CONTRACT FOR FIRE PROTECTION

THIS CONTRACT FOR FIRE PROTECTION (the "Contract"), made and entered into as of _______, 2015, by and between the Governing Body of Fire District No. 1 of Sedgwick County (the "Fire District"), and Aero-Tech Engineering, Inc., a corporation organized under the laws of the State of Kansas (the "Company"),

WITNESSETH:

WHEREAS, the City of Maize, Kansas (the "City") has adopted a Resolution of Intent on January 19, 2014 (the "ROI"), declaring an intent to issue, pursuant to K.S.A. 12-1740 et seq., as amended (the "Act"), its industrial revenue bonds in an amount not to exceed \$5,000,000 (the "Bonds"), for the purpose of financing the costs of acquiring, constructing and equipping certain manufacturing facilities (the "Facilities") to be leased to Prior Simon Enterprises LLC and subleased to the Company; and

WHEREAS, the Facilities will be located within the corporate limits of the City, and within the Fire District; and

WHEREAS, the legal description of the property on which the Facilities will be located is set forth on *Exhibit A* attached hereto; and

WHEREAS, in conjunction with the issuance of the Bonds, the City has granted a 100% ad valorem tax abatement with respect to the Facilities financed with such Bonds for a period of ten (10) calendar years commencing the calendar year after the year in which the Bonds are issued; and

WHEREAS, in order to provide for fire protection services of the Fire District's fire fighting equipment and personnel to Facilities located in areas described in *Exhibit A*, the Fire District and the Company desire to enter into this Contract, which is a service contract described in K.S.A. 12-147 et seq.

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. In addition to terms defined elsewhere in this Contract, for purposes of this Contract, the following terms shall be defined as follows:

"Chief Financial Officer" shall mean the duly appointed chief financial officer of the County.

"County" shall mean Sedgwick County, Kansas.

"Facilities" shall mean any Land, buildings or other improvements to Land, and equipment, machinery or other personal property financed with the proceeds of the Bonds.

"Initial Term" shall mean the one year period beginning January 1 of the calendar year following the year in which the Bonds are issued and ending December 31 of such year.

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"Land" shall mean any interests in real property acquired with the proceeds of Bonds.

"Notice Address" shall mean with respect to the following entities:

(a) If to the Company:

> Aero-Tech Engineering, Inc. 2326 Southeast Blvd. Wichita, Kansas 67211 Fax No. (316) 942-5977

Attention: Thomas J. Simon, President/CEO

(b) If to the County:

> Sedgwick County Courthouse 525 N. Main, Suite 823 Wichita, KS 67203 Fax No. (316) 383-7729 Attention: Chief Financial Officer

If to the Fire District: (c)

> Fire District No. 1 of Sedgwick County, Kansas 4343 N. Woodlawn Wichita, KS 67220 Fax No. (316) 744-0944 Attention: Fire Chief

or such other address as shall be furnished in writing to the other parties referenced above.

"Term" shall mean the Initial Term and all renewals thereof in accordance with the provisions of Section 5 hereof.

Upon receiving a call, or otherwise learning of a fire located in whole or in part Section 2. in the Facilities, the Fire District's fire protection equipment and personnel will respond and be sent to said Facilities and premises for the purpose of fighting such fire. To the extent reasonably practicable under the circumstances, if calling to advise of a fire, the Company will advise as to the nature and extent of the fire so that appropriate fire fighting equipment and personnel will respond. If the fire involves electrical equipment, then, to the extent reasonably practicable under the circumstances, the fire protection personnel will consult with the Company's on-site management before taking action with respect to such electrical equipment. Any fire hydrants or other water supply source or fire fighting apparatus or equipment of the Company located on or about the Facilities will be made available to the Fire District's fire protection personnel and equipment.

Section 3. The Fire District agrees to maintain sufficient personnel and equipment to effectively fight the type and size of fires to be anticipated at the Facilities including electrical, natural gas and other ordinary industrial site fires.

- Section 4. The Fire District assumes any and all risk and responsibility for damage to or destruction of its equipment and any and all injury to or death of its personnel incident to fire fighting or fire protection operations either at the Facilities, or while going to or from said Facilities.
- Section 5. The Initial Term shall be deemed automatically renewed and extended for sequential one (1) year terms following the Initial Term, up to and including December 31 of the year that is eleven (11) years following the calendar year in which the Bonds are issued pursuant the ROI, on the terms and conditions herein provided, unless either party shall terminate the same by sending to the other party at the Notice Address written notice of such termination not less than sixty (60) days prior to the date of such automatic renewal and extension.
- Section 6. In consideration of the obligations undertaken by the Fire District hereunder, the Company will pay an annual fee for the provision of fire protection services for each calendar year during the Term of this Contract. The fee shall be a sum calculated by multiplying the total assessed valuation of the Facilities as of January 1 of each calendar year as reflected on the official records of the County, less the assessed valuation allocable to any portion of the Facilities for which the statutory ad valorem tax abatement has expired or does not apply, times the annual mill levy of the Fire District for such calendar year. Said fee shall be due and payable no later than December 20 of each year of the Term of this Contract. The fee payment shall be made to the attention of the Chief Financial Officer at the Notice Address. Should the Company fail or refuse to comply with the fee payment provisions prescribed in this Contract including any renewal or extension hereof, this Contract shall be deemed to be terminated and all obligations of the parties hereto shall be terminated. In such event, the Facilities shall be subject to removal from the boundaries of the Fire District.
- Section 7. The Company will provide to the County and the Fire District, not later than 60 days following the completion of the Facilities, a listing in reasonable detail of the Facilities financed by Bonds, including the actual cost, as to which the City has approved an ad valorem tax abatement, and which are located in areas described in *Exhibit A*. The Fire District or the County will provide to the Company, at substantially the same time that property tax statements are sent to property owners in the County, an invoice for the service fee. Payment of such service fee shall be due and payable on December 20 of such year.
- Section 8. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Contract shall be in writing to the Notice Address and shall be deemed duly given or filed as of the date of mailing or transmission if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid, or (b) communicated by electronic facsimile transmission, with electronic or telephonic confirmation of receipt. A copy of all notices sent by either party hereto shall also be sent to the County. The parties hereto may from time to time designate, by notice given hereunder to the other parties, such other address to which subsequent notices or other communications shall be sent. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to give any notice in the manner herein provided, then such other form of notice as shall be practical under the circumstances shall constitute a sufficient notice.
- Section 9. The transactions described herein may be conducted and documents may be stored by electronic means.
- Section 10. This Contract shall be in force and effect upon its execution and delivery by the parties hereto, and issuance by the City of Bonds pursuant to the ROI.

IN WITNESS WHEREOF, the parties have caused this Contract for Fire Protection to be entered into as of the day and year first above written.

GOVERNING BODY OF FIRE DISTRICT NO. 1, SEDGWICK COUNTY, KANSAS

	Chairman	
ATTEST:		
County Clerk		
APPROVED AS TO FORM:		
Lilia Claim		
County Councelor		

AERO-TECH ENGINEERING, INC.

Name: Ton Simon
Title: President/CPO

EXHIBIT A

* * * * * * * * * * * * * * *

LEGAL DESCRIPTION:

Lot 2, Maize Industrial Addition to the City of Maize, Sedgwick County, Kansas

STREET ADDRESS:

5555 North 119th Street West, Maize, Kansas