

AMENDMENT NO. 1 TO
NON-EXCLUSIVE LICENSE AGREEMENT TO CONDUCT COMMERCIAL AVIATION
GROUND HANDLING AND SUPPORT SERVICES
AT FRESNO YOSEMITE INTERNATIONAL AIRPORT

Issued By

CITY OF FRESNO, CALIFORNIA
A Municipal Corporation

To

DAL GLOBAL SERVICES, LLC.
A Delaware Limited Liability Corporation

This AMENDMENT NO. 1 TO THE NON-EXCLUSIVE LICENSE AGREEMENT TO CONDUCT COMMERCIAL AVIATION GROUND HANDLING AND SUPPORT SERVICES, is made and entered into as of the _____ day of _____, 2015, by the City of Fresno, California, a municipal corporation (hereinafter "City"), and DAL Global Services, LLC (hereinafter "DGS"), a Delaware limited liability corporation (hereinafter "Licensee").

RECITALS

WHEREAS, City owns and operates Fresno Yosemite International Airport, ("FYI") which is located in the City of Fresno, County of Fresno, State of California (hereinafter "Airport"); and

WHEREAS, Licensee is engaged in the business of providing commercial aviation ground handling and support services to one or more air carriers who are variously engaged in the transportation by air of persons, property, cargo, and mail to and from Airport; and

WHEREAS, Licensee and City (each a "Party"; collectively the "Parties") have heretofore entered a Non-Exclusive License Agreement to Conduct Commercial Aviation Ground Handling and Support Services dated August 22, 2012 ("Original License"); and

WHEREAS, the Parties desire to amend the Original License for the purpose of amending the term of the license and updating all insurance requirements;

NOW, THEREFORE, for and in consideration of the foregoing, the mutual covenants and promises hereinafter set forth and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties intending to be legally bound, hereby agree as follows:

NOW, THEREFORE, in consideration of the mutual promises herein, it is hereby agreed as follows:

1. Article II, Section 2.01 of the Original License shall be amended such that the ending date is August 21, 2018.
2. Article VII, Section 7.01 of the Original License shall be deleted and replaced with the following:

7.01 Insurance Requirements

Prior to engaging in any operation authorized by this License and continuing throughout the life hereof, Licensee shall pay for and maintain in full force and effect all policies of insurance required hereunder with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A- VII" in Best's Insurance Rating Guide, or (ii) authorized by City's Risk Manager. The following policies of insurance are required:

- (i) AVIATION LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form and include insurance for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations (including the use of owned and non-owned

equipment), products and completed operations, hangar keepers liability and contractual liability (including, without limitation, indemnity obligations under the Contract) with limits of liability of not less than the following:

\$10,000,000 per occurrence for bodily injury and property damage
\$1,000,000 per occurrence for personal and advertising injury
\$10,000,000 aggregate for products and completed operations
\$10,000,000 general aggregate

- (ii) COMMERCIAL AUTOMOBILE LIABILITY insurance which shall be at least as broad as the most current version of Insurance Service Office (ISO) Business Auto Coverage Form CA 00 01, and include coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1 - Any Auto) with limits of liability of not less than \$10,000,000 per accident for bodily injury and property damage.
- (iii) LICENSEES' POLLUTION LIABILITY insurance with limits not less than \$2,000,000 per occurrence or claim; and, \$4,000,000 general aggregate per annual policy period.
- (iv) WORKERS' COMPENSATION insurance as required under the California Labor Code.
- (v) EMPLOYERS' LIABILITY insurance with limits of liability of not less than \$1,000,000 each accident, \$1,000,000 disease policy limit and \$1,000,000 disease each employee.

In the event Licensee purchases an Umbrella or Excess insurance policy(ies) to meet the minimum limits of insurance set forth above, this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies).

Licensee shall be responsible for payment of any deductibles contained in any insurance policies required hereunder and Licensee shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared to, and approved by, the City's Risk Manager or his/her designee. At the option of the City's Risk Manager or his/her designee, either (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officers, officials, employees, agents and volunteers; or (ii) Licensee shall provide a financial guarantee, satisfactory to City's Risk Manager or his/her designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall City be responsible for the payment of any deductibles or self-insured retentions.

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after 30 calendar day written notice has been given to City. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Licensee shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any

policy is due to expire during the work to be performed for City, Licensee shall provide a new certificate, and applicable endorsements, within a reasonable time upon renewal.

