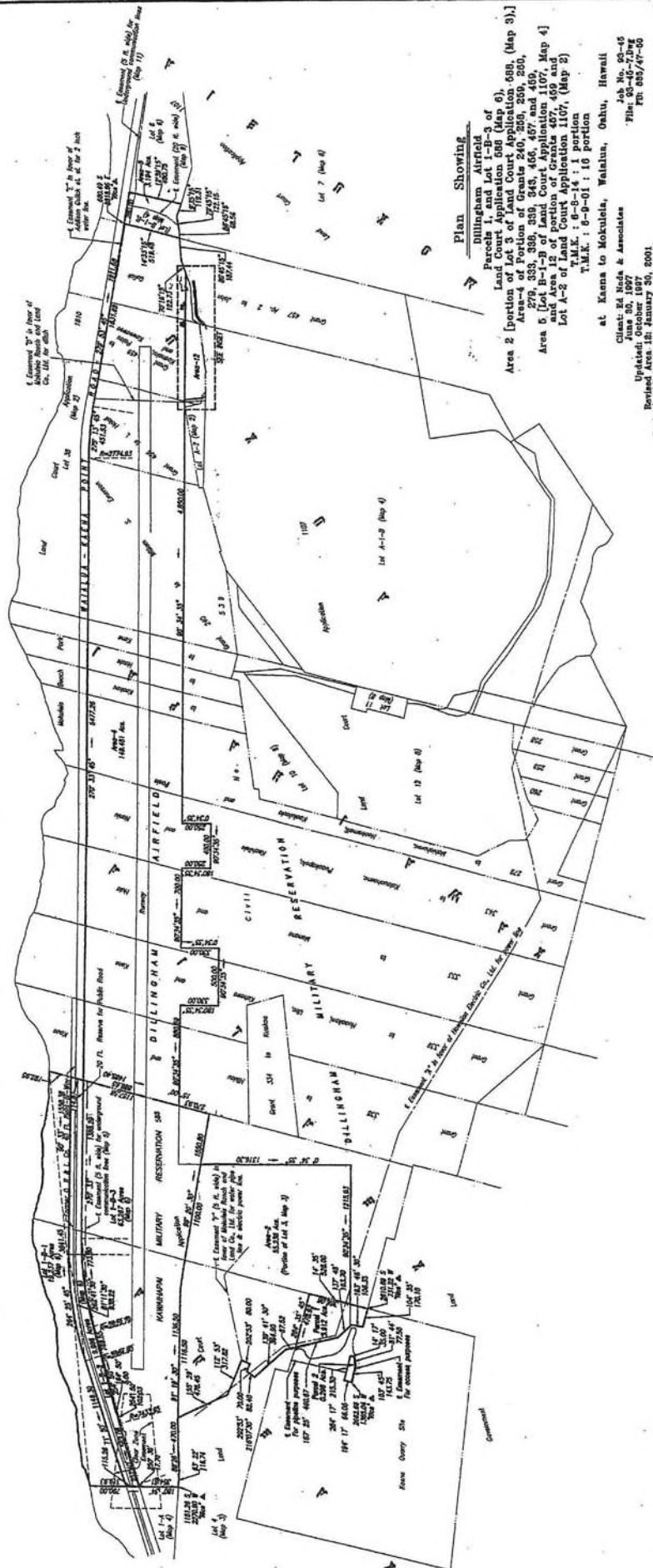
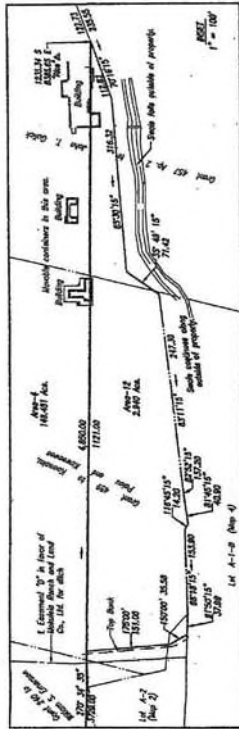


| AREA/SPACE | SQ. FT. |
|------------|---------|
| 001 103 | 15,836 |
| 820 107C | 2,101 |
| 820 110F | 5,639 |

| | | |
|---------|--|---|
| RP-8441 | DATE : APRIL 2015 | EXHIBIT: A |
| | SKYDIVE ACADEMY OF HAWAII CORP. | LOTS |
| | | 001103 820107C 820110F |

DILLINGHAM AIRFIELD

N:\AIRPORTS\HDL_Dillingham\CAD\FM\hdf_001103-2015-01.dwg



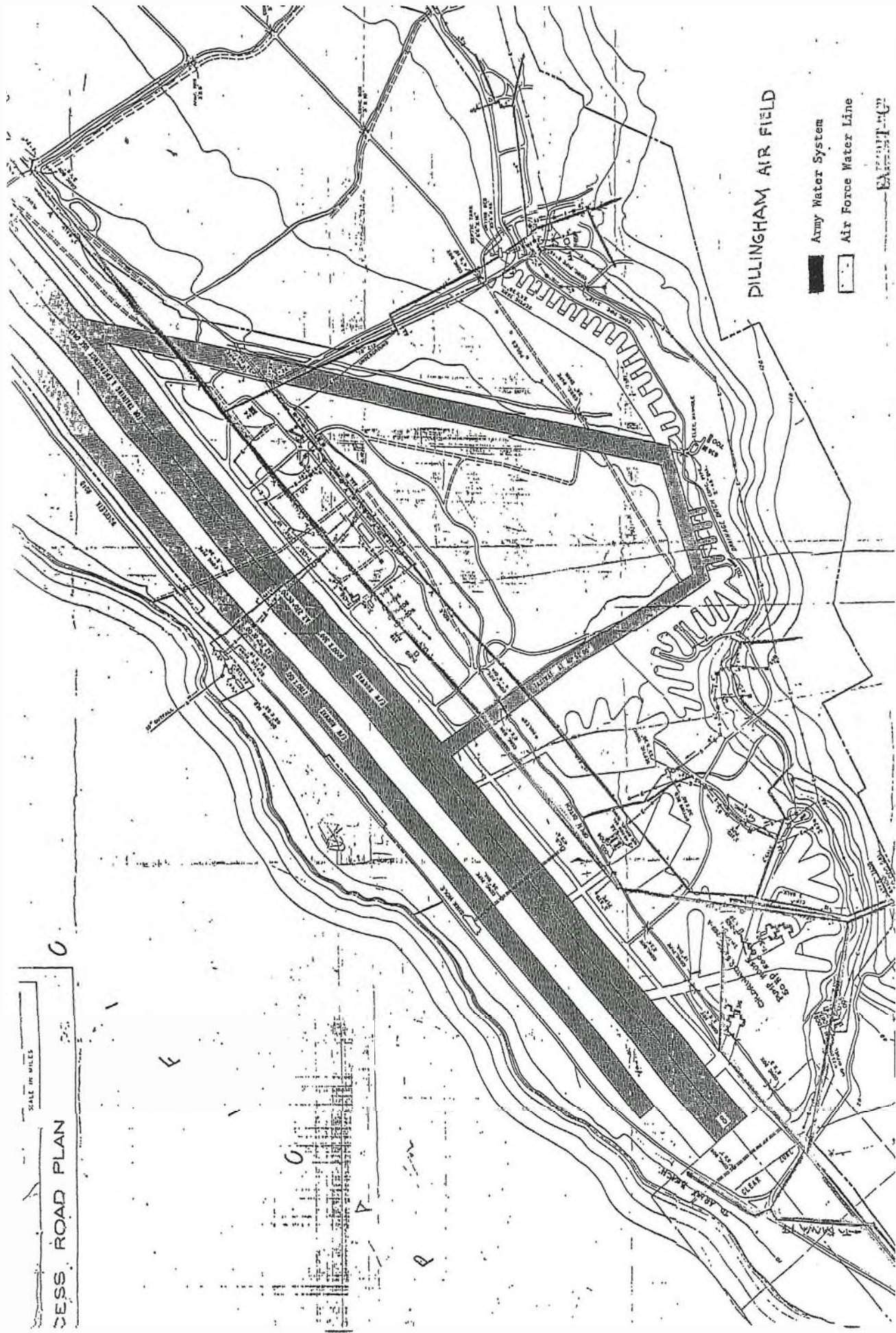
Plan Showing
Dillingham Airfield
 Parcel 1 and Lot 1-B-3 of
 Land Court Application 588 (Map 6),
 Area 2 [portion of Lot 3 of Land Court Application 688, (Map 3)],
 Area 4 of portion of Grants 240, 259, 259, 259, 259,
 Area 5 [Lot 1-B-1-B of Land Court Application 1107, Map 4]
 and Area 12 of portion of Grants 457, 459 and
 Lot 1-B-3 of Land Court Application 1107, (Map 2)
 T.M.K. : 8-8-14 : 1 portion
 at Kama to Mokualea, Waialua, Oahu, Hawaii

Client: Ed Noda & Associates
 June 30, 1997
 Updated: 12/15/2001
 Revised Area 12: January 25, 2001
 Revised Area 5: February 27, 2001



Graphic Scale in Feet
 400 200 0 200 400 800
 Engineers Surveyors Hawaii, Inc.
 Civil Engineers - Land Surveyors - Planners

NOTES:
 1. All dimensions shown are in feet.
 2. This map prepared from data of land Department of Transportation,
 Hawaii Department of Land and Natural Resources, and
 Hawaii Department of Public Works, Project No. 1-1000.



