

Service Agreement.

This Service Agreement is dated _____ and is between City of Killeen, a Texas municipal corporation ("Client"), and Premium Parking Partners, L.L.C., a Louisiana limited liability company ("Premium").

The parties agree as follows:

1. **FACILITY:** The "Facility" means the facility or facilities owned or controlled by Client and listed in the following table, excluding all buildings, structures, component parts, or improvements on, adjacent to, ancillary to, or annexed to the parking areas in the facility or facilities listed below, regardless of whether they share an address with the parking areas.

Name	Address	Type	# of Spaces	Additional Info
Killeen Regional Airport	8101 S Clear Creek Rd, Killeen TX 76549	Surface Lot	1,456	[TBD]

2. TERM AND TERMINATION

- 2.1. **INITIAL TERM:** The initial term of this agreement starts on December 1, 2025 (the "Commencement Date") and ends 60 months later.
 - 2.2. **RENEWAL OPTION TERMS:** After the initial term, Client may extend the term of this agreement for up to two additional 12-month renewal option terms. These renewal option terms will be automatically activated unless either party notifies the other in writing at least 60 days before the end of the then-current term. Notwithstanding the foregoing, the term of this agreement will not be extended if funding is not available or if Premium's performance does not meet industry standards in Client's reasonable judgment.
 - 2.3. **TERMINATION FOR CAUSE:** If either party defaults under this agreement, the non-defaulting party may terminate this agreement after all required notice and cure periods have passed upon written notice to the defaulting party. A default by Premium occurs if Premium fails to fulfill its obligations under this agreement for 30 days after Premium's receipt of written notice from Client specifying the failure. A default by Client occurs if Client fails to fulfill its obligations under this agreement for 30 days after Client's receipt of written notice from Premium specifying the failure. Notwithstanding the foregoing, in the case of failure by either party which cannot reasonably be cured in 30 days, the party will be given a reasonable time to cure the potential default before the other party's termination right becomes available.
 - 2.4. **EARLY TERMINATION:** If this agreement is terminated by Client for convenience or by Premium for cause within 60 months of the Commencement Date, Client shall pay Premium an early termination fee calculated by dividing the total cost of Signage and Equipment by 60, then multiplying the result by the number of months remaining in the 60-month period since the Commencement Date. This Section 2.4 does not apply to items purchased without Client's approval.
3. **DUTIES OF PREMIUM:** Premium shall perform the following services (the "Services") on behalf of Client:
 - 3.1. **RATES:** Implement Client-determined parking rates, fees, and discounts for use of the Services.
 - 3.2. **MARKETING:** Market the Services to the public.

- 3.3. REVENUE COLLECTION: Collect parking-related revenue from users of the Services.
- 3.4. SALES, PARKING, AND SIMILAR TAXES: Collect and pay all sales taxes, parking taxes, and similar taxes, surcharges, and other fees levied upon or in connection with parking revenues collected by Premium and file all related sales and parking tax and other reports and returns.
- 3.5. SUPERVISION: Supervise Premium's employees and Premium's equipment, sign, and maintenance contractors working at the Facility.
- 3.6. SIGNAGE: Procure and install removable Premium-branded signs (the "Signage") on and at the Facility. Premium estimates its initial Signage cost to total approximately \$5,000.00. Client may request that some or all Signage be customized to Client's needs, to the extent permitted by Premium's brand standards, at an additional cost to Client of \$10.00 per customized sign plus designer time at standard hourly rates. Premium may remove the Signage upon the termination of this agreement.
- 3.7. EQUIPMENT: Procure and install equipment at the Facility as Premium deems necessary or prudent for the performance of the Services (the "Equipment"), including equipment for on-foot compliance checks and six GLIDE Eye LPR fixed units. Premium estimates the initial Equipment cost to total approximately \$50,000.00. Premium may remove the Equipment upon the termination of this agreement.
- 3.8. PROCUREMENT: Purchase or cause to be purchased necessary equipment or supplies as Premium deems necessary for the performance of the Services.
- 3.9. LIMITED REPAIR AND MAINTENANCE: Maintain and repair the Equipment and Signage from regular wear and tear only. Premium will not be responsible for any maintenance of or repair to any surface, structure, foundation, or any other similar item or component, nor for any other item not specifically enumerated in this Section 3.9.
- 3.10. PORTER: Perform periodic sweeps to keep the Facility reasonably clear of trash, debris, and other refuse.
- 3.11. ACCOUNTING: Pay all expenses and costs incurred in the provision of the Services.
- 3.12. INSURANCE: Procure and maintain the insurance required by Section 6.1 below.
- 3.13. EXTRAORDINARY EXPENDITURES: Client may request that Premium perform services in addition to the Services listed above ("Additional Services") at Client's expense. If Client requests Additional Services and Premium consents to the request, Premium will charge the cost of Additional Services to Client. Except where Premium reasonably believes that an emergency necessitates immediate action or that delay would jeopardize the health or safety of Premium's personnel or customers, Premium will not spend more than \$1,000.00 on any one Additional Service without the prior written consent of Client.

