



Office of the City Clerk

City Hall
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Legislation Details (With Text)

File #: O2019-1152

Type: Ordinance **Status:** Passed

File created: 1/23/2019 **In control:** City Council

Final action: 3/13/2019

Title: Ground and building lease agreement with UST Investments LLC d.b.a. UST Aviation Services LLC for hangar facility at Chicago O'Hare International Airport

Sponsors: Emanuel, Rahm

Indexes: Lease

Attachments: 1. O2019-1152.pdf, 2. O2019-1152 (V1).pdf

Date	Ver.	Action By	Action	Result
3/20/2019	1	Office of the Mayor	Signed by Mayor	
3/13/2019	1	City Council	Passed	Pass
3/1/2019	1	Committee on Aviation	Recommended to Pass	
1/23/2019	1	City Council	Referred	

ORDINANCE

WHEREAS, The City of Chicago (the "City") is a home rule unit of government as defined in Article VII, §6(a) of the Illinois Constitution, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City owns and operates Chicago O'Hare International Airport (the "Airport") and possesses the power and authority to lease its premises and facilities and to grant other rights and privileges with respect thereto; and

WHEREAS, The City is vested with authority to provide for the needs of aviation, commerce, shipping, traveling to and around the Airport, to promote and develop the Airport, and, in the exercise of such power, to lease City-owned properties at the Airport, upon such terms and conditions as the corporate authorities of the City shall prescribe; and

WHEREAS, UST Investments, LLC d/b/a UST Aviation Services, LLC ("UST") provides line aircraft maintenance and aircraft re-positioning services for various airlines at the Airport, but owns no aircraft of its own; and

WHEREAS, the City and Delta Airlines, Inc. ("Delta") were previously parties to a certain long term lease ("Delta Lease") that expired on May 11, 2018, whereby Delta leased from the City hangar space at the Airport, and

WHEREAS, pursuant to that certain Delta Lease, Delta subleased its hangar space to UST under a long term ground and building lease that also expired on May 11, 2018, and

WHEREAS, On May 12, 2018, Delta entered into a Ground Lease for Aircraft Parking Premises Lease ("Delta Lease") with the City for use of the hangar apron/ramp area, but not for the hangar facility it previously

subleased to UST; and

WHEREAS, UST now desires to continue to lease from the City the same hangar area it previously subleased from Delta, consisting of an approximately 126,518 square foot hangar facility ("UST Premises"); and

WHEREAS, The City desires to enter into a ground and building lease for the UST Premises in substantially the form of the ground and building lease attached hereto as Exhibit A (the "UST Ground and Building Lease"); now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are incorporated by reference as if fully set forth herein.

SECTION 2. The Mayor or the Mayor's proxy is hereby authorized to execute, upon the recommendation of the Commissioner of the Chicago Department of Aviation ("Commissioner") and

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the approval of the Corporation Counsel as to form and legality, the UST Ground and Building Lease with UST in substantially the form of Exhibit A attached hereto, with such changes as the Commissioner determines to be in the best interest of the City.

SECTION 3. The Commissioner and such other City officials and employees as may be required are authorized to take such actions and execute such other documents as may be necessary or desirable to implement the objectives of this ordinance.

SECTION 4. This ordinance shall take full force and effect upon its passage and approval.

EXHIBIT A

FORM OF UST GROUND AND BUILDING LEASE

See Attached

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GROUND AND BUILDING LEASE between CITY OF CHICAGO and
UST INVESTMENTS, LLC, D/B/A UST AVIATION SERVICES, LLC

. at

CHICAGO O'HARE INTERNATIONAL AIRPORT

for

HANGAR FACILITY

Dated as of

DEFINED TERMS

The following terms are defined in this Lease at the Sections indicated below:

Acts and Regulations
Additional Rent
Airport
Airport Rules
Airport Security Act
Alterations
Associated Parties
Beneficial Interest
Beneficiary
CDA
City
City Indemnified Parties
City's Award
Claim
Concluding Environmental
Walk-Through Concluding Walk-Through Construction Contracts Contaminant Debt
Default Rate
Delta
Discharge
Disposal
DOT
Effective Date Environmental Claim Environmental Indemnities Environmental Law(s) Event of Default
Evidence of Approval Evidence of Insurance FAA
Financing Fitch
Five-Year Period Fixed Rent Force Majeure Event Gross Proceeds Gross Revenues Hangar Facility
Hazardous Substance IEPA
Section 16.1 Section 4.2 Recitals Section 8.5 Section 17.7 Section 6.2(a) Section 7.2(a)(i)(2) Section
4.3(d)(ii) Section 4.3(d)(iii) Section 18.25
Introduction and Section 18.25 Section 7.2(a) Section 10.2(c) Section 7.2(a)
. Section 13.1(c) Section 13.1(c) Section 3.9 Section 13.1(d) Section 4.3(d)(iv) Section 4.6 Section 8.8
Section 13.1(e) Section 13.1(f) Section 16.1 Introduction Section 13.1(g) Section 13.1(h) and 13.8 Section
13.1(i) Section 15.2 Section 3.6 Section 7.1(b) Section 1.3(a) Section 4.3(d)(v) Section 14.2(a)(iii)(3)
Section 4.1(d) Section 4.1(a) Section 18.21 Section 4.3(d)(vi) Section 4.4(d) Section 1.1 Section 13.10)
Section 13.2(1)

Impositions Infrastructure Initial Environmental
Conditions Walk-Through Initial Walk-Through Land
LC Issuer Requirements
Laws
Lease
Leasehold Mortgage
Lease Year
Legal Requirements
Long-Term LC Issuer Requirements
Moody's
MWRD
Nonrenewal Notice
NPDES
O & M Fund
ONCC
Other Regulated Material
Payment and Performance Bond
Percentage Rent
Permitted Exceptions
Permitted Uses
PPI Adjustment
Premises
Proceeds Rent
Prohibited Uses
Ramp
Rating Agency Related Party Release Rent
Response Respond
Required Approvals Required Permits Sale S&P
Security Camera Requirements Security Deposit
Short-Term LC Issuer Requirements
Substantial Alterations
Substantial Completion
Taking
Tenant
Section 5.1 Section 1.1

Section 13.1(b) Section 13.1(b) Section 1.1
Section 14.2(a)(iii)(4) Section 17.1 Introduction Section 4.3(c)(vi) Section 4.4(c) Section 8.5 Section
14.2(a)(iii)(3) Section 14.2(a)(iii)(3) Section 13.1 CO Section 14.2 Section 13.1(k) Section 4.5(b)
Section 18.4 Section 13.1(1) Section 3.8 Section 4.4(a) Section 1.3(a)
Section 8.1 PPI Section 4.1(b)(ii)
Section 4.1(b)(i)
Section 1.1
-Section 4.3(a)
Section 8.2

Section 8.8
Section 14.2(a)(iii)(3)
Section 11.1(b)
Section 13.1(m)
Section 4.2
Section 13.1(n)
Section 13.1(n)
Section 3.6
Section 3.6
Section 4.3(d)(viii)
Section 14.2(a)(iii)(3)
Section 18.3
Section 14.1
Section 14.2(a)(iii)(4)
Section 6.2(a)
Section 3.1
Section 10.1
Introduction

n

Tenant's Architect
Tenant's Award
Tenant's General Contractor
Tenant Work
Term
Term Commencement Date
Termination Date
USEPA
Utility Charges
Waste
Waters

Section 3.9 Section 10.2(b) Section 3.9 Section 3.1 Section 2.1 Section 2.1 Section 15.1 Section 13.2(1) Section 5.4 Section 13.1(o) Section 13.1 (p)

EXHIBITS

The following Exhibits are attached to this Lease:

t A - Description of Premises
t B - Permitted Exceptions
t C - Form of Estoppel Certificate
t D - Minority and Women Owned Business Enterprises Commitment t E - Structural Controls
t F - Design, Renovation and Construction Tenant Projects Standard Operating Procedure t G - Delta Aircraft Parking Premises Description

in

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GROUND AND BUILDING LEASE

This ground lease (the "Lease") is entered into as of this _____ day of _____, 2018, (the "Effective Date") by and between the CITY OF CHICAGO, a municipal corporation and home rule unit of local government organized and existing under Article VII, Sections 1 and 6(a), respectively, of the 1970 Constitution of the State of Illinois (the "City"), and UST INVESTMENTS, LLC, D/B/A UST AVIATION SERVICES, LLC, a limited liability company and existing under and by virtue of the laws of the State of Illinois ("Tenant").

RECITALS:

1. The City owns and operates that certain airport located within the City and commonly known as Chicago O'Hare International Airport (the "Airport").

2. The City is vested with the authority to make provisions for the needs of aviation, commerce, shipping, and travel in, to and around the Airport to promote and develop the Airport, and in the exercise of such power, to enter into any lease of City-owned properties in the Airport area, upon such terms and conditions as the corporate authorities of the City shall prescribe.

3. The Tenant desires to lease the Premises as hereinafter defined, and the City is willing to lease the Premises to the Tenant for, among other things, the Tenant's operation of an aircraft hangar/aircraft hangar facilities, all upon the terms, provisions and conditions provided in this Lease.

4. The City and Tenant acknowledge that the continued operation of the Airport as a safe, convenient and attractive facility is vital to the economic health and welfare of the City, and that the City's right to monitor the Tenant's performance pursuant to the terms of this Lease is a valuable right incapable of quantification.

5. Pursuant to an Ordinance of the City, adopted _____, 2018, and set forth in the *Journal of Proceedings of the City Council of the City* at pages _____ through _____, "

the City has authorized the execution and delivery of this Lease between the City and the Tenant.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Tenant agree as follows:

ARTICLE I

PREMISES

1.1 Lease of Premises. The City hereby leases to Tenant, and Tenant hereby leases from the City, for the Term upon the terms and conditions set forth herein, that certain real property comprising a portion of the Airport and consisting of approximately one hundred twenty-six thousand five hundred eighteen (126,518) square feet, as further described in Exhibit A (the "Land"), together with the aircraft hangar (the "Hangar Facility") and all other

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improvements, paving and structures located or to-be-located therein and thereon, including without limitation existing and to-be-constructed infrastructure improvements, and related improvements (collectively, the "Infrastructure"), subject to the Permitted Exceptions (as hereinafter defined). The Land, Hangar Facility and the Infrastructure are referred to hereinafter collectively as the "Premises".

1.2 Condition of the Premises. The Tenant acknowledges, understands, covenants and agrees (without any representation or warranty of, or recourse to, the City) as of both the Effective Date (excluding clause (e) below) and the Term Commencement Date, as follows:

a) the Tenant, by its execution of this Lease, accepts the Premises in "AS IS" CONDITION, WITH ALL FAULTS, without the benefit of any representation or warranty of, or recourse to, the City;

b) the Tenant has inspected the Premises and is aware of the physical, structural and geological condition of the Premises, and the suitability of the Premises for the Tenant's proposed use thereof, and the Tenant accepts all of the risks relating to the foregoing;

c) the Tenant acknowledges that the City has made no representations or warranties regarding the physical, structural or geological condition of the Premises or the suitability of the foregoing for the Tenant's proposed use of the Premises;

d) except as otherwise expressly set forth in this Lease, and except for the provision of normal or typical municipal services, such as the provision of water, the maintenance of sewers and delivery of police and fire department services, the City shall not be required to construct any improvements, furnish any services or facilities, perform any maintenance or make any repairs or alterations in or to the Premises or the Hangar Facility, or build any infrastructure necessary to service the Premises during the Term of this Lease;

e) except for obligations of the City set forth herein, the Tenant hereby assumes the full and sole responsibility for (i) the Hangar Facility; (ii) the condition, operation, repair, maintenance and management of the Hangar Facility; and (iii) the performance of, and/or compliance with, all covenants, conditions and restrictions of record encumbering the Premises from time to time; and

f) the Tenant assumes all risks relating to compliance of the Premises with all applicable zoning and building codes and such other applicable laws, statutes, ordinances and regulations relating to the Premises and all such applicable covenants, conditions and restrictions of record when constructing, renovating, operating and occupying the Hangar Facility and when operating, occupying, renovating and/or demolishing any existing buildings, improvements or structures at the Premises.

g) Without limiting the Tenant's acknowledgements, understandings, covenants and agreements set forth in this Section 1.2 above, except for any express representations, warranties or obligations of the City herein; the Tenant understands, acknowledges, covenants and agrees that: (i) THE CITY MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PREMISES, WHETHER THE PREMISES ARE SUITABLE FOR THE TENANT'S USES, PURPOSES OR NEEDS OR REGARDING

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ANY OF THE MATTERS DESCRIBED IN PARAGRAPHS (a) THROUGH (f) OF THIS SECTION 1.2 ABOVE; (ii) THE CITY MAKES NO REPRESENTATION OR WARRANTY AS TO THE ENVIRONMENTAL CONDITION OF THE PREMISES; AND (iii) THE TENANT WAIVES ANY AND ALL CLAIMS AGAINST THE CITY AND THE CITY'S REPRESENTATIVES WHICH MAY CURRENTLY EXIST OR WHICH MAY ARISE IN THE FUTURE, AT COMMON LAW, IN EQUITY, OR UNDER STATUTE, NOW, OR AT ANY TIME, IN EFFECT AND RELATING TO THE PHYSICAL CONDITION OF THE PREMISES.

3 Easements and Utilities.

a) The Tenant's leasing of the Premises shall be subject to any and all easements, licenses, and any exceptions which encumber title to the Premises as of the Effective Date as described in Exhibit B of this Lease, as the same may be updated by the City prior to the Term Commencement Date provided such easements, licenses and any exceptions do not unreasonably interfere with Tenant's Permitted Uses of the Premises (the "Permitted Exceptions"), and other rights with respect to the Premises now existing or hereafter granted to or vested in any governmental entities or agencies, including, without limitation, the Federal Aviation Administration ("FAA").

b) The Tenant acknowledges that there may currently exist, and that the City may grant in the future, easements and rights on, over or under the Premises for the benefit of suppliers or owners of utilities that service the Airport, and the Tenant hereby consents to any such utility easements; provided, however that such future easements and rights granted by the City shall not unreasonably interfere with or disturb Tenant's quiet enjoyment and Permitted Uses of the Premises.

c) Tenant, its officers, directors, employees, patrons, customers, invitees, guests, contractors, agents, and suppliers of materials or furnishers of services shall have the right of ingress to and egress from the Premises twenty-four (24) hours per day, seven (7) days per week, over Airport roadways, including the use of common use roadways, subject to such nondiscriminatory and reasonable rules and regulations as may be established by the City and other governing jurisdictions with respect to such use, and subject to applicable Law. Tenant shall have the right, upon demonstration of need, and coordination with, the City, to tap into utility and sewer infrastructure adjacent to the Premises for the provision of such services at the Premises in accordance with Section 5.4 hereof.

4 City's Reserved Rights in the Premises. The following rights (which may be exercised by the City's officers, employees, agents, licensees, contractors, or designees) are hereby reserved by the City:

(a) rights to air or space above the top level of the Infrastructure for purposes of aircraft flyover and passage, and for such other aviation easements as the City may require, including, for the use and benefit of the public, a right of flight for passage of aircraft in the airspace above such Infrastructure on the Premises, which public right shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from, or operation on the Airport;

b) to exhibit the Premises to prospective tenants during the last six (6) months of the Term at reasonable hours upon the giving of reasonable notice, and to remodel, repair, alter, or otherwise prepare the Premises for reoccupancy at any time after Tenant surrenders or abandons the Premises;

c) to maintain, replace, repair, alter, construct, or reconstruct existing and future utility, mechanical, electrical, and other systems or portions thereof on the Premises to the extent the City is obligated to do so hereunder or has the right to do so pursuant to another provision of this Lease, including, without limitation, systems for the supply of heat, water, gas, fuel, electricity, and for the furnishing of sprinkler, sewerage, drainage, and communication service, including all related lines, pipes, mains, wires, conduits, and equipment; provided, however, such work by the City shall not materially reduce the square footage of the Premises, nor shall such work by the City unreasonably interfere with Tenant's use of the Premises for the purposes permitted under this Lease, including vehicular and aircraft access in connection therewith, or impair Tenant's systems or facilities located on the Premises. If the City is performing any such activity on the Premises, the City shall provide reasonable advance notice to Tenant (except in the event of an emergency). In the exercise of such rights, the City shall not unreasonably interfere with the business conducted by Tenant in the Premises and shall reasonably restore the Premises upon completion of the work;

d) to exercise such other rights as may be granted to the City elsewhere in this Lease; including, without limitation, the City's rights in the case of an Event of Default or to cure defaults hereunder;

e) upon the giving of reasonable notice and at reasonable times (it being understood and agreed that Tenant shall be permitted to have a representative of Tenant-accompany the City so long as the City is not delayed, other than to a de minimis extent, entry due to the unavailability of any such Tenant representative), Tenant shall allow the City, and its officials, officers, agents, employees, and contractors reasonable access to the Premises for the purpose of inspecting the same, or for examining the same to ascertain if Tenant is performing its obligations under this Lease, and for conducting tests and inspections for any other reason deemed reasonably necessary by the City under this Lease. In the exercise of such rights, the City shall reasonably restore the Premises upon completion of the work and shall not unreasonably interfere with the operations conducted by the Tenant at the Premises unless there is an emergency or threat to civil aviation, human health or the environment; and

f) any and all rights and privileges not specifically granted to Tenant for its use of and operations on or at the Premises pursuant to this Lease.

ARTICLE II TERM

2.1 Term. The term of this Lease shall begin on _____, 2018 ("Term Commencement Date") and end at 11:59 p.m. (CST) on _____, 2028 [INSERT THE DATE THAT IS TEN YEARS FROM THE TERM COMMENCEMENT DATE] (the "Term"), subject to all of the terms and conditions of this Lease, unless earlier terminated as provided in

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this Lease. So long as the Tenant has fully paid and performed when due all of its obligations under the Lease and no Event of Default has occurred and is continuing under this Lease, then the Tenant may elect to extend the Term until _____, 2032 [INSERT THE DATE THAT IS FIFTEEN YEARS FROM THE TERM COMMENCEMENT DATE] (the "First Extension Date") by providing written notice to the City no later than [INSERT DATE THAT IS ONE YEAR PRIOR TO THE FIRST EXTENSION DATE]. If such written notice is provided timely to the City, then the Term shall be extended until the First Extension Date on the same terms, conditions and provisions contained herein. After the First Extension Date, Tenant may further elect to extend the Term for one additional five (5) year period until [INSERT NEW TERM ENDING DATE] (the "Second Extension Date"), so long as the Tenant has fully paid and performed when due all of its obligations under the Lease and no Event of Default has occurred and is continuing under this Lease, by providing written notice to the City no later than [INSERT DATE THAT IS ONE YEAR PRIOR TO THE SECOND EXTENSION DATE]. If such written notice is provided timely to the City, the Term shall be extended until the Second Extension Date on the same terms, conditions and provisions contained herein.

ARTICLE III TENANT

IMPROVEMENTS

1 Hangar Facility Tenant Work. Any construction, additions, changes, Alterations or improvements in excess of \$25,000 (collectively, "Tenant Work") are subject to Tenant's full compliance with the terms and provisions of this Lease, including without limitation this Article 3 and Section 6.2, as applicable. Tenant shall complete the Tenant Work at its sole cost and expense. As used in this Lease, "Substantial Completion" will be deemed to have occurred upon (i) the substantial completion of the Tenant. Work in accordance with the plans and specifications therefor approved by the City, and readiness of the same for the purposes for which they are intended to be used as evidenced by a certification of such substantial completion by Tenant's Architect, if applicable, and (ii) the issuance of a certificate of occupancy, or the equivalent thereof, by the applicable governmental authority for the Tenant Work, as necessary.

2 No Obligation of the City. Except as expressly provided to the contrary in this Lease, the City shall not be required to perform any work or construct any improvements, furnish any services or facilities, perform any maintenance, make any repairs or alterations, or perform any environmental remediation or clean-up in or to the Premises, or any portion thereof, at any time during the Term, with the exception of environmental remediation, the need for which is caused by the willful misconduct or sole negligence of the City. The City does not warrant the accuracy of any of the information provided by the City or third parties as part of the Premises, the Tenant Work, or any drawings, plans, or specifications prepared in connection therewith, and shall have no liability arising out of any inaccurate information provided by the City or third parties as a part thereof, except to the extent such inaccuracy is due to the willful misconduct or fraud of the City. The City's approval of any Tenant Work, or any drawings, plans, or specifications prepared in connection therewith, or any portion thereof, shall not impose upon the City or its officials, officers, employees, or agents any liability or obligation with respect to the design or completion of the Tenant Work, or the compliance of the

Tenant Work with any Legal Requirement.

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3 **Design and Construction Requirements.** In connection with the design and construction of any Tenant Work, Tenant shall comply with the requirements of Exhibit J) and Exhibit F. Tenant shall pay for all design and construction when and as required by the parties Tenant engages to perform such design and construction. All Tenant Work (other than trade fixtures, furniture, personal property and equipment of Tenant) shall become part of the Premises.

4 **Excavation and Shoring.** If any excavation shall be made or authorized to be made upon land adjacent to or nearby the Premises, Tenant shall afford the person or persons causing" or authorized to cause such excavation, at reasonable times and upon reasonable notice, the right to enter upon the Premises for the purpose of doing work as such person or persons shall consider to be necessary to preserve any of the walls or structures of the Infrastructure on the Premises from injury or damage and to support the same by proper foundations, provided that such work shall be carried out at such person's or persons' sole cost and expense, shall not unreasonably interfere with Tenant's operation, and shall be completed in accordance with plans and specifications approved by City, such approval not to be unreasonably withheld or delayed.

5 **Construction Representatives.** For all Tenant Work, the City and Tenant shall each designate in writing a construction representative, as necessary. Thereafter, and until such designation is changed or withdrawn, such construction representative shall deliver and receive all notices, approvals, communications, plans, specifications or other materials required or permitted to be delivered or received under this Article III.