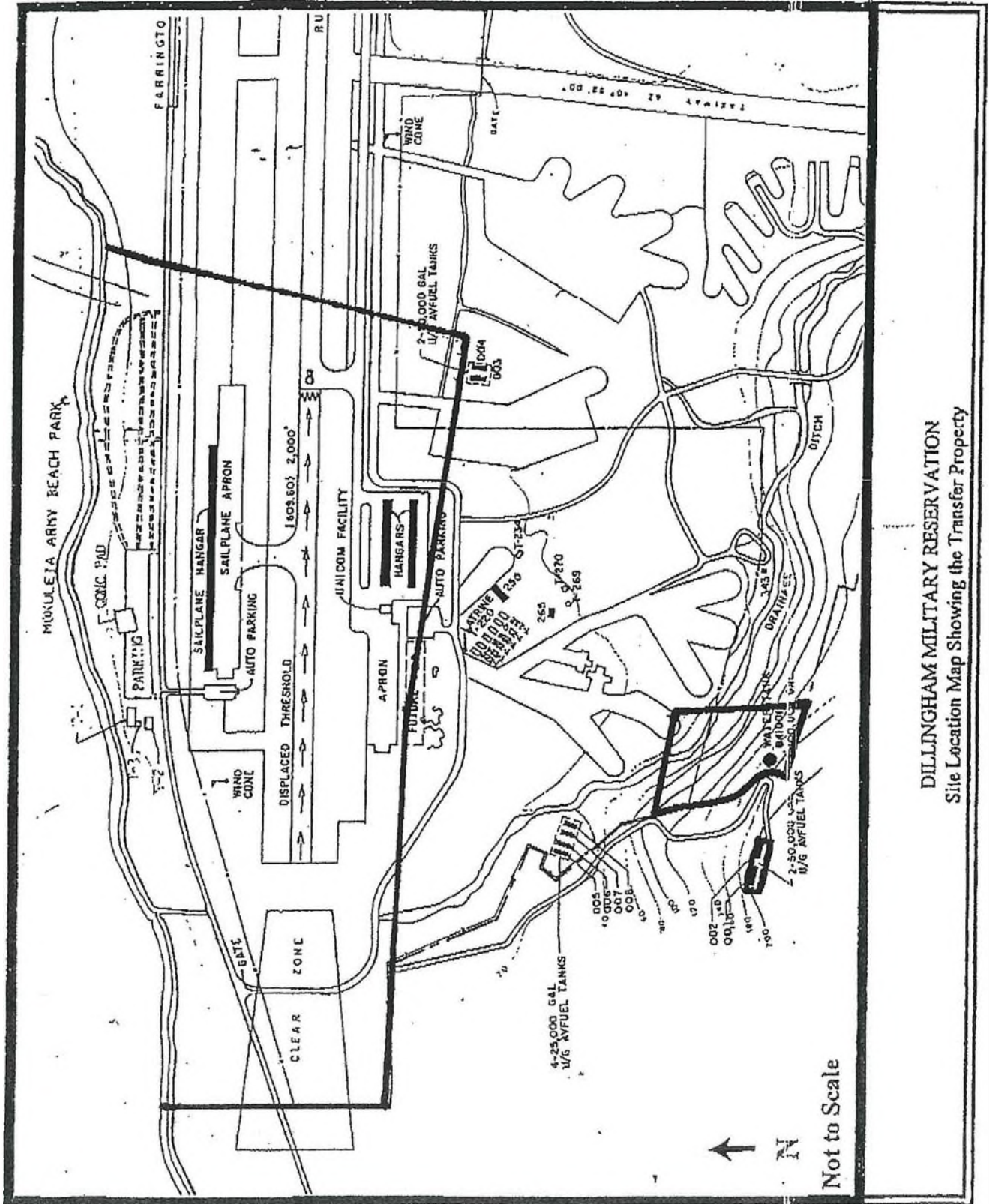
PILLINGHAM AIR FIELD

- Army Water System
- Air Force Water Line
- Elevation

CESS ROAD PLAN

SCALE IN MILES

0 1 2



DILLINGHAM MILITARY RESERVATION
 Site Location Map Showing the Transfer Property



Not to Scale

PARKING PERMIT NO. PP-18-0011

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION

KAWAIHĀPAI AIRFIELD

THIS AGREEMENT, made this 30th day of July, 2018, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE, hereinafter named, permission to occupy the following space(s) in accordance with the terms and conditions herein specified.

1. PERMITTEE: **SKY-MED INC. DBA PACIFIC INTERNATIONAL SKY DIVING CENTER**

ADDRESS: [REDACTED]

TELEPHONE: [REDACTED]

E-MAIL: [REDACTED]

2. LOCATION: SPACE NO. AIRCRAFT DESCRIPTION
HDH 404-106 2004 Cessna 208B N-900SA

3. PURPOSE (System I.D.): Aircraft Parking

4. FEES: \$ 54.00 per month

5. SECURITY DEPOSIT: \$162.00, or three (3) times the monthly rental in effect.

6. EFFECTIVE DATE: JUNE 1, 2018

7. TERMS AND CONDITIONS: SEE ATTACHED

Approved by the Board at its meeting held on

07-27-18, Item M-4

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By


ROSS M. HIGASHI
Deputy Director - Airports


BOARD OF LAND AND NATURAL RESOURCES

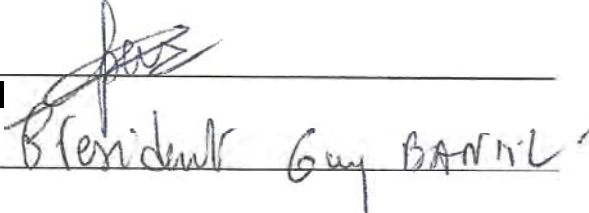
PERMITTEE: **SKY-MED, INC.**

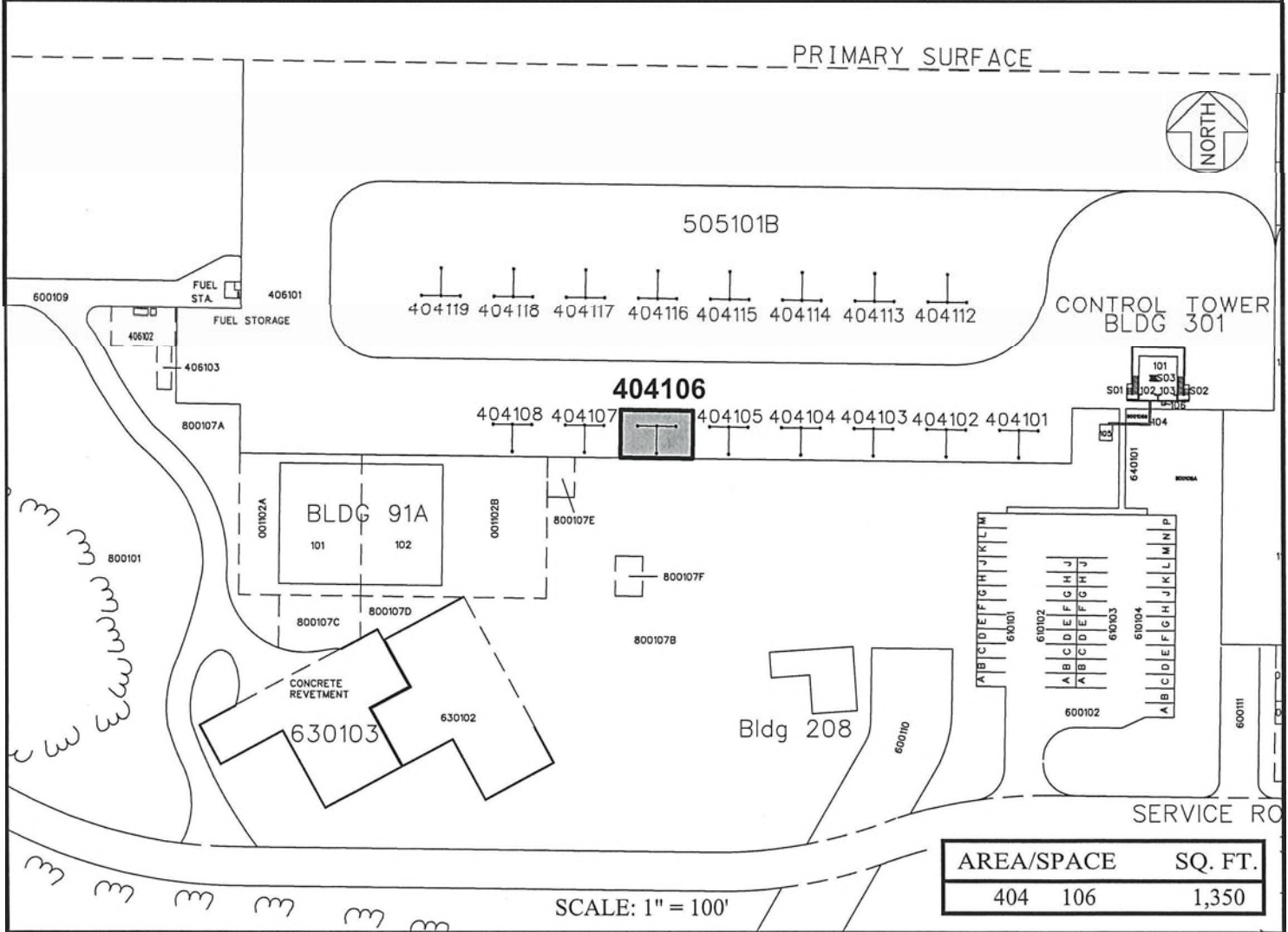
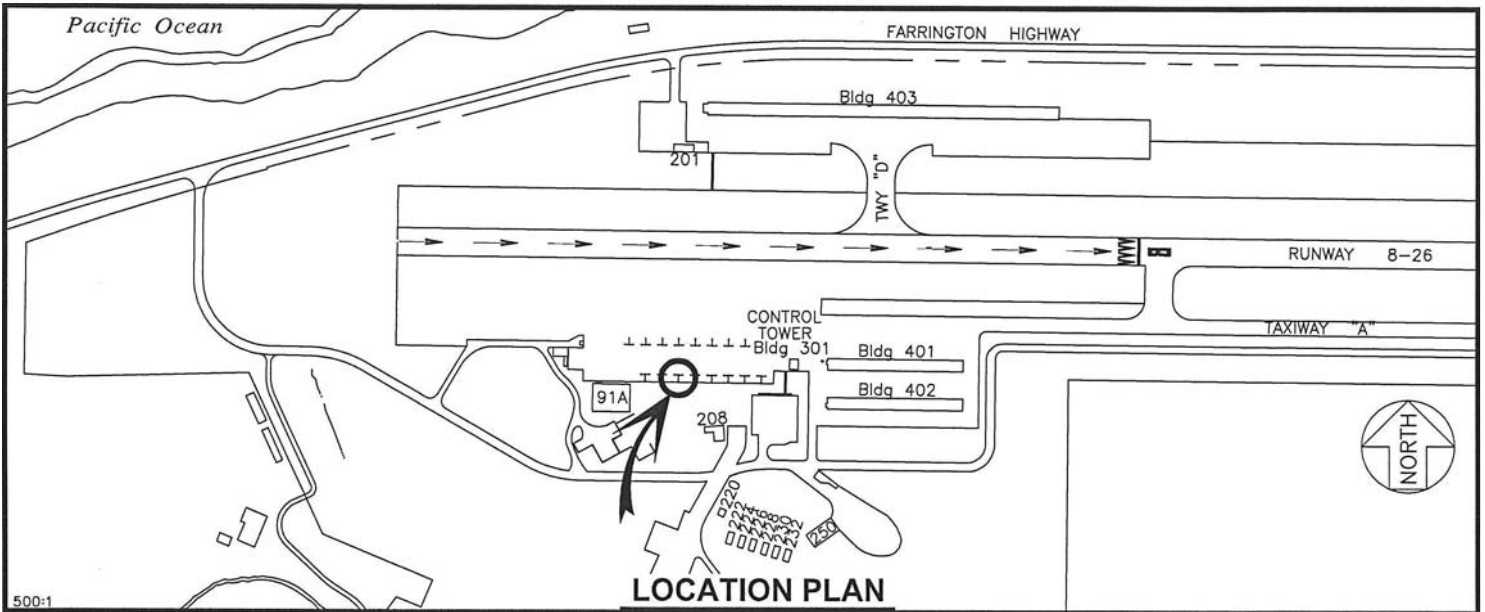
By:


Title:

By


SUZANNE D. CASE
Chairperson and Member of the Board


President Guy BARNIL



| | | |
|---|-------------------|--|
| PP-18-0011 | DATE : APRIL 2018 | EXHIBIT: A |
|  Airports Division | SKY-MED, INC. | TIE DOWN GENERAL AVIATION FACILITIES |
| | | 404106 PLAT B1 |

DILLINGHAM AIRFIELD

(AIR-PM 4/80)
TEMPORARY PARKING PERMIT NO. PP-97-1277

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION

DILLINGHAM AIRFIELD AIRPORT

THIS AGREEMENT, made this 16th day of July, 1997,
1996, by and between the STATE OF HAWAII, acting by and through
the Department of Transportation, Airports Division, hereinafter
called "DEPARTMENT," hereby grants to the PERMITTEE, hereinafter
named, permission to occupy the following space(s) in accordance
with the terms and conditions herein specified.

1. PERMITTEE: SKY-MED, INC.
DBA SKYDIVING CENTER PACIFIC INTERNATIONAL
ADDRESS: [REDACTED]
TELEPHONE: ([REDACTED])

2. LOCATION:

| PLAT | SPACE NO. | AIRCRAFT/VEHICLE DESCRIPTION |
|------|-----------|------------------------------|
| 45 | 404-104 | B KING AIR B90 - N-301DK |
| | 404-105 | |

3. PURPOSE (System I.D.): AIRCRAFT TIE-DOWN

4. FEES: \$76.00 (\$38 PER MONTH EACH SPACE)

5. SECURITY DEPOSIT: \$228.00 (\$114 EACH SPACE)

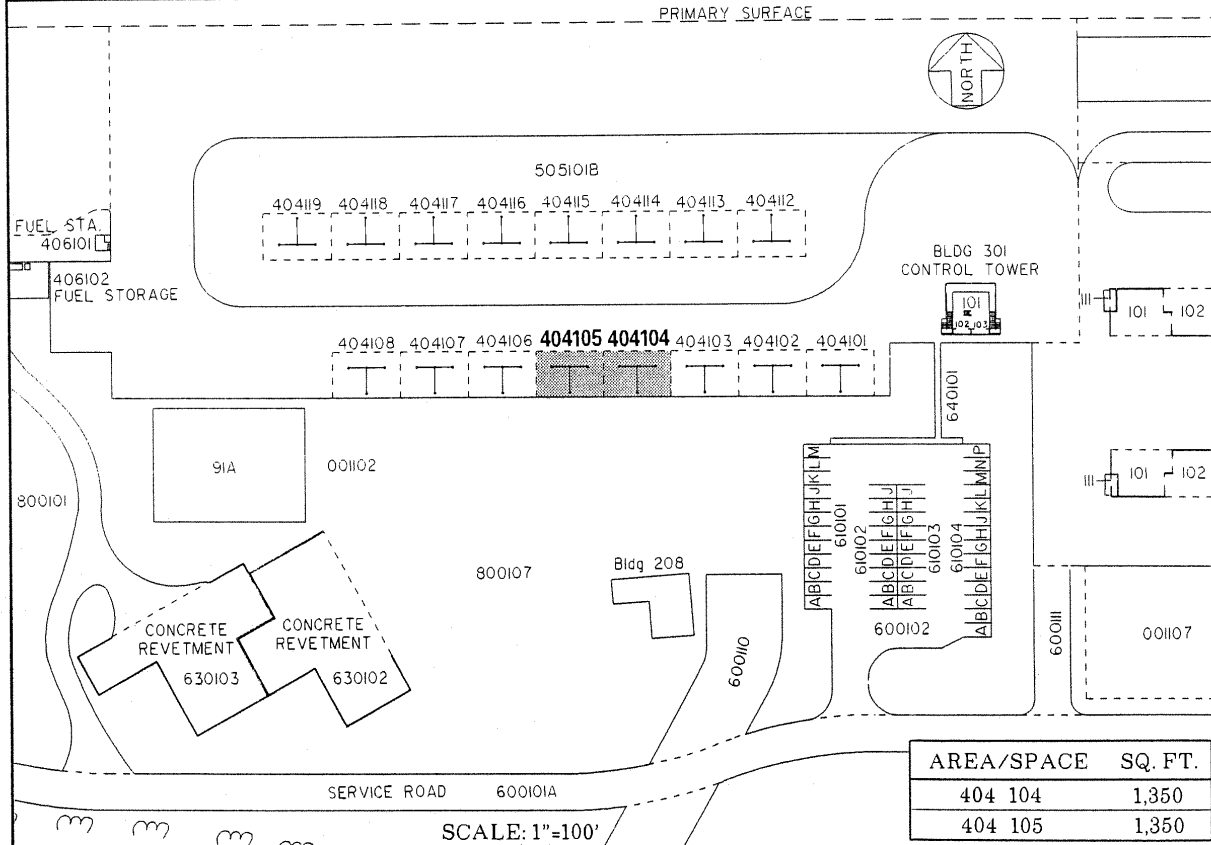
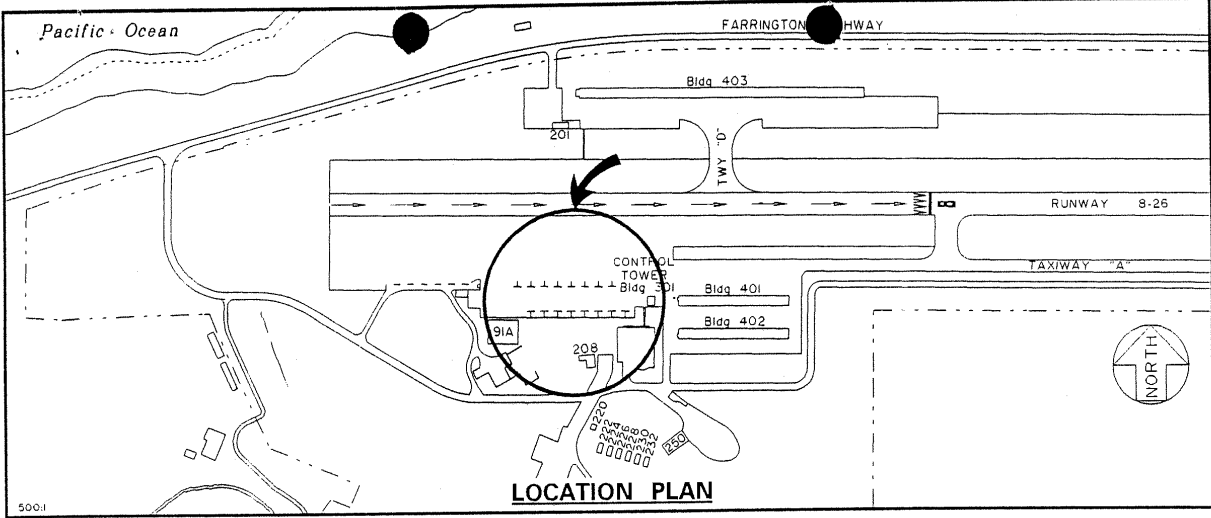
6. EFFECTIVE DATE: JULY 16, 1997

7. TERMS and CONDITIONS:

- This permit is revocable with or without cause.
- The fees may be amended by twenty five (25) days' advance written notice to the PERMITTEE.
- The DEPARTMENT shall not be liable to the PERMITTEE for the PERMITTEE shall indemnify and save harmless the DEPARTMENT, its officers, agents and employees from any action, liability or claim for damages or injury to person or property which may result from the use of the space by the PERMITTEE.
- The PERMITTEE shall comply with any and all laws, ordinances and rules and regulations of any and all governmental agencies applicable to the parking spaces granted herein.
- Special terms and conditions (attached).