4. DUTIES OF CLIENT

- 4.1. RIGHT AND LICENSE: Client states that it has all necessary right, power, and authority to enter into this agreement and to enable Premium to perform the Services, and hereby grants Premium and its employees, contractors, and agents a license to enter upon the Facility as necessary to carry out its obligations and rights under this agreement.
- 4.2. MAINTENANCE AND REPAIR: Client is responsible for all repair to and maintenance of the Facility which is not specifically the responsibility of Premium pursuant to Section 3.9 above, including without

limitation surface, subsurface, foundation, roof, or building frame repairs and elevator maintenance, and all repair or maintenance to any other item which is made to meet governmental regulations or to secure insurance.

4.3. SNOW REMOVAL: Client shall ensure that the Facility is kept reasonably clear of snow and ice.

4.4. INCOME TAXES: Client shall pay all federal and state income taxes and assessments of any kind assessed or levied upon or in connection with the Services (other than Premium's own income tax liability) and shall file all tax reports and returns relating thereto with state and federal regulatory authorities.

4.5. PROPERTY TAXES: Client shall pay all ad valorem property taxes assessed on the Facility but not on any of Premium's equipment or property.

4.6. LEASE OBLIGATIONS: Client shall pay all rentals, taxes, and other obligations arising out of its ownership of or under any ground leases covering the Facility.

5. ACCOUNTING AND COMPENSATION

5.1. GROSS REVENUE: "Gross Revenue" means all amounts collected from the users of the Services. Gross Revenue excludes all amounts collected in connection with a compliance action (such as by invoice or notice of violation, immobilization, or towing) by Premium or a third-party provider, except to the extent specifically collected by or remitted to Premium for inclusion in the Gross Revenue as "unpaid parking fees."

5.2. DIRECT COSTS: "Direct Costs" means the following costs and expenses related to or necessary for the performance of the Services:

5.2.1. SALES, PARKING, AND SIMILAR TAXES: All sales taxes, parking taxes, and similar taxes, fees, or surcharges levied or assessed against the Services or the revenue collected thereby, and all license fees, license taxes, permit fees, business taxes, and similar assessments and charges necessary for the operation of the Services.

5.2.2. PLATFORM FEES: Standard transaction fees charged by Premium for the use of the GLIDEPARCS® platform, including without limitation through iOS app, Android app, TextPay®, CameraPay®, web app, or other methods, at standard rates then in effect, and retained by Premium.

5.2.3. FINANCIAL CHARGES: Credit card fees, charges related to electronic fund transfers, ACH fees, bank fees, check cashing fees, or returned checks fees.

5.3. NET REVENUE: "Net Revenue" means Gross Revenue minus Direct Costs.

5.4. COMPENSATION OF PREMIUM

5.4.1. REVENUE SHARE FEE: Premium is entitled to 30.00% of the monthly Net Revenue (the "Revenue Share Fee").

5.4.2. ESCALATION CLAUSE: If market conditions warrant an increase, Premium may submit documentation requesting an increase of the Revenue Share Fee no later than 90 days before any anniversary of the Commencement Date. If Premium fails to give timely notice, the Revenue Share Fee may not be increased. Revenue Share Fee escalation may only occur after the initial 12 months of the term of this agreement or after extension and only upon

securing Client's written approval. Requests for price adjustments must be for the sole purpose of accommodating increases in Premium's cost, not for profit increases.

5.5. REPORTS

5.5.1. MONTHLY STATEMENT: Beginning in the second calendar month of the term of this agreement, by the 25th calendar day of each month, Premium shall submit to Client a monthly statement (the "Monthly Statement") in Premium's standard format for the previous month, showing the Gross Revenue, Direct Costs, and Net Revenue for that month. Client may request a custom Monthly Statement format for an additional fee.