6 **Required Approvals.** Tenant represents and warrants that Tenant will obtain, at its sole cost and expense, all required permits and licenses from governmental authorities (collectively, "Required Permits") for all Tenant Work, and shall provide the City a copy of each permit and license before beginning any Tenant Work. The City shall reasonably cooperate with Tenant to obtain such permits and licenses. During the Term, Tenant shall submit as soon as practicable to the City for its review and written approval, not to be unreasonably withheld or delayed, not less than thirty (30) days prior to Tenant's intended filing date for the related Tenant Work, copies of all permit applications and filings (including any and all amendments or modifications) intended to be made by Tenant in connection with FAA determinations, environmental, building code, construction, or demolition matters, or use and occupancy. As soon as practicable and not less than ten (10) days prior to such filing date (which date may be within the thirty (30) day review period), Tenant shall submit to the City copies of such applications and filings in final form marked to show changes from the drafts previously submitted by Tenant to the City. If such applications and filings in final form are substantially or materially different from the drafts, the review process described above shall restart. The City's approval of any such application or filing shall be for purposes of this Section 3.6 only, and shall not limit any of the City's other property or regulatory rights with respect to such application or filing. Upon full or partial completion of any Tenant Work, and prior to occupying any part of the Premises for any purpose other than performing Tenant Work, and upon completion of any other Tenant Work, Tenant shall obtain from each authority granting the Required Permits such evidence of approval, if any ("Evidence of Approval" and, together with Required Permits, collectively, "Required Approvals") as may be necessary to permit such part of the Premises to be used and occupied for the Permitted Uses.

7 Construction Compliance. All Tenant Work, including but not limited to Tenant's use and operation of the Premises in accordance with Article VIII, shall be performed in compliance with all Legal Requirements.

8 Payment and Performance Bonds. Prior to commencement of any Tenant Work in excess of \$250,000, Tenant "shall deliver, or cause Tenant's General Contractor to deliver, to the City, in form and substance reasonably satisfactory to the City, payment and performance bonds of a surety company licensed to do business in the State of Illinois, naming the City as co-obligee, (a "Payment and Performance Bond"), to be in the amount of the entire contract sum of Tenant's contract with Tenant's General Contractor for the Tenant Work in question. Tenant's obligation to provide Payment and Performance Bond(s) as required under this Section 3.8 shall apply for the duration of construction of the Tenant Work in question, including all design services and construction work associated with such Tenant Work, if any.

9 Tenant's General Contractor and Architect. Prior to the execution of any contracts for construction, engineering, or architectural services, Tenant shall furnish to the City the names of the person or entity whom Tenant desires to employ. Such architect, and engineer ("Tenant's Architect"), and contractor ("Tenant's General Contractor") shall be licensed in the discipline being contracted for, experienced in design and construction of improvements comparable to those for which its services are being required by Tenant, and airport-related work, not be listed on any local, state, or federal non-responsible bidders' list, and not be debarred by the City or under any state or federal statute, regulation, or proceeding. Upon written request by the City, Tenant shall make available for review to the City copies of its contracts with the Tenant's General Contractor and the Tenant's Architect. During the Term, the Tenant's General Contractor and Tenant's Architect shall not use any subcontractor that at the time such subcontractor would be hired is debarred by, or ineligible to do business with, the City.

10 Ownership. During the Term, subject to the following sentence, title to the Infrastructure and of any Tenant Work shall be vested in City and nothing herein shall grant the Tenant title or ownership interests in the Premises. Tenant's equipment, signs, trade and light fixtures and other personal property shall be owned and maintained by Tenant. Upon expiration or earlier termination of this Lease, Tenant shall remove all such personal property located on the Premises, and the Premises shall be surrendered to the City in accordance with Section 15.1.

11 Reproducible Drawings; Survey. Upon Substantial Completion of any Tenant Work which, once completed, increases the square footage of the Premises, or any portion thereof, Tenant shall prepare at its expense and deliver to the City one reproducible set in an agreed upon format and one set in digital format of each of the following: (i) as-built plans showing the Tenant Work in question, or such portion thereof, and (ii) an ALTA/ACSM survey by a State of Illinois registered land surveyor showing the location of all such Tenant Work on the Land.

12 Covenant Against Liens.

(a) No party, including the Tenant, shall have any right to file any non-consensual or consensual liens against the Land, the Infrastructure, or any property of the City, and the Tenant shall keep the Land, the Infrastructure and the leasehold estate created hereunder in and to the

Premises free and clear of liens or claims of liens in any way arising out of the construction, renovation and/or improvement or use thereof by the Tenant. The Tenant shall promptly take such steps as are necessary to release any claim for lien or attempted claim for lien from the Land, the Infrastructure, or any property of the City, including for those for liens as set forth in Section 3.12(b) below; provided, however, that notwithstanding the above provisions of this Section 3.12(a) and any other provisions in this Lease to the contrary, the Tenant will be permitted to grant a Leasehold Mortgage against the Tenant's leasehold interest in the Premises created under this Lease for the purpose of securing any construction and/or permanent loans for the Infrastructure or Alterations from a lender or lenders reasonably acceptable to the City in accordance with Section 11.2 of this Lease.

(b) If any mechanic's, laborer's or materialman's lien shall at any time be filed against the Premises, the underlying fee, or any part thereof with respect to the performance of any labor or the furnishing of any materials to, by or for Tenant or anyone claiming by, for or under Tenant, Tenant, within thirty (30) days after notice of the filing thereof, shall cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, the City may, if such lien shall continue for fifteen (15) days after notice from the City to Tenant, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding or otherwise, and in any such event, the City shall be entitled, if the City so elects upon another fifteen (15) days' notice from the City to Tenant, to compel the prosecution of an action for the foreclosure of such lien by the lienor and to pay the amount of the judgment in favor of the lienor with interest, costs and allowances. Any amount so paid by the City and all costs and expenses incurred by the City in connection therewith, together with interest at the Default Rate from the respective dates of the City's making of the payment or incurring of the cost and expense, shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to the City on demand.

3.13 No Consent. Nothing in this Lease shall be deemed or construed in any way as constituting the consent or request of the City, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to, or repair of the Premises or any part thereof.

ARTICLE IV RENT

4.1 Rent. During the Term, Tenant shall pay to the City rent, which shall be calculated (and adjusted pursuant to Section 4.1(b) below) as follows:

(a) For the period commencing on the Term Commencement Date through December 31st following the fifth (5th) anniversary of the Term Commencement Date, the rent for the Premises shall be \$2.25 per square foot per year for one hundred twenty-six thousand five hundred eighteen (126,518) square feet, representing the total square footage of the Premises (the "Fixed Rent"); and

(b) For the five-year period beginning on January 1st next following the fifth (5th) anniversary of the Term Commencement Date and every live years thereafter, Fixed Rent shall be adjusted pursuant to the PPI Adjustment. The City shall calculate and invoice the Tenant for the amount of such adjustment of Fixed Rent pursuant to the PPI Adjustment thirty (30) days prior to such PPI Adjustment taking effect.

- (i) The "PPI Adjustment" shall be a fraction (rounded to two decimal places),
■ the numerator of which shall be the "PPI" for the month of the fifth (5th) anniversary of the Term Commencement Date and every five years thereafter, and the denominator of which shall be the PPI for the month in which the Term Commencement Date occurs, with respect to the PPI Adjustment on any such fifth (5th) anniversary of the Term Commencement Date and every five years thereafter.

- (ii) "PPI" means "The Producer Price Index - All Commodities" as published
by the Bureau of Labor Statistics of the United States Department of Labor or if the same
is discontinued, a replacement index published by the Department of Labor or other
applicable Governmental Authority, appropriately adjusted.

4.2 Additional Rent. During the Term, Tenant shall also pay, as additional rent, all sums, Impositions, costs, expenses, late charges, and payments of every kind and nature that Tenant in any of the provisions of this Lease assumes or agrees to pay, whether payable initially to the City or a third party pursuant to the terms of this Lease (collectively, "Additional Rent"). In the event of any non-payment of Additional Rent by Tenant, the City shall have (in addition to all other rights and remedies) all of the rights and remedies provided for herein or by law in the case of non-payment of Fixed Rent. (Fixed Rent and Additional Rent are referred to hereinafter, collectively, as the "Rent").

4.3 Proceeds Rent. In addition to Fixed Rent and all other Rent payable by the Tenant under this Lease, the Tenant covenants and agrees to pay during the Term, as Additional Rent hereunder, an amount equal to three percent (3%) of any Gross Proceeds (as hereinafter defined) from a Financing (as hereinafter defined) or Sale (as hereinafter defined) of the Tenant's leasehold interest in the Premises, or any portion thereof, as the case may be, at the times and in the manner hereinafter set forth (the "Proceeds Rent").

a) Payments of the Proceeds Rent shall be made promptly upon a Sale or Financing, as follows: upon payment of such portion of the purchase price in a Sale and each funding of Debt in a Financing, accompanied by a certificate of the chief financial officer of the Tenant, or authorized designee, as to the amount of Gross Proceeds of the Sale or Financing. At the election of the City, the City and the Tenant shall coordinate payment of the Proceeds Rent through an escrow.

b) The Tenant shall, at the time of each Sale or Financing, deliver to the City a statement certifying the amount of the Gross Proceeds for such Sale or Financing and the amount of the Proceeds Rent due and payable to the City. Such statement shall set forth in detail reasonably satisfactory to the City the computation of Gross Proceeds, and Proceeds Rent therefor, together with such other information as the City may deem reasonably necessary for the determination of the Proceeds Rent. Except for such changes as are necessary to calculate the

Gross Proceeds from the Sale or Financing, as the case may be, the statements required above shall be prepared in accordance with generally accepted accounting principles on the accrual basis consistently applied and otherwise in such manner as the City shall have approved in writing.

- c) Capitalized terms set forth below shall have the meanings ascribed to them below.

i) "Beneficial Interest" shall mean the interest of the Beneficiary in any trust of which it is beneficiary, if the Tenant is ever a land trust.

ii) "Beneficiary" shall mean the beneficiary/under a trust which at any time the Tenant is a trustee under a land trust.

iii) "Debt" shall mean the principal amount of indebtedness of the Tenant for borrowed money secured by a Leasehold Mortgage, any rights, title or interest in the Tenant's interest under this Lease or a Beneficial Interest.

iv) "Financing" shall mean the placement and funding during the Term of any Debt.

v) "Gross Proceeds" shall mean (A) the purchase price in a Sale (including, without limitation, (I) the principal and interest of any Debt to which the Sale is subject or which is assumed, and (II) the fair market value of any consideration consisting of property other than cash, and (B) the amount of the Debt in the case of a Financing, less the amount of Gross Proceeds on which the Tenant has previously paid Proceeds Rent to the City in connection with a Financing pursuant to this Section 4.3.

vi) "Leasehold Mortgage" shall mean any mortgage or deed of trust of the leasehold estate or any right, title or interest in the Tenant's interest under this Lease or a Beneficial Interest. •>

vii) "Sale" shall mean (A) a sale, assignment, transfer or other conveyance of any portion of the Tenant's interest under this Lease (including an assumption and assignment of the Lease by the Tenant as debtor or debtor in possession or by a trustee in bankruptcy acting on behalf of the Tenant) and/or in the Premises or any portion thereof to a party other than to a Related Party; or (B) execution and delivery of a contract to convey any portion of the Tenant's interest under this Lease upon payment of part or all of the purchase price which is accompanied by a transfer of possession and the risks and benefits of ownership to the purchaser to a party other than to a Related Party.

d) The Tenant shall keep complete and accurate accounts, records and books of all rents, income, receipts, revenues, issues and profits received from the Premises and all expenses, costs and expenditures for the Premises and other information necessary or pertinent to verify and calculate the amount of Proceeds Rent, including any records prepared for electronic data processing and all records prepared as a result of such processing, and such records shall be kept by the Tenant at its local office or at the management office for the Premises for at least three (3) years after each annual financial statement has been delivered to the City.

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e) The Tenant's books of account and records that are required to be kept in accordance with paragraph (d) of this Section 4.3 shall be made available for review to the City and its agents (or copies shall be furnished at the City's request) at all times, on not less than five (5) business days' notice, during regular business hours for examination and audit. If such books and records are located outside the City, the Tenant shall make them available to the City. If the results of such examination by the City establish a deficiency in Proceeds Rent payable to the City, the Tenant shall within ten (10) business days pay to the City the deficiency. In the event that a deficiency in such Proceeds Rent of five percent (5%) or more is established for any calendar year, the Tenant shall pay the reasonable cost of any examination requested by the City and shall also pay

interest on said deficiency in Proceeds Rent from the time it should have been paid until the date said at the Default Rate. The inspection on behalf of the City may be made by an officer, employee or other designee of the City.

f) The City shall not, as a result of the rights granted herein to receive Proceeds Rent, be considered as a co-owner, co-partner or co-adventurer with the Tenant in the Premises.

g) For the avoidance of doubt, if there is ever an instance in which amounts received by Tenant could meet the definition of Gross Proceeds as well as Gross Revenues, the Additional Rent owed in such an instance shall be either Proceeds Rent or Percentage Rent, but not both. In any such circumstance, the Tenant shall make the determination, in consultation with the City as desired, whether to categorize such amounts received as Gross Proceeds or Gross Revenues.

4.4 Percentage Rent.

a) In addition to the Fixed Rent and all other Rent payable by the Tenant under this Lease, the Tenant covenants and agrees to pay during the Term, as Additional Rent hereunder, an amount equal to three percent (3%) of any Gross Revenue generated by the Premises during each calendar quarter and in the manner hereinafter set forth (the "Percentage Rent").

b) Payments of Percentage Rent shall be paid quarterly and shall be due and payable quarterly each year (i) on May 1 of each year for the preceding calendar quarter ending on March 31 of each year during the Term, (ii) on August 1 of each year for the preceding calendar quarter ending on June 30 of each year during the Term, (iii) on November 1 of each year for the preceding calendar quarter ending on September 30 of each year during the Term, and (iv) on February 1 of each year for the preceding calendar quarter ending on December 30 of each year during the Term. Each payment of Percentage Rent shall be accompanied by a certificate of the chief financial officer or authorized designee of the Tenant as to the amount and method of calculation of Gross Revenue and Percentage Rent, setting forth all of the components of the Gross Revenue for such calendar quarter and including the financial statement required below.

Percentage Rent shall also be payable by the Tenant for the final calendar quarter of the Term on a prorated basis if the Term ends prior to the end of such calendar quarter.

c) In addition to the quarterly certificates required under Section 4.4(b) above, the Tenant shall deliver to the City on or before July 1st of each calendar year an annual financial statement for the immediately preceding Lease Year certifying the amount of the Gross Revenue for such Lease Year, if applicable. Such statement shall set forth in detail reasonably satisfactory

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to the City the computation of the Gross Revenue (including all components thereof and showing de minimus amounts received but excluded from the computation), and Percentage Rent for such Lease Year, together with such other information as the City may deem reasonably necessary for the determination of the Percentage Rent. The statements required above shall be prepared in accordance with generally accepted accounting principles on the accrual basis consistently applied and otherwise in such manner as the City shall have approved in writing. "Lease Year" shall mean the year period beginning and ending on the anniversary of the Term Commencement Date.

d) For purposes of this Lease, "Gross Revenue" shall mean, with respect to each calendar quarter or

each Lease Year, as applicable, all payments from parties other than Related Parties constituting (A) Fixed Rent, or other non-de minimis amounts in lieu of Fixed Rent received by, or on behalf of, the Tenant under all subleases, licenses and other use agreements of the Premises; (B) amounts, if any, paid in lieu of Fixed Rent under any business interruption insurance or loss of rents or insurance policy relating to the Premises and covering subleases, licenses and other use agreements of the Premises; (C) termination fees paid by any subtenants or licensees; and (D) damages in lieu of Fixed Rent, if any, payable by subtenants or licensees on account of a default; provided, however, "Gross Revenue" shall not include amounts collected pursuant to ground handling arrangements at the Premises.

e) The Tenant shall keep complete and accurate accounts, records and books of all Gross Revenue and other information necessary or pertinent to calculate and verify the amount of Percentage Rent, including any records prepared for electronic data processing and all records prepared as a result of such processing, and such records shall be kept by the Tenant at its local office or at the Tenant's management office for the Premises for at least three (3) years after each annual financial statement has been delivered to the City.

f) The Tenant's books of account and records that are required to be kept in accordance with paragraph (e) of this Section 4.4 shall be made available for review to the City and its agents (or copies shall be furnished at the City's request) at all times, on not less than five (5) business days' notice, during regular business hours for examination and audit. If such books and records are located outside the City, the Tenant shall make them available to the City within the City. If the results of such examination by the City establish a deficiency in Percentage Rent payable to the City, the Tenant shall within thirty (30) days pay to the City the deficiency. In the event that a deficiency in such Percentage Rent of five percent (5%) or more is established for any calendar year, the Tenant shall pay the reasonable cost of any examination requested by the City and shall also pay interest on said deficiency in Percentage Rent from the time it should have been paid until the date said at the Default Rate. The inspection on behalf of the City may be made by an officer, employee or other designee of the City.

g) The City shall not, as a result of the rights granted herein to receive Percentage Rent, be considered as a co-owner, co-partner or co-venturer with the Tenant in the Premises.

5 Intentionally Omitted.

6 Payments; Late Charges.(a) Commencing on the Term Commencement Date and each month thereafter, Tenant shall pay all Fixed Rent in equal monthly installments on the

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first day of each calendar month. All Fixed Rent (as such Fixed Rent is adjusted in accordance with Section 4.1 (b) hereof), Proceeds Rent and Percentage Rent due and owing under this Lease shall be paid by Tenant to the City without notice, demand, abatement, deduction or offset.

b) Except where this Lease specifically provides otherwise (including but not limited to payments by Tenant of Percentage Rent in accordance with Section 4.4), Tenant shall pay all Additional Rent within thirty (30) days after receipt of an invoice and reasonable backup documentation. All Rent shall be paid by Tenant to the City or at the City's direction without abatement, deduction or offset.

c) Until Tenant shall have been given notice otherwise by the City, Tenant shall pay all Rent to the Comptroller of the City at his/her office in at 121 North LaSalle Street, City Hall 7th Floor, Chicago, Illinois, 60602 or such other place as may be designated in writing by the City. Rent for the first and last months of this

Lease shall be prorated, if necessary.

d) During the Term there shall be no abatement, diminution or reduction of Rent or charges claimed by or allowed to Tenant, or any person claiming under Tenant, whether for inconvenience, discomfort, interruption of business, or the like, arising from any cause or reason. Tenant's default in the due and punctual payment of Rent or other sums due and payable under this Lease when and as the same shall become due and payable (including, any increase in the Fixed Rent pursuant to Section 4.1(b) hereof), shall obligate Tenant to pay interest on such amounts at a rate of twelve percent (12%) per annum calculated on a daily basis (unless a lesser interest rate shall then be the maximum rate permissible by Law with respect thereto) (the "Default Rate") from the date such payment was due and payable.

e) No payment by Tenant or receipt by the City of a lesser amount of Rent shall be deemed to be other than on account of the earliest due Rent, nor shall any endorsement or statement on any check or any letter accompanying any such payment be deemed an accord and satisfaction, and the City may accept such check or payment without prejudice to the City's right to recover the balance of such Rent.

4.7 Net Lease. It is the purpose and intent of the City and Tenant that this is a net lease, and that all Rent shall, except as herein expressly otherwise provided, be absolutely net to the City. Tenant agrees that, except as otherwise expressly set forth in this Lease, Tenant shall pay all costs, charges and expenses of every kind and nature whatsoever against or in connection with the use and operation of the Premises that may arise or become due during the Term.

ARTICLE V

TAXES AND UTILITIES

5.1 Impositions. Tenant shall pay or cause to be paid as Additional Rent, before any fine, penalty, interest or cost may be added thereto for the non-payment thereof, all taxes, payments in lieu of taxes, assessments, water and sewer rents, rates and charges, levies, license and permit fees and other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever that at any time during the Term may be assessed, levied, confirmed, imposed upon, or grow or become due and payable out of or

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in respect of, or become a lien upon, the Premises during the Term, or any part thereof or any appurtenance thereto, whether such charges are made directly to Tenant or through or in the name of the City (all such taxes, payments in lieu of taxes, assessments, water and sewer rents, rates and charges, levies, license and permit fees and other governmental charges being hereafter referred to as "Impositions"); provided, however, that:

a) If, by law, any Imposition may at the option of the taxpayer be paid in installments. Tenant may pay the same in such installments over such period as the law allows, and Tenant shall only be liable for such installments as shall become due during the Term; and

b) All Impositions for the fiscal year in which the Term begins and ends shall be apportioned so that Tenant shall pay only those portions thereof that correspond with the portion of said year as is within the Term.

2 Receipts. Tenant, upon request of the City, shall furnish to the City within thirty (30) days of the

date when any Imposition would become delinquent, official receipts of the appropriate taxing authority, or other evidence reasonably satisfactory to the City, evidencing the payment thereof.

3 Abatements; Contests by Tenant. Tenant may seek a reduction in the valuation of the Premises or its leasehold interest therein assessed for tax purposes, and may contest by appropriate proceedings, at Tenant's sole cost and expense, the amount or validity in whole or in part of any Imposition, and may defer payment thereof if allowed by law, provided that:

a) Tenant shall provide the City with security reasonably satisfactory to the City to assure payment of contested items;

b) Tenant shall promptly pay such contested item or items if the protection of the Premises or of the City's interest therein from any lien or claim as required by Section 3.12 hereof shall, in the reasonable judgment of the City, require such payment; and

c) The City shall not be required to join in any proceedings referred to herein unless the provisions of any Legal Requirements at the time in effect shall require that such proceedings be brought by or in the name of the City. The City shall not be subjected to any liability for the payment of any costs or expenses in connection with any such proceedings, and Tenant shall indemnify and save harmless the City from any such costs and expenses.

4 Utilities. Tenant shall at its sole cost and expense, obtain separately metered utilities for all utility service that Tenant requires at the Premises. During the Term, Tenant shall pay, as Additional Rent, directly to the utility provider, all charges by any public entity (including the City, as the case may be) or utility provider for water, electricity, telephone, gas, sewer and other services supplied or rendered to the Premises, and service inspections made therefor, whether called charge, rate, tax, betterment, assessment, fee or otherwise, and whether such charges are made directly to Tenant. The City shall have no responsibility to furnish Tenant with any utilities, and makes no representations or warranties as to the availability of utilities from the companies furnishing such utilities.