PERMITTEE:
DBA - Pacific International Skydiving Center
SKY-MED, INC.
Permittee's Name
By Coy BARNAL President
Its

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION
By [Signature]
Airports District Manager



TEMPORARY PARKING PERMIT NO. PP-97-1277 DATE: AUGUST 1997 EXHIBIT: **A**

| | | | |
|--|--------------------------------|------------------|---------|
| | SKY-MED, INC. | POWERED AIRCRAFT | 404104 |
| | dba | TIE DOWN AREA | 404105 |
| | PACIFIC INTL. SKYDIVING CENTER | | PLAT B1 |

DILLINGHAM AIRFIELD

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION
REVOCABLE PERMIT NO. 5595

THIS AGREEMENT, made this 16th day of September, 19 97, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

- 1. PERMITTEE: **SKY-MED, INC. DBA
PACIFIC INTERNATIONAL SKYDIVING CENTER**
- 2. ADDRESS: [REDACTED]
- 3. AIRPORT: **Dillingham Airfield**
- 4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:
**Small Plane Hangar Unit No. 401-108, containing
an area of 1,084 square feet.**
- 5. PURPOSE(S): **Aircraft Storage - B King AIR B90/N301DK**

6. RENTAL:
Monthly Rental: \$ 136.00

\$ _____

\$ _____
Total Monthly Rental: \$ 136.00

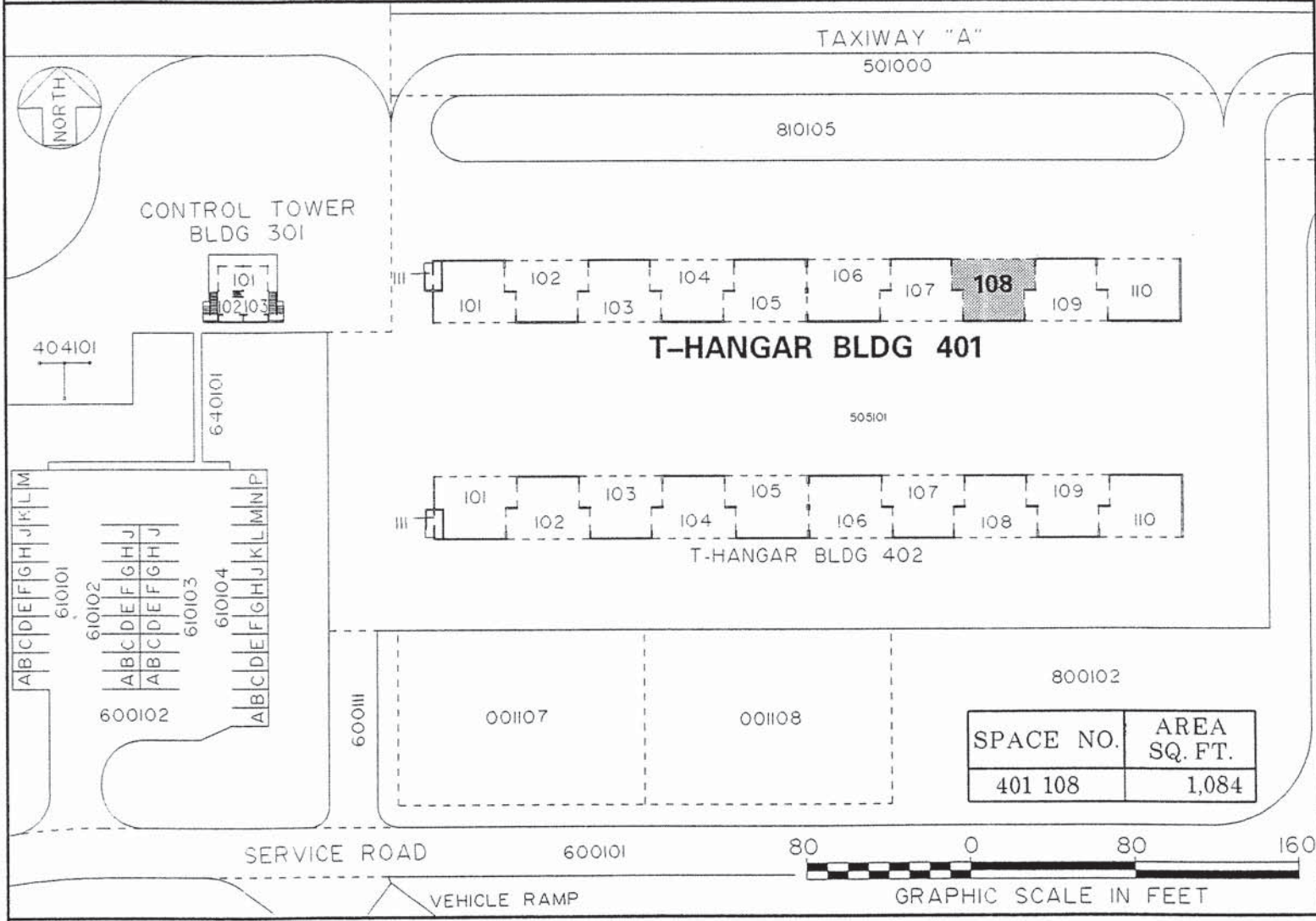
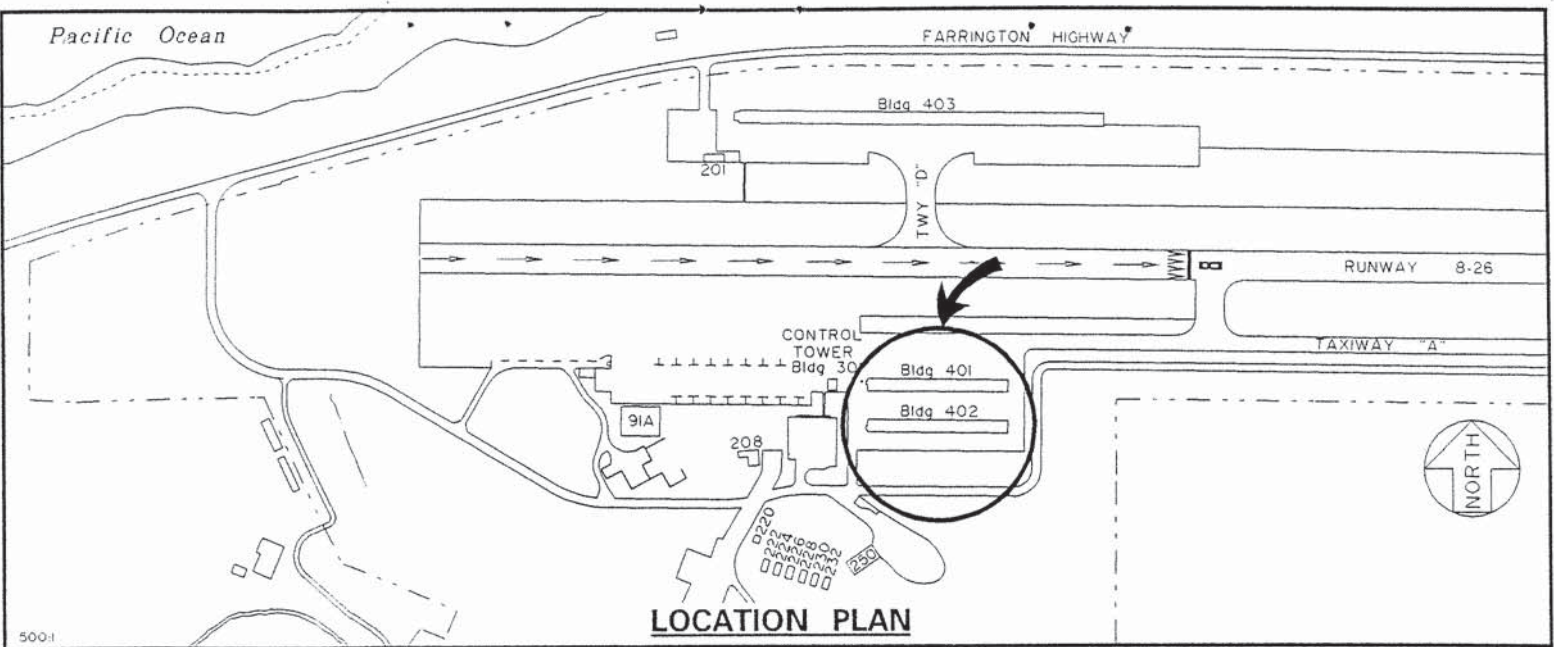
7. SECURITY DEPOSIT: \$408.00
8. EFFECTIVE DATE OF PERMIT: JULY 16, 1997
9. LIQUIDATED DAMAGES: \$ 27.20

