

**SAN LUIS OBISPO COUNTY AIRPORTS
AIRCRAFT STORAGE PERMIT**

(2/14/07)

1. This One Year Aircraft Storage Permit (the "PERMIT"), entered into on 4-11-07 by and between the County of San Luis Obispo, hereinafter called "County" and

NAME: (Please Print) Frank Freitas + Ken Freitas Hereinafter called "Permittee".
 ADDRESS: Street 1604 La Vineda
 City SLO State CA Zip 93401
 TELEPHONE: Daytime 441 5817 Other _____
 E-MAIL ADDRESS: Frank@Freitas.biz

If Permittee is a corporation, partnership, or other business entity, give name, address and phone number of managing officer below:

NAME: (Please Print) SAA
 BUSINESS NAME _____
 ADDRESS: Street _____
 City _____ State _____ Zip _____
 TELEPHONE: Daytime _____ Other _____
 E-MAIL ADDRESS: Frank@Freitas.biz OR KEN@FreitasCPA.COM

Each Permittee is jointly and severally liable for payment and performance of all other terms of this agreement.

NOW THEREFORE, County and Permittee hereby mutually covenant and agree as follows:

2. All Registered Owners of aircraft must be listed on the attached Exhibit "A" form.

3. **TERM:** Commencing on the 11 day of April, 2007, the County hereby permits Permittee to store, for a term of one year, to automatically renew every year unless otherwise terminated pursuant to this Permit, the hereinafter described aircraft at an assigned hangar or tie down space at the San Luis Obispo County Airports, set out hereinafter:

4. **PREMISES:** County hereby permits Permittee to store the following aircraft, to-wit:

Aircraft Make: Piper
 Aircraft Model: Cherokee
 Aircraft Registration Number (i.e. N#) 5194L

Airport Staff Use Only	
Airport:	SBP <input checked="" type="checkbox"/>
	L52 <input type="checkbox"/>
Space Assigned: (One space/permit)	T/D #: _____
	HGR #: <u>N3-10</u>
	Other: _____
Payment Schedule:	Monthly <input checked="" type="checkbox"/>
	Quarterly <input type="checkbox"/>
Staff Initials:	<u>PHF</u>

This Permit is intended for the private (versus commercial) storage of an aircraft. It is not intended to be used for aircraft repairs (other than those permitted under paragraph #13 below in this Permit), storage of hazardous materials or storage of non-aviation materials.

Pursuant to this Permit, Permittee shall store such aircraft only in the space specified hereinabove.

The assigned aircraft hangar or tie down space may be changed by the COUNTY's General Services Director (the "Director"), or his designee, if necessary due to operational requirements of said Airport to change the same, by giving Permittee thirty (30) days prior written notice of such change.

5. **MAINTENANCE:** Permittee shall maintain such hangar or tie down space in good and functioning condition. Permittee shall keep premises neat, clean and orderly at all times, and shall not commit or suffer to be committed hereon any waste, nuisance, or illegal act, and furthermore, shall not obstruct others, in any way, from the joint use of common areas

6. **RENTAL:** As rental for such Permit, Permittee shall pay to County in advance of each billing period the rental fee set forth in the rates and charges approved and adopted by the County Board of Supervisors which may be revised from time to time. The current rental rates in effect at the time of the execution of this Permit are attached hereto as Exhibit "B". Payment is due on the 1st of the month, will become delinquent after the 15th of the month, and a 10% finance charge shall be assessed 30 days after the due date on the unpaid balance. If still unpaid for thirty (30) days after the delinquency date the legal rate of interest shall apply. The County shall have a lien upon any aircraft for storage and utility charges pursuant to the laws of the State of California. The County may lock and exclude the Permittee from the use or possession of said hangar or tie down space, and impound the aircraft if storage and utility charges due are not paid by the 10th day following the date of the invoice.

All payments made by Permittee hereunder shall be paid to: **San Luis Obispo County Airports**
Airport Management
903-5 Airport Drive
San Luis Obispo, CA 93401,
Or other such place as County may designate.

7. **SECURITY DEPOSIT:** Permittee shall deposit with County \$ 495 as security for any performance of the terms and conditions of this Permit by Permittee. If Permittee defaults in respect to any term or condition contained herein, including payment fees, County may retain the whole or any part of said security for the payment of fees in default or any other sum County may be required to spend or incur by reason of Permittee's default. Should Permittee faithfully and fully comply with terms and conditions of this Permit the security or any balance shall be returned to Permittee after the termination of this Permit. County shall not be required to pay interest on any cash deposit.