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5.5 No Liability of the City. The City shall not be required to furnish to Tenant any facilities or services of any kind whatsoever during the Term, such as, but not limited to, water, steam, heat, gas, hot water, electricity, light and power. The City hereby grants Tenant the right and easement to tie into the existing sources located at or on the Premises in their existing locations to the extent located in adjacent streets and ways owned or controlled by the City and to the extent necessary to operate the Premises, it being understood, however, that the City makes no representation or warranty that existing sources of supply, distribution points or utilities are adequate or sufficient to supply the Premises. In the event that Tenant determines that the enlargement, improvement or expansion of existing sources of supply, distribution points or utilities is necessary to supply the Premises, such enlargement, improvement, or expansion shall be the obligation, and the expense, of Tenant, and shall be undertaken in accordance with plans and specifications prepared by Tenant and reasonably approved by the City in accordance with this Lease.

ARTICLE VI

MAINTENANCE AND ALTERATIONS OF PREMISES

1 Repair and Maintenance. Throughout the Term, Tenant, at its sole cost and expense, shall keep the Premises (including, without limitation, all Infrastructure now or hereafter erected thereon, including the entire exterior and interior of the Hangar Facility, the roof, the heating, ventilating and air conditioning equipment, all lights, electrical systems, sanitary facilities, plumbing and all other equipment and appurtenances used in the functioning of the Premises, all other structures located on the or at the Premises, and the aircraft and vehicle parking areas at the Premises) in good order, condition and repair, such that it can conduct its operations in accordance with Article VIII hereof except for (a) reasonable wear and tear, and (b) damage from a-Taking or from fire or other-casualty .after.the .last repair, replacement, restoration or renewal required to be made by Tenant pursuant to its obligations hereunder, and shall make all necessary repairs thereto, interior and exterior, structural and non-structural, required by Legal Requirements from time to time during the Term. All repairs made by Tenant shall be performed in accordance with Legal Requirements and the design and construction standards and requirements under this Lease.

2 Alterations.

a) Tenant may, at its sole cost and expense, undertake alterations and changes to the Premises (collectively, "Alterations") provided that (A) an Event of Default shall not have previously occurred and is not then continuing under the Lease; and (B) Tenant shall obtain the City's written consent pursuant to this Lease for Alterations: (1) to Infrastructure improvements located on the Premises, (2) to the structure of the Hangar Facility, (3) to other items required to be shown on the Hangar Facility plans and approved by the City, and (4) that would cost more than ten percent (10%) of the replacement cost of the Hangar Facility (items (1) through (4), collectively, the "Substantial Alterations").

b) No Substantial Alteration shall be made without the prior written consent of the City (which consent shall not be unreasonably withheld or delayed, and which shall be deemed approved if not responded to or otherwise provided to Tenant within 60 days of receipt of such

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request by Tenant for consent), provided, that the City may withhold its consent in its sole discretion if the Substantial Alteration would (A) change the general design of the Hangar Facility, the use of the Hangar Facility to a use other than a Permitted Use or fail to comply with the City's design standards then in effect, (B) reduce or impair, to any material extent, the value, rentability. or usefulness of the Premises, or constitute waste, or (C) give to any owner, lessee or occupant of any other property or to any other person or entity any easement, right-of-way, or any other right over the Premises). Substantial Alterations shall be made in a good and workmanlike manner and otherwise in accordance with the requirements of the Lease.

c) It shall be reasonable for the City to withhold approval of any proposed Alterations that are inconsistent with Legal Requirements, or the City's design standards for the Airport, or any other applicable standards or guidelines adopted from time to time by the City, provided such standards or guidelines are applied reasonably and consistently to similar buildings and with similar tenants at the Airport. Prior to commencing any proposed Alteration, Tenant shall submit to the City detailed plans and specifications showing such proposed Alteration that requires the City's consent as provided herein, and shall otherwise comply with the requirements of Exhibit F.

d) Tenant shall reimburse the City for all actual out-of-pocket architectural and engineering expenses for architectural and engineering review reasonably incurred by the City in connection with its decision to grant or withhold consent to any proposed Tenant Work and inspect such Tenant Work to determine

whether the same is being or has been performed in accordance with the terms of this Lease. Any Tenant Work for which consent has been received shall be performed substantially in accordance with the approved plans and specifications, and no material amendments or material additions to the plans and specifications shall be made without the prior written consent of the City in accordance with this Lease, which such consent shall not be unreasonably withheld or delayed.

e) Tenant, at its expense, shall obtain all Required Approvals in accordance with Section 3.6 prior to Tenant's commencement and prosecution of any Tenant Work, and shall promptly deliver copies of the same to the City and cause the Tenant Work to be performed in compliance with all Legal Requirements and requirements of insurers of the Premises, and any Board of Fire Underwriters, Fire Insurance Rating Organization, or other body having similar functions, and in good and workmanlike manner, using materials and equipment at least equal in quality and class to the original quality of the installations at the Premises that are being replaced.

f) All costs associated with all Alterations and other Tenant Work shall be borne by Tenant.

g) With respect to any Tenant Work, Tenant shall comply with the applicable requirements of Article III, Article VII, Article VIII, Article XIII, Article XVI, Article XVII and this Article VI.

6.3 Snow Removal; Waste Disposal and General Upkeep. Tenant, at its sole cost and expense, shall keep and maintain the Premises safe, secure, clean and sanitary (including without

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limitation, snow and ice clearance, planting and replacing landscaping), and in full compliance with all Legal Requirements.

4 Signs. Tenant's signs and all proposed changes to signs on or at the Premises shall be subject to review and approval by the City under its design review procedures for the Airport, as such may be modified from time to time, such approval not to be unreasonably withheld or delayed. Notwithstanding the foregoing, the City will not be considered unreasonable in disapproving proposed signage that (a) is inconsistent with any of the City's assurances to the FAA in grants or other agreements for the operation, development or planning of the Airport or, in the opinion of the City's Director of Aviation Operations, would constitute a safety hazard; (b) is inconsistent with the City's sign/design standards for the Airport, or any other applicable standards or guidelines, as may be adopted in the future, provided said standards or guidelines are applied consistently and fairly to similar buildings at the Airport; or (c) is for the purpose of advertising and not for identifying the Tenant.

5 Lighting. Tenant shall provide and maintain adequate lighting within and around the Premises, the adequacy of which shall be determined at the reasonable discretion of the City as applied consistently and fairly to similar buildings at the Airport.

6 Sustainability. Tenant shall also use reasonable efforts to implement commercially reasonable "sustainable best practices" in the maintenance and operation of the Premises, and City shall provide reasonable cooperation to Tenant in its implementation and approval of any such practices. In furtherance of the foregoing, Tenant agrees to use commercially reasonable efforts. Such efforts may include, without limitation, the use of environmentally preferable processes, products, and materials which do one or more of the following: (i)

contain recycled material, are bio-based, are non-threatened species, or have other positive environmental attributes; (ii) minimize the consumption of resources,, energy, or water; (iii) prevent the creation of solid waste, air pollution, or water pollution; and/or (iv) promote the use of non-toxic substances and avoid toxic materials "or processes, including with regard to Tenant's selection and use of janitorial cleaning products and equipment. Tenant has conducted a review of products, processes, and materials, and Tenant will continue to assess additional processes, products, and materials on an ongoing basis. If not required by Legal Requirements, Tenant is also encouraged to implement a recycling program.

ARTICLE VII

INSURANCE AND INDEMNITY

7.1 Insurance Coverage Required for the Premises.

(a) The Tenant shall procure and maintain at all times, at Tenant's own expense, the types of insurance specified below, with insurance companies having an AM Best rating of A- or better, financial size rating of IV or better or for those insurance companies not subject to AM Best's rating (a) an equivalent financial strength rating from S&P or (b) as determined by the City in its sole discretion, a similar nationally or internationally recognized reputation and responsibility, or as reasonably approved by the City, covering all operations under this Lease performed by the Tenant. The kinds and amounts of insurance required are as follows:

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i) Workers' Compensation and Employer's Liability. Workers' Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Lease with statutory limits. Such insurance shall include Employer's Liability Insurance coverage with limits of not less than \$1,000,000 each accident; \$1,000,000 disease-policy limit; \$1,000,000 disease-each employee. Coverage shall include other states endorsement, alternate employer and voluntary compensation, when applicable.

ii) Commercial General Liability Insurance (Primary and Umbrella). Commercial General Liability Insurance or equivalent coverage with limits of not less than \$10,000,000 per occurrence and in the aggregate for war risks and allied peril for bodily injury (including death), personal injury, property damage liability, and aircraft liability (including passengers). Such insurance shall include but not be limited to: all premises and operations, products/completed operations, war risk and allied peril liability (including terrorism), liability for any auto (owned, non-owned and hired) including liability for vehicles on the restricted access area of the Airport, including but not limited to baggage tugs, aircraft pushback tugs, air stair trucks and belt loaders, mobile equipment, hangar keepers liability, explosion, collapse, underground, separation of insureds, defense, independent contractors (if commercially available), liquor liability and blanket contractual liability (not to include Endorsement CG 21 39 or equivalent).

The City shall be named as an additional insured on the policy and coverage shall be at least as broad as that afforded the named insured. The additional insured coverage shall not have any limiting endorsement or language under the policy such as but not limited to, Tenant's sole negligence or the City vicarious liability. The Tenant's insurance shall be primary without right of contribution by any other insurance or self-insurance maintained by the City.

To the extent Tenant relies on excess or umbrella insurance to satisfy the requirements of this subsection (ii) or (iii), any such policy shall follow form and be no less broad than the underlying policy, shall cover the term of underlying policy without interruption, and shall include a drop down provision with no gap

in policy limits.

iii) Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles are used in connection with work to be performed by or on behalf of the Tenant, the Tenant shall provide Automobile Liability Insurance with limits of not less than \$10,000,000 per occurrence combined single limit, for bodily injury and property damage for any auto including owned, non-owned or hired autos; provided, however, that the Tenant may reduce the foregoing amount to \$1,000,000 per occurrence combined single limit so long as the Tenant's Commercial General Liability Insurance or equivalent coverage includes excess auto liability. The City shall be named as an additional insured on a primary, non-contributory basis.

iv) All Risk Builders Risk Insurance. When Tenant undertakes any construction, Tenant shall provide or cause Tenant's General Contractor to provide All Risk Blanket Builder's Risk Insurance to cover the materials, equipment, machinery and

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fixtures that are or will be part of the permanent facility. Coverage extensions shall include but not be limited to boiler and machinery, earthquake and flood.

v) All Risk Property Insurance. All Risk Property Insurance shall be maintained at replacement cost valuation basis covering all loss, damage, or destruction to the Premises including improvements and betterments and property in the Tenant's care, custody and control. Coverage shall include but not limited to boiler and -machinery, earthquake, flood, sprinkler leakage, debris removal and business interruption and extra expense. The City shall be named as loss payee, as its interests may appear.

The Tenant shall be responsible for all loss or damage to personal property owned, rented or used by the Tenant.

vi) Professional Liability. When any Tenant's Architect, engineers, project managers, construction managers or other professional consultants perform work in connection with this Lease, Professional Liability Insurance covering acts, errors or omissions shall be maintained by such architects, engineers, project managers, construction managers or other professional consultants with limits of not less than \$2,000,000; provided, however, that Tenant's Architect, engineers, project managers, construction managers or other professional consultants who perform Tenant Work the cost of which is in excess of \$50,000,000 shall be maintained with limits of not less than \$5,000,000. When policies are renewed or replaced, the policy retroactive date shall coincide with, or precede, start of work on the contract. A claims made policy that is not renewed or replaced shall have an extended reporting period of at least two (2) years.

vii) Pollution Liability Insurance. Pollution Liability Insurance shall be provided covering bodily injury, property damage, clean-up and other losses caused by pollution conditions or incidents including any Release, Discharge, or Disposal of a Hazardous Substance or Other Regulated Material with limits of not less than \$10,000,000 per pollution condition or loss and \$10,000,000 annual aggregate. Coverage shall include but not be limited to: response to and remediation of new, preexisting, known and unknown on-site and off-site pollution conditions and incidents, emergency response costs, repairs, removals, abatement, corrective actions, transportation, contractual liability and defense. When

policies are renewed, the policy retroactive date shall coincide with or precede, start of work in connection with the Lease. A claims-made policy which is not renewed or replaced shall have an extended reporting period of two (2) years. The City is to be named in the policy as an additional insured.

Coverage shall also include but not be limited to (a) underground and above ground storage tank(s) owned or operated by the Tenant or its Associated Parties including any on site integral piping or dispensing equipment at the Airport and (b) any structural controls (above-ground or below-ground) used to treat sanitary sewer waste and storm water runoff operated by the Tenant or Associated Parties on the Premises as set forth in Article XIII and referenced in Exhibit E.

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As an alternative to obtaining Pollution Liability Insurance, Tenant may provide for reasonable limits of self-insurance as agreed with the City against the environmental risks that would be covered by a third-party insurer providing Pollution Liability Insurance. If Tenant self-insures against such environment risks, Tenant shall make available its financial statement online. All amounts paid to the City by Tenant on account of any self-insurance program shall be deemed insurance proceeds for purposes of this Lease.

(b) Additional Requirements.

i) Evidence of Insurance. The Tenant will furnish the Commissioner with original certificates of insurance (or copies thereof) and a copy of the additional insured endorsements, where applicable, evidencing the coverage required to be in force on the date of this Lease, and renewal certificates of insurance and additional insured endorsements, or such similar evidence (collectively, the "Evidence of Insurance"), if the coverages have an expiration or renewal date occurring during the term of this Lease. Tenant shall submit Evidence of Insurance prior to the Effective Date. The receipt of Evidence of Insurance does not constitute an agreement by the City that the insurance coverage required in this Lease has been fully met or the insurance policies indicated in the Evidence of Insurance are in compliance with all the Lease requirements. Failure of the City to obtain Evidence of Insurance from the Tenant showing compliance with this Section' 7.1 is not a waiver by the City of any requirements for the Tenant to obtain and maintain the specified coverages. Tenant shall advise all insurers of the Lease provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect the Tenant for liabilities that may arise from or relate to the Lease. The City reserves the right to inspect complete, certified policy copies (or electronic copies thereof) of any required insurance at a mutually agreed to location within the State of Illinois within ten (10) days of the City's written request.

ii) Failure to Maintain Insurance. The insurance hereinbefore specified shall be carried during the Term. Failure to carry or keep such insurance in force shall constitute an Event of Default, for which the City may exercise any of the City remedies under this Lease until proper evidence of insurance is provided.

iii) Notice of Cancellation, Material Change and Non-Renewal. Tenant shall provide for thirty (30) days' advance notice to the City in the event coverage required in this Lease (except for coverage for war and allied peril risk for which Tenant shall provide seven (7) days' advance notice or such other period as may be agreed by the parties) is being substantially changed, canceled, or non-renewed. Upon the earlier of Tenant's receipt of a cancellation notice for non-payment of premium or Tenant's knowledge thereof, Tenant shall

provide immediate notice to the City of such cancellation or impending cancellation with Tenant's written plan for curing such non-payment and preventing non-payment of premiums thereafter.

iv) Insurance Required of Contractors, Affiliates and Sublessees. In each contract with Tenant's General Contractor, Tenant's Architect or any other contractor, affiliates and sublessees, the Tenant shall require such Tenant's General Contractor,

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Tenant's Architect or such other contractors, affiliates and sublessees to obtain insurance coverages to adequately cover risks associated with any contractor, affiliate or sublessee that are reasonably appropriate in their limits and other terms and conditions to the nature of the contract and standard in the industry within which such Tenant's General Contractor, Tenant's Architect or such other contractors, affiliates and sublessees practices. Such coverages shall insure the interests of the City, its employees, elected officials, agents and representatives including naming the City as an additional insured on an additional insured form acceptable to the City. Tenant is also responsible for ensuring that each Tenant's General Contractor, Tenant's Architect or such other contractors, affiliates and sublessees has complied with the required coverage and terms and conditions outlined in this Section 7.1(b). When requested by the City, the Tenant shall provide, or cause to be provided, to the City Evidence of Insurance acceptable in form and content to the City. The City reserves the right to inspect complete, certified policy copies (or electronic copies thereof) of any required insurance at a mutually agreed to location within the State of Illinois within ten (10) days of the City's written request. Failure of the Tenant's General Contractor, Tenant's Architect or such other contractors, affiliates and sublessees to comply with required coverage and terms and condition outlined herein will not limit Tenant's liability or responsibility hereunder.

v) No Limitation as to Tenants Liabilities. The Tenant expressly understands and agrees that any insurance coverages and limits furnished by the Tenant shall in no way limit the Tenant's liabilities and responsibilities specified within this Lease or by applicable law.

vi) Waiver of Subrogation. The Tenant waives and shall cause its insurers to waive, and the Tenant shall cause each of Tenant's General Contractor, Tenant's Architect or such other contractors, affiliates and sublessees, and each of Tenant's General Contractor, Tenant's Architect or such other contractors, affiliates and sublessee's insurers to waive, their respective rights of subrogation against the City Indemnified Parties for recovery of damages to the extent these damages are covered by the following insurance obtained by Tenant pursuant to this Agreement: (1) Workers' Compensation and Employer's Liability Insurance; (2) Commercial General Liability (primary and umbrella); (3) Automobile Liability Insurance; (4) All Risk Blanket Builder's Risk Insurance; and (5) All Risk Property Insurance. With respect to the waiver of subrogation for Workers' Compensation and Employer's Liability, Tenant shall obtain an endorsement equivalent to WC 00 03 13 to effect such waiver.

In the event the insurers of Tenant or insurers of any of Tenant's General Contractor, Tenant's Architect or sublessees, should seek to pursue contribution or a subrogation claim against the City, the Tenant shall be responsible to pay all cost of defending such claims, including actual attorney's fees of counsel of the City's choosing subject to Section 7.2(g).

vii) Tenant Insurance Primary. The Tenant expressly understands and agrees that any insurance or self-insurance programs maintained by the City shall apply in excess of and not contribute with insurance provided by the Tenant under this Lease. All insurance policies required of the Tenant under this Lease shall be endorsed to state that

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Tenant's insurance policy is primary and not contributory with any insurance carried by the City.

viii) Insurance Limits Maintained by Tenant. If Tenant maintains higher limits than the minimum required herein, the City requires and shall be entitled to coverage for the higher limits maintained by the Tenant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City as its interest may appear.

ix) Joint Venture or Limited Liability Company. If Tenant is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

x) Other Insurance Obtained by Tenant. If Tenant desires additional coverages, the Tenant shall be responsible for the acquisition and cost.

xi) Self-Insurance of Tenant. The Tenant may not self-insure any portion of any limit of primary coverage required hereunder unless specifically permitted under this Section 7.1 or otherwise permitted by the City in extraordinary circumstances. It is understood that in any instance in which the Tenant is permitted to and chooses to self-insure a portion of the limit of primary coverage required hereunder, the Tenant, as a self-insurer, has the same duties and obligations to the City (e.g. obligation to provide a defense for covered claims) and to the City's liability insurer(s) as a primary liability insurer has to excess insureds and excess insurers under a standard ISO policy form even though the Tenant's self-insurance is not on a standard ISO form. For purposes of this subsection, self-insurance shall not be construed to include deductibles that apply on a per-occurrence basis.

xii) City's Right to Modify. The City of Chicago Risk Management Department maintains the right, based on commercially reasonable standards, to modify, delete, alter or change these requirements with thirty (30) days prior written notice to the Tenant.