5.5.2. INSPECTION: Client, or any agent designated thereby, may inspect all records maintained by Premium pertaining to the Services during regular office hours and upon reasonable notice at the office where the records are kept.

5.6. PAYMENTS: Premium shall pay Client the Net Revenue minus the Revenue Share Fee monthly, together with and on the same schedule as the Monthly Statement.

5.7. POST-TERMINATION EXPENSES: Client shall pay Premium any amounts payable to Premium under this agreement which have not previously been paid to or deducted by Premium within 10 days of receipt of an invoice.

6. INSURANCE

6.1. PREMIUM'S INSURANCE: Premium shall, during the term of this agreement, procure and maintain a minimum of the following insurance:

6.1.1. Commercial General Liability Insurance with a combined per occurrence limit of at least \$5,000,000, including coverage for the contractual liability assumed by Premium under this agreement.

6.1.2. Worker's Compensation insurance in compliance with the statutory requirements of the state in which the Facility is located, including a waiver of subrogation rights in favor of Client.

6.1.3. Client Property coverage with a per loss limit of at least \$300,000, subject to a deductible of not more than \$10,000 for each loss.

6.1.4. Employee Theft coverage with a per loss limit of at least \$300,000, subject to a deductible of not more than \$10,000 for each loss except for employee theft of automobiles which is subject to a deductible of \$50,000.

Premium may satisfy these requirements with a combination of primary and excess policies and with blanket policies that also cover other locations and insureds. Premium's policies will include a provision for 30 days' written notice to Client before cancellation, non-renewal, or material change in coverage. Unless otherwise specified, the insurance provided by Premium hereunder is subject to a deductible of \$50,000 for each loss. Premium shall grant Client additional insured status on the policies required by Section 6.1.1, but excluding coverage for Claims (as defined below) for faulty construction or design of the Facility. Upon written request, Premium shall obtain and provide Client with current certificates of insurance evidencing the coverage provided pursuant to this Section 6.1.

6.2. CLIENT'S INSURANCE: Client shall, during the term of this agreement, procure and maintain a minimum of the following insurance:

- 6.2.1. Commercial General Liability Insurance with a combined per occurrence limit of not less than \$5,000,000, which coverage will specifically include the contractual liability assumed by Client under this agreement.

Client may satisfy these requirements with a combination of primary and excess policies. Client's policies will include a provision for 30 days' written notice to Premium before cancellation, non-renewal, or material change in coverage. Upon request, Client shall obtain and provide Premium with current certificates of insurance evidencing the coverage provided by this Section 6.2.

6.3. INDEMNIFICATION

- 6.3.1. BY PREMIUM: Premium shall, at its own cost and expense, defend, indemnify, and hold Client harmless from and against all causes of action, claims, costs (including attorney's fees), liabilities, losses, expenses, and damages (collectively, "Claims"), including without limitation bodily injury and property damage, incurred by Client to the extent they arise out of a material breach of this agreement by Premium or the negligence or willful misconduct in the performance of Premium's obligations under this agreement by Premium or any of its agents, servants, or employees under Premium's direct control.
- 6.3.2. BY CLIENT: To the greatest extent allowable by law, Client shall, at its own cost and expense, defend, indemnify, and hold Premium and its managers, members, officers, and affiliates harmless from and against all Claims, including without limitation bodily injury and property damage, incurred by Premium that are attributable to a material breach of this agreement or misrepresentation of fact by, or the negligence or willful misconduct of, Client or any of its agents, servants, or employees, or that are attributable to the faulty construction, design, or physical state of the Facility.

7. NO PARTNERSHIP: This agreement does not create a partnership, joint venture, franchise, or any other relationship of any kind between the parties hereto other than that of Premium being an independent contractor furnishing and supplying services to Client.
8. NOTICES: All notices hereunder must be given in writing and will be deemed to have been given upon (a) personal delivery, (b) the fifth business day after mailing by certified or registered mail, postage prepaid, return receipt requested, (c) the second business day after sending by a nationally recognized overnight courier service (with confirmation of receipt), or (d) the first business day after sending by email (with confirmation of transmission). All notices must be addressed to the address or email address provided for each party on the signature page of this agreement or to another address as to which either party may have notified the other in writing.
9. SUCCESSORS AND ASSIGNS: This agreement is binding upon and inures to the benefit of the parties hereto, their legal representatives, and their respective successors and assigns.
10. STANDARD OF CARE: Nothing in this agreement creates any duty to, any standard of care with reference to, or any liability to anyone not a party, except as otherwise expressly provided herein.
11. FORCE MAJEURE: Premium's performance under this agreement is subject to any act of God, fortuitous event, inclement weather, war, riot, insurrection, change in law, government regulation, terrorism, disaster, strike or labor troubles (except those involving Premium's employees or agents), civil disorder, inability to procure materials or services, delay or omission attributable to any third-party vendor, supplier, or integration partner not under the control of Premium, curtailment of transportation facilities or utilities, pandemic, epidemic, government-ordered quarantine, extraterrestrial encounter, or any other event of a

