

THE AVIATION CORPORATION

122 EAST 42ND STREET

NEW YORK

April 12, 1932.

Mr. Amon G. Carter,
Fort Worth, Texas.

Dear Mr. Carter:

American Airways, Inc. has been in conference with you for many months last past, in relation to the use of the facilities of the Fort Worth airport, and in accordance with the agreement heretofore made with you by my predecessor, the Company desires at this time to reduce to concrete form the understanding that we believe had heretofore been arrived at, so that arrangements may be made immediately to put the same into effect.

We understand that the airport is owned by the City of Fort Worth.

You are to obtain, duly executed, in form satisfactory to our Counsel, a lease from the City of Fort Worth of a plot of land upon the airport, in a location satisfactory to us, suitable in size to meet the requirements of the Company for hangars, shops, storage, incidental buildings, filling stations, radio installation, passenger terminal, administration offices for the operation of the Southern Divisional Headquarters and terminals of the Company, etc., with the option unto the Company from the City for any additional land required for such future buildings during the term of the lease or any renewal thereof, as may be necessary in connection with the operation and development of the air transport business of American Airways, Inc. Such lease, among other things, shall provide the following:

1. The City shall furnish the necessary requirements of the United States Post Office for the air mail.
2. Full and free access from established and maintained roadways between the leased plot and the public highways, and the aircraft loading area, and from established and maintained taxi-ways between the airport landing field and its facilities and the said loading area and the leased premises.
3. Use in common with others of the airport landing field and its facilities, as the same now exist or shall hereafter be expanded or maintained for all commercial aviation purposes, and of the

April 12, 1932.

City's passenger station and facilities as the same now exist or hereafter may be expanded, substituted or improved.

4. The City shall agree to maintain the airport and its facilities and approaches in safe operating condition for the aircraft of the Company, in the conduct of its air transportation operations, throughout the term of the lease and any renewal thereof, and at all times to meet the requirements in relation thereto of the Department of Commerce or any substituted Government authority taking the place of the Department of Commerce.

5. The City will agree to carry to the boundary line of the leased premises, convenient for service connections to be made therewith by the Company, adequate water, electric light and sewage service lines and pipes of the City and/or public service company serving the airport, any of which are now extended to the airport, and if not so extended at this time, whenever the same shall be so extended.

6. The use in common with others of a loading area suitably paved and adequate in size, for the arrival, loading and unloading, and departure of the transport aircraft of the Company, and duly protected by fences and gateways from unauthorized entrance by the public.

7. The City will agree to complete a taxi strip in the loading and unloading area of the airport, to the runways of the airport, for the use of the transport aircraft of the Company and between the runways and buildings to be constructed by the Company, in a suitable and practical manner so that the aircraft of the Company may use the same in a safe and proper manner, and to maintain the pavement or such other method of treatment of said operations of the airport in a safe manner, free from stones and dust.

8. The Company to have the right to install and maintain at its expense suitable sub-surface pipe lines between the leased premises and the boundary line of the airport, convenient and accessible to the nearest railway spur or siding.

9. The Company to have the right of removal, at the expiration of the said lease, or any renewal thereof, of all equipment upon the property, the buildings, however, forming part of the real estate, to remain the property of the City.

10. The City will maintain and operate the present field and flood lights for the use of the Company, at the expense of the City, and in the event, during the term of the lease or any renewal thereof, any additional requirements shall be made by any Government agencies or authorities, duly constituted, requiring additional lighting facilities for the use of the field at night, the City will install, maintain and operate the same at its expense.

11. The term of the lease shall be thirty-three years from its date, with the privilege unto the Company, at the expiration of said lease, by notice served six months prior thereto, to renew the same for five years, and by like notice prior to the expiration of such five-year renewal, if renewed, to renew the same for an additional five years, and by like notice to renew the same for two additional periods of five years. Each five-year period of renewal shall be made upon the same terms and conditions as the original lease, except that the Company shall pay for the use of the general facilities of the airport in each renewal period, the same price as the City is then charging others for the use thereof, with no payment, however, for the use of the leased land upon which the buildings of the Company shall have then been constructed, by reason of the fact that the buildings become the property of the City at the termination of the lease or any renewal. On each renewal period, if the City and the Company cannot agree on the rental to be paid for the use of the general facilities, it shall be arbitrated, but the consideration of the arbitrators shall be limited to a determination predicated upon the fact that the rental so to be paid shall be on as favorable terms as granted to any other user of the airport facilities by the City.

12. The rental for the first thirty-three years shall be One Dollar (\$1.00) per year, with a specific provision that no charges shall be made by the City against the Company for the use of the airport or any of its facilities in any way, directly or indirectly, and that specifically no charges by way of fees or taxes upon the gasoline, lubricating oils, or any of the Company's supplies used or introduced upon the airport, shall be made or assessed against the Company by the City; nor shall any charge for the landing or departure of aircraft passengers and/or freight and/or mail be made against the Company; nor shall any taxes be levied against the buildings constructed by the Company under the terms of this lease by the City of Fort Worth, during the term of this lease.

If the foregoing meets with your general approval and that of the authorities, we will cause to be prepared and forwarded to you for execution, a form of Lease embodying in detail the provisions herein set out, in the form used by us in other and similar situations.

Upon due authorization and execution of such Lease and the same being satisfactory as to substance and form to our Counsel, American Airways, Inc. agrees to the following:

1. It will immediately prepare detailed plans for the construction at Fort Worth upon the said leased premises, of the necessary facilities for its principal base of operations for its Southern Transcontinental Route. The buildings so to be constructed shall conform to the general regulations of the City of Fort Worth in relation thereto. In due course, and as soon as completed, the Company will offer the same for bids for the construction thereof, and proceed to construct the same at its expense, expending the necessary sums in relation thereto. It makes no commitment as to the amount of money that it will expend, as it is predicated entirely upon the needs of its facilities upon the basis aforesaid,

and the cost thereof to it. As soon as completed, it will move its principal base of operations for its Southern Transcontinental Route to Fort Worth.

In the event the economy of operation shall determine at any future time that Divisional Headquarters are not the most economical basis of operation of American Airways, Inc., it may abolish the so-called Southern Divisional Headquarters and terminals, firstly hereinbefore referred to in this letter, but it will at all times maintain its principal base of operations for its Southern Transcontinental Route in Fort Worth, as long as said lease is in force.

If for any reason American Airways, Inc. should dispose of its air transport operation or be absorbed by any other entity, its successors are to assume this contract.

Very truly yours,



LaMotte T. Coahu,
President.