7.2 Indemnification.

(a) The Tenant agrees to defend, indemnify and hold harmless the City, its elected and appointed officials, officers, agents, employees, contractors, consultants and representatives (the "City Indemnified Parties"), to the maximum extent allowed by applicable statutes and case law, from and against any and all losses, liabilities, penalties, damages of whatever nature, causes of action, suits, claims, demands, judgments, injunctive relief, awards and settlements (each individually a "Claim" and, collectively, "Claims"); including payments of claims of liability resulting from any injury or death of any person or damage to or destruction of any property, arising out of or relating to:

(i) the tortious acts or omissions of (1) the Tenant, or (2) Tenant's employees, contractors, subcontractors, agents, licensees, subtenants, vendors, invitees (excluding customers), any other person or entity that Tenant permits to use any portion of the Premises (regardless of whether Tenant enters into a sublease, assignment or license

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with such other party), and other parties under Tenant's direction or control that come onto the Airport

arising out of or relating to Tenant's use or occupancy of the Premises (each an "Associated Party" and collectively, the "Associated Parties");

ii) the Tenant's or its Associated Party's use or occupancy of the Airport in connection with its operations hereunder and the Premises;

iii) the violation by the Tenant of any agreement, warranty, covenant or condition of this Lease, of any law, ordinance, regulation or court order affecting the Premises; or

iv) suits of whatever kind or nature alleging violations of any federal or state laws as a result of any actions taken by the Tenant or its Associated Parties, or Tenant's failure to comply with obligations imposed upon the Tenant or its Associated Parties, pursuant to this Lease;

and the Tenant will, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not. To the extent City Indemnified Parties reasonably expend any cost and expense, including attorney fees, in investigating or responding to such claims, demands and suits, Tenant will reimburse the City Indemnified Parties for all such costs and expense, subject to Section 7.2 (g) hereof.

b) Without limiting the foregoing, the Tenant also agrees to defend, indemnify and hold harmless the City Indemnified Parties:

i) from and against any and all claims or liability for compensation under any workers' compensation statute arising out of the injury or death of any employee of the Tenant. The Tenant shall cause its licensees and contractors to maintain in effect at all times workers' compensation insurance as required by law; and

ii) from, and to assume all liability for, and to pay, all taxes and assessments for payment of which the City may become liable and which by law may be levied or assessed on the Premises occupied by the Tenant pursuant to this Lease, or which arise out of the operations of the Tenant or by reason of the Tenant's occupancy of the Premises. However, the Tenant may, at its own risk, cost and expense, and at no cost to the City, contest, by appropriate judicial or administrative proceedings, the applicability or the legal or constitutional validity of any such tax or assessment, and the City will, to the extent permitted by law, execute such documents as are necessary to permit the Tenant to contest or appeal the same. The Tenant shall be responsible for obtaining bills for all of said taxes and assessments directly from the taxing authority and shall promptly deliver to the City copies of receipts of payment. In the event the City receives any tax billings, it will forward said billings to the Tenant as soon as practicable.

c) Without limiting the foregoing, the Tenant shall cause any of its contractors to agree to protect, defend, indemnify and hold the City Indemnified Parties free and harmless from and against any and all claims, damages, demands, and causes of action of all kinds including claims of property damage, injury or death, in consequence of granting the relevant Contract or arising out of or being in any way connected with the contractor's performance under this Lease

Indemnified Party to the extent prohibited by 740 ILCS 35/1 et seq. The indemnification provided herein shall be effective to the maximum extent permitted by applicable statutes. To the extent Tenant's contractor fails to defend any and all claims, demands or suits against the City Indemnified Parties including claims by any employee, contractors, agents or servants of contractor even though the claimant may allege that a City Indemnified Party is, or was in charge of the work or that there was negligence on the part of a City Indemnified Party, Tenant shall be responsible for such defense. To the extent City Indemnified Parties reasonably expend any cost and expense, including attorney fees, in investigating or responding to such claims, demands and suits, Tenant will, or cause any of Tenant's contractors to, reimburse the City Indemnified Parties for all such costs and expense, subject to Section 7.2(g). "Injury" or "damage," as such words are used in this Section 7.2 shall be construed to include injury, death or damage consequent upon the failure of or use or misuse by Tenant's contractor, such contractor's subcontractors, agents, servants or employees, of any scaffolding, hoist, cranes, stays, ladders, supports, rigging, blocking or any and all other kinds of items of equipment, whether or not the same be owned, furnished or loaned by the City. Notwithstanding Tenant's obligation to cause any contractor to agree to the requirements set forth in this Section 7.2(c), Tenant's failure to cause its contractor to do so shall not constitute a breach hereof, provided that Tenant performs all such actions its contractor would have been required to perform under this Section 7.2(c), including indemnifying and defending the City, itself.

d) The City shall notify the Tenant as soon as practicable of each Claim in respect of which indemnity may be sought by the City against the Tenant hereunder, setting forth the particulars of such claim, action, proceeding or suit, and shall furnish the Tenant with a copy of all judicial filings and legal process and any correspondence received by the City related thereto.

e) The City shall be invited to attend and participate in all meetings (including those related to settlement) and to appear and participate in all judicial proceedings related to any Claim against the City, provided that City shall bear the costs of its participation to the extent such participation is not in furtherance of City's defense of any such Claim. The City shall approve the terms of any settlement; which requires the City to perform or refrain from performing any action, provided that such approval will not be unreasonably withheld if a settlement includes a full and unconditional release for City Indemnified Parties.

f) Without limiting the generality of any other provision hereof, the Tenant shall reimburse the City for the cost of any and all reasonable attorney's fees and investigation expenses and any other reasonable costs incurred by the City in the investigation defense and handling of said suits and claims and in enforcing the provisions of this Lease.

g) Notwithstanding the provisions of this Section 7.2, in the event that the City and Tenant mutually agree or a court of competent jurisdiction determines by a final order that (a) a City Indemnified Party's negligence is at least fifty-one percent (51%) or (b) a City Indemnified Party's willful or wanton misconduct is any percentage of the total fault which proximately caused any Claims, Tenant's obligation to indemnify the City for amounts to be paid in connection with the Claims shall be limited to the amount attributable to Tenant's and its Associated Parties' proportionate share of the total fault which proximately caused the Claims. The City and Tenant agree, however, that this Section 7.2(g) is not intended to obviate or lessen

in any way the Tenant's duty to defend the City Indemnified Parties; provided, however, that to the extent City and Tenant mutually agree or a court of competent jurisdiction rules that the Claims were the result of the sole negligent act or omission or the willful and wanton misconduct of a City Indemnified Party, the City shall

reimburse Tenant for its proportionate share of the costs of defense, including, but not limited to, attorneys' fees and court costs. For the avoidance of doubt, the City shall reimburse Tenant for all defense costs Tenant incurred with respect to defending the City Indemnified Parties against Claims to the extent that City and Tenant mutually agree or a court of competent jurisdiction rules that such Claims were the result of the sole negligent act or omission of a City Indemnified Party.

(h) Notwithstanding the provisions of this Section 7.2, the Tenant's indemnification obligations for Environmental Claims are set forth in Section 13.8.

(i) The foregoing express obligation of indemnification shall not be construed to negate or abridge any other obligation of indemnification running to the City or a City Indemnified Party that would exist at common law or under other provisions of this Lease, and the extent of the obligation of indemnification shall not be limited by any provision of insurance undertaken in accordance with this Lease.

(j) Subject to Section 7.2(g), Tenant shall be liable for any loss or damage to any personal property or equipment of Tenant, its agents, servants, employees, officials, or independent contractors.

(k) Tenant waives the right of contribution against the City Indemnified Parties, subject to Section 7.2 (g), and subrogation against the City Indemnified Parties.

(l) This Section 7.2 shall survive expiration or early termination of this Lease. The Tenant understands and agrees that any insurance protection furnished by the Tenant pursuant to Section 7.1 shall in no way limit the Tenant's responsibility to indemnify and hold harmless the City under the provisions of this Lease.

ARTICLE VIII USE OF

PREMISES

8.1 Permitted Uses^ Tenant may use the Premises for operation and maintenance of an aircraft hangar, support and ancillary facilities, vehicular parking and other uses accessory to the Tenant's business (collectively, "Permitted Uses"). In conjunction with Tenant's use of the Premises, Tenant shall not: (i) cause substantial (e.g., relative to other aircraft hangar facilities) noise, vibration, fumes, debris, electronic interference, or other nuisance on or adjacent to the Premises; (ii) create any condition that is a safety hazard; or (iii) unreasonably interfere with Airport operations. Without limiting the generality of any other provision of this Lease, in connection with its operations hereunder, Tenant shall not, without the City's consent: (a) provide any facilities, services, commodities or supplies, now or hereafter made available at or through the Airport, other than in connection with or related to the Permitted Uses; (b) operate any automobile or vehicle rental business; (c) operate any airline flight kitchen or other facilities providing meal services to aircraft crews or passengers or the public (non-aircraft); (d) offer

lodging facilities, or facilities for storage or distribution of merchandise for sale or consumption aboard aircraft;

(e) use any portion of the Premises for parking for passengers or customers of the Airport; or (f) use any portion of the Premises for the installation or operation of any antennae, satellite dish or other system for third party transmission, reception or relay of voice or data communications that is not directly related to the flight operations of Tenant or otherwise approved by the City. Tenant shall comply with FAA regulations and applicable City policies pertaining to the use of any such electronic communication equipment. Tenant agrees that it will not rent to or permit the use of space by third parties wanting to place cellular sites on the Premises except in conformance with all applicable City policies and guidelines. The payment of all applicable fees for such use shall be considered Additional Rent hereunder.

2 Prohibited Uses.

a) Without limiting the provisions of Section 8.1, Tenant shall not use or occupy the Premises or any part of the Premises, and neither permit nor suffer the Premises, to be used or occupied, for any of the following (collectively, "Prohibited Uses"):

- i) for any unlawful or illegal business, use or purpose;
- ii) for any use which is a public nuisance; or
- iii) in such a manner as may make void or voidable any insurance then in force with respect to the Premises.

b) Promptly upon its discovery of any Prohibited Use, Tenant shall take all reasonably necessary steps, legal and equitable, to immediately discontinue such business or use, or compel discontinuance of such business or use.

3 Airport Conditions. The following covenants, agreements, and restrictions shall apply to Tenant's use and occupancy of the Premises, which covenants, agreements, and restrictions shall run with the land, for the benefit of the City and its successors and assigns in the ownership and operation of the Airport:

a) Tenant shall neither construct nor permit to stand on the Premises any building, structure, poles, trees, or other object, whether natural or otherwise, in violation of FAR Part 77, or which would otherwise interfere with the use and operation of the Airport;

b) Tenant's use of the Premises shall be compatible with noise levels associated with the operation of the Airport; and

c) Tenant shall not knowingly or negligently undertake, or knowingly or negligently permit, any activity that could create a potential for attracting birds or other wildlife that may pose a hazard to aircraft operations at the Airport.

4 No Waste. Tenant shall not injure, overload, deface or strip, or cause waste or damage (other than reasonable wear and tear) to, the Premises or the underlying fee or any part thereof, nor commit any nuisance or unlawful conduct; nor permit the emission of any

objectionable noise or odor above normal Airport levels; nor make any use of the Premises that is improper or

offensive; nor permit or suffer any Associated Party to do any of the foregoing.

5 Legal Requirements. Throughout the Term, Tenant, at its expense, shall promptly comply with, and shall require all Associated Parties to promptly comply with, all present and future laws, ordinances, orders, rules, procedures, regulations and requirements of all federal, state and municipal governments, departments, commissions, boards and officers (including all reasonable and nondiscriminatory rules, procedures, requirements and regulations that do not conflict with the terms hereof or increase the burdens of Tenant hereunder, currently effective and hereinafter amended, adopted or established by the City, collectively, "Airport Rules"), foreseen or unforeseen, ordinary as well as extraordinary, which may be applicable to the Premises, or to the use or manner of use of the same, whether or not such law, ordinance, order, rule, procedure, regulation or requirement is specifically applicable or related to the conduct of the Permitted Uses, or shall necessitate structural changes or improvements, or shall interfere with the use and enjoyment of the Premises (collectively, "Legal Requirements", which shall be deemed to include, without limitation, all Laws, Airport Rules and Environmental Laws). Tenant shall, in the event of any violation or any attempted violation of this Section 8.5 by Tenant or its Associated Parties on or at the Premises, take steps, promptly upon knowledge of such violation, as Tenant determines to be reasonably necessary to remedy or prevent the same, as the case may be.

6 Compliance with Insurance Requirements. Throughout the Term, Tenant, at its expense, shall observe and comply with, and shall cause its Associated Parties to comply with, the requirements of all policies of public liability, casualty and all other policies of insurance required to be supplied by Tenant at any time in force with respect to the Premises if such observance or compliance is required by reason of any condition, event or circumstance arising after the commencement of the Term. Tenant shall, without limiting any other requirements of this Lease, in the event of any violation or any attempted violation of the provisions of this Section 8.6 by any Associated Party, take all reasonable steps, promptly upon knowledge of such violation or attempted violation, to remedy or prevent the same as the case may be.

7 Manager; Availability of Employee for Entry. Throughout the Term, the management, maintenance and operation of the Tenant's business at the Premises shall be under the supervision and direction of an active, qualified, competent and experienced manager who shall at all times be subject to the direction and control of the Tenant. The Tenant shall assign such manager, or cause such manager to be assigned, a duty station or office at the Premises, and such manager shall be available during regular business hours to allow the City access to the Premises. The Tenant shall at all times during the absence of such manager provide the names and telephone numbers of at least two (2) employees who can be contacted in the event of an emergency at the Premises. Further, the Tenant shall, at all times during the Term, have an employee authorized to make decisions for the Tenant available at the Premises or who may be contacted immediately by telephone or other communication to permit the City timely entry onto the Premises or locked areas where required or permitted under this Lease.

8 Use of Ramp. Tenant and Delta Airlines, Inc. ("Delta") have entered into a contractual arrangement for Tenant's use of Delta's aircraft parking premises as depicted in Exhibit C hereto (the "Ramp") which contract includes but is not be limited to provisions

regarding non-interference related to use of the Ramp, an indemnification of Delta and the City, and insurance coverage that satisfies the City's insurance requirements. The City shall be provided with a copy of such contract prior to any use of the Ramp by Tenant.

ARTICLE IX DAMAGE OR DESTRUCTION

1 Restoration Required. If any part of the Premises shall be partially damaged by fire or other casualty, but said circumstances do not render the Premises incapable of being used or occupied by Tenant for the Permitted Uses, Tenant shall give prompt written notice thereof to the City. Except as otherwise provided in this Article IX, Tenant shall, at Tenant's sole cost and expense, and without regard to the coverage, amount, or availability of proceeds of any insurance, restore, repair, replace, rebuild, or alter the Premises as nearly as possible to its condition immediately prior to such damage or destruction, all in conformity with and subject to the design and construction requirements of this Lease. Such restorations, repairs, replacements, rebuilding or alterations shall be commenced as soon as practicable following the occurrence of such damage or destruction and shall thereafter be prosecuted continuously to completion with diligence. No abatement of Rent shall accrue to Tenant so long as the Premises remains capable of being used or occupied by Tenant for the Permitted Uses.

2 No Surrender or Abatement. Except as otherwise provided in this Article IX, no destruction of or damage to the Infrastructure on the Premises or any part thereof, or upon any portion of the Land upon which the Infrastructure or any part thereof are located, nor any damage to Tenant's equipment, fixtures, or other personal property installed or used in or on the Premises, by fire or any other casualty, whether or not insured, shall permit Tenant to surrender this Lease or shall relieve Tenant from its liability to pay the full Rent and other charges payable under this Lease or from any of its other obligations under this Lease. Except as otherwise provided in this Article IX, Tenant waives any rights now or hereafter conferred upon it by statute or otherwise to quit or surrender this Lease or the Premises, or any part thereof, or to any suspension, diminution, abatement or reduction of Rent on account of any such destruction or damage.

3 Conditions for Termination of Lease. Notwithstanding anything to the contrary contained in this Article IX, if at any time during the Term (a) more than twenty-five percent (25%) of the then current insurable value of the Infrastructure (excluding excavations and foundations) shall be damaged or destroyed by fire or other casualty, (b) Tenant has provided property insurance coverage to the full extent required in this Lease, (c) the proceeds thereof are made available by the applicable insurance carrier or the insurance carrier has acknowledged in writing its liability to pay proceeds under the applicable policy and has not raised any defenses to payment thereof or Tenant has agreed to fund such amount, and (d) Tenant notifies the City of its election within sixty (60) days of such damage or destruction to terminate this Lease, then this Lease shall terminate as follows, provided the following conditions are met: (i) Tenant shall pay to the City, or as otherwise directed in writing by the City, the property insurance proceeds (or, if applicable, assign to the City Tenant's right to receive property insurance proceeds) in the amount required to be insured hereunder, plus all proceeds of insurance for the City's loss of Rent, if any, and the amounts of any deductibles or permitted self-insurance retentions with

respect to such insurance, (ii) if the City elects in its sole discretion, Tenant shall, prior to the effective date of termination, at its expense, subject to reimbursement from available insurance proceeds, tear down and remove all parts of the damaged Infrastructure then remaining and the debris resulting from such destruction, or shall otherwise clean up and restore the Premises to a clean and safe condition, free and clear of any and all liens and encumbrances, and (iii) within ten (10) days after the completion of said clean-up and restoration, Tenant shall surrender to the City possession of the Premises and shall pay (A) to the City, any Rent then due to the City

accruing to the date of said surrender to the extent not yet paid, in addition to the amounts described in clause (i) above, and (B) all other amounts required of Tenant under this Lease, to the extent then owing and not yet paid, whether paid to the City or otherwise, adjusted through the date of surrender.

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ARTICLE X

TAKING

1 Award. In the event that the Premises, or any part thereof, shall be taken in condemnation proceedings or by exercise of any right of eminent domain or by agreement between the City, Tenant and those authorized to exercise such right (any such matters being herein referred as a "Taking"), the City and Tenant shall have the right to participate in any Taking proceedings or agreement for the purpose of protecting their interests hereunder. Each party so participating shall pay its own expenses therein.

2 Termination. If at any time during the Term, there shall be a Taking of the whole or substantially all of the Premises, this Lease shall terminate and expire on the date of such Taking, and the Rent hereunder due and outstanding at the time of the Taking shall be paid to the date of such Taking. For the purpose of this Article X, "substantially all of the Premises" shall be deemed to have been taken if the untaken part of the Premises shall be insufficient for the restoration of the Infrastructure to allow Tenant's feasible operation thereof, as reasonably determined by Tenant. If there is a Taking resulting in the termination of this Lease as above provided, the rights of the City and Tenant with respect to the award shall be as follows:

a) First, to the payment of the costs, fees and expenses incurred by the City and Tenant in connection with the collection of the award;

b) Second, equal priority, to the City and to the Tenant, an amount equal to the value of the City's interest in the Premises determined as if this Lease had not terminated as a result of such Taking, and to Tenant, an amount equal to the fair market value of Tenant's leasehold interest determined if this Lease had not terminated as a result of such Taking; and

c) Third, to the City, all remaining proceeds, if any.

The City shall also receive any separate award made by the Taking authority for the consequential damages to the City and diminution in value of the portion of the Land that is not taken, and Tenant shall receive any separate award made by the Taking authority for Tenant's relocation.

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No such termination of this Lease under this Section 10.2 shall release Tenant from any obligation hereunder for Rent accrued or payable for or during any period prior to the effective date of the Taking, and any prepaid Rent, taxes and insurance premiums beyond the effective date of such termination shall be adjusted and paid or reimbursed to the party entitled thereto. This provision shall survive termination of this Lease under this Section 10.2.

3 Partial Taking. If a portion of the Premises is so taken, then this Lease shall terminate as to the portion of the Premises so taken upon the date of the Taking, but this Lease shall continue in full force and effect as to the remainder of the Premises provided that such portion can meet the operational needs of the Tenant, but the amount of Fixed Rent shall be equitably adjusted based on the portion of the Premises so taken.

The award on account of such Taking shall be applied and paid as provided in Section 10.4.

4 Restoration. In the event of a Taking that does not result in the termination of this Lease pursuant to Section 10.2:

a) Tenant shall, promptly after such Taking and at its expense, restore the Infrastructure to complete architectural units, and shall be entitled to so much of the proceeds of the Taking award as are reasonably necessary to perform such restoration and shall apply the same to the cost of restoration (which sum is hereinafter sometimes referred to as the "cost of restoration"). If the proceeds of the Taking award shall be insufficient to defray the cost of restoration, Tenant shall only be required to restore the Premises up through the cost of the Taking award.

b) After restoration, any portion of the Taking award in excess of the cost of restoration, and equal to the value of the portion of the Land taken unencumbered by this Lease, shall be paid to the City. All remaining proceeds, if any, shall be divided between the City and Tenant in proportion to the amount the diminution in value of the City's interest in the Premises bears to the amount of diminution in value of the Tenant's leasehold interest as a result of such Taking, determined, in each case, in accordance with generally accepted appraisal principles.

5 . Temporary Taking. If the whole or any part of the Premises shall be the subject of a temporary Taking, this Lease shall remain in full force and Tenant shall continue to pay in full the Rent payable by Tenant hereunder without reduction or abatement, and Tenant shall be entitled to receive any award so made for the period of the temporary Taking which is within the Term. If such temporary Taking shall extend beyond the expiration or earlier termination of this Lease, Tenant shall then pay to the City a sum equal to the cost of performing any obligations required of Tenant by this Lease with respect to the surrender of the Premises.

6 City's Power of Eminent Domain. Nothing in this Lease shall limit the eminent domain power of the City.

ARTICLE XI

ASSIGNMENT AND SUBLEASE OF PREMISES 11.1 Assignment

and Sublet.

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a) Except as set forth in Section 11.1(b), Tenant (including any sublessee or other occupant of the Premises) shall not, without the City's prior written consent, which consent may be withheld in the City's sole discretion, (i) assign the Lease or Tenant's leasehold interest in the Premises (including a Leasehold Mortgage) to a party other than a Related Party; (ii) sublet greater than 25% of the square footage of the Hangar Facility (as set forth in Exhibit A hereto) to a party other than a Related Party; (iii) permit the use or occupancy of the Premises or any part thereof, for any purpose other than a Permitted Use; or (vi) permit the use or occupancy of the Premises or any part thereof by anyone other than Tenant, except for a de minimis use or non de-minimis use pursuant to a contractual license agreement with Tenant for less than a year. In no event shall the Lease be assigned or assignable by voluntary or involuntary bankruptcy proceedings or otherwise, and in no event shall the Lease or any rights or privileges thereunder be an asset of Tenant under any bankruptcy, insolvency, or reorganization proceedings.

b) Tenant may, with the prior written consent of the City, which consent shall not be unreasonably withheld, either (A) assign the Lease to a Related Party of Tenant; (B) sublet not more than 25% of the square footage of the Hangar Facility (as set forth in Exhibit A hereto) to a party other than a Related Party; or (C) allow any transfer of the Premises (or any part thereof), the Lease or Tenant's interest therein by operation of law, under the following conditions:

i) either (1) for any such sublease, Tenant is not relieved from primary liability for its obligations under the Lease, and Tenant shall continue to remain primarily liable for the payment of all Rent under the Lease and for the payment, performance, and observance of all of Tenant's other obligations and agreements under this Lease, or (2) for any assignment, assignee shall assume all rights and obligations under the Lease, including for the payment of all Rent and for the payment, performance, and observance of Tenant's other obligations and agreements under this Lease;

ii) Tenant is not in default under the Lease at the time of giving notice thereof or on the effective date of such sublease or assignment;

iii) Tenant delivers to the City, within thirty (30) days following the execution by Tenant and either assignee or sublessee, as applicable, of such assignment or subletting documentation, written notice thereof, together with copies of all documents, if any, relating to such assignment or sublease and information establishing that the proposed assignee or sublessee is a Related Party, as applicable; and

(iv) , As applicable, the Related Party or assignee/subtenant must provide

disclosure in compliance with Chapter 2-154 of the Municipal Code of Chicago.

c) Tenant may, upon providing prior written notice to the City, sublet all or any portion of the Premises to a Related Party under the following conditions:

(i) Tenant is not relieved from primary liability for its obligations under the Lease, and Tenant shall continue to remain primarily liable for the payment of all Rent under the Lease and for the payment, performance, and observance of all of Tenant's other obligations and agreements under this Lease;

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ii) Tenant is not in default under the Lease at the time of giving notice thereof or on the effective date of such sublease; and

iii) Tenant delivers to the City, within thirty (30) days following the execution by Tenant and sublessee, subletting documentation relating to such sublease and information establishing that the sublessee is a Related Party.