like nature beyond Premium's control which makes it inadvisable, illegal, impracticable, or impossible to timely perform the obligations under this agreement (a "Force Majeure Event"). In the event of a Force Majeure Event, Premium may elect either of the following remedies in its sole discretion: (i) Premium's performance of any affected obligation will be excused for the entire period of the Force Majeure Event and the time for performance of each affected obligation will be correspondingly extended, or (ii) Premium may terminate this agreement upon written notice to Client.

12. **CHANGE IN LAW:** If a new federal, state, or local law, regulation, or rule is enacted, amended, or interpreted in a way that affects this agreement, the activities of either party under this agreement, or either party's performance or ability to perform under this agreement, and either party reasonably believes in good faith that the change will have a substantial adverse effect (including adverse financial impact) on that party's business operations or its rights or obligations under this agreement, then that party may, upon written notice, require the other party to enter into good faith negotiations to renegotiate the terms of this agreement. If (a) the parties are unable to reach an agreement concerning the modification of this agreement within the earlier of (i) 45 days after the date of the notice seeking renegotiation or (ii) the effective date of the change, or (b) the change is effective immediately, then either party may immediately terminate this agreement upon written notice to the other party.
13. **LIMITATION OF LIABILITY:** IN NO EVENT WILL PREMIUM BE LIABLE TO CLIENT OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE, OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT PREMIUM HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OR ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT WILL PREMIUM'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID OR PAYABLE TO PREMIUM PURSUANT TO THIS AGREEMENT IN THE TWELVE-MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.
14. **ATTORNEY'S FEES:** Should either party bring any legal action or other proceeding for damages for an alleged breach of this agreement or to enforce, protect, or establish any right or remedy of either party, the prevailing party may recover as a part of the action or proceeding reasonable attorney's fees and court costs.
15. **ENTIRE AGREEMENT:** This agreement is the entire and exclusive agreement between the parties with respect to the matters covered by this agreement and replaces and supersedes all prior negotiations, dealings, and agreements between the parties relating to the same.
16. **AMENDMENT:** The parties may not amend or modify this agreement except by a written instrument signed by an authorized representative of each party.
17. **GOVERNING LAW:** This agreement is governed by the laws of the state in which the Facility is located, without regard to its conflicts of laws principles.
18. **RECORDATION:** Upon request of either party, the parties shall execute and deliver a form of notice or short form of this agreement that may be filed of record.