8. **INDEMNIFICATION:** Permittee shall defend, indemnify and save harmless the County and its officers, agents, and employees from and against any and all claims, demands, expenses, damages, costs, liability, causes of action and judgments arising out of this Permit or occasioned by the performance or attempted performance of the provisions hereof, including, but not limited to, any independent contractors directly responsible to Permittee. This indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers or employees. Permittee hereby waives all claims against County for any and all damage or injury to any property, including but not limited to, the aircraft stored pursuant to this Permit.

9. **INSURANCE:** *Where aircraft storage is a Hangar,* Permittee, at its sole cost and expense, for the term of this Permit or any renewal thereof, shall obtain and maintain the minimum insurance coverage set forth in the general Non-Commercial Aviation Insurance Requirements at COUNTY Airports attached hereto as Exhibit "C" and incorporated herein by this reference. Said coverage must be in place **PRIOR TO** the commencement of the Term of this Permit and **PRIOR TO** Permittee commencing any occupancy or activities under this Permit. **PERMITEE SHALL PROVIDE PROOF OF INSURANCE WITHIN 10 DAYS OF THE INITIAL TERM OF THIS PERMIT. UPON RENEWAL OF THE INSURANCE, PERMITEE SHALL SUBMIT A NEW CERTIFICATE OF INSURANCE TO AIRPORT EVIDENCING CONTINUOUS COVERAGE. FAILURE TO PROVIDE SAID EVIDENCE OF INSURANCE WILL BE GROUNDS FOR IMMEDIATE TERMINATION OF THIS PERMIT.** Permittee shall provide to Director a copy of the Certificate of Insurance for the primary aircraft and any other aircraft occupying the Assigned Hangar. Permittee shall be identified on the primary aircraft's Certificate of Insurance. Requirements established herein are minimums only, and the County reserves the right to require higher limits of liability insurance if, in its sole absolute discretion it determines that such higher limits are necessary in accordance with industry standards for such airport activities.

10. **SUBLETTING and ASSIGNMENT:** Permittee shall not assign or transfer this Permit or any interest therein. Permittee shall not allow other aircraft than described herein to occupy assigned hangar or tie down. Unauthorized aircraft are subject to assessment of overnight transient aircraft fees and/or impoundment. If the Permittee transferred title to the aircraft described in Section 4 above, the County shall require the person to whom title of the aircraft has been transferred to request a Hangar or tie down space. If no space is available his or her name shall be placed on a waiting list.

11. **SUCCESSORS:** This Permit shall be binding on the heirs, executors, and trustees, of the parties hereto.

12. **WAIVER:** Any waiver by County of any failure by Permittee to comply with any term or condition of this Permit shall not be construed to be a waiver by County of a similar or other failure by Permittee to comply with any other term or condition of this Permit.

13. **LAWS:** Permittee shall comply at all times with all applicable State and Federal statutes and regulations, and with all San Luis Obispo County ordinances, resolutions, and Airport rules and regulations, passed from time to time, *whether promulgated before or after execution of this agreement*, regulating the above specified Airport. Any civil action brought by either party under this Permit shall be commenced and maintained in the State of California, County of San Luis Obispo. Permittee acknowledges receipt of San Luis Obispo County Airport's Title 24 – Airport Rules & Regulations (rev. 3/8/05).

14. **AIRCRAFT REPAIRS:** Except for pre-flight and those repairs allowed pursuant to Part 43 of Federal Aviation Regulation, which may be made in subject hangar or tie down space, permittee shall perform no other repairs without the assistance of an aircraft mechanic unless such work is approved in writing in advance by the Director,

15. **COMMERCIAL OPERATIONS:** In the use of the aircraft stored pursuant to this Permit, Permittee shall not hire out such aircraft or himself for commercial operations without prior written permission of the Director together with the appropriate commercial operations permit and additional County required Permittee insurance coverage.

16. **TAXES:** Permittee recognizes and understands that this Permit may create a possessory interest subject to property taxation and that the Permittee may be subject to the payment of property taxes levied on such interest. Permittee promises to timely pay any such taxes.

17. **PERMITTEE/AIRCRAFT INFORMATION:** Permittee must notify the County, in writing, of any and all changes to Permittee's hereinabove listed contact information and/or aircraft ownership, airworthiness, or registration within ten (10) days of such change to avoid cancellation of this Permit.

18. **AIRCRAFT AIRWORTHINESS:** Aircraft stored pursuant to this Permit shall be "airworthy", as defined by the Federal Aviation Administration. If hereinabove aircraft is not airworthy for more than 30 days, Permittee shall notify the Director and remove the aircraft from the assigned hangar or receive, in writing, a temporary waiver of this requirement from the Director.