- 10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON AND SPECIFIED AS ATTACHED HERETO:
 - a. **Item No. 5 - Interest on Delinquent Rentals**
 - b. **Chapter 13 entitled "Aircraft Operations at Public Airports."**
 - c. **Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."**

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated. d. **Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.**

Approved by the Board at its meeting held on _____
BOARD OF LAND AND NATURAL RESOURCES
By _____
Chairman and Member of the Board
By _____
Member

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION
By J. [Signature]
Its Director of Transportation
PERMITTEE
[Signature]
Title: Buy BANAL



R.P. NO. 5595

DATE: AUGUST 1997

EXHIBIT: **A**



Airports Division

SKY-MED, INC.
dba
PACIFIC INTL.
SKYDIVING CENTER

BLDG 401
T-HANGAR BUILDING

401108
PLAT B1

DILLINGHAM AIRFIELD

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 6039

THIS AGREEMENT, made this 20th day of March, 2000, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. **PERMITTEE:** SKY-MED, INC.
dba Pacific International Skydiving Center

2. **ADDRESS:** 

3. **AIRPORT:** Dillingham Airfield

4. **PREMISES AS SHOWN ON ATTACHED EXHIBIT:**

Small Plane Hangar Unit No. 401-105, containing an area of 1,177 square feet.

5. **PURPOSE(S):** Aircraft Storage (Cessna 206, Serial #4206-0040/N-5040U)

6. **RENTAL:**
Monthly Rental \$ 136.00

\$ _____

\$ _____
Total Monthly Rental \$ 136.00

7. **SECURITY DEPOSIT:** \$ 408.00

8. **EFFECTIVE DATE OF PERMIT:** APR 1 2001

9. **LIQUIDATED DAMAGES:** \$ 27.20


10. **SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:**
- A. Item No. 5 - Interest on Delinquent Rentals
 - B. Chapter 13 entitled "Aircraft Operations at Public Airports."
 - C. Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
 - D. Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administration
Department of Transportation, Subtitle 2, Airports Division.

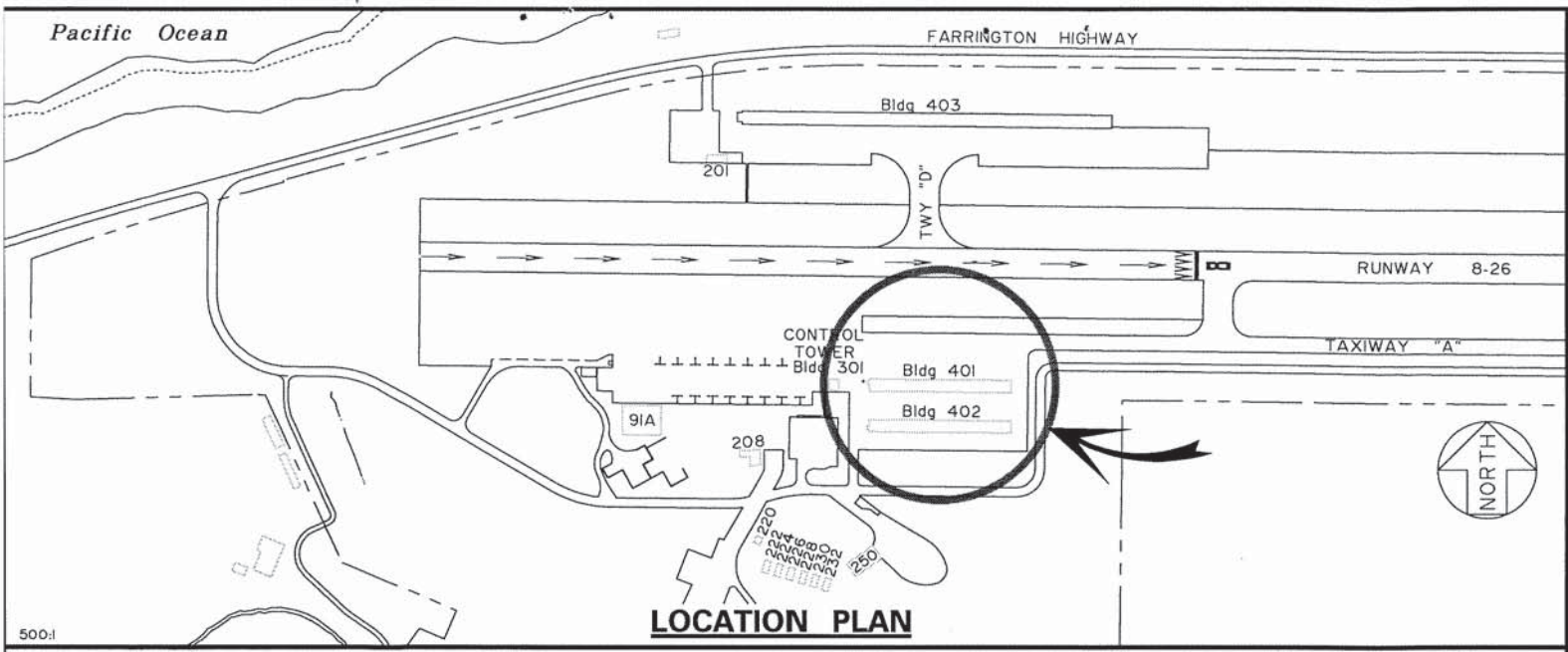
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By 
Airports Administrator

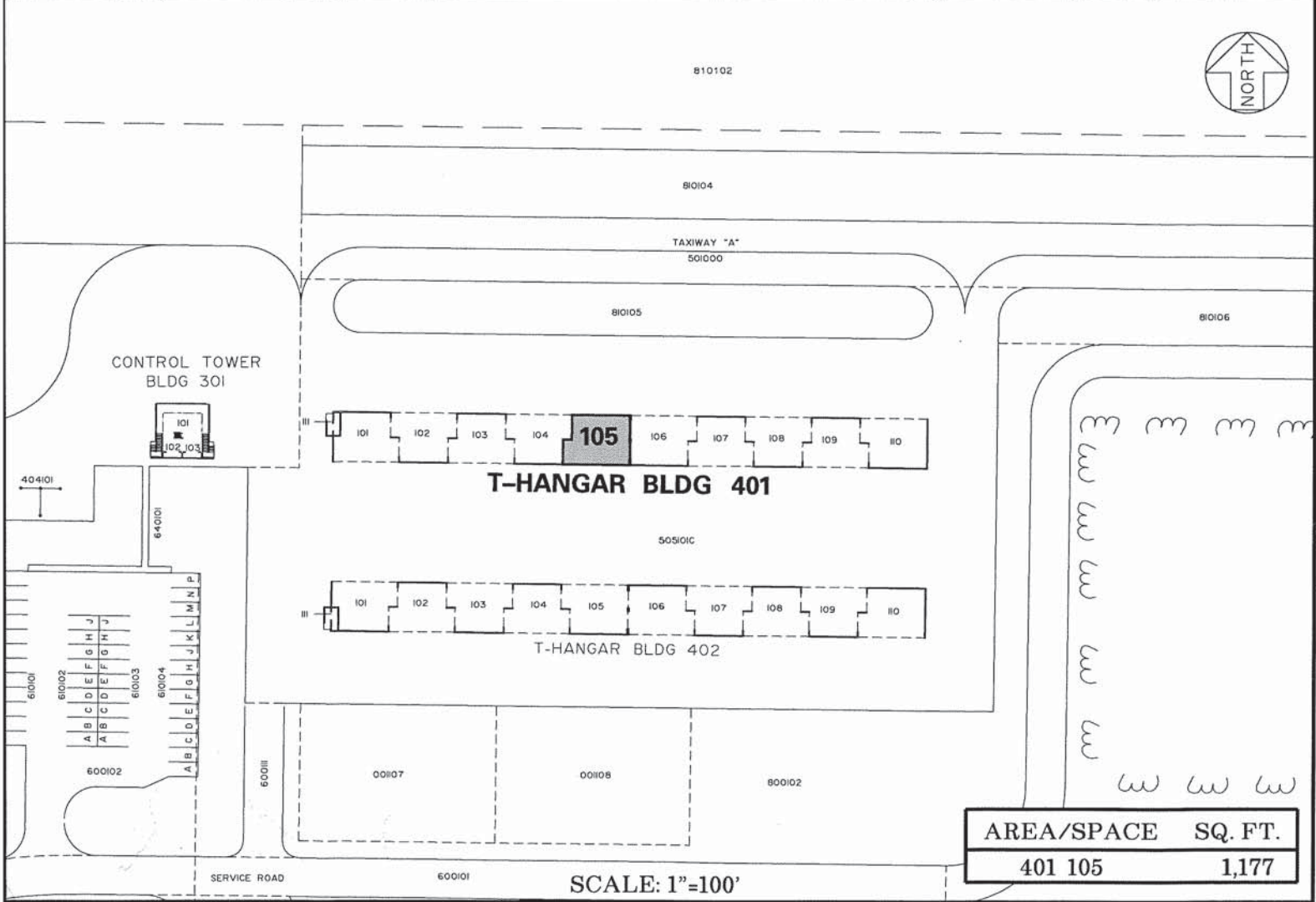
PERMITTEE: **SKY-MED, INC.**

By 
Title: President



500:1

LOCATION PLAN



SCALE: 1"=100'

| | | |
|---------------|---|---|
| <p>RP6039</p> | <p>DATE: FEBRUARY, 2001</p> | <p>EXHIBIT: A</p> |
| | <p>SKY-MED, INC. DBA PACIFIC INTERNATIONAL SKYDIVING CENTER</p> | <p>BLDG 401 T-HANGAR BUILDING</p> <p>401105 PLAT B1</p> |

DILLINGHAM AIRFIELD

\\eg1nt\hdx projects\pm\401105.hdx

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 7065

THIS AGREEMENT, made this 25th day of October, 2012, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. **PERMITTEE:** SKY-MED, INC.
DBA PACIFIC INTERNATIONAL SKYDIVING CENTER

2. **ADDRESS:** [REDACTED]

3. **AIRPORT:** DILLINGHAM AIRFIELD

4. **PREMISES AS SHOWN ON ATTACHED EXHIBIT:**

Building 406, Fuel Station and Storage, Space No. 103, containing an area of approximately 390 square feet.