19. OPERATION BEYOND TERM: If Premium continues providing Services at the Facility with Client's express or implied consent after the term of this agreement, the term of this agreement will automatically renew month to month absent written notice from Client to the contrary.
20. INTELLECTUAL PROPERTY: "Intellectual Property" means all worldwide proprietary rights in each and all of the following, whether or not patentable: ideas, inventions, concepts, developments, designs, applets, applications, firmware, software, computer programs, creations, other works of authorship, technology, prototypes, methods (whether technological, business or otherwise), processes, marks, symbols, slogans, emblems, business plans and strategies, customer lists, and other proprietary things or information. All Intellectual Property of Premium and its affiliates as of the date of this agreement and all Intellectual Property owned, created, or discovered by Premium, including without limitation trademarks, trade names, and service marks related to Premium, its operations, and the GLIDEPARCS® system (collectively, the "System Marks") will remain the sole and exclusive property of Premium or the applicable affiliate. No Intellectual Property owned, created, or discovered by Premium is or will be deemed a "work made for hire." Client will not have a license or any other rights to the Intellectual Property of Premium. Premium may use Client's Intellectual Property to perform its obligations under this agreement and as otherwise authorized by Client. Without limiting the foregoing, Client hereby grants Premium the royalty-free right to use Client's corporate logo and trade name in promotional and advertising materials such as brochures, websites, newsletters, and signage (including electronic versions thereof) and in supplying qualifications to third parties.
21. BRAND STANDARDS AND PROGRAMS: Premium will provide the Services in accordance with this agreement and Premium's brand standards (the "Brand Standards"). Premium's expectation of operating at a facility which is physically in compliance with the Brand Standards is essential to inducing Premium and its affiliates to undertake this agreement because these standards are critical to maintaining the integrity of Premium's brand. Further, Premium may implement a brand-wide loyalty program (the "Program") which affords its members discounts and other perks at Premium-branded parking facilities. Client acknowledges that the Facility will follow the Brand Standards and participate in the Program. Premium and its affiliates which own the System Marks and Brand Standards reserve the right to revise and amend the System Marks or Brand Standards from time to time. Client acknowledges that Premium may require that the Facility participate in global or local quality programs that are implemented from time to time by Premium.
22. NO SECURITY: Client expressly acknowledges that Premium has no obligation or duty in connection with the personal safety or security of any tenant, customer, employee, guest, or other person (each a "Customer") within or about the Facility or with the safety or security of any property of any Customer, whether within, about, or near the Facility. Premium does not have knowledge or expertise as a security or guard service and does not employ personnel for that purpose. Premium does not have any obligation or duty to guard or protect Customers against the intentional or negligent acts of third parties. Client will determine, at Client's discretion, whether or to what extent any security devices or services are required to protect Customers within, about, or near the Facility or its surrounding areas.
23. INDEPENDENT CONTRACTOR: All personnel employed in connection with the operation of the Services are and will remain employees of Premium subject to its sole supervision and under no circumstances will be considered employees of Client. Premium has the exclusive right to hire and discharge its employees at its discretion.

24. **PERSONAL INFORMATION:** Premium may provide to Client or grant Client access to information obtained through Premium's performance of the Services under this agreement that directly or indirectly identifies an individual or can be used to authenticate an individual ("Personal Information"). Client shall keep all Personal Information confidential. Client shall not use, share, transfer, disclose, or otherwise process Personal Information except to the extent reasonably necessary to enable Premium's performance of the Services with respect to the Facility. Client shall not disclose or transfer Personal Information to any third party without the prior written consent of Premium except to the extent that a disclosure or transfer is required by applicable law or is authorized under this agreement.
25. **NON-COMPETE AND NON-SOLICITATION:** During the term of this agreement and for a period of 12 months following the expiration or termination of this agreement, Client shall not hire or attempt to hire personnel of Premium at the Facility without the prior written consent of Premium.
26. **OTHER PARKING AGREEMENTS:** Client states that, as of the first day of the term of this agreement, there will be no other service agreements, management agreements, valet agreements, leases, or other similar parking agreements in effect for the Facility and that Premium has the exclusive right to provide parking-related services at and for the Facility during the term of this agreement.
27. **BUSINESS DAYS:** "Business Day" means a day which is not Saturday, Sunday, or any other day on which commercial banks located in New Orleans, Louisiana, are authorized or required by law to be closed for business. If this agreement requires a party to make a payment or delivery on a day is not a Business Day, the payment or delivery will be deemed to be due on the next Business Day that follows.
28. **COUNTERPARTS:** This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All counterparts will be construed together and will constitute one instrument, but in making proof hereof it will only be necessary to produce one counterpart. To expedite the action contemplated herein, telecopied or electronic signatures may be used in place of original signatures on this agreement. Client and Premium intend to be bound by the signatures on the telecopied or electronic document, are aware that the other party will rely on the telecopied or electronic signatures, and hereby waive any defenses to the enforcement of the terms of this agreement based on the form of signature.
29. **SUBCONTRACTORS:** Premium may, without prior approval of Client, provide any of the services contemplated by this agreement by itself or through one or more of its affiliates or third-party subcontractors, and specifically reserves the right to subcontract parking compliance checking services under this agreement.

[Signature Page Follows]

Premium Service Agreement

Killeen Regional Airport

This agreement will become effective when all parties have signed it.

Each party is signing this agreement as of the date specified for that party's signature.

CLIENT:

City of Killeen

By:

Name: Kent Cagle

Title: City Manager

Date:

Address: 101 North College Street, Killeen TX 76541

Email:

PREMIUM:

Premium Parking Partners, L.L.C.

By:

DocuSigned by:
Benjamin Montgomery
73014EB5026C482...

Name: Benjamin Montgomery

Title: President

Date: Oct 13, 2025

Address: 601 Poydras St Ste 1500, New Orleans LA 70130-6061

Email: jhuger@jmhcompanies.com with a copy to legal@premiumparking.com