19. **ALTERATION:** Permittee shall not make any material changes, alterations, or improvements to the Premises without the written consent and approval of the Director. Only County issued locks will be allowed for use with County owned hangars. All other locks are subject to destruction without prior notice.

20. **NON-EXCLUSIVE RIGHTS:** Permittee shall not have and may not grant any exclusive rights of any kind that are forbidden by any applicable and pertinent law, statute, ordinance, rule or regulation of any government entity or agency.

21. **PENDING DEVELOPMENT:** County may terminate this Permit if it determines that Premises are required for development or other use. County shall be under no obligation to Permittee to provide for relocation or any form of compensation.

22. **PROTECTION OF PREMISES:** Permittee shall take all reasonable precautions to protect Premises from damage, theft, vandalism, and other such hazards. Permittee shall at all times exercise control over and assume responsibility and liability for any person or vehicle admitted by Permittee into the aircraft operations' area. Permittee shall keep vehicle and pedestrian gate access codes confidential and not permit unauthorized persons to access the airport or restricted areas within the boundaries of airport property. Failure to comply may result in Permittee's access being revoked and/or criminal or civil penalties, as well as the County finding Permittee in immediate breach of this agreement. The Permittee, insofar as County liability is concerned, assumes all risk of loss from vandalism or any action by third parties. However, this does not prevent the Permittee from taking legal actions against third parties.

23. **INSPECTION:** *Where aircraft storage is a Hangar*, County, its agents and employees, shall have access to and the right to enter upon the Premises at any time to examine the condition thereof, and to direct Permittee to make such repairs as may be necessary and, in the event of an emergency, to take such action therein as may be required for the protection of persons or property, at the expense of Permittee. To this end, County may make such reasonable rules and regulations pertaining to the premises operation and use thereof which shall serve to protect the health, safety, and welfare of the public and to protect the airport as a physical asset. The Checklist attached hereto and incorporated herein as Exhibit "D" shall be used as a guide for routine inspections. Permittee shall correct any items noted which are deemed unacceptable or in need of correction. Permittee and/or Permittee's agent shall cooperate with Airport management personnel during inspections. Upon commencement of Permit, Permittee agrees to provide the Director a spare key to the subject premise's door lock.

24. **TERMINATION:** Termination of this Permit will occur:

a) If either Party gives the other Party thirty days (30) prior written notice at anytime during the term of this permit, *for any reason*, of such termination. Failure by Permittee to notify in writing will result in continued assessment of applicable rental fees for which Permittee will be responsible. County shall be under no obligation to Permittee to provide for relocation or any form of compensation.

b) If there is any delinquency or non-payment of any fees or charges due to be paid to County by Permittee, or any violation of any other of the Terms and Conditions contained herein, the County shall provide ten (10) days prior written notice to the Permittee to effect termination for these reasons.

If Permittee is on a quarterly payment schedule and this Permit is terminated before the end of the quarterly cycle, Permittee shall be entitled to a refund of said rent for the time period after termination.

25. **SURRENDER OF PREMISES:** On termination of tenancy, Permittee shall surrender Hangar or Tie Down space to County in good condition. At the sole option of the County, *where aircraft storage is in a Hangar*, title to any personal property remaining in the Hangar at the time Permittee vacates the Hangar shall become the property of the County and, under such circumstances, Permittee

shall have no rights to said property and waives all ownership rights to said property and any rights to notice under Section 1980 et seq. of the California Civil Code or any other provision of law relating to abandoned property.

26. **NOTICES:** All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States Mail, postage prepaid and addressed as identified in paragraph 1 & 6 above.

27. **SEPARABILITY:** The invalidity of any provision of this Permit shall not affect the validity or enforceability of any other provision of this Permit.

28. **FORCE MAJEURE:** Neither County nor Permittee shall be deemed in violation of this Permit if it is prevented from performing any of the obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortage of energy or materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, sabotage or any other circumstances for which it is not responsible or which are not within its control. At any time should the aforementioned occurrences necessitate the closing of the Premises, Permittee shall have no recourse by law to County for losses incurred.

29. **EXHIBITS:** Any Exhibits attached to this Permit are incorporated herein by this reference as though fully set forth herein.

30. **INTEGRATION:** This instrument and all appendices and amendments hereto embody the entire agreement of the parties. There are not promises, conditions, or obligations other than those contained herein. This agreement shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto.

31. **CORPORATE AUTHORITY:** Any individual executing this Permit on behalf of Permittee represents and warrants that he is duly authorized to execute and deliver this Permit on behalf of said Permittee, and that this Permit is binding upon said Permittee in accordance with its terms. If Permittee is a corporation, Permittee agrees to sign Corporate Certificate.