"Related Party" shall mean: (i) any subsidiary, parent, subsidiary of parent or affiliate of Tenant; (ii) any entity which directly or indirectly controls, is controlled by, or is under common control with Tenant; or (iii) any entity which acquires or succeeds to all or substantially all of the assets or business (including, without limitation, all rights and obligations of Tenant under this Lease) of Tenant; provided, in the case of an assignment, such Related Party has a net worth equal to the greater of the net worth of Tenant as of the effective

date of such assignment or the net worth of Tenant as of the Term Commencement Date. The term "control" (including the terms "controlling", "controlled by", and "under common control with") shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise.

d) Proceeds Rent shall be due and owing in accordance with Section 4.3 from the date of any assignment by Tenant, and Percentage Rent shall be due and owing in accordance with Section 4.4 of this Lease from the date of any sublease of the Premises.

e) Any attempted assignment or transfer in violation of this Section 11.1 shall be void.

f) Tenant may assign this lease or its leasehold interest in the Premises to any entity (i) that results from any merger, consolidation, or reorganization of Tenant; (ii) that acquires or succeeds to all or substantially all of Tenant's assets; or (iii) into which Tenant may be merged or with which Tenant may be consolidated.

11.2 Leasehold Mortgages. Tenant, and its successors and assigns, shall not have the right to obtain Financing which will be secured by a Leasehold Mortgage:

a) at any time during which any debt issued by the City for the construction, renovation, operation and/or maintenance of the Premises is outstanding; or

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b) if there is no debt issued by the City for the construction, renovation, operation and/or maintenance of the Premises outstanding, then without the City's prior written approval, which approval by the City may be conditioned and/or withheld in its sole discretion. Such Financing shall be subject to the following:

i) In no event shall the fee interest in the Premises or any Rent be subordinate to any Leasehold Mortgage.

ii) Once the City has provided its prior written consent pursuant to Section 11.1 hereof. Tenant shall provide the City with written notice of such Leasehold Mortgage of the Premises at least thirty (30) days prior to the closing of any such transaction.

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iii) Tenant covenants to pay all amounts when due, and to perform all obligations, under any Leasehold Mortgage made pursuant to this Section 11.2, and agrees to pay all expenses incurred by the City, including reasonable attorneys' fees, in connection with any Financing of such a Leasehold Mortgage or review of documents in connection with a proposed Financing, whether or not such transaction closes.

iv) The making of a Leasehold Mortgage under this Section 11.2(b) shall not be deemed to constitute an assignment, nor shall any leasehold mortgagee under such a Leasehold Mortgage not in possession of the Premises be deemed an assignee of the leasehold estate created hereby, so as to require such leasehold mortgagee to assume the obligations of Tenant hereunder, but a leasehold mortgagee in possession and the purchaser at any sale of the leasehold estate created hereby upon foreclosure of a Leasehold Mortgage given in accordance with this Section 11.2(b), or the assignee of Tenant's interest under this Lease pursuant to an assignment in lieu of such foreclosure, shall be deemed to be an assignee of Tenant (but no consent by the

City to such assignment or transfer shall be required) and shall be deemed to have assumed all rights and obligations of Tenant under this Lease from and after the date of taking possession or of such purchase or assignment. If a leasehold mortgagee who is deemed to have assumed the obligations of Tenant hereunder thereafter assigns its interest in this Lease to an assignee who assumes all obligations of Tenant hereunder, such leasehold mortgagee, upon compliance by such assignee with Legal Requirements related to the assignment, shall be relieved of the obligations of Tenant arising after such assignment and assumption. A conditional assignment of Tenant's interest in this Lease to a leasehold mortgagee as security for a Leasehold Mortgage granted in accordance with this Section 11.2(b) shall not constitute an assumption of liability by the leasehold mortgagee of Tenant's obligations hereunder until the date of such leasehold mortgagee's taking of possession pursuant to the exercise of its rights under such conditional assignment.

ARTICLE XII OPTIONAL

TERMINATION

12.1 Optional Early Termination by Tenant. The Tenant shall have the ability to terminate this Lease in the instances and upon providing prior written notice to the City in the event that Tenant elects, in its sole discretion, to cease providing operations at the Airport. Upon such a determination, Tenant may elect to terminate this Lease by providing written notice to the City at least one (1) year prior to the date on which Tenant intends to terminate this Lease. The written notice required by this Section 12.1 shall specify the date on which Tenant intends to terminate this Lease, and such date shall be considered the Termination Date of this Lease.

ARTICLE XIII

HAZARDOUS MATERIALS AND OTHER ENVIRONMENTAL MATTERS

13.1 Definitions. For purposes of this Lease, the following definitions will apply to environmental matters:

(a) Reserved

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b) "Initial Environmental Conditions Walk-Through" or "Initial Walk-Through" shall mean a physical walk-through of the Premises by a representative or consultant of City and Tenant prior to the date Tenant occupies the Premises or conducts operations thereon pursuant to this Lease, for the purpose of observing the environmental condition of the Premises and Tenant's state of compliance with Environmental Laws, the findings of which shall be documented in a report prepared by such City representative or consultant in consultation with Tenant.

c) "Concluding Environmental Conditions Walk-Through" or "Concluding Walk-Through" shall mean a physical walk-through of Tenant's Premises or any portion thereof by a representative or consultant of the City and Tenant prior to the date that such Premises are vacated or surrendered pursuant to this Lease, for the purpose of observing the environmental condition of the Premises or any portion thereof and Tenant's compliance with Section 13.2(k), the findings of which shall be documented in a report prepared by such City representative or consultant in consultation with Tenant.

d) "Contaminant " shall mean any of those materials set forth in 415 ILCS 5/3.165, as amended

from time to time, that are subject to regulation under any Environmental Law.

e) "Discharge " shall mean an act or omission by which Hazardous Substances or Other Regulated Material, now or in the future, are leaked, spilled, poured, deposited, or otherwise disposed into land, wetlands or Waters, or by which those substances are deposited where, unless controlled or removed, they may drain, seep, run or otherwise enter said land, wetlands or Waters.

f) "Dispose", "Disposal" or "Disposing" and variants thereof means the discharge, deposit, injection, dumping, spilling, leaking, or placing of any Hazardous Substance or Other Regulated Material into or on any land or water so that such Hazardous Substance or Other Regulated Material or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters.

g) "Environmental Claim " shall mean any demand, cause of action, proceeding, or suit (a) for damages (actual or punitive), injuries to person or property, taking or damaging of property or interests in property without just compensation, nuisance, trespass, damages to natural resources, fines, penalties, interest, or (b) for losses, or for the costs of site investigations, feasibility studies, information requests, health or risk assessments, contribution, settlement, or actions to correct, remove, remediate, Respond to, clean up, prevent, mitigate, monitor, evaluate, assess, or abate the Release of a Hazardous Substance or Other Regulated Material, or any other investigative, enforcement, cleanup, removal, containment, remedial, or other private or governmental or regulatory action at any time threatened, instituted, or completed pursuant to any applicable Environmental Law, or (c) to enforce insurance, contribution, or indemnification agreements being made pursuant to a claimed violation or non-compliance with any Environmental Law.

h) "Environmental Indemnitees" shall have the meaning set forth in Section 13.8.

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(i) "Environmental Law(s)" shall mean any Federal, state, or local law, statute, ordinance, code, rule, permit, plan, regulation, license, authorization, order, or injunction which pertains to health, safety, any Hazardous Substance or Other Regulated Material, or the environment (including, but not limited to, ground, air, water or noise pollution or contamination, and underground or above-ground tanks) and shall include, without limitation, the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001 et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Hazardous Material Transportation Act, 49 U.S.C. § 1801 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Section 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq. ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"); the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et seq.; the Clean Air Act, 42 U.S.C. Section 7401 et seq.; the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.; the Gasoline Storage Act, 430 ILCS 15/0.01 et seq.; the Sewage and Waste Control Ordinance of the Metropolitan Water Reclamation District of Greater Chicago ("MWRD"); the Municipal Code of the City of Chicago; and any other local, state, or federal environmental statutes, and all rules, regulations, orders, and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

(j) "Hazardous Substance" has the meaning set forth in 415 ILCS 5/3.21.5, as amended from time to

time.

(k) "NPDES" shall mean the National Pollutant Discharge Elimination System.

(l) "Other Regulated Material" shall mean any Waste, Contaminant, or any other material not otherwise specifically listed or designated as a Hazardous Substance, that is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea formaldehyde foam insulation, explosive or radioactive material, or is a hazard to the environment or to the health or safety of persons.

(m) "Release" or "Released" shall mean any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, Discharging, injecting, escaping, leaching, dumping, or Disposing of any Hazardous Substance or Other Regulated Material into the environment.

(n) "Response" or "Respond" shall mean action taken in compliance with Environmental Laws to correct, remove, remediate, clean-up, prevent, mitigate, treat, monitor, evaluate, investigate, assess, or abate the Release of any Hazardous Substance or Other Regulated Material, or to prevent or abate any public nuisance.

(o) "Waste " includes those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq. as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill

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waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

(p) "Waters" has the meaning set forth in 415 ILCS 5/3.550, as amended from time to time.

13.2 Tenant Representations, Warranties and Covenants. Tenant represents, warrants, and covenants the following:

a) Tenant has obtained and throughout the Term shall regularly maintain and timely update all applicable licenses, permits, registrations and other authorizations and approvals required under Environmental Laws, and shall provide any notices required under Environmental Laws, for conducting its operations at the Premises during the Term of this Lease. Tenant shall ensure that its Associated Parties obtain, maintain and update all applicable licenses, permits, registrations and other authorizations required by Environmental Laws pertaining to its and their use of and operations at the Premises.

b) Tenant shall comply and shall ensure that its Associated Parties comply, with all applicable Environmental Laws pertaining to its and their use of and operations at the Airport.

c) Tenant shall not conduct its operations at the Premises during the Term of this Lease in such a manner so as to cause, unlawfully allow or contribute to, and shall ensure that its Associated Parties do not cause, unlawfully allow or contribute to:

i) any Release, Discharge or Disposal of any Hazardous Substance or Other Regulated Material at the Airport, unless authorized by an Environmental Law;

ii) any violation of any applicable Environmental Law as a result, in whole or in part, of the use by or operations of Tenant or its Associated Parties at the Premises;

iii) any Release, Discharge or Disposal in violation of any applicable Environmental Law which is a contributing cause of City exceeding any terms, conditions or effluent limits of any NPDES permit or individual storm water discharge permit issued to City, Multi-Sector General Permit, Municipal Separate Storm Sewer System permit, or any applicable federal or State of Illinois effluent limitation guideline, or standard of the MWRD;

iv) any Release, Discharge or Disposal to the soil or Waters at, underlying, or adjacent to the Premises in violation of any applicable Environmental Laws; or

v) any emissions to the air in violation of any applicable Environmental Law that results in an exceedance of an applicable emission standard at the Airport or of any terms or conditions of any Tenant air permit.

d) Tenant shall, and shall ensure that its Associated Parties, handle, use, store, Dispose of, transport, or otherwise manage any Hazardous Substance or Other Regulated Material at the Premises during the Term in a lawful manner. Without limiting the foregoing, Tenant shall not conduct, and shall ensure that its Associated Parties do not conduct, any

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operations or activities involving the use or application of ethylene glycol, propylene glycol, or any other substance in de-icing or anti-icing at any location at the Airport except in accordance with all applicable Environmental Laws and in compliance with any de-icing policies and practices as may be adopted by City in consultation with Tenant.

e) Tenant shall be, and shall ensure that its Associated Parties are, responsible for the proper transportation and Disposal of all Hazardous Substances or Other Regulated Material generated by Tenant or its Associated Parties, or resulting from Tenant's use, activities, and operations, at the Premises during the Term, including those activities and operations conducted by its Associated Parties. In such cases, in the event a signature as "generator" is required on waste manifests, waste profile sheets or generator's certifications of non-special waste, Tenant shall ensure that either Tenant or its appropriate Associated Party(ies) signs such documents. Tenant shall be responsible for the proper removal, transportation, and Disposal of Hazardous Substances or Other Regulated Material confiscated by the Transportation Security Administration ("TSA") or the City, but only with respect to the Premises.

f) Tenant shall be, and shall ensure that its Associated Parties are, responsible for the maintenance of any structural controls (above-ground or below-ground), as defined below, used to treat sanitary sewer waste and storm water runoff operated by Tenant or its Associated Parties on the Premises during the Term. Maintenance frequencies for structural controls shall be established by the Tenant in a reasonable manner in accordance with industry standards and applicable Environmental Law to ensure effective operation of such controls and to prevent failures of such controls that could result in the Discharge, Release or Disposal of pollutants in violation of any applicable Environmental Law. Tenant shall ensure that environmental records

required to be kept by applicable law, including the O'Hare Storm Water Pollution Prevention Plan, are maintained on-site for a period of three (3) years, unless a different document retention requirement is provided by applicable law. Structural controls to be maintained shall include, but not be limited to: oil/water separators (both storm and sanitary sewer), grease traps, sand traps, diversion valves, shut-off valves, storm sewer drain filters, trench drains, catch basins, rain gardens, and retention/holding ponds and any other structural controls specifically listed on Exhibit E to this Lease as the maintenance responsibility of the Tenant. Tenant shall remove and properly Dispose of any Waste in said designated structural controls maintained by Tenant prior to vacating the Premises. The structural controls for which Tenant is responsible for maintaining as of the date of this Lease are listed on Exhibit E, which list may be modified by agreement of the Parties to reflect construction/commissioning or demolition/decommissioning of structural controls. To the extent any portion of a structural control identified on Exhibit E extends outside of the boundary of the Premises onto City-owned property and/or Common Area, Tenant shall have a nonexclusive right to access and use the City-owned property and/or Common Area encompassing and adjacent to the identified structural control, for purposes of carrying out Tenant's obligations and responsibilities under this section 13.2.

g) Tenant shall be, and shall ensure that its Associated Parties are, responsible for the maintenance of air pollution control equipment required by any applicable Environmental Law operated by Tenant or its Associated Parties on the Premises during the Term. Maintenance frequencies for such air pollution control equipment shall be established by Tenant in a reasonable manner in accordance with industry standards, the provisions of applicable air permits and applicable Environmental Law to ensure effective operation of such equipment and

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to prevent failures of such equipment that could result in the emission of pollutants in violation of any applicable Environmental Law. Tenant shall ensure that environmental records required to be kept by applicable law are maintained on-site for a period of three (3) years, unless a different document retention requirement is provided by applicable law. The air pollution control equipment units to be maintained shall include, but not be limited to: scrubbers, filters, adsorbers, condensers, precipitators and other equipment, in each case to the extent such equipment is specifically listed on Exhibit E to this Lease as the maintenance responsibility of the Tenant. Tenant shall remove and properly Dispose of any Waste in said designated air pollution control equipment operated by Tenant prior to vacating the Premises. The air pollution control equipment for which Tenant is responsible as of the date of this Lease is listed on Exhibit E, which list may be modified by agreement of the Parties to reflect construction/commissioning or demolition/decommissioning of air pollution control equipment.

(h) If Tenant or its Associated Parties cause, unlawfully allow or contribute to a Release, Discharge or Disposal of a Hazardous Substance or Other Regulated Material at the Airport in violation of any applicable Environmental Law that is above any applicable reportable quantity, emission standard or effluent guideline set forth in any applicable Environmental Law including the O'Hare Spill Response Guide, Tenant shall report such Release, Discharge or Disposal to the appropriate governmental authorities in compliance with applicable Environmental Law, including the O'Hare Spill Response Guide. Tenant shall ensure that its

Associated Parties report any Release or Discharge in violation of any applicable Environmental Law to the appropriate governmental authorities, in compliance with applicable Environmental Law, if the operations of said third party cause, unlawfully allow or contribute to a Discharge or Release of a Hazardous Substance or Other Regulated Material in violation of any applicable Environmental Law that is above any reportable quantity set forth in any applicable Environmental Law.

(i) Tenant acknowledges that City is subject to certain NPDES permits, state and federal storm water regulations, federal and state effluent limitation guidelines, and MWRD standards for operations at the Airport. Tenant shall conduct operations and activities at the Premises, including but not limited to de-icing, anti-icing, and construction, and shall ensure that * its Associated Parties conduct operations and activities at the Premises in compliance with applicable Environmental Laws. Tenant acknowledges that its reasonable cooperation is necessary to ensure Airport's compliance with any applicable NPDES storm water permits and effluent limitation guidelines under Environmental Laws. Tenant shall minimize the exposure to storm water of materials generated, stored, handled, or used by Tenant or its Associated Parties at the Premises including Hazardous Substances or Other Regulated Material, by implementing and requiring implementation of certain written "Best Management Practices" as defined by and required under Environmental Laws, and shall make them available to City upon reasonable request. Tenant further acknowledges that any effluent limitation guidelines in any NPDES storm water discharge permit issued to City and timely provide to Tenant applicable to the Tenant are incorporated by reference into this Lease to the extent affecting Tenant's operations at or use of the Premises or operations or activities conducted on its behalf at the Premises, or necessitating Tenant's reasonable cooperation to assure City's compliance therewith. City shall provide advance notice to Tenant of and a reasonable opportunity to comment on, and shall otherwise endeavor to negotiate reasonable and cost effective terms and conditions of any permits issued to City which may affect Tenant's operations al or use of the Premises or operations or activities

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conducted on its behalf at the Premises, or which may necessitate Tenant's reasonable cooperation to assure City's compliance therewith.

(j) Tenant or its Associated Parties shall cooperate with City, as reasonably requested from time to time by City, to ensure that Tenant's operations at or use of the Airport will not unreasonably interfere with City's implementation of its Chicago O'Hare International Airport Wildlife Hazard Management Plan to reduce wildlife hazards at the Airport.

(k) Tenant, prior to vacating or surrendering any portion of the Premises for any reason, shall:

i) remove and Dispose of any and all trash, debris or Waste generated by Tenant or its Associated Parties;

ii) remove any and all above-ground containers and non-permanent structural controls owned by Tenant or its Associated Parties, including, but not limited to, removable filters, grates and above-ground tanks located on Tenant's Premises, unless Tenant and City agree otherwise; and

iii) comply with applicable Environmental Laws regarding the closing or removal from service of any underground or aboveground tanks, vessels, and containers operated or owned by Tenant or its Associated Parties and located on the Premises.

(l) Tenant understands and acknowledges that certain of its and City's future capital projects at the Premises may require review or approval by the FAA or the United States Environmental Protection Agency ("USEPA") or the Illinois Environmental Protection Agency ("IEPA"), pursuant to requirements imposed upon the Airport or City. If requested by City, Tenant shall reasonably cooperate with City in its preparation of such submittals as are required of City by FAA, USEPA, or IEPA, or their successor agencies, in connection with Tenant's future capital projects or in connection with City capital projects at the Airport which benefit Tenant.

13.3 Right of Entry to Perform Environmental Inspections and Sampling.

(a) City and its contractors and other agents shall have the full right to enter any part of the Premises, at all reasonable times and in City's sole discretion, for the purpose of conducting an inspection, assessment, investigation, regular inspection, or regulatory compliance audit of Tenant's operations thereon, or any other party's use and operations, including operations of Tenant's Associated Parties. City and its authorized agents may take samples and perform tests as needed, including but not limited to soil borings, ground water monitoring, and collection of samples of air, soil, water, groundwater, Hazardous Substances or Other Regulated Material Releases, and Discharges, at City's expense. City will provide seventy-two (72) hours' advance written notice of any City inspection, assessment, investigation, regular inspection, or regulatory compliance audit of Tenant's operations thereon, or any other party's use and operations, including operations of Tenant's Associated Parties or intrusive City sampling to Tenant, except in emergencies, when advance notice shall not be required. Tenant shall have the right to accompany City when any such inspection or sampling is performed, provided that City is not required to unreasonably delay its inspection or sampling to enable Tenant to be present. Tenant

shall have the right to obtain, at Tenant's expense, split samples, and City shall promptly provide copies of all analytical results of such sampling, including any non-privileged reports.

(b) Tenant shall cooperate, and shall ensure that its Associated Parties cooperate, in allowing prompt, reasonable access to City to conduct such inspection, assessment, audit, sampling, or tests. In the exercise of its rights under this Section, City shall not unreasonably interfere with the authorized use and occupancy of the Premises by Tenant or Tenant's Associated Parties. Tenant remains solely responsible for its environmental, health, and safety compliance, notwithstanding any City inspection, audit, or assessment.

13.4 Information to be provided to City.

a) If Tenant receives any written notice, citation, order, warning, complaint, claim or demand regarding Tenant's use of, or operations at, the Premises during the Term or other property at the Airport used by Tenant in connection with this Lease that is not legally privileged, made confidential by applicable law, or protected as trade secrets:

i) concerning any alleged Release, Discharge, or Disposal of a Hazardous Substance or Other Regulated Material by Tenant or by its Associated Parties;

ii) alleging that Tenant or any of its Associated Parties is the subject of an Environmental Claim or alleging that Tenant or any Associated Party is, or may be, in violation of any Environmental Laws; or

iii) asserting that Tenant or any such third party as identified in subsection (i) and (ii) above is liable for the cost of investigation or remediation of a Release or Discharge;

Tenant shall promptly, but not later than five (5) business days after Tenant's receipt, inform City in writing of same, including a copy of such notice received by Tenant.

b) Tenant shall simultaneously provide to City copies of its submittals of any non-privileged reports or notices required under Environmental Laws to any governmental agency regarding:

i) Tenant's or its Associated Parties' alleged failure to comply with any Environmental Laws at the Premises or other property at the Airport used by Tenant in connection with this Lease, or

ii) any Release or Discharge arising out of the past or present operations at or use of the Premises or other property at the Airport used by Tenant or its Associated Parties pursuant to this Lease.

c) In connection with any matter arising under Section 13.4(a) above, Tenant shall make available, within ten (10) business days of Tenant's receipt of City's written request, subject to document retention requirements provided by applicable law, the non-privileged documents that Tenant has submitted to any governmental agency pertaining to the environmental compliance status of Tenant's operations at or use of the Premises or other

property at the Airport used by Tenant in connection with this Lease, including without limitation any and all non-privileged records, permits, permit applications, test results, sample results, written or electronic documentation, studies, or other documentation regarding environmental conditions or relating to the presence,

use, storage, control, Disposal, or treatment of any Hazardous Substance or Other Regulated Material by Tenant or its Associated Parties at the Premises or other property at the Airport used by Tenant in connection with this Lease.

