

Revocable License Agreement and Equipment Owner's Consent

This Revocable License Agreement and Equipment Owner's Consent ("Agreement") is dated as of March 9, 2021, by and between BEACH CITIES HEALTH CARE DISTRICT, a California local health care district ("BCHD"), the CITY OF REDONDO BEACH, A CHARTERED MUNICIPAL CORPORATION AND ITS POLICE DEPARTMENT (hereinafter, "City" or "RBPB"). The consent below to this Agreement is from Flying Lion, Inc., a California corporation, which is the owner of the equipment described in this Agreement.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BCHD and RBPB agree as follows:

1. **LICENSED SPACE.** BCHD hereby grants to RBPB a revocable license, subject to the conditions and limitations of this Agreement, for non-exclusive use of a portion of the outdoor rooftop as shown on *Exhibit A* attached hereto ("Licensed Space") of that certain commercial building located at 514 North Prospect Avenue, Redondo Beach, CA 90277 ("Building"), owned by BCHD, and for limited rights to traverse through the Building in order to gain access to the Licensed Space. At the commencement of this Agreement, any alterations to the Licensed Space by RBPB or its agents shall require the written approval of BCHD. RBPB acknowledges and agrees that the existing equipment on the roof of the Building and BCHD's present uses of the roof top, do not currently interfere with and shall not constitute unreasonable interference with RBPB's planned use of the Licensed Space. BCHD may, in its sole discretion, relocate the Licensed Space at its cost to another portion of the rooftop of the Building; but only upon RBPB thirty (30) days' advance written notice of its intention to do so. BCHD retains the right, in its sole discretion at any time to enter into agreements allowing third parties to use parts of the Building's rooftop other than the Licensed Space, including, without limitation, cell tower contracts.
2. **PERMITTED USE; ALTERATIONS AND REPAIRS TO LICENSED SPACE.** RBPB may prepare, use and maintain the Licensed Space exclusively to operate remote-controlled drones it leases from Flying Lion, Inc. ("Equipment Owner"), in accordance with (a) the terms and conditions in RBPB's contract(s) with the Equipment Owner; (b) the ordinary course and scope of the police department's authorized use(s) of drones; and (c) all applicable federal, state and municipal laws governing and affecting the use and operation of drones, including without limitation all applicable rules and regulations of the Federal Aviation Administration ("Permitted Use"). BCHD does not guarantee the reliability or bandwidth of the internet connections within the Building or to the Building, for the Permitted Use. RBPB shall not make any alterations to the Licensed Space during the Term (as defined below), without the prior written approval of BCHD. RBPB shall not use the Licensed Space in any manner that unreasonably interferes with the access, use or quiet enjoyment of the Building by BCHD and all other tenants, occupants, and invitees within the Building. RBPB shall promptly repair any damage caused by it or its agents to the Licensed Space or any other portion of the Building in connection with the Permitted Use at RBPB's sole cost; and RBPB shall promptly reimburse BCHD for all costs it incurs in connection with such damage.