The Aviation Liability and Automobile Liability insurance policies shall be written on an occurrence form. The Contractors Pollution Liability insurance policy shall be written on either an occurrence form, or a claims-made form. The Aviation Liability, Automobile Liability and Contractors Pollution Liability insurance policies shall name City, its officers, officials, agents, employees and volunteers as an additional insured. All such policies of insurance shall be endorsed so Licensee's insurance shall be primary and no contribution shall be required of City. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, officials, employees, agents and volunteers. If Licensee maintains higher limits of liability than the minimums shown above, City requires and shall be entitled to coverage for the higher limits of liability maintained by Licensee. Should any of these policies provide that the defense costs are paid within the Limits of Liability, thereby reducing the available limits by any defense costs, then the requirement for the Limits of Liability of these policies will be twice the above stated limits. The Aviation Liability insurance policy shall also name the City, its officers, officials, agents, employees and volunteers as additional insureds for all ongoing and completed operations.

Coverage shall be maintained by the Licensee in an amount not less than \$4,000,000 for sudden and accidental pollution, and cleanup costs, to the extent required by Applicable Laws, arising from Licensee's activities under the Agreement. Licensee may provide for reasonable limits of self-insurance against environmental liability risks in lieu of obtaining coverage by a third-party insurer. All amounts paid to the City by Licensee on account of any self-insurance program shall be deemed insurance proceeds for purposes of this Agreement. To the extent Licensee self-insures as to environmental liability, the protections afforded the City by the Licensee shall be the same as if insurance were provided by a third-party insurer based on commonly available, commercially reasonable terms for such insurance based on Licensee's activities under the Agreement, and Licensee shall have all the obligation and liabilities of a typical third-party insurer (e.g. obligation to provide a defense for covered claims).

The Workers' Compensation insurance policy shall contain, or be endorsed to contain, a waiver of subrogation as to CITY, its officers, officials, agents, employees and volunteers.

Licensee shall furnish City with all certificate(s) and applicable endorsements effecting coverage required hereunder. **All certificates and applicable endorsements are to be received and approved by the City's Risk Manager or his/her designee prior to City's execution of the Contract and before work commences.** Upon 15 days prior written request from City to Licensee, A City representative shall be allowed to review Licensee's insurance policy(ies) at Licensee's headquarters located at 1030 Delta Blvd., Atlanta, GA. A Delta Risk Management member shall at all times be allowed to supervise said review of Licensee's insurance policy(ies) will in no event be allowed off company

premises and no copies of any policy(ies) shall be allowed. This requirement shall survive expiration or termination of this Agreement.

If at any time during the life of the Agreement or any extension, Licensee fails to maintain any required insurance in full force and effect, all Licensee activities hereunder shall be discontinued immediately, until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Contract. No action taken by City hereunder shall in any way relieve Licensee of its responsibilities under this License.

The fact that insurance is obtained by Licensee shall not be deemed to relicense or diminish the liability of Licensee, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Licensee. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Licensee, its principals, officers, agents, employees, persons under the supervision of Licensee, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone employed directly or indirectly by any of them.

If Licensee should be authorized by City to sublicense all or any portion of the premises Licensee shall require each sublicense to provide insurance protection in favor of City, its officers, officials, employees, agents and volunteers in accordance with the terms of each of the preceding paragraphs, except that the sublicense's certificates and endorsements shall be on file with Licensee and City prior to the commencement of any sublicense.

3. In the event of any conflict between the body of this Amendment No. 1 and any Exhibit or Attachment hereto or document referenced herein, the terms and conditions of the body of this Amendment No. 1 shall control and take precedence over the terms and conditions expressed within the Exhibit, Attachment or document referenced. Furthermore, any terms or conditions contained within any Exhibit, Attachment hereto or document referenced herein which purport to modify the allocation of risk between the parties, provided for within the body of this Amendment No. 1, shall be null and void.
4. All capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.
5. Except as amended herein, the Original License shall be and remain in full force and effect.

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IN WITNESS WHEREOF, Licensee has caused this Amendment No. 1 to be executed by its duly authorized officer, and City has caused the same to be executed by its duly authorized person(s)/officer(s), all as of the day and year first above written.

CITY OF FRESNO, CALIFORNIA
A Municipal Corporation

By: _____
Kevin R. Meikle,
Director of Aviation

Address for Notice:
City of Fresno
Airports Department
4995 E. Clinton Way
Fresno, CA 93727

ATTEST:
Yvonne Spence, CMC
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:
Douglas T. Sloan
City Attorney

By: Amanda B. Freeman 11/13/2015
Amanda Freeman, Deputy Date

DAL GLOBAL SERVICES, LLC.
A Delaware Limited Liability Corporation

By: _____
Title: President
(Board Chair, President or Vice President)

By: _____
Title: Treasurer, Controller + Asst Secretary
(CFO, Treasurer, Secretary or Assistant Secretary)

Address for Notice:
DAL Global Services, LLC.
980 Virginia Avenue, 4th Floor
Atlanta, GA 30354

Phone: (404) 715-2600