13.5 Tenant's Environmental Response and Compliance Obligations.

a) Without limiting the indemnity obligations of Section 13.8. if during the Term Tenant or any of its Associated Parties causes, unlawfully allows or contributes to a Release, Discharge, or Disposal of a Hazardous Substance or Other Regulated Material (including, but not limited to those which contaminate or pollute any air, soil, Waters, storm sewer, detention basin, other stormwater infrastructure, or conveyance system) in violation of any applicable Environmental Law that is above any applicable reportable quantity, emission standard or effluent guideline set forth in an applicable Environmental Law including the O'Hare Spill Response Guide, at any portion of the Premises or adjacent Waters, in connection with their operations at the Premises or other property at the Airport used by Tenant in connection with this Lease, Tenant shall perform or cause to be performed, consistent with the provisions of Section 13.6, the following:

i) notify the O'Hare Communications Center ("OCC") of such Release, Discharge, or Disposal as required by and in accordance with the O'Hare Spill Response Guide and applicable Environmental Laws;

ii) report such Release, Discharge, or Disposal to appropriate governmental agencies as required by and in accordance with applicable Environmental Laws;

iii) promptly Respond to the Release, Discharge, or Disposal of a Hazardous Substance or Other Regulated Material, as required by applicable Environmental Laws;

iv) promptly take all further actions required under Environmental Laws to abate any threat to human health or the environment;

v) promptly undertake any further removals, remediation, or corrective actions as are required by Environmental Laws or a governmental agency exercising its authorized regulatory jurisdiction under Environmental Laws, to remedy any such Release, Discharge or Disposal of a Hazardous Substance or Other Regulated Material, and any resulting impacts; and

vi) promptly obtain documentation of the approval of the closure of such Release, Discharge, or Disposal from the governmental agency(ies) with regulatory jurisdiction as such may be issued under Environmental Laws, and provide such documentation to City.

b) Any remedial or other activity undertaken by Tenant under this Article shall not be construed to impair Tenant's rights, if any, to seek contribution or indemnity from any person, consistent with the terms and limitations of this Lease, including Section 13.8, below.

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(c) Tenant shall not be responsible under this Section 13.5 for a Discharge, Release, or Disposal to the extent caused by an Air Carrier that Tenant is compelled to accommodate pursuant to Preferential Use Rules and Procedures.

6 Investigation, Remediation, or Corrective Action Process.

Before commencing any subsurface soil, surface water, stormwater, or groundwater investigations, removals, remediation, or corrective actions that Tenant or Tenant's Associated Parties are required to perform at the Premises under this Lease, including any such actions mandated in Section 13.5, and except for immediate removal actions required by Environmental Laws and otherwise undertaken pursuant to Section 13.5, Tenant shall promptly provide any proposed plans for such investigations, removals, remediation, or corrective actions to City for approval in accordance with applicable Environmental Laws, which shall not be unreasonably withheld or conditioned. The work shall be performed in a diligent manner consistent with the time(s) prescribed by Environmental Laws and relevant governmental authorities and at Tenant's expense, and City shall have the right to review and inspect all such work at any time using consultants and representatives of City's choice, at City's expense. Specific cleanup levels for any environmental removals, remediation, or corrective actions shall comply with applicable Environmental Laws, with commercial and industrial remediation standards being applied to such actions consistent with the use of the Premises for such purposes. Tenant may also utilize institutional controls and other engineered barriers as part of any removals, remediation or corrective actions to the extent authorized by Environmental Laws and approved by the City in writing, which shall not be unreasonably withheld. In the event deed recordation by the City is necessary for the utilization of commercial and industrial remediation standards or other controls as part of any removals, remediation or corrective actions or any other costs and expenses are incurred in connection with the use of such standards or controls Tenant shall reimburse the City for all deed recordation fees and reasonable attorneys' fees incurred in connection with such recordation. Tenant shall, at Tenant's own cost and expense, have all tests performed, and reports and studies prepared, and shall provide such information to any governmental agency as may be required by applicable Environmental Laws, with a copy simultaneously provided to City. This obligation includes but is not limited to any requirements for a site characterization, site assessment, remediation objectives report, remedial action plan, and remedial action completion report that may be necessary to comply with applicable Environmental Laws.

7 City's Rights to Ensure Tenant Compliance with Environmental Response and Compliance Obligations.

(a) If, as is reasonably determined by City, Tenant, Tenant's Associated Parties:

i) do not take appropriate Response actions required by applicable Environmental Laws in response to a Release, Discharge or Disposal for which it is responsible under Section 13.5, within the time(s) prescribed by such Environmental Law(s) and relevant governmental authorities; or

ii) do not perform or complete reporting, notifications, investigations, removals, remediation, corrective actions, or closure actions for which it is responsible under Section 13.5 within the time(s) prescribed by applicable Environmental Laws and

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relevant governmental authorities, or within the time reasonably necessary to enable City to meet its obligations under Environmental Laws (subject to the condition that, in the case of both Section 13.7(a) (i) and (ii) above, City must first provide reasonable advance written notice to Tenant of Tenant's failure to comply with such obligations and a reasonable opportunity for Tenant to cure such failure to comply by Tenant initiating or recommencing any such actions consistent with required schedules (including exercising its legal right to reasonably and in good faith challenge such alleged obligation to comply), but in any event not to exceed forty-five (45) days, except in emergency circumstances in which such

advance notice is not possible),

then City or its authorized contractor, in addition to its rights and remedies described elsewhere in this Lease and otherwise available at law, in equity, or otherwise, may, at its election, upon reasonable notice, enter the affected area, and take whatever action City reasonably deems necessary to meet Tenant's obligations under Environmental Laws, within the time required under such Environmental Laws, consistent with the requirements of Section 13.5. In addition to notice and opportunity to cure as set forth in Section 13.7(a)(ii) above, City shall provide Tenant with its plan to perform such work for Tenant's review and comment at least seven (7) business days before the commencement of such work, which comments shall be reasonably considered by the City, except in emergency circumstances where such advance notice is not possible. Such action taken by City consistent with the requirements of this this Lease shall be at Tenant's expense plus administrative expenses of the greater of five hundred dollars (\$500.00) or 25% of all costs incurred by City, including but not limited to reasonable attorneys' and consultants' fees and expenses, monetary fines and penalties, litigation costs or costs incurred in anticipation of litigation, expert witness fees, and expenses of investigation, removal, remediation, or other required plan, report, or Response action performed in accordance with applicable Environmental Laws.

(b) Except as set forth in Section 13.7(c), below, if City cannot identify with commercially reasonable effort any of the parties causing, unlawfully allowing, contributing to or responsible for a Release, Discharge, or Disposal at or from the Premises requiring the completion of appropriate Response actions as provided in Section 13.5(a), then City shall provide reasonable advance written notice to Tenant of its intention to take actions, to the extent of Tenant's obligations for such actions as provided in Section 13.5(a),. to report, repair, contain, investigate, remove, correct or remediate such Release, or Discharge, or Disposal consistent with the requirements of Section 13.5. Tenant shall thereafter be afforded a reasonable opportunity (not to exceed forty-five (45) days) to commence such actions or provide City with information on the identity of the party or parties causing, contributing to, or responsible for such Release, Discharge, or Disposal, which information shall be considered in good faith by City and, as appropriate, shall provide a basis for City's pursuit of any responsible parties consistent with the provisions of Section 13.7(a). In addition to the above written notice, City shall provide Tenant with its plan to perform such actions for Tenant's review and comment at least seven (7) business days before the commencement of any work (except in emergency circumstances in which such advance notice is not possible), which comments shall be reasonably considered by City, after which the costs of such actions, if implemented by City, shall be recovered as an airline rate-based cost.

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c) In the event a Release or Discharge, or Disposal in violation of Environmental Law which occurred prior to the Effective Date is encountered on any portion of the Premises that the Tenant or its corporate predecessor(s) also leased previously, the Tenant shall be presumed to be responsible for all costs incurred in connection with such contamination, including investigation, removal, remediation, or other required plan, report, or Response action, unless the Tenant provides clear evidence demonstrating that another party is fully responsible. Conversely, this presumption shall not apply to any portion of the Tenant's Premises not previously leased by the Tenant or its corporate predecessor(s). In such circumstances, unless the City provides clear evidence demonstrating that the Tenant or its corporate predecessor(s) is responsible, it shall be presumed that the Tenant is not responsible for any costs incurred in connection with such contamination.

d) Nothing in this Section is intended or shall be construed so as to prevent City or Tenant from exercising, in their reasonable discretion, any rights granted or available elsewhere in this Article, in this Lease,

or by law.

13.8 Environmental Indemnification and Reimbursement.

a) Notwithstanding any other provision to the contrary, Tenant agrees to indemnify, defend, and hold harmless City, its past and present elected and appointed officials, officers, agents and employees ("Environmental Indemnitees") from and against any and all Environmental Claims resulting from:

- i) the breach by Tenant of any representation or warranty made in this Article; or
- ii) the failure of Tenant to meet its obligations under this Article, whether caused or unlawfully allowed by Tenant or any third party under Tenant's direction or control; or
- iii) documented loss by any Environmental Indemnitee(s) from any Environmental Claim, to the extent caused, unlawfully allowed or contributed to by the unauthorized Release, Discharge, or Disposal of a Hazardous Substance or Other Regulated Material by Tenant or by its Associated Parties or the failure of Tenant or any Associated Party to comply with applicable Environmental Laws in connection with the operations of Tenant or its Associated Parties at the Premises or other properly at the Airport used by Tenant in connection with this Lease, during the Term;

b) Notwithstanding the provisions of this Section 13.8, in the event that the City and Tenant mutually agree or a court of competent jurisdiction determines by a final order that an Environmental Indemnitee's negligence or willful and wanton misconduct is at least fifty-one percent (51%) of the total fault which proximately caused the Environmental Claims, Tenant's obligation to indemnify the Environmental Indemnitee for amounts to be paid in connection with the Environmental Claims shall be limited to the amount attributable to Tenant's and its Associated Parties' proportionate share of the total fault which proximately caused the Environmental Claims. The City and Tenant agree, however, that this Section 13.8(b) is not intended to obviate or lessen in any way the Tenant's duty to defend the Environmental

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Indemnitees; provided, however, that to the extent City and Tenant mutually agree or a court of competent jurisdiction rules that the Environmental Claims were the result of the sole negligent act or omission or the willful and wanton misconduct of an Environmental Indemnitee, the City shall reimburse Tenant for its proportionate share of the costs of defense, including, but not limited to, attorneys' fees and court costs. For the avoidance of doubt, City shall reimburse Tenant for all defense costs Tenant incurred with respect to defending the City Indemnified Parties against Claims to the extent that City and Tenant mutually agree or a court of competent jurisdiction rules that such Claims were the result of the sole negligent act or omission of a City Indemnified Party.

c) City shall provide Tenant with prompt notice of any Environmental Claims to allow Tenant the opportunity to properly and effectively respond to or otherwise defend such Environmental Claims. Tenant shall, at its own cost and expense, defend all Environmental Claims whether frivolous or not. In the event City undertakes any action, including but not limited to investigations, removals, remediation, or corrective actions with respect to any Environmental Claims in response to the failure of Tenant to defend such Environmental Claims as Tenant deems appropriate in its reasonable judgment, Tenant shall reimburse City, upon written demand by City, for all reasonable and documented costs that City incurs in association with such action, including but not limited to consultants' fees, contractors' fees, reasonable attorneys' fees, and expenses of

investigation, removal, Response, remediation, or corrective action.

d) Except to the extent set forth in Section 13.8(b) above, Tenant waives the right of contribution and subrogation against the Environmental Indemnitees in connection with Environmental Claims set forth in Section 13.8(a) and (c), above.

e) Regardless of the date of termination of this Lease, the indemnifying party's representations, obligations and liabilities under this Article shall continue as long as the indemnified party bears any liability or responsibility under this Article or the Environmental Laws.

f) Any claims for environmental matters shall be subject to this Section 13.8 and shall not be subject to the indemnification provisions set forth in Section 7.2 of this Lease.

13.9 Limitations. Except pursuant to Section 13.7(b) and (c), Tenant's obligations under this Article shall not apply to: (a) any Release, Discharge or Disposal of Hazardous Substances or Other Regulated Materials that existed at the Premises prior to Tenant's or its corporate predecessor(s)'s initial occupancy or operations at such area(s) of Release, Discharge or Disposal of Hazardous Substances or Other Regulated Materials at the Premises, provided that neither Tenant or its corporate predecessor(s) nor any other party under Tenant's or its corporate predecessor(s)'s direction or control, or conducting operations or activities on its or their behalf caused, unlawfully allowed or contributed to such Release, Discharge or Disposal of Hazardous Substances or Other Regulated Materials, or caused, unlawfully allowed or contributed to a subsequent Release, Discharge or Disposal of such pre-existing Hazardous Substances or Other Regulated Materials; or (b) Releases, Discharges or Disposal that migrate onto, into, or from the Premises or the Airport and that were not caused, unlawfully allowed or contributed to by Tenant or its corporate predecessor(s) or third parties under Tenant's or its corporate predecessor(s)'s

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direction or control or conducting operations or activities on its or their behalf; or (c) Releases, Discharges or Disposals on, at, or from the Premises not caused, unlawfully allowed or contributed to by Tenant or its corporate predecessor(s) or by its or their Associated Parties, or any other party under Tenant's or its corporate predecessor(s)'s direction or control.

10 Initial Environmental Walk-Through. Prior to Tenant's initial occupancy of, use of, or operations at the Premises, City shall have the opportunity to perform, at its own expense, an Initial Walk-Through of the Premises regarding the environmental condition of the Premises and its state of compliance with Environmental Laws and produce an Initial Walk-Through report. City shall provide Tenant with an opportunity to participate in the walk-through and review and comment upon the conclusions and findings of the Initial Walk-Through report. In the event pre-existing environmental conditions are encountered, the provisions of Section 13.5 shall apply, except that the provision in Section 13.5(a) limiting Tenant's obligations to incidents during the Term shall not apply.

11 Concluding Environmental Walk-Through. At least sixty (60) days prior to vacating or surrendering the Premises or any portion of them for any reason, Tenant shall provide City with access to perform a Concluding Walk-Through in order to determine the environmental condition of the Premises or that part of the Lease Premises being vacated, and their state of compliance with the requirements of Section 13.2 (k). City shall provide Tenant with an opportunity to participate in the walk-through. If the Concluding Walk-Through reveals that Tenant has not removed all trash, containers, tanks, structures, debris, residue, and other items, materials and Waste for which Tenant or anyone operating on its behalf is responsible as required by

Section 13.2(k), or has otherwise failed to comply with the requirements of Section 13.2(k), City will share its Concluding Walk-Through report and any relevant photographs with Tenant. Tenant will remove or correct any items to the extent not in compliance with the requirements of Section 13.2(k) within five (5) business days of receipt of said report and photographs, or such longer period of time as reasonably requested by Tenant to perform the corrective actions. The parties agree that leased facilities and equipment being surrendered or vacated shall be left by Tenant in a state of good repair. However, tanks, structures and other items and materials owned by Tenant may revert to City upon agreement of the parties, with City accepting such tanks, structures and other items and materials in an "as is, where is" condition.

12 Tenant Hazardous Substance-Related Equipment and Fixtures. Any fixed tanks, pumps, chemical or Hazardous Substance or Other Regulated Material containers, pipelines, lines, and equipment or other such fixtures installed by or on behalf of Tenant shall at all times remain the property of Tenant, and ownership of or responsibility for such equipment shall not pass to City by virtue of such equipment being installed at the Premises, except pursuant to the agreement of the City and the Tenant. No such equipment shall be installed without the written consent of City. The list of structural controls in Section 13.2(f), Exhibit E, and/or air pollution control equipment in Section 13.2(g), Exhibit E, above, if applicable, shall be amended by agreement of the parties to reflect such installation.

13 Waiver. Any waiver of any provision of this Article, or any delay by City in the enforcement of any right hereunder, shall neither be construed as a waiver, nor create an expectation of non-enforcement of that or any other provision or right. In order to be effective, any waiver of any right, benefit, or power hereunder must be in writing and signed by an

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authorized representative of City, it being intended that no waiver shall be implied by City's conduct or failure to act. Any specific written waiver shall be applicable only to the particular facts and circumstances thereby addressed and shall not be of any effect with respect to future events, even if any of said future events involve substantially similar circumstances. Any remedies provided for in this Article shall be cumulative and in addition to, and not in lieu of, any other remedies available to City elsewhere in this Lease, at law, in equity, or otherwise.

13.14 Notice. With respect to those provisions of this Article which expressly require City to provide written notice to Tenant, electronic mail to the designated Tenant representative will satisfy such requirement. The parties' addresses for environmental notices shall be:

If to the City:

Chicago Department of Aviation
P.O. Box 66142
10510 West Zemke Road
Chicago, IL 60666
Attn: Commissioner
Electronic Mail Address:

CDACommissioner@cityofchicago.org <mailto:CDACommissioner@cityofchicago.org> With a copy to:
Mayank Tripathi 168 Touhy Court Des Plaines, IL 60018 Electronic Mail Address:
mtripathi@ustaviation.com <mailto:mtripathi@ustaviation.com>

With a copy to:

Corporation Counsel City of Chicago 30 North LaSalle Street, 9th Floor Chicago, IL 60602
Deputy Corporation Counsel, Aviation, Environmental, Regulatory Division
[INSERT ADDITIONAL TENANT NOTICE INFORMATION]

And a copy to:

Chicago Department of Aviation P.O. Box
66142 10510 West Zemke Road Chicago, IL
60666
Attn: Deputy Commissioner of Environment Electronic Mail
Address:

CDADeputyEnvironment@cityofchicago.org
<mailto:CDADeputyEnvironment@cityofchicago.org>

13.15 Survival of Environmental Provisions.

Unless specifically stated elsewhere herein, the provisions of this Article, including the representations, warranties, covenants and indemnities of Tenant, are intended to and shall survive the expiration or earlier termination of this Lease.

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ARTICLE XIV

SECURITY DEPOSIT

1 Delivery and Use of Security Deposit. If there is an Event of Default under Section 15.2(a) more than twice within any twelve (12) month consecutive period at any time during the Term, Tenant shall provide to the City within sixty (60) days of the date of the City's third notice pursuant to Section 18.5 of such Event of Default under Section 15.2(a), and the City's written demand, a security deposit equal to the total Fixed Rent that was payable for the three (3) months immediately prior to the date of such third notice of Event of Default (the "Security Deposit"). The Security Deposit shall be in the form of a surety bond the terms of which are acceptable to the City or a letter of credit meeting the requirements set forth in Section 14.2 to secure Tenant's performance and observance of Tenant's obligations under this Lease. The City may deduct from the Security Deposit an amount equal to: (A) any sums payable pursuant to Section 15.2(a); (B) all reasonable sums that the City expends as the result of an Event of Default; and (C) an amount equal to the City's reasonable costs of recovering possession, reletting the Premises, and any and all other damages legally recoverable by the City, together with reasonable out-of-pocket costs and expenses incurred by the City, upon the occurrence of an Event of Default. Notwithstanding anything to the contrary in this Article XIV, such Security Deposit requirement, if invoked, shall continue until Tenant can demonstrate on-time payments of its obligations under this Section 14.1(A) through (C) above for a period of thirty-six (36) consecutive months, at which time the Security Deposit requirement shall be waived and any outstanding Security Deposit returned to Tenant.

2 Terms; Letter of Credit.

(a) For a Security Deposit in the form of a letter of credit, such letter of credit shall be an irrevocable commercial standby letter of credit for the amount of the Security Deposit in form and substance reasonably acceptable to the City that meets the following criteria:

i) the letter of credit shall provide for its continuance for at least one year from issuance and for automatic extension for additional periods of at least one year from initial expiry date and each subsequent expiry date, unless the issuer of the letter of credit gives the City notice of its intention not to renew such letter of credit not less than sixty (60) days before such expiry date (a "Nonrenewal Notice");

ii) the letter of credit shall be payable upon the City's presentation of the original of such letter of credit together with a sight draft to the issuer, accompanied by the City's signed statement that the City is entitled to draw on such letter of credit without further notice to the Tenant and hold the proceeds thereof;

iii) the letter of credit shall be issued by a commercial bank reasonable satisfactory to the City which maintains a branch in Chicago, Illinois for presentment for payment:

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1) that is chartered under the laws of the United States or any state thereof, or the District of Columbia;

2) that is insured by the Federal Deposit Insurance Corporation;

3) whose long-term, unsecured and unsubordinated debt obligations are rated by at least two of Fitch Ratings Ltd. ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services ("S&P") or their respective successors (the "Rating Agencies") with ratings of not less than A- from Fitch, A3 from Moody's and A- from Standard & Poor's (the "Long-Term LC Issuer Requirements"); and

4) whose short-term rating from at least two Rating Agencies is not less than F2 from Fitch, P-2 from Moody's and A-2 from S&P (the "Short-Term LC Issuer Requirements" and, together with the Long Term LC Issuer Requirements, the "LC Issuer Requirements").

(iv) If at any time the LC Issuer Requirements are not met, or if the financial condition of such issuer changes in any other materially adverse way, as determined by the City in its sole discretion, then Tenant shall within five (5) days of written notice from the City deliver to the City a replacement Letter of Credit which otherwise meets the requirements of this Lease and that meets the LC Issuer Requirements (and Tenant's failure to do so shall, notwithstanding anything in this Lease to the contrary, constitute an Event of Default for which there shall be no notice or grace or cure periods being applicable thereto other than the aforesaid five-day period).

b) Unless the Security Deposit is waived by the City and returned to the Tenant in accordance with Section 14.1, the Letter of Credit shall remain in effect until the date which is thirty (30) days after the Term. If Tenant shall hold over possession of the Premises pursuant to Section 15.8 hereof, then Tenant shall ensure that the Letter of Credit is extended to cover a period which is not less than thirty (30) days after the expiration of any holdover period.

c) The City shall consent to reduce or release such letter of credit when and as this Lease would entitle Tenant to any reduction or release of the Security Deposit.