3. **TERM.** The initial term of this Agreement shall be from the date that RBPB has satisfied all conditions precedent set forth herein to the Permitted Use, until March 8, 2022 (the "Term"). The Term may be terminated early and unilaterally by BCHD as provided herein and may be extended by written agreement acceptable to and signed by both BCHD and the City.
4. **EXPENSES AND UTILITIES.** BCHD shall not charge RBPB any license fees under this Agreement. However, RBPB shall pay directly and/or promptly reimburse BCHD for any and all costs to install and maintain internet cabling to the Licensed Space for the Permitted Use thereof, and all other costs to prepare or maintain the Licensed Space for the Permitted Use. Such costs may include (i) connection of a network drop from the basement of the Building to the Licensed Space and (ii) a network drop from the BCHD server room to the Licensed Space. RBPB shall also promptly reimburse BCHD for all costs and expenses BCHD incurs associated with the Permitted Use and as described in this Agreement.
5. **PERSONAL PROPERTY AND REMOVAL OF EQUIPMENT.** RBPB shall promptly remove all equipment it owns or leases kept or used in the Licensed Space or anywhere else within the Building by the effective date of expiration or termination date of this Agreement. Further, RBPB shall restore the Licensed Space to its condition as of immediately prior to the start of the Term, at the City's sole cost and expense, within twenty (20) days after the end of the Term or earlier termination date of this Agreement, if the Agreement is terminated before March 8, 2022.
6. **INSURANCE.** Prior to the start of the Term and as a condition precedent to the Permitted Use, RBPB shall procure at its sole cost and maintain during the entire Term, commercial general liability, commercial auto and workers compensation insurance for the Permitted Use and all equipment RBPB uses and keeps within the Licensed Space or anywhere else within the Building, which insurance coverage must be reasonably acceptable to BCHD and lists BCHD as an additional insured party. The insurance coverage in favor of BCHD shall be evidenced by a certificate of insurance delivered to BCHD prior to the start of the Term. The insurance policy or policies must provide BCHD shall receive at least 30 days' prior written notice of any cancellation or alteration. Each insurance policy shall be in effect prior to executing this Agreement and each insurance policy or a successor policy shall be in effect for the duration of the Agreement. The maintenance of proper insurance coverage is a material element of the Agreement and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the BCHD as a material breach of contract.
7. **INDEMNITY AND RELEASE.** RBPB shall at its sole cost defend, indemnify and hold harmless BCHD and its employees, officers, directors and authorized agents ("BCHD Parties") against any and all claims, liability, loss, damages, costs and expenses (including reasonable attorneys' fees and costs of suit), including without limitation the following matters: (a) to the extent any such claims are caused by or arise out of RBPB's operation of drones, its use of the Licensed Space and its access through the Building to the Licensed Space; (b) the breach of any representation, warranty, covenant or

agreement of RBPB made to BCHD in connection with this Agreement or the Permitted Use; (c) any and all claims made by the Equipment Owner against BCHD; and (d) the negligent acts, omissions and/or willful misconduct of RBPB, its employees, agents, contractors, or assigns associated with this Agreement. RBPB shall use the Licensed Space at RBPB's own and sole risk and hereby releases the BCHD Parties, from all claims for any damage or injury to persons or property in connection with the Permitted Use to the full extent permitted by law with the exception of the willful misconduct of BCHD. This indemnity shall continue in favor of BCHD for a period of three (3) years after the end of the Term. The legal counsel chosen to defend BCHD in any such matters covered by this indemnity, shall be subject to the reasonable pre-approval of BCHD.

8. TERMINATION.

(a) Notwithstanding the Term set forth above, either party may terminate this Agreement at any time for any reason or no reason, upon thirty (30) days' prior written notice to the other party.

(b) BCHD may terminate this Agreement immediately upon the occurrence of any breach by RBPB and the failure of RBPB to cure such breach within the reasonable time period BCHD gives (in its sole discretion), to RBPB to complete such cure.

9. NOTICES. All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been given or made three business days after a record has been deposited in the mail, as first class, certified or registered mail postage prepaid, or one business day after a record has been deposited with a recognized overnight courier, charges prepaid or to be billed to the sender, or on the day of delivery if delivered manually with receipt acknowledged, in each case addressed or delivered to the address for such party set forth below, or to such other address as may be hereafter designated in writing by the respective parties hereto by a notice in accord with this Section.

Address for Notices to RBPB:

Redondo Beach Police Department
Chief Keith Kauffman
keith.kauffman@redondo.org
401 Diamond Street
Redondo Beach, CA 90277
(310) 379-2477

Address for Notices to BCHD:

Beach Cities Health District
Attn: CEO
514 N. Prospect Avenue, Unit 102
Redondo Beach, CA 90277

10. MISCELLANEOUS.

- a. **Governing Law; Severability.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District. In the event, that any provision of this

Agreement is found to be invalid, illegal or unenforceable in any respect, by a court of competent jurisdiction, such provision shall only be ineffective to the extent of such invalidity, illegality or unenforceability. The remaining provisions of this Agreement shall remain in full force and effect.

