

LICENSE AGREEMENT

ORIGINAL

THIS LICENSE AGREEMENT (the "**License**") is made this ____ day of _____, 2009 (the "**Effective date**") by and between the City of Lawrence, Kansas, a municipal corporation (the "**City**"), and Free State Holdings, Inc. (the "**Licensee**"), owner of property legally described as:

LOTS 2 AND 3, BLOCK ONE, LOTS 1 AND 2, BLOCK TWO, TRACTS A AND B AND ADJACENT RIGHTS-OF-WAY AGREEABLE THERETO, BASED ON THE FINAL PLAT OF BAUER FARM 1ST PLAT, A SUBDIVISION IN THE CITY OF LAWRENCE, DOUGLAS, COUNTY KANSAS.

RECITALS

1. The City is the holder of the Right-of-way along Champion Lane located in the City of Lawrence, Douglas County, Kansas.
2. Licensee is the owner of certain real estate (the "**Property**"), located adjacent to and along the right-of-way, in the City of Lawrence, Kansas and legally described above.
3. Licensee wishes to install Bauer Farm Area Markers including lighting and an electrical meter and appurtenant equipment (the "**Area Markers**") in the right-of-way adjacent to and along Champion Lane, in Lawrence, Kansas to enhance the use and enjoyment of the Property. Accordingly, the Licensee has requested permission from the City to maintain the Area Markers on a portion of the right-of-way and the City has agreed to provide a license to Licensee for such purpose, all in accordance with the terms and conditions of this License.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein, the parties hereby agree as follows:

1. **Grant of License.** The City hereby grants to the Licensee the non-exclusive license, right, privilege, and permission (the "**License**") to use in common with others an area in the right-of-way on the roundabout at the intersection of Champion Lane and Bauer Farm Drive and on the bridge on Champion Lane serving the property as depicted in Exhibit A, for the purpose of constructing, installing and maintaining, at Licensee's sole cost and expense, the Area Markers. Exhibit A is incorporated herein by reference. So long as this License Agreement is in effect, the City agrees to suspend enforcement of that portion of the City's sign code prohibiting the placement of a sign in the right-of-way, and Section 16-803 of the Code of the City of Lawrence, Kansas, 2009 Edition, and amendments thereto.

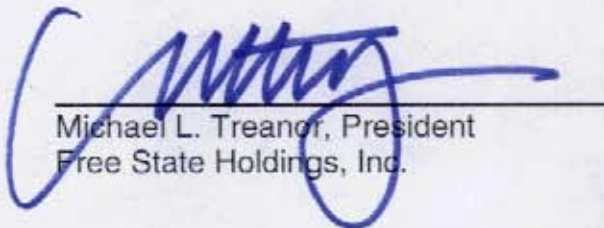
2. **No Representation by the City.** The Licensee represents that the City has made no representations with respect to the right-of-way or its condition, and that the Licensee is not relying on any representations of the City or the City's agents with respect to the use or condition of the right-of-way. This License Agreement grants the Licensee the privilege and permission to use that portion of the right-of-way described in Paragraph 1 of this License Agreement in its present condition "as is" without any warranties subject to the conditions set forth herein.
3. **Covenants of the Licensee.** The Licensee hereby covenants and warrants to the City, as follows:
 - a. To maintain the Area Markers at the Licensee's sole cost and expense for the duration of the License Agreement. The cost includes any utility billing associated with the Area Markers.
 - b. To move or remove the Area Markers immediately upon the City's request if the City determines the Area Markers need to be moved or removed for the installation, repair, maintenance, or expansion of any streets or utilities located, or to be located in, on, under, through or above the right-of-way or when Licensee fail to properly maintain the Area Markers. Licensee shall bear all costs associated with moving or removing the Area Markers and Licensee hereby agrees the City shall have no duty whatsoever to replace the Licensee's Area Markers. The Licensee may replace, at their sole cost and expense, the Area Markers in its former location except as otherwise provided by paragraph 6 of this License Agreement.
 - c. To comply with all applicable laws and ordinances (other than those City Code sections specifically identified in Paragraph 1 of this License Agreement) including land use requirements and building and sign code standards and requirements of the City of Lawrence and the County of Douglas, Kansas.
 - d. To refrain from causing any waste, damage, or injury to the right-of-way.
 - e. The Licensee shall not have any right to enlarge the present scope of this License Agreement, without the prior written consent of the City.
4. **Indemnification of the City.** During the time this License Agreement is in effect, the Licensee agrees to indemnify, defend, and save the City, and the City's officers, commissioners, agents, employees, grantees, and assigns, harmless from and against all claims, actions, liabilities, damages, costs, expenses, and judgments, including attorneys' fees, which relate to, arise from, or are in connection with the Licensee's use or occupancy of the right-of-way, or any portion thereof or the maintenance of the Area Markers in the right-of-way, on account of any injury to persons or damage to property, excluding therefrom such injury or damage caused by the negligence of the City.
5. **Accommodation.** The permission granted to the Licensee under this License Agreement is given to the Licensee as an accommodation, and shall be

without charge to the Licensee. The Licensee hereby acknowledges the City's rights to the right-of-way, and agrees to never assail, resist, or deny such rights by virtue of the Licensee's occupancy or use under this License Agreement.

6. **Term and Termination.** The City reserves the right to terminate the permission granted by this License Agreement at any time and for any reason by giving the Licensee at least 30 days written notice of such termination, except that the City may, at the City's election, terminate the permission immediately without such notice at any times, if (i) the Licensee fail to comply with or abide by each and all of the provisions of this License Agreement, or (ii) if the continued use of the License presents a health or safety hazard.
7. **Binding Effect.** This License Agreement shall, at all times, be binding upon the City and the Licensee and all owners of the Property and all parties claiming by, through, or under them, shall run with the land, and shall be for the benefit of and limitations upon all future owners of the Property; provided, however, that the rights, duties, and obligations, of each owner as set forth herein shall cease with the termination of his or its ownership of the Property, or portion thereof, except for the duties and obligations arising during the period of his or its ownership.
8. **Authorization.** Each of the persons executing this Agreement on behalf of the respective Parties represents and warrants that they have the authority to bind the Party on behalf of whom they sign this Agreement, and that all acts requisite to the authorization to enter into this Agreement have been taken and completed.
9. **Severability.** If any term of this License Agreement is found to be void or invalid, such severability shall not affect the remaining terms of this License Agreement, which shall continue in full force and effect.
10. **Governing Law.** This License Agreement shall be construed and enforced in accordance with, and governed by, the law of the State of Kansas.
11. **Recitals.** The above stated recitals are by reference incorporated herein and shall be as effective as if repeated verbatim.

IN WITNESS WHEREOF, the undersigned have caused this License Agreement to be executed as of the Effective Date.

LICENSEE:



Michael L. Treanor, President
Free State Holdings, Inc.

STATE OF KANSAS)
COUNTY OF DOUGLAS)

BE IT REMEMBERED, that on this 29th day of September 2009, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Michael L. Treanor, who is personally known to me to be the same person who executed the within and foregoing instrument of writing and duly acknowledged the execution of the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Erin I. Mayer

Seal:



Notary Public

**CITY OF LAWRENCE, KANSAS, a
Municipal Corporation**

David L. Corliss, City Manager

STATE OF KANSAS)
COUNTY OF DOUGLAS)

BE IT REMEMBERED, that on this _____ day of _____, 2009, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came David L. Corliss, City Manager, who is personally known to me to be the same person who executed the within and foregoing instrument of writing and duly acknowledged the execution of the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Seal:

Notary Public