14.3 Use of Letter of Credit. If any of the following occurs, then the City may draw upon the balance of the letter of credit in an amount equal to the aggregate amount of the Security Deposit this Lease then requires: (A) the issuer delivers (i) a Nonrenewal Notice or (ii) notice that such issuer no longer intends to maintain a branch in Chicago, Illinois, provided that in either case (i) or (ii) Tenant fails to deliver a replacement letter of credit that complies with this Lease within thirty (30) days after Tenant receives notice of the occurrence of (i) or (ii) (for purposes of which, the parties shall reasonably cooperate to facilitate the simultaneous exchange of the old letter of credit for the new letter of credit); (B) the happening of any instance in which the criteria set forth in Section 14.2(a) are not met; (C) if the remaining term of the letter of credit is at any time less than thirty (30) days, but Tenant has not delivered an extension or renewal of such letter of credit for at least one year; or (D) the City transfers this Lease to a third

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party (or pledges it to a fee mortgagee) and (i) the issuer of the letter of credit does not consent to and cooperate as necessary to effectuate the transfer of the letter of credit to such third party (or its fee mortgagee), at no cost to the City (or its fee mortgagee), or (ii) Tenant fails to deliver a replacement letter of credit for the benefit of such third party within thirty (30) days after Tenant receives notice of the effective date of such transfer.

4 Assignment by the City. If the City transfers (as collateral or otherwise) its interest in this Lease, then the City shall transfer the Security Deposit to such transferee (as collateral or otherwise). Upon such transfer, the City shall be automatically freed and relieved from all liability for the return of the Security Deposit, provided that (a) such transferee assumes by written agreement with Tenant all of the City's past, present, and future obligations regarding the Security Deposit; and (b) the City notifies Tenant of such transferee and the name and address of such transferee. Without limiting the generality of the foregoing, this paragraph shall apply to every transfer of the Security Deposit to a successor of the City. The City (and its successors and assigns) shall in no event be bound by any assignment, encumbrance, attempted assignment, or attempted encumbrance of the Security Deposit in violation of this Section 14.4.

5 No Assignment by Tenant. Tenant shall not assign or encumber or attempt to assign or encumber the Security Deposit, except in connection with an assignment of this Lease that complies with this Lease.

ARTICLE XV SURRENDER, DEFAULT AND

REMEDIES

15.1 Surrender. Tenant shall on the last day of the Term, or upon any earlier termination of this Lease (such date being the "Termination Date"), quit and peacefully surrender and deliver up the Premises, including the Infrastructure and all other improvements to the Premises, to the possession and use of the City without

delay and in good condition and repair, and in accordance with the terms and provisions of Article 13 of this Lease, ordinary wear and tear, and damage due to fire or other casualty, condemnation, or the negligence or willful misconduct of the City or another City Indemnified Party excepted. Tenant shall remove all personal property (including without limitation, if requested by the City, any underground storage tanks installed by Tenant or its Associated Parties on the Premises) and trade fixtures (including all equipment) of Tenant from the Premises prior to the date of termination or earlier expiration of this Lease, and shall repair any damage to the Premises caused by Tenant's removal thereof. All such removal and repair required of Tenant pursuant to this Section 15.1 shall be at Tenant's sole cost and expense. If Tenant fails to remove any items required to be removed by it hereunder, or fails to repair any resulting damage, prior to or within thirty (30) days after termination or earlier expiration of this Lease, then the City may remove said items and repair any resulting damage, and Tenant shall pay the cost of any such removal and repair, together with interest thereon at the Default Rate from and after the date such costs were incurred until the City's receipt of full payment therefor. Upon or at any time after the expiration or earlier termination of this Lease, the City may, without further notice, enter upon and re-enter the Premises and possess and repossess itself thereof, by force, summary proceedings, ejectment or otherwise, and may dispossess Tenant and remove Tenant and all other persons and property

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from the Premises, and may have, hold and enjoy the Premises and the right to receive all income from the same.

Tenant shall not remove any permanent improvements constructed on the Premises, including without limitation the Hangar Facility or any fixtures (other than trade fixtures that have been installed by Tenant for Tenant's specific use of the Hangar Facility) without the City's prior written permission.

15.2 Events of Default. If any one or more of the following events (each, "Event of Default") shall happen:

a) If default shall be made in the due and punctual payment of any Rent or other sums payable under this Lease or any part thereof, when and as the same shall become due and payable, and such default shall continue for a period of five (5) business days after notice from the City to Tenant specifying the items in default; or

b) If Tenant shall fail to maintain insurance as required by Article VII, and such default shall continue for a period of five (5) business days after notice from the City to Tenant, subject however, to the City's right to cure such default prior to the expiration of such five (5) business day cure period, the cost of which shall be reimbursed by Tenant; or

c) If Tenant fails to promptly update the economic disclosures furnished in connection with this Lease, as required and in accordance with Section 2-154-020 of the Municipal Code of Chicago, when such information or responses contained in its economic disclosures are no longer complete or accurate; or

d) The default of Tenant under any lease agreement, indemnity agreement, or other agreement Tenant may presently have or may enter into with the City during the Term of this Lease which involves criminal, fraudulent, or deceitful acts, and failure to cure said default within any applicable cure period as set forth in any such lease agreement, indemnity agreement or other agreement (if any cure period is available). Tenant agrees that in case of an Event of Default under this Lease for similar causes and failure to cure such

default within ten (10) business days after notice from the City to Tenant, the City also may declare a default under any such other agreements; or

e) If the Premises shall be abandoned, deserted, or vacated by Tenant, it being understood that the Premises shall be deemed abandoned, deserted, or vacated if the Infrastructure is not operated on the Premises for a period of thirty (30) consecutive days for any reason other than a Force Majeure Event or the process of restoration following a casualty or taking (which restoration requires more than thirty (30) days to be completed); or

f) If Tenant shall initiate the appointment of a receiver to take possession of all or any portion of the Premises or Tenant's leasehold estate for whatever reason, or Tenant, shall make an assignment for the benefit of creditors, or Tenant shall initiate voluntary proceedings under any bankruptcy or insolvency law or law for the relief of debtors, or if there shall be initiated against Tenant any such proceedings which are not dismissed within ninety (90) days; or

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(g) If default shall be made by Tenant in the performance of or compliance with any of the agreements, terms, covenants or conditions in this Lease, other than those referred to in paragraphs (a) through (f) of this Section 15.2, for a period of thirty (30) days after notice from the City to Tenant specifying the items in default, or in the case of a default or a contingency which cannot with due diligence be cured within the thirty (30) day period, Tenant fails to proceed within such thirty (30) day period to cure the same and thereafter to prosecute the curing of such default with diligence and to cure such default within one hundred eighty (180) days after notice of the default;

then, and in any such event, the City at any time thereafter shall have the right to (A) for any monetary Event of Default, deduct from the Security Deposit or draw on the Letter of Credit such amounts to make the City whole, or (B) give written notice to Tenant specifying such Event or Events of Default and stating that this Lease and the Term hereby demised shall expire and terminate on the date specified in such notice, which shall be at least ten (10) days after the giving of such notice, and upon the date specified in such notice this Lease and the Term thereby demised and all rights of Tenant under this Lease shall expire and terminate, unless prior to the date specified for termination the Event or Events of Default shall have been cured, and Tenant shall remain liable as hereinafter provided, and the Premises shall become the property of the City without the necessity of any deed or conveyance from Tenant to the City. Tenant agrees upon request of the City to promptly execute and deliver to the City any deeds, releases or other documents deemed necessary by the City to evidence the vesting in the City of the ownership of all structures, alterations, additions and improvements.

3 Relet. At any time or from time to time after any termination, the City may relet the Premises or any part thereof for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term), on such conditions (which may include commercially reasonable concessions, or free rent and alterations of the Premises) and for such uses as the City, in its good faith discretion, may determine, and may collect and receive the rents therefor. The City shall, nevertheless, undertake good faith efforts to relet the Premises in order to mitigate damages, but City shall in no way be responsible or liable for any failure to relet the Premises or any part thereof, or for any failure to collect any rent due upon any such reletting.

4 City's Right To Perform Tenant's Covenants.

(a) Performance by the City. If Tenant shall at any time beyond the expiration of any applicable cure or grace periods provided under this Lease fail to pay any Imposition as defined in and in accordance with the provisions of Article V hereof, or to take out, pay for, maintain or deliver any of the Evidence of Insurance as provided for in Article VII hereof, or shall fail to make any other payment or perform any other act on its part to be made or performed, then the City may; but shall be under no obligation to:

- i) pay any Imposition payable by Tenant pursuant to the provisions of Article V hereof or
- ii) take out, pay for and maintain any of the insurance policies provided for in Article VII hereof, or

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- (iii) make any other payment or perform any other act on Tenant's part to be made or performed as in this Lease provided.

The City may enter upon the Premises (after two (2) days' notice to Tenant except in the event of emergency) for any such purpose, and take all such action thereon, as may be necessary.

b) Reimbursement. All sums so paid by the City and all reasonable costs and expenses incurred by the City, including reasonable attorneys' fees and expenses, in connection with the performance of any such act, together with interest at the Default Rate from the date of such payment or incurrence by the City of such cost and expense, shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to the City on demand. If the City shall exercise its rights under paragraph (a) of this Section 15.4 to cure a default of Tenant, Tenant shall not be relieved from the obligation to make such payment or perform such act in the future, and the City shall be entitled to exercise any remedy contained in this Lease if Tenant shall fail to pay such Additional Rent to the City upon demand. Any costs of the City pursuant to this Section 15.4(b) as a result of a default by Tenant of Section 6.1 shall be recoverable by the City as Additional Rent at a rate of 125% of the costs for such work performed by the City. All costs incurred by the City hereunder shall be presumed to be reasonable in the absence of a showing of bad faith, clear error, or fraud.

c) Entry. During the progress of any work on the Premises which may under the provisions of this Section 15.4 be performed by the City, the City may keep and store in the areas in which such work is being conducted all necessary materials, tools, supplies and equipment, provided that such activity does not disrupt Tenant's operations. The City shall not be liable for inconvenience, annoyance, or disturbance, subject to the conditions in the preceding sentence, by reason of making such repairs or the performance of any such work, or, on account of bringing materials, tools, supplies and equipment onto the Premises during the course thereof, and the obligations of Tenant under this Lease shall not be affected thereby.

15.5 Additional Remedies. No such expiration or termination of this Lease shall relieve Tenant of its liability and obligations under this Lease, and such liability and obligations shall, survive any such expiration or termination. In the event of any such expiration or termination, whether or not the Premises or any part thereof shall have been relet, Tenant shall pay to the City the Rent and all other charges required to be paid by Tenant up to the time of such expiration or termination of this Lease, and thereafter Tenant, until the end of what would have been the Term in the absence of such expiration or termination, shall be liable to the City for, and shall pay to the City, as and for liquidated and agreed current damages for Tenant's default, the equivalent of the amount of the Rent and charges that would be payable under this Lease by Tenant if this Lease were still in effect, less the net proceeds of any reletting after deducting all the City's reasonable expenses actually

incurred in good faith in connection with such reletting, including, without limitation, all repossession costs, brokerage and management commissions, operating expenses, legal expenses, reasonable attorneys' fees, alteration costs, and expenses of preparation for such reletting. Tenant shall pay such current damages (herein called "deficiency") to the City on the date(s) on which the Rent would have been payable under this Lease if this Lease were still in effect, and the City shall be entitled to recover from Tenant each deficiency as the same shall arise. At any time after any such expiration or termination, in lieu of collecting any further deficiencies as aforesaid, the City shall be entitled to recover from

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Tenant, and Tenant shall pay to the City, on demand, as and for liquidated and agreed final damages for Tenant's default, an amount equal to the value of the excess of the Rent reserved hereunder for the unexpired portion of the Term over the then fair and reasonable rental value of the Premises for the same period (subject to the limitations on use of the Premises set forth herein), minus any such deficiencies for such period previously recovered from Tenant and discounted to present value in accordance with generally accepted accounting principles.

6 No Waiver. No failure by either the City or Tenant to insist upon the strict performance of any agreement, term, covenant or condition hereof or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial Rent during the continuance of any such breach, shall constitute a waiver of any such breach or of such agreement, term, covenant or condition. No agreement, term, covenant or condition hereof to be performed or complied with by either the City or Tenant, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party. No waiver by the City or Tenant of any breach shall constitute a waiver of any other, or subsequent, breach or in any way affect or alter this Lease, but each and every agreement, term, covenant and condition hereof shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

7 Injunctive Relief. In the event of any breach by Tenant or the City of any of the agreements, terms, covenants or conditions contained in this Lease, the non-breaching Party shall be entitled to enjoin such breach and shall have the right to invoke any right and remedy allowed at law or in equity or by statute or otherwise as though re-entry, summary proceedings, and other available remedies not provided for in this Lease.

8 Holdover. In the event of continued occupancy by Tenant of all or any portion of the Premises after the Termination Date without the express prior written approval of the City, Tenant shall pay Rent for the Premises at 125% for the first sixty (60) days and 150% thereafter of the annual rate of the Rent last payable. No occupancy by Tenant after the expiration or earlier termination of this Lease shall be construed to extend the Term. In addition, in the event that Tenant's holdover continues for sixty (60) days or longer, Tenant shall also be liable for any and all damages, consequential as well as direct, sustained by the City by reason of Tenant's continued occupancy of the Premises, or any portion thereof, from and after the expiration or earlier termination of this Lease (provided, Tenant shall have no liability for consequential damages hereunder unless the City first provides Tenant with not less than thirty (30) days' written notice that the City has identified either a third party tenant for, or a necessary surrender date for, the Premises, or any portion thereof, and Tenant continues such holding over beyond the date set forth in such notice). Any holding over shall constitute a lease from month to month on the same terms and conditions as this Lease, including payment of the Rent as set forth herein.

9 Remedies Cumulative. Each right and remedy provided for in this Lease shall be cumulative

and shall be in addition to every other right or remedy provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the City or Tenant of any one or more of the rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the party in question of any or

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all other rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise.

ARTICLE XVI

NONDISCRIMINATION AND EQUAL OPPORTUNITY PROVISIONS

16.1 Non-Discrimination. Tenant acknowledges that the City has given to the United States of America, acting by and through the FAA, certain assurances with respect to nondiscrimination required by Title VI of the Civil Rights Act 1964 (42 U.S.C. § 2000d et seq., 78 Stat. 252), 49 CFR Part 21, 49 CFR § 47123, 28 CFR § 50.3 and other acts and regulations relative to non-discrimination in Federally-assisted programs of the U.S. Department of Transportation ("DOT") (collectively, and including all amendments thereto, the "Acts and Regulations") as a condition precedent to receiving Federal financial assistance from FAA for certain Airport programs and activities. The City is required under the Acts and Regulations to include in this Lease, and Tenant agrees to be bound by, the following covenants and requirements:

a) Tenant, for itself, its assignees and successors in interest, covenants and agrees that it shall assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability, be excluded from participating in any program or activity conducted with or benefitting from Federal financial assistance received by the City from the FAA. In the event of Tenant's breach of any of the above Non-discrimination covenants, the City shall have the right to terminate this Lease.

b) Tenant, for itself, its personal representatives, successors in interest and assigns, as part of the consideration hereof, hereby covenants and agrees, as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a DOT activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations such that no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities.

c) In the event of Tenant's breach of any of the Non-discrimination covenants described in subsection (b), above, the City shall have the right to terminate this Lease, and to enter, re-enter and repossess the Premises and the facilities thereon, and hold the same as if this Lease had never been made or issued. This subparagraph (c) shall not become effective until the procedures of 49 CFR Part 21 are followed and completed, including the expiration of appeal rights-.

d) Tenant, for itself, its personal representatives, successors in interest and assigns, as part of the consideration hereof, hereby covenants and agrees, as a covenant running with the land, that (i) no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, (ii) in the construction of any

improvements on, over, or under such land, and the

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furnishing of services thereon, no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (iii) Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations.

e) In the event of Tenant's breach of any of the Non-discrimination covenants described in subsection (d), above, the City shall have the right to terminate this Lease, and to enter or re-enter and repossess the Premises and the facilities thereon, and hold the same as if this Lease had never been made or issued. This subparagraph (e) shall not become effective until the applicable procedures of 49 CFR Part 21 are followed and completed, including the expiration of appeal rights.

f) Tenant shall include these subsections (a) through (f), inclusive, in Tenant's licenses, permits and other instruments relating to the Premises, and shall require that its licensees, permittees and others similarly include these statements in their licenses, permits and other instruments relating to the Premises.

16.2 Affirmative Action. Tenant assures that: (a) it shall undertake an affirmative action program as required by the City, and by all federal and state laws, rules and regulations pertaining to Civil Rights (and any and all amendments thereto), including, without limitation, 49 CFR Part 21 and 49 U.S.C. § 47123, to assure that no person shall, on the grounds of race, creed, color, national origin, sex, or age be excluded from participation in or denied the benefits of the program or activity conducted with or benefitting from Federal financial assistance received by the City from the FAA; (b) it shall not engage in employment practices that result in excluding persons on the grounds of race, creed, color, national origin, sex, or age, from participating in or receiving the benefits of any program or activity conducted with or benefitting from Federal financial assistance received by the City from the FAA, or in subjecting them to discrimination or another violation of the regulations under any program covered by 49 CFR Part 21 and 49 U.S.C. § 47123; and (c) it shall include the preceding statements of this Section 16.2 in Tenant's contracts and other applicable documents under this Lease, and shall require that its contractors and others similarly include these statements in their subcontracts and applicable documents.

ARTICLE XVII OTHER

REQUIREMENTS

17.1 Contract Requirements. Without limiting the provisions of Section 8.1 of this Lease, Tenant shall, at its sole cost and expense, at all times observe and comply, and shall require for all Tenant Work that Tenant's General Contractor, Tenant's Architect, and all other of its consultants, contractors, and subcontractors (including, without limitation, requiring the inclusion or incorporation by reference of such requirements in all of Tenant's contracts or agreements with Tenant's General Contractor, Tenant's Architect and all other such consultants, contractors, or subcontractors and the City shall be expressly identified as a third party beneficiary in the contracts thereunder) observe and comply, with all applicable federal, state, and local laws, ordinances, rules (including Airport Rules), regulations, and executive orders, now existing or hereinafter in effect (each, a "Law", and collectively, "Laws"), which are applicable to such party and its operations at the Land or the Premises.

(a) Federal.

1) Aviation Security, 49 USC 449 et seq.

2) It shall be an unlawful employment practice for Tenant to fail to hire, to refuse to hire, to discharge, or to discriminate against any individual with respect to his/her compensation, or the terms, conditions, or privileges of his/her employment, because of such individual's race, color, religion, sex, age, handicap, or national origin; or to limit, segregate, or classify its employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee because of such individual's race, color, religion, sex, age, handicap, or national origin. Additionally, the Tenant and any assignee or sublessee agree to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no individual shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance, including but not limited to the following:

- A. Civil Rights Act of 1964, 42 USC 200 et seq.; 49 CFR Part 21; Executive Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 USC 2000(e) note, as amended by Executive Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Executive Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Section 520 of the Airport and Airway Improvement Act of 1982.
 - B. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended.
 - C. Civil Rights Restoration Act of 1987 (PL. 100-209).
 - D. Age Discrimination Act of 1975 (42 USC 6101 - 6106), as amended.
 - E. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended; and 49 CFR part 27.
 - F. Equal Employment Opportunity Regulations 41 CFR Part 60-2.
 - G. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 USC 4601.
 - H. Americans with Disabilities Act of 1990 (PL. 101-336); and 41 CFR Part 60 et seq. and 49 CFR parts 37 and 38.
 - I. Air Carriers Access Act, 49 USC 41705.
- 3) Federally Assisted Contracts, 49 Code of Federal Regulations Part 26.
- 4) Uniform Federal Accessibility Guidelines for Buildings and Facilities.

- 5) Occupational Safety and Health Act, 40 USC 333; 29 CFR 1926.1.
- 6) Hazard Communication Standard, 29 CFR 1926.58.

(b) State (to the extent that the below are applicable to Tenant and/or Tenant's Permitted Uses at the Premise):

- 1) Municipal Purchasing Act, 65 ILCS 5/8-10-1 et seq.
- 2) Illinois Environmental Protection Act, 415 ILCS 5/1.
- 3) Tax Delinquency Certification, 65 ILCS 5/11-42.1-1.
- 4) Illinois Environmental Barriers Act, 410 ILCS 25/1 et seq., regulations at 71 111. Adm. Code Ch. 1, Sec. 400.110.
- 5) Steel Products Procurement Act, 30 ILCS 565/1 et seq.
- 6) Public Construction Bond Act, 30 ILCS 550/0.01 et seq. (in form and amount and with surety acceptable to the City and The City named as co-obligee)
- 7) Prevailing Wage Act, 820 ILCS 130/0.01 22 et seq.
- 8) Mechanics Lien Act, 770 ILCS 60/23 (waiver of 1 iens).
- 9) Criminal Code provisions applicable to public works contracts, 720 ILCS 5/33E. et seq.
- (10) Employment of Illinois Workers on Public Works Act, 30.ILCS 570/0.01
- 11) Illinois Human Rights Act, 775 ILCS 5/1-101 et seq.
- 12) Public Works Employment Discrimination Act, 775 ILCS 10/0.01.
- 13) Illinois Public Act 85-1390 (1988 111. Laws 3220) (MacBride Principles).
- 14) Veteran Preference Act, 330 ILCS 55/0.01 et seq.
- 15) Illinois Governmental Ethics Act, 5 ILCS 420/1-101.
- 16) Public Officer Prohibited Activities Act, 50 ILCS 105/3.
- 17) Municipal Purchasing Act for Cities of 500,000 or More Population, 65 ILCS 5/8-10-17 (pecuniary interest).
- 18) Illinois Wage Payment and Collection Act, 820 ILCS 115/9 (deduction from wages). i

(c) Municipality (to the extent the below are applicable to Tenant and/or Tenant's Permitted Uses at the Premises).