- b. **Amendments, Etc.** This Agreement may not be amended or modified unless in writing signed by both parties. No act or failure to act shall be deemed to constitute an amendment, modification or termination hereof. This Agreement may be executed in counterparts each of which, when taken together, shall constitute a single agreement.
- c. **Assignment.** RBPB may not assign any of its rights or obligations hereunder to any other person, without the prior written consent of BCHD.
- d. **Attorneys' Fees.** In any action or proceeding brought to enforce any provision of this Agreement, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs.
- e. **Consent; Approval.** To the extent either party is required to provide consent or approval herein, such approval or consent shall be in writing and shall not be unreasonably withheld, delayed or conditioned, except where this Agreement expressly allows for consent to be withheld in such party's sole and absolute discretion.
- f. **Claims.** Any claim by BCHD against City hereunder shall be subject to Government Code §§ 800 et seq. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
- g. **Interpretation.** BCHD and the City acknowledge that each of them has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
- h. **Third Parties.** Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as expressly permitted under this Agreement shall not be considered "third parties."
- i. **Non Liability of Officials and City and RBPB Employees.** No official or employee of the City shall be personally liable for any default or liability under this Agreement.
- j. **Authority.** City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of BCHD warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of BCHD.
- k. **Further Assurances.** Each party agrees that a party shall, at any time and from time to time in its reasonable discretion, execute such documents or instruments and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and consummate the transactions contemplated in this Agreement.

IN WITNESS WHEREOF, RBPB and BCHD have entered into this Agreement as of the date stated at the top of the first page.

CITY OF REDONDO BEACH

**BEACH CITIES HEALTH DISTRICT, a
California health district**

By: 

By: 

Name: William C. Brand

Name: Thomas Babaly

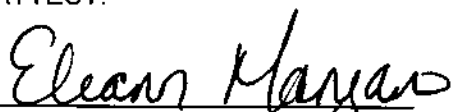
Title: Mayor

Title: CEO

Date: 4-28-21

Date: 4/9/2021

ATTEST:


Eleanor Manzano, City Clerk

APPROVED:


Risk Manager

APPROVED AS TO FORM:

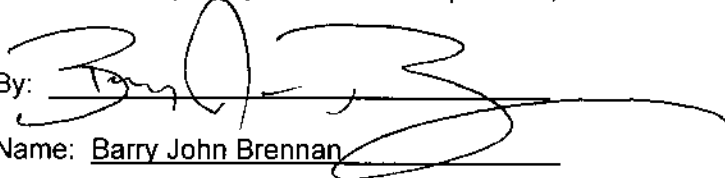

Michael W. Webb, City Attorney

[Consent to License Agreement on Next Page]

Consent to License Agreement from Equipment Owner

Flying Lion, Inc. (the "Company") hereby confirms that (a) the Company owns, free and clear of any liens or encumbrances, the drones referenced in the attached Revocable License Agreement ("Agreement") by and between BEACH CITIES HEALTH CARE DISTRICT ("BCHD") and the REDONDO BEACH POLICE DEPARTMENT ("RBPD"); (b) the Company has leased the foregoing drones to RBPD; (c) the Company has reviewed and has no objection to RBPD entering into the Agreement with BCHD or to any terms in the Agreement; (d) the Agreement does not violate or conflict with any other contracts regarding the foregoing drones owned by the Company; and (e) the Company consents to all terms in the Agreement.

FLYING LION, INC., a California corporation,

By: 
Name: Barry John Brennan

Title: Chief Executive Officer

Dated: March, 2021