5. **PURPOSE(S):** Jet-A Fuel for personal use only.

6. **RENTAL:**

Monthly Rental \$ 16.90
\$ _____
\$ _____

Total Monthly Rental

\$ 16.90

7. **SECURITY DEPOSIT:** \$ 50.70

8. **EFFECTIVE DATE OF PERMIT:** SEPTEMBER 1, 2012


9. **HOLD OVER TENANCY:** \$ 0.56

10. **SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:**

- a. Special Terms and Conditions for fueling operation
- b. Environmental Compliance – Permittee's Duties
- c. Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

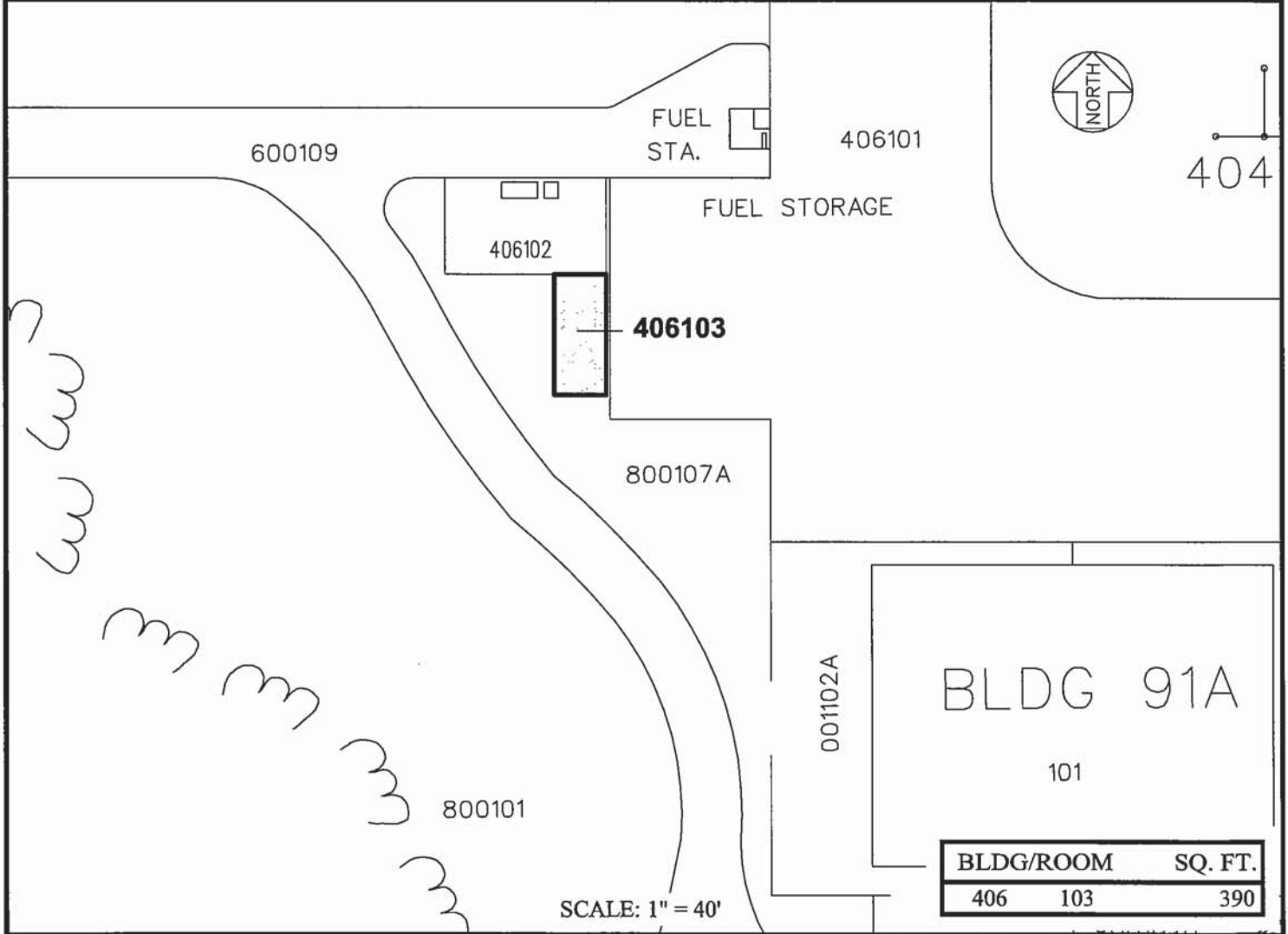
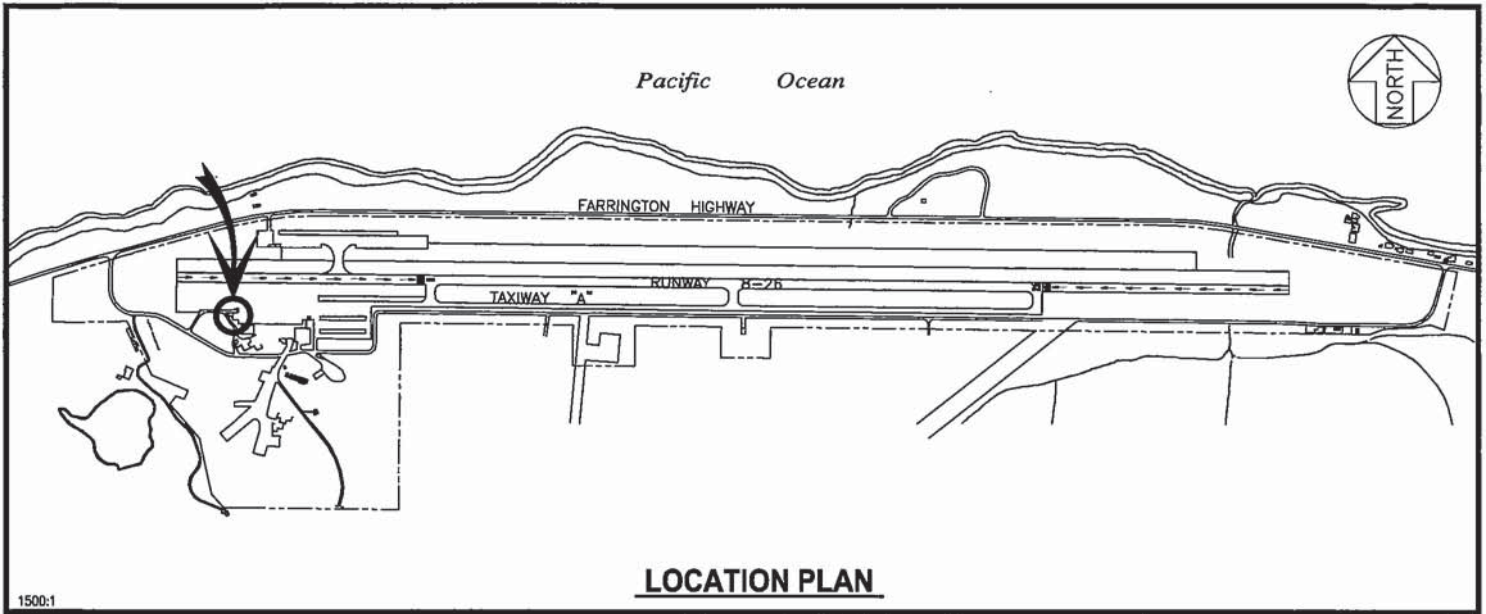
STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By 
GLENN M. OKIMOTO, Ph.D.
Director of Transportation

PERMITTEE: SKY-MED, INC.
DBA PACIFIC INTERNATIONAL SKYDIVING CENTER

By 

Title: 



RP-7065

DATE : APRIL 2012

EXHIBIT: **A**



Airports Division

SKY-MED, INC.

**BUILDING 406
FUEL STATION
AND STORAGE**

406103

PLAT B1

DILLINGHAM AIRFIELD

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 8178

THIS AGREEMENT, made this 17th day of July, 2014, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. PERMITTEE: SKY-MED, INC.
DBA PACIFIC INTERNATIONAL SKYDIVING CENTER

2. ADDRESS: 

3. AIRPORT: DILLINGHAM AIRFIELD

4. PREMISES AS SHOWN ON ATTACHED EXHIBIT:

Space No. 800-107F, containing approx. 425 square feet of improved/unpaved land.