32. **PARTNERSHIP AUTHORITY:** If Permittee is a partnership, either all partners agree to sign this Permit, or the Partner that does sign must show that he has authority to sign on behalf of the partnership.

IN WITNESS WHEREOF, the County has executed this Aircraft Storage Permit on the 11th day of APRIL, 2007.

COUNTY OF SAN LUIS OBISPO

DUANE P. LEIB,
General Services Director

By: 
KLAASJE NAIRNE
Airports Manager

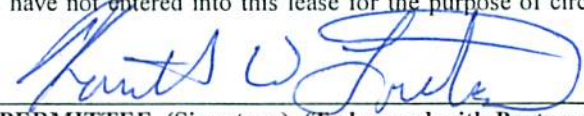
I, (please print name) Freitas, F & Freitas, K,
the hereinbefore named Permittee, hereby certify that I have read the foregoing Aircraft Storage Permit and hereby accept and agree to be bound by all terms and conditions thereof, and certify under penalty of perjury that I am the majority owner/primary Permittee of the above stated aircraft listed on page 1, item 4, and have not entered into this lease for the purpose of circumventing the Aircraft Storage waiting list.

DATE: 4-11-07


PERMITTEE (Signature)

I, (please print name) _____,
the hereinbefore named Permittee, hereby certify that I have read the foregoing Aircraft Storage Permit and hereby accept and agree to be bound by all terms and conditions thereof, and certify under penalty of perjury that I am the majority owner/primary Permittee of the above stated aircraft listed on page 1, item 4, and have not entered into this lease for the purpose of circumventing the Aircraft Storage waiting list.

DATE: 4-11-07


PERMITTEE (Signature) (To be used with Partnership Authority)

This document was approved as to form and legal effect by County Counsel. Pursuant to County Code Title 24, Chapter 24.28.030, Director, or his designee is authorized to sign this document.

Exhibit A
Registered Owners List

PERMITTEE(S) FULL NAME Freitas & Freitas

() Sole Proprietorship

Partnership
 General, or () Limited
Statement of Partnership Recorded _____ in _____
(date) (State)

() Corporation
Incorporated _____ in _____
(Date) (State)

Attach List of Officers and Directors with names and addresses

PERMITTEE CONTACT NAME: _____

HOME ADDRESS (Primary Address if more than one): 1604 La Vinaeda
City, State, Zip: San Luis Obispo CA 93401
Home Phone: 805 543 4442 Business Phone: 441 5817

BUSINESS ADDRESS (Primary Address if more than one)
Street: 1055 Monterey St Room D291
City, State, Zip: SLO, CA 93408

PERSONAL INFORMATION (For All Applicants - Attach Additional Sheets if Necessary)

Drivers LICENSE Number: 10335857 Social Security Number: _____

AIRCRAFT REGISTRATION NO. 5194 L TYPE OF AIRCRAFT Piper
optional

For Airport Operations Use Only

Date Moved In: _____ Position on Waiting List (if applicable): _____

Notes: _____

EXHIBIT "B"

SAN LUIS OBISPO COUNTY AIRPORTS AIRCRAFT STORAGE PERMIT

2007 RENT SCHEDULE

HANGAR SIZE	SMALL (A)	SMALL (B)	MEDIUM (A)	MEDIUM (B)	LARGE
Approximate Sq. Ft.	1061	1030	1331	1297	1600
MONTHLY RENT*	\$495	\$475	\$620	\$600	\$775

* In the event that the construction costs exceed the estimated \$3,700,000 Project Cost, rents will be increased accordingly.

HANGAR PAYMENT SCHEDULE

RENT	DEPOSIT	PRIOR WAITING LIST DEPOSIT	PAYMENT DUE
\$475.00	\$475.00	-\$250.00	\$700.00
\$495.00	\$495.00	-\$250.00	\$740.00
\$600.00	\$600.00	-\$250.00	\$950.00
\$620.00	\$620.00	-\$250.00	\$990.00
\$775.00	\$775.00	-\$250.00	\$1,300.00

950
990

TO BE USED WITH PERMIT FOR NON-COMMERCIAL GENERAL AVIATION AIRCRAFT AT COUNTY AIRPORTS

Exhibit C

NON-COMMERCIAL GENERAL AVIATION INSURANCE REQUIREMENTS AT COUNTY AIRPORTS

A PERMITTEE shall procure and maintain for the duration of the PERMIT, insurance against claims for injuries to persons, or damages to property, which may arise from or in connection with PERMITTEE's operation or use of the ASSIGNED SPACE/HANGAR or AIRPORT. The cost of such insurance shall be borne by PERMITTEE.