- 1) Section 2-92-250 of the Municipal Code of Chicago (Retainage).
- 2) Section 2-92-030 of the Municipal Code of Chicago (Performance bonds).
- 3) Section 2-92-580 of the Municipal Code of Chicago (MacBride Principles).
- 4) Section 2-160-010, et seq. of the Municipal Code of Chicago (Chicago Human Rights ordinance). Further, Tenant shall furnish such reports and information as requested by the Chicago Commission of Human Relations.
- 5) **Section 2-92-420 of the Municipal Code of Chicago (Minority Owned and Women-Owned Business Enterprise Procurement Program).** Tenant shall make good faith efforts and shall cause its contractors and subcontractors to utilize good faith efforts to meet participation goals for MBEs and WBEs in the design (25% for MBEs and 5% for WBEs) and construction (26% for MBEs and 6% for WBEs) of the Tenant Work, including the utilization of the City's Assist Agencies to aid in the identification of MBE and WBE certified businesses as more fully set forth in Exhibit D.
- 6) Section 2-92-330 of the Municipal Code of Chicago (Resident and Premises Area Hiring Preferences).
- 7) Section 2-92-390 of the Municipal Code of Chicago (Affirmative Action).
- 8) Section 2-92-586 (Disability -Owned and Operated Firms). Generally encourages Tenant and its contractors to use firms owned or operated by individuals with disabilities.
- 9) Section 2-92-320 of the Municipal Code of Chicago (Non Collusion, Bribery of a Public Officer or Employee). Generally, no person or business shall be awarded a contract if such person or business entity has been convicted of, or admitted guilt for, bribery or attempting to bribe a public officer or employee of the City, State of Illinois, or any agency of the federal government or any state or local government in the United States or has been convicted of, or admitted guilt for, collusion among bidders, in the previously three years.
- 10) Chapter 2-56 of the Municipal Code of Chicago (Office of Inspector General). Generally, Tenant and its Associated Parties shall cooperate with the City Inspector General and Legislative Inspector General in investigations.
- 11) Chapter 2-154 of the Municipal Code of Chicago (Disclosure of Ownership Interests). Generally, Tenant and any person having equal to or greater than a 7.5% direct or indirect ownership interest in Tenant and any person, business entity or agency contracting with the City shall be required to complete appropriate disclosure documents as required by the City.

12) Chapter 2-156 of the Municipal Code of Chicago (Governmental Ethics Ordinance). Generally, no payment, gratuity or offer of employment shall be made in connection with any City contract, including this Lease and there are no conflicts of interest.

13) Section 2-92-380 of the Municipal Code of Chicago (Set-off for fines or fees owed the City).

14) Sections 2-156-111, 2-156-160, 2-156-080 and 2-164-040 of the Municipal Code of Chicago (Requires financial interest disclosure).

15) Section 2-92-610 of the Municipal Code of Chicago (Living Wage Ordinance) and Mayoral Executive Order 2014-1 setting the City minimum wage.

16) Chapter 4-36 of the Municipal Code of Chicago (Licensing of General Contractors).

17) Section 11-4-1600(e) (Environmental Warranties). Generally, the Tenant warrants and represents that to its knowledge, it, and its Associated Parties, are not in violation with certain Municipal Code provisions regarding dumping and disposal of public waste.

18) Chapter 4-36 of the Municipal Code of Chicago (Licensing of General Contractors).

19) Section 2-156-030(b) (Prohibition on Certain Relationships with Elected Officials).

20) Multi Project Labor Agreement (PLA). The City has entered into the PLA with various trades regarding projects involving construction, demolition, maintenance, rehabilitation, and/or renovation work, as described in the PLA, a copy of which may be found on the City's website at: <http://www.cityofchicago.org/dam/city/depts/dps/RulesRegulations/Multi-ProjectLaborAgreement-PLAandSignatoryUnions.pdf>. To the extent that this Contract involves a project that is subject to the PLA, Tenant acknowledges familiarity with the requirements of the PLA and its applicability to any work under this Lease, and shall, or cause Tenant's General Contractor and Tenant's Architect to, comply in all respects with the PLA.

21) Mayoral Executive Order 2011-4 (Prohibition on Certain Contributions): Tenant or any person or entity who directly or indirectly has an ownership or beneficial interest in Tenant of more than 7.5% ("Owners"), spouses and domestic partners of such Owners, Lessee's subtenants, if any, any person or entity who directly or indirectly has an ownership or beneficial interest in any subtenant, if any, of more than 7.5% ("Sub-owners") and spouses and domestic partners of such Sub-owners (Lessee and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee during (i) the bid or other solicitation process for this Lease, including while this Lease or Other Contract is executory, (ii) the Term or any Other Contract between City and Tenant, and/or (iii) any period in which an extension of this Lease or Other Contract with the City is being sought or negotiated.

Tenant represents and warrants that from the date the City approached the Tenant or the date the Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Tenant shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Lease, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein. .

For purposes of this provision:

- "Other Contract" means any agreement entered into between the Lessee and the City that (i) is formed under the authority of Municipal Code of Chicago Ch. 2-92; (ii) is for the purchase, sale or lease of real or personal property; or (iii) is for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"Contribution" means a "political contribution" as defined in Municipal Code of Chicago Ch. 2-156, as amended.

- "Political fundraising committee" means a "political fundraising committee" as defined in Municipal Code of Chicago Ch. 2-156, as amended.

2 No Exclusive Rights. Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 U.S.C. § 40103(e) to conduct any business (other than the exclusive right to use and occupy the Premises), and the City reserves the right to grant to others the privileges and right of conducting any or all activities at the Airport (other than the right to use and occupy the Premises).

3 Reasonable Prices. Tenant agrees to furnish services in the United States in compliance with Legal Requirements and on a reasonable and not unjustly discriminatory basis to all users thereof, and to charge reasonable, and not unjustly discriminatory prices for each unit of service; provided, that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions.

4 Subordination of Lease to Agreements. Tenant's use and occupancy of the Premises shall be and remain subject to the provisions of any existing or future agreements

jurisdiction over the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal or other governmental funds, including, without limitation, grant agreements. Tenant shall reasonably abide by the requirements of agreements entered into between the City and the United States, and shall consent to amendments and modifications of this Lease if required by such agreements or if required as a condition of the City's entry into such agreements.

5 Intentionally Omitted.

6 Intentionally Omitted.

7 Airport Security Act. This Lease is expressly subject to 49 U.S.C. § 40101 et seq., 49 U.S.C. § 44901 et seq., and the rules and regulations promulgated thereunder, including, without limitation, 49 C.F.R. 1542 and 49 C.F.R. 1544, the same may be amended from time to time (collectively, the "Airport Security Act"), the provisions of which are hereby incorporated by reference. In the event that Tenant or its employees, agents, contractors, subcontractors, suppliers of materials, or providers of services, in the performance of this Lease, has: (i) unescorted access to secured areas located on or at the Airport; or (ii) capability to allow others to have unescorted access to such secured areas, Tenant shall be subject to, and further shall conduct with respect to its employees, agents, contractors, subcontractors, suppliers of materials, or providers of services, and the respective employees or contractors of each, such employment investigations, including criminal history record checks, as the City or the FAA may deem necessary or as may be required by any Legal Requirement. Further, in the event of any threat to civil aviation, as defined in the Airport Security Act, Tenant shall promptly report any information in accordance with those regulations promulgated by the Secretary of the United States Department of Transportation and by the City. Tenant shall, notwithstanding anything contained herein to the contrary, at no additional cost to the City, perform under this Lease in compliance with those guidelines developed by the City and the FAA with the objective of maximum security enhancement.

8 SEC Rule 15c2-12. Tenant, upon the City's request, shall provide to the City such non-confidential information as the City may reasonably request in writing to comply with the City's continuing disclosure requirements under SEC Rule 15c2-12, as it may be amended from time to time, provided, however, that Tenant may, in lieu of providing the requested information, direct the City to a Tenant or Securities and Exchange Commission website where the requested information is then currently available.

ARTICLE XVIII

MISCELLANEOUS

18.1 Quiet Enjoyment. Tenant, upon paying the Rent and other charges herein provided for and observing and keeping all covenants, agreements and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the Term without hindrance by anyone claiming by, through or under the City as such, subject, however, to the exceptions, reservations and conditions of this Lease. The foregoing shall not create any liability

on the part of the City for any defects in or encumbrances on the City's title existing as of the date hereof.

2 Entry on Premises by the City. Tenant shall permit the City and its authorized representatives, upon two (2) days' notice to Tenant except in the case of emergency (in which case the City shall use reasonable efforts to provide prior notice and, in any event, shall provide such notice promptly following such

emergency entry), to enter the Premises at all reasonable times for the purpose of inspecting the same for compliance with the covenants and obligations of this Lease, provided that such inspections shall be conducted so as not to unreasonably interfere with the conduct of business therein by Tenant or any subtenant or other occupant, and Tenant shall have the right to have a representative accompany the City.

3 Security Cameras and Airport Camera System. Tenant shall comply with any and all security camera and security camera system initiatives, policies, programs, procedures and requirements as issued from time to time by the City to the extent that such Security Camera Requirements are applicable to the Premises. The City shall institute and enforce such Security Camera Requirements in a non-discriminatory manner so as to treat Tenant no less favorably than other airlines operating at the Airport. For purposes of airport security at the Airport, after the Term Commencement Date, Tenant shall make available to the City, at the City's request and cost, all closed circuit television feeds that monitor the Premises immediately when such closed circuit television is available to Tenant.

4 . Fly Quiet Procedures. Tenant agrees to cooperate with the City and the O'Hare Noise Complaint Commission (the "ONCC") in connection with the future establishment of a "fly quiet" or similar approach (including, by way of example, a continuous descent approach or similar procedures) in connection with the Airport; provided, the City and the ONCC shall engage with Tenant in a reasonably collaborative process in developing such "fly quiet" procedures. The City agrees that no "fly quiet" or other approach shall be instituted or enforced in a discriminatory manner so as to treat Tenant less favorably (other than to a de minimis extent) than other airlines operating at the Airport.

5 Notices. Notwithstanding anything else in this Lease to the contrary, all notices required to be provided pursuant to this Lease shall be in writing and shall be sent: (a) by personal delivery, nationally-recognized commercial overnight delivery service, (b) by registered or certified U.S. mail, postage prepaid and return receipt requested, addressed to the applicable party as set forth below, or to such other address(es) as such party may designate from time to time by notice to the other party or as required by this Lease, and shall be deemed given upon receipt, or upon attempted delivery where delivery is refused or mail is unclaimed; or (c) to the extent expressly permitted elsewhere in this Lease for a specific notice or as mutually agreed by the City and Tenant, by electronic mail with electronic receipt. The parties' addresses for notices shall be:

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If to the City:

Chicago Department of Aviation
P.O. Box 66142
10510 West Zemke Road
Chicago, IL 60666
Attn: Commissioner
Electronic Mail Address:

CDACommissioner@cityofchicago.org <mailto:CDACommissioner@cityofchicago.org>

With a copy to:

Corporation Counsel City of Chicago 30 North LaSalle Street, 9th Floor Chicago, IL 60602
Attn: Deputy Corporation Counsel, Aviation, Environmental, Regulatory Division
Mayank Tripathi 168 Touhy Court Des Plaines, IL 60018 • Electronic Mail Address:
mtripathi@ustaviation.com <mailto:mtripathi@ustaviation.com>

With a copy to:

[INSERT ADDITIONAL TENANT NOTICE INFORMATION]

And a copy to:

Chicago Department of Aviation
P.O. Box 66142
10510 West Zemke Road
Chicago, IL 60666
Attn: Chief Development Officer
Electronic Mail Address:

CDACHiefDevOfficer@cityofchicago.org
<mailto:CDACHiefDevOfficer@cityofchicago.org>

And a copy to:

Chicago Department of Aviation
P.O. Box 66142
10510 West Zemke Road
Chicago, IL 60666
Attn: Deputy of Real Estate
Electronic Mail Address:

CDADeputyRealEstate@cityofchicago.org
<mailto:CDADeputyRealEstate@cityofchicago.org>

And a copy to:

Chicago Department of Aviation
P.O. Box 66142
10510 West Zemke Road
Chicago, IL 60666
Attn: General Counsel
Electronic Mail Address:

CDAGeneralCounsel@cityofchicago.org <mailto:CDAGeneralCounsel@cityofchicago.org>

6 Severability. If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

7 Estoppel Certificates. The City and Tenant shall, without charge, at any time and from time to time (but no more often than two times per calendar year), within sixty (60) days after request by the other, certify by written instrument, duly executed, acknowledged and delivered to the party making such request, or any other person, firm or corporation specified by such party:

a) that this Lease is unmodified and in full force and effect, or, if there have been any modifications, that the same is in full force and effect as modified and stating the modifications;

b) whether or not, to the best knowledge of the person executing the certificate on behalf of the City or Tenant, there are then existing any claimed set-offs or defenses against the enforcement of any of the agreements, terms, covenants or conditions hereof and any modifications hereof upon the part of the other party hereto to be performed or complied with, and, if so, specifying the same;

c) the dates, if any, to which the Rent and other charges hereunder have been paid;

d) the date of expiration of the current Term;

e) the Rent then payable under this Lease; and

f) other commercially reasonable statements of a purely factual nature, to the best knowledge of the person executing the certificate on behalf of the City or the Tenant, required by a third party unaffiliated lender or purchaser.

Said certificate shall be substantially in the form of that attached hereto as Exhibit C, and shall in no event serve or intend to modify, change or interpret the provisions of this Lease or otherwise impair the rights of or limit the obligations of the City or Tenant hereunder.

8 Waiver of Jury Trial. The parties hereto waive a trial by jury of any and all issues arising in any action or proceeding between them or their successors or assigns under or connected with this Lease or any of its provisions, any negotiations in connection therewith, or Tenant's use or occupation of the Premises. In case the City shall commence summary proceedings or an action for non-payment of Rent or sums due hereunder against Tenant, Tenant shall not interpose any non-compulsory counterclaim of any nature or description in any such proceeding or action, but such claim shall be relegated to an independent action at law.

9 No Brokers. The City and Tenant mutually represent that they have dealt with no broker in connection with this Lease. The City and Tenant hereby indemnify and agree to save the other harmless from any and all loss, cost, damage or expense incurred arising from their respective dealing with a broker.

17 Captions. The captions of this Lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease nor in any way affect this Lease.

18 Table of Contents. The Table of Contents contained in this Lease is for the purpose of convenience and reference only and is not to be deemed or construed in any way as part of this Lease, nor as supplemental thereto or amendatory thereof.

19 Governing Law. This Lease shall be governed exclusively by, and construed in accordance with, the laws of the State of Illinois. The City and Tenant agree that any court action to be brought by either party in connection with this Lease shall be brought in a court of competent jurisdiction located within the State of Illinois, and each party consents to the jurisdiction of such court and hereby waives any right to remove any such action to any other forum.

20 Time of the Essence. Time shall be of the essence hereof.

21 Force Majeure. A delay in or a failure of performance by Tenant in the performance of its obligations hereunder shall not constitute a default under this Lease to the extent that such delay or failure of performance (i) could not be prevented by Tenant's exercise of reasonable diligence and (ii) results from acts of God, or of the public enemy, acts of the government, terrorism, fires, floods, or other casualties, epidemics, quarantine restrictions, freight embargoes, unusually severe weather, strikes or other labor disturbances in the Chicago area not attributable to the failure of Tenant to perform its obligations under any applicable labor contract or law and directly and adversely affecting Tenant (a "Force Majeure Event"). The following shall, in no event, be deemed to be Force Majeure Events: Tenant's financial condition; inability to obtain permits and approvals if Tenant is not diligently pursuing the same; or delays due to soil conditions. Tenant agrees to use commercially reasonable efforts to minimize the delay and other adverse effects of any Force Majeure Event. Tenant shall provide the City with prompt written notice of any Force Majeure Event excusing its delay or nonperformance. Tenant shall keep the City reasonably informed of any development pertaining to such Force Majeure Event.

22 Tenant's Employees and Subcontractors to Work in Harmony. Tenant agrees for itself and its Associated Parties that they shall be able to work in harmony with all elements of labor employed by the City at other facilities owned or operated by the City.

23 Tenant Cooperation With Other Development. Tenant agrees not to oppose applications for governmental permits and approvals relating to any proposed development by the City and any other party of any portion of the remaining land owned by the City in the vicinity of the Premises, provided that such applications or development will not alter Tenant's rights or limit or interfere with Tenant's Permitted Uses hereunder.

24 Definition of the City. For purposes of this Lease and the exhibits attached hereto, the "City" means the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under Article VII, Sections 1 and 6(a), respectively, of the 1970 Constitution of the State of Illinois, and its successors and assigns. In any case under

this Lease or the exhibits attached hereto that the City may or shall take any action, perform any review or approval, engage or participate in any process, or otherwise perform any of its obligations or other terms hereunder, such action or performance may be undertaken by, under the supervision of, or at the direction of the Chicago Department of Aviation (the "CDA"), the Commissioner of Aviation, or by such other departments, persons, officials, representatives, or contractors as may be specifically authorized by the City from time to

time. Without limitation of the foregoing, however, it is understood and agreed that, unless the City notifies Tenant otherwise, the Commissioner of Aviation shall be authorized to act on behalf of the City.

25 Confidentiality. The parties recognize that each party may be required to deliver certain proprietary information to the other under the terms of this Lease. Each party, upon receipt from the other party of any document designated as "confidential" or "proprietary" shall use reasonable efforts, subject to compliance with all Legal Requirements, to protect the confidentiality of any such document and the information contained therein.

26 No Construction Against Draftsman. No inference in favor of or against any party should be drawn from the fact that such party drafted or participated in the drafting of this Lease or that such provisions have been drafted on behalf of such party.

27 Exhibits. All exhibits referred to in this Lease and which may, from time to time, be referred to in any duly executed amendment to this Lease are (and with respect to future amendments, shall be) by such reference incorporated into this Lease, and deemed a part of this Lease as fully as if set forth within it.

29 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed and shall constitute a single, integrated original document.

30 Non-Liability for Public Officials. Neither party shall charge any official, employee or agent of the other party personally with any liability or expenses of defense or hold any official, employee or agent of such other party personally liable to them under any term or provision of this Lease or because of such party's execution, attempted execution or any breach of this Lease.

10 No Partnership or Joint Venture. Nothing contained under this Lease shall be construed to create a partnership or joint venture between the City and Tenant or to make the City an associate in any way of Tenant in the conduct of Tenant's business, nor shall the City be liable for any debts incurred by Tenant in the conduct of Tenant's business, and it is understood by the parties hereto that this relationship is and at all times shall remain that of landlord and tenant.

11 Consents. Except in the case where the City has specifically agreed in this Lease not to unreasonably withhold its consent and the City withholds its consent in violation of such specific requirement in this Lease, Tenant shall have no claim, and hereby waives the right to any claim, against the City for money damages by reason of any refusal, withholding or delaying by the City of any consent, approval or statement of satisfaction, and, in such event, Tenant's only remedies therefor shall be an action for specific performance or injunction to enforce any such requirement, but in all events the City's liability is limited to actual compensatory damages and is subject to the limitations in Section 18.15.

12 Accord and Satisfaction. No acceptance by the City of a lesser sum than the Rent then due shall be deemed to be other than on account of the earliest installment of such Rent due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment of Rent be deemed an accord and satisfaction, and the City may accept such check or payment without prejudice to the City's right to recover the balance of such installment or pursue any other remedies provided in this Lease.

13 Integration. All prior understandings and agreements between the parties in respect of the subject matter hereof, are merged within this Lease, which alone fully and completely sets forth the understanding of the parties in respect of the subject matter hereof; and this Lease may not be changed or terminated orally or in any manner other than by an agreement in writing and signed by both the City and Tenant.

14 Successors and Assigns. All of the covenants, stipulations and agreements herein contained shall, subject to the provisions of Section 11.1, inure to the benefit of and be binding upon, the successors and assigns of the parties hereto.

15 Enforcement of the City's Liability. Anything contained in this Lease to the contrary notwithstanding, but without limitation of Tenant's equitable rights and remedies, the City's liability under this Lease shall be enforceable only out of the City's interest in the Premises, and the rents, issues and profits therefrom; and there shall be no other recourse against, or right to seek a deficiency judgment against, the City except to the extent caused by the City's willful misconduct, nor shall there be any personal liability on the part of any official, officer, employee, agent or representative of the City, with respect to any obligations to be performed hereunder, except in the case of willful and/or wanton misconduct.

16 No Merger. There shall be no merger of this Lease or of the leasehold estate hereby created with the fee estate in the Premises by reason of the fact that the City may acquire or hold, directly or indirectly, the leasehold estate hereby created or an interest herein or in such leasehold estate, unless the City executes and records an instrument affirmatively electing otherwise.

66

In Witness Whereof, the City has caused this Lease to be executed on its behalf by the Mayor of the City of Chicago and attested by the City Clerk of the City of Chicago, pursuant to due authorization of the City Council, and the Tenant has caused this instrument to be executed on its behalf by its President and Manager.

City of Chicago

By:

Mayor

ATTEST:

By:

City Clerk '

(Corporate Seal)

EXECUTION OF THIS LEASE BY THE CITY OF CHICAGO IS
RECOMMENDED BY THE COMMISSIONER OF THE CHICAGO
DEPARTMENT OF AVIATION

By:

Jamie L. Rhee Commissioner Chicago
Department of Aviation

APPROVED AS TO FORM AND LEGALITY:

By:

Chief Assistant Corporation Counsel

**THIS LEASE SHALL NOT BE VALID OR EFFECTIVE FOR ANY PURPOSE UNLESS AND UNTIL
IT IS SIGNED BY THE CITY AND REVIEWED AND APPROVED BY THE CITY'S LAW
DEPARTMENT.**