5. PURPOSE(S): Mobile fuel truck parking

6. RENTAL:
Monthly Rental \$ 38.25
Total Monthly Rental \$ 38.25

7. SECURITY DEPOSIT: \$ 114.75

8. EFFECTIVE DATE OF PERMIT: JULY 1, 2014

9. HOLD OVER TENANCY: \$ 1.28

10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:

- a. Special Terms and Conditions for Mobile Fuel Trucks/Tankers/Trailers
- b. Environmental Compliance – Permittee's Duties
- c. Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135
- d. Permittee is fully aware that the Army Lease will be expiring on July 5, 2014, and there is no guarantee that the DEPARTMENT will either extend the term of the existing Army Lease or enter into a new lease.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.


Approved by the Board at its meeting held on
05/9/2014, Item M-5

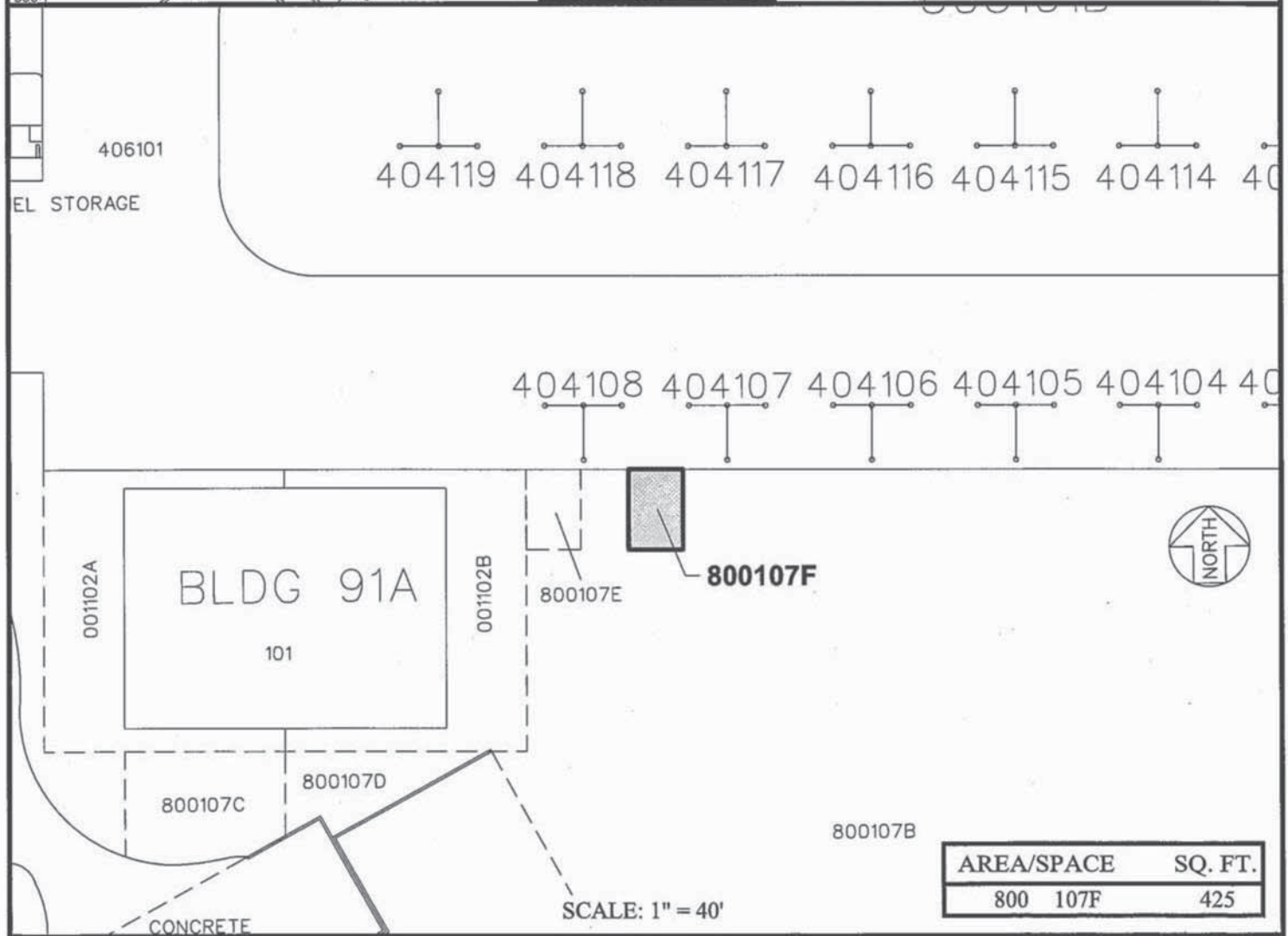
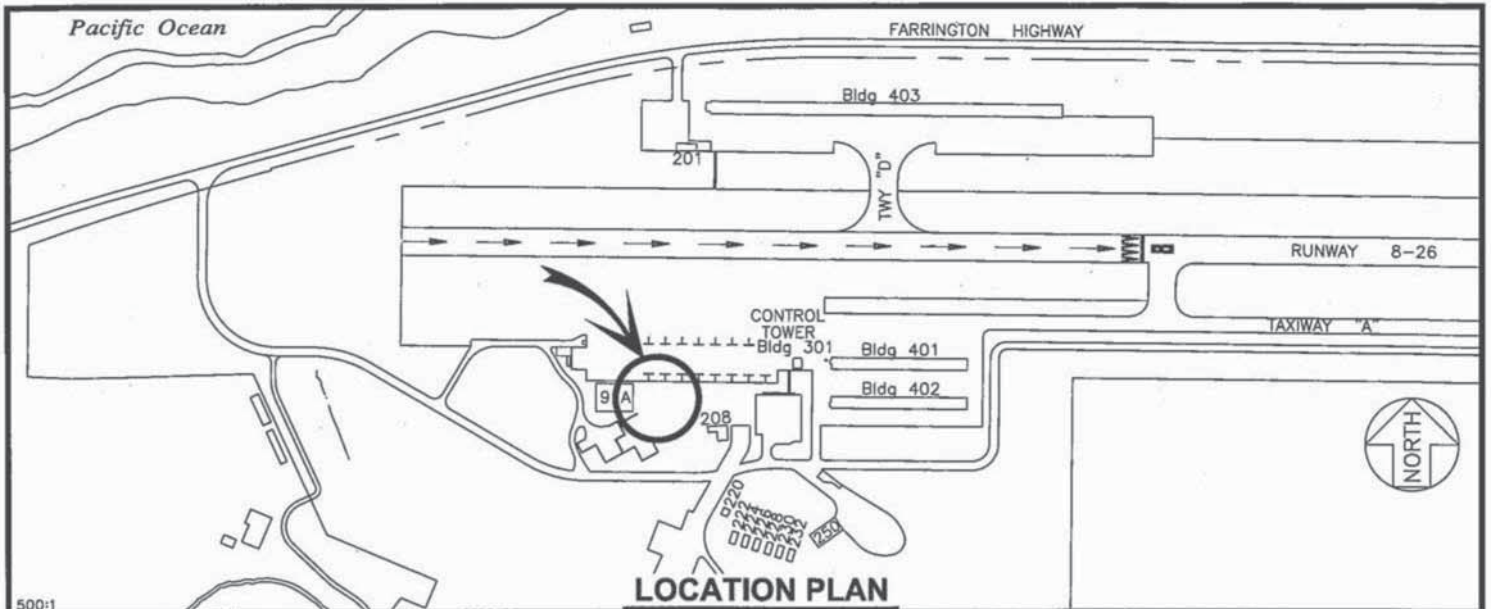
BOARD OF LAND AND NATURAL RESOURCES

By 
WILLIAM J. AILA, JR.
Chairperson and Member of the Board

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By 
ROSS M. HIGASHI
Deputy Director - Airports
PERMITTEE: SKY-MED, INC.
DBA PACIFIC INTERNATIONAL SKYDIVING CENTER

By 
Title: President



RP-8178

DATE : APRIL 2014

EXHIBIT: **A**



Airports Division

SKY-MED, INC.,
DBA PACIFIC INTERNATIONAL
SKYDIVING CENTER

LOTS

800107F

DILLINGHAM AIRFIELD

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 8234

THIS AGREEMENT, made this 29th day of December, 2014, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.