A. MINIMUM INSURANCE COVERAGE AND LIMITS

Aircraft Liability Insurance providing coverage for bodily injury and property damage with a combined single limit of not less than \$1,000,000 per occurrence, including not less than \$100,000 per passenger limit.

B. DEDUCTIBLE AND SELF-INSURED RETENTION

Any deductible or self-insured retention must be declared by PERMITTEE to and approved by Director and the COUNTY Risk Manager.

C. OTHER INSURANCE PROVISIONS

The aircraft liability policy is to contain, or be endorsed to contain, the following provisions:

The COUNTY Airports and the COUNTY, their officers, employees, and agents are added as additional insured parties with respect to operation of the named insured at, or from, the COUNTY Airport or the Assigned Space/Hangar occupied and used by the named insured pursuant to the PERMIT issued by the COUNTY.

The PERMITTEE's insurance coverage shall be primary insurance as respects the COUNTY, its officers, employees, and agents for liability arising out of the PERMITTEE's operations. Any insurance or self-insurance maintained by the COUNTY, its officers, employees, or agents shall be excess of the PERMITTEE's insurance and shall not contribute with it.

Coverage shall state that the PERMITTEE's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

This insurance shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) day's prior written notice by mail has been given to County. Cancellation of coverage for a non-payment of premium will require thirty (30) days written notice to the COUNTY Airport. The thirty (30) day written notice is not required if the PERMIT is terminated and the aircraft is immediately removed from the Airport, or if the aircraft is sold and immediately removed from the Airport.

D. ACCEPTABILITY OF INSURERS

All insurance required by this PERMIT shall be placed with a carrier with an AM Best rating of AV or better and must be authorized to do business in California.

E. VERIFICATION OF COVERAGE

PERMITTEE shall furnish AIRPORT with certificates of insurance necessary to satisfy DIRECTOR that the insurance requirements of this PERMIT have been met. Proof of or changes in insurance shall be mailed or faxed to:

County Airports Administration
903-5 Airport Drive
San Luis Obispo, CA 93401
Phone 805-781-5205
Fax 805-781-5985

F. CANCELLATION

Failure to maintain required insurance coverage shall result in termination of this PERMIT.

Exhibit D: San Luis Obispo County Airports Aircraft Storage Permit

Hangar Inspection Checklist

Date:

Walk-Through Inspection (move-in, mid-year, move-out)

Permitee: **Frank Freitas**

Hangar #: **N3-10**

AIRPLANE N#

Inspectors:

	Description of Condition			
	New	Good	Fair	Poor
1. Walls:				
2. Ceiling:				
3. Slab Floor:				
4a. Doors: operational		Yes /	No	
4b. Doors: condition	New	Good	Fair	Poor
5. Neat and Sanitary:		Yes /	No	
6a. Fixtures: operational		Yes /	No	
6b. Fixtures: condition	New	Good	Fair	Poor
7a. Electrical Outlets/Fixtures: operational		Yes /	No	
7b. Electrical Outlets/Fixtures: condition	New	Good	Fair	Poor
8. Extinguishers: Is needle in the green*		Yes /	No	
9. Signs of oil/fuel spills		Yes /	No	
10a. Non-aviation or non-approved activities observed		Yes /	No	
10b. Description:				
11a. Non-aviation items observed		Yes /	No	
11b. Description:				
12. Storage of hazardous/toxic materials		Yes /	No	
13a. Storage of non-operational, non-licensed vehicles or equipment		Yes /	No	
13b. Description:				
14. SW3P Compliance		Yes /	No	

15. County issued Lock & keys: Issue Date: _____ Returned Date: _____

Other Comments:

* This is not intended to take the place of a fire safety inspection, by CDF

990
970

700
740

FAX
781-5985

I authorize the County to assign me a hangar, from those choices I designated below, starting with the highest ordered choice, then available.

Choices in order of preference

- 1) N340
- 2)
- 3)
- 4)
- 5)

Write in more choices if desired

Applicant represents that the name on the hangar waiting list and subsequent Aircraft Storage Permit match the owner named on the registration for the aircraft permitted for storage in the hangar.


Signature

4-11-07
Date

Frank Freitas
Printed Name

*Hangar availability is subject to change without further notice

*Applicants shall be assigned the smallest available type of hangar capable of physically accommodating the applicant's aircraft in terms of wingspan, length, and tail height (including sufficient clearances), regardless of the applicant's non-transferable position on the waiting list. Applicants shall be free to choose a specific hangar among those still available of the aforementioned type. (*Policies and Procedures for Developing the Hangar Waiting List at San Luis Obispo County Regional Airport*)