1. PERMITTEE: SKY-MED, INC.
DBA PACIFIC INTERNATIONAL SKYDIVING CENTER
2. ADDRESS: [REDACTED]
3. AIRPORT: DILLINGHAM AIRFIELD
4. PREMISES AS SHOWN ON ATTACHED EXHIBIT A:
SEE ATTACHED DESCRIPTION
5. PURPOSE(S): Skydiving activities.
6. RENTAL:
Monthly Rental \$ 7,268.08
Total Monthly Rental \$ 7,268.08
7. SECURITY DEPOSIT: Three (3) times the monthly rent
8. EFFECTIVE DATE OF PERMIT: FEBRUARY 1, 2015
9. HOLD OVER TENANCY: \$ 242.26
10. SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:
 - a. Environmental Compliance – Permittee's Duties
 - b. Special Conditions for Dillingham Airfield and Department of the Army Lease DACA84-1-09-135 as amended

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

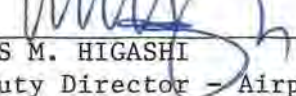
Approved by the Board at its meeting held on

9/12/2014, Item M-6

BOARD OF LAND AND NATURAL RESOURCES

By 
WILLIAM J. AILA, JR.
Chairperson and Member of the Board

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS DIVISION

By 
ROSS M. HIGASHI
Deputy Director - Airports

PERMITTEE: SKY-MED, INC.
DBA PACIFIC INTERNATIONAL
SKYDIVING CENTER

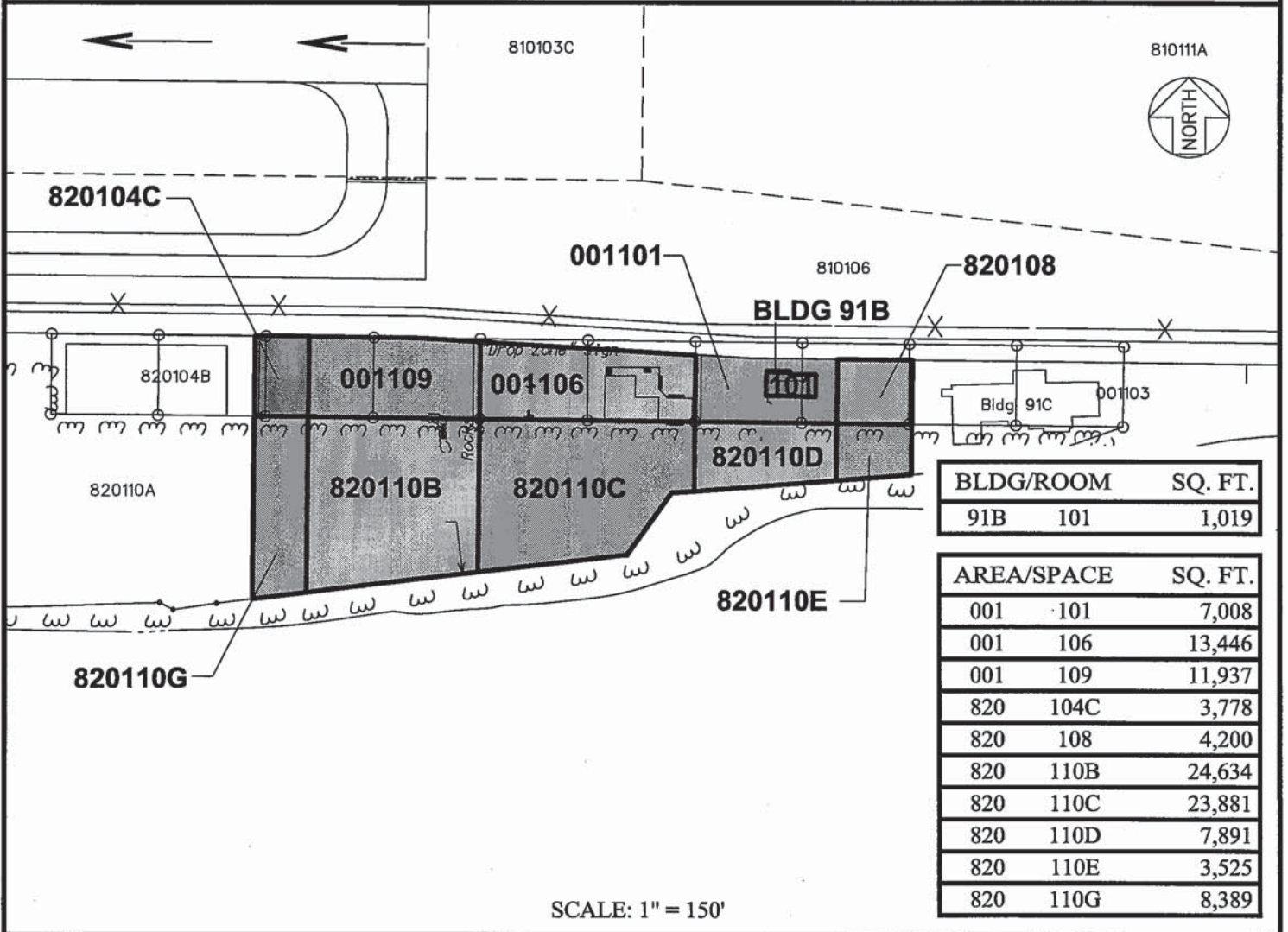
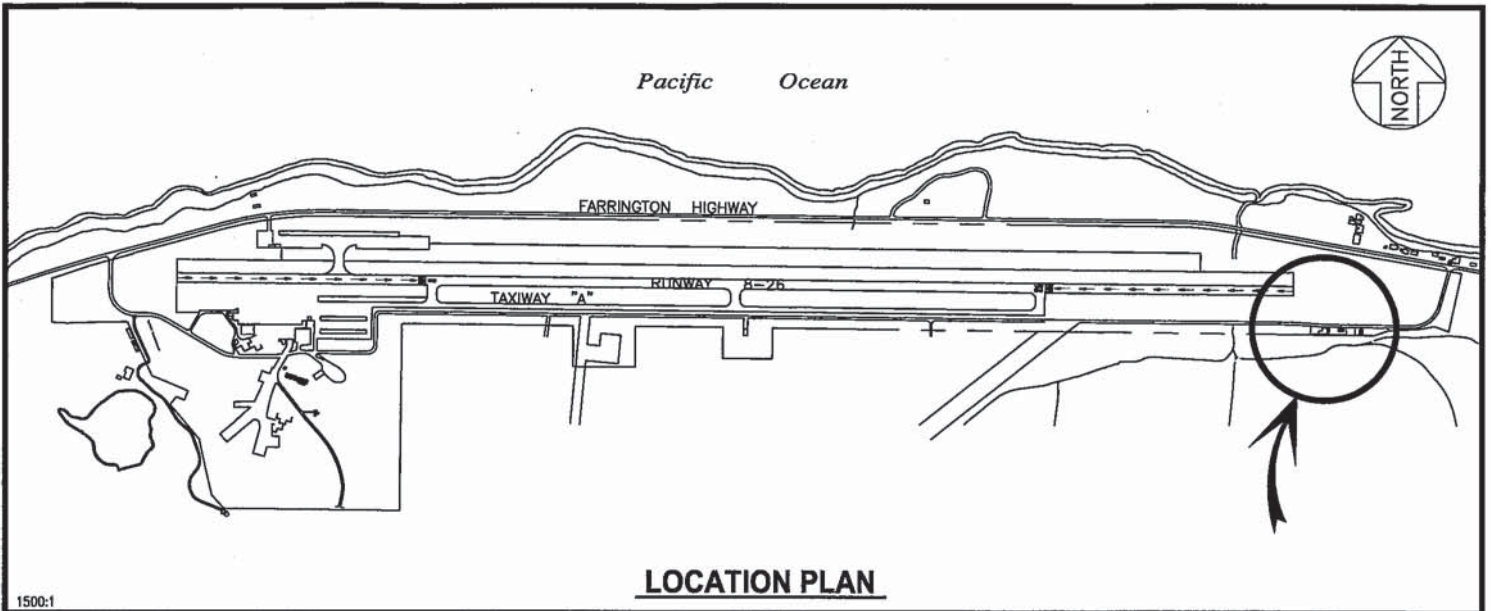
By: 
Title: Resident

DESCRIPTION OF PREMISES

Sky-Med, Inc. dba Pacific International Skydiving Center
Revocable Permit No. **8234**


RENT AND HOLDOVER TENANCY TOTALS FOR PREMISES

| Space No. | Area (sqft.) | Rate (psfpa) | Monthly Rent | Holdover Tenancy |
|------------------|---------------------|---------------------|---------------------|-------------------------|
| 91B-101 | 1,019 | \$6.60 | \$560.45 | \$18.68 |
| 001-101 | 7,008 | \$1.08 | \$630.72 | \$21.02 |
| 001-106 | 13,446 | \$1.08 | \$1,210.14 | \$40.34 |
| 001-109 | 11,937 | \$1.08 | \$1,074.33 | \$35.81 |
| 820-104C | 3,778 | \$1.08 | \$340.02 | \$11.33 |
| 820-108 | 4,200 | \$1.08 | \$378.00 | \$12.60 |
| 820-110B | 24,634 | \$0.54 | \$1,108.53 | \$36.95 |
| 820-110C | 23,881 | \$0.54 | \$1,074.65 | \$35.82 |
| 820-110D | 7,891 | \$0.54 | \$355.10 | \$11.84 |
| 820-110E | 3,525 | \$0.54 | \$158.63 | \$5.29 |
| 820-110G | 8,389 | \$0.54 | \$377.51 | \$12.58 |
| TOTALS | | | \$7,268.08 | \$242.26 |



| BLDG/ROOM | SQ. FT. |
|-----------|---------|
| 91B 101 | 1,019 |

| AREA/SPACE | SQ. FT. |
|------------|---------|
| 001 101 | 7,008 |
| 001 106 | 13,446 |
| 001 109 | 11,937 |
| 820 104C | 3,778 |
| 820 108 | 4,200 |
| 820 110B | 24,634 |
| 820 110C | 23,881 |
| 820 110D | 7,891 |
| 820 110E | 3,525 |
| 820 110G | 8,389 |

| | | | |
|--|--------------------|-------------------|---|
| RP-8234 | DATE : AUGUST 2014 | EXHIBIT: A | |
|  Airports Division | SKY-MED, INC. | LOTS | 91B101 001101,06,09 820104C,08 820110B-10G |

DILLINGHAM AIRFIELD

N:\AIRPORTS\HGH_Dillingham\CAD\PM\hgh_001109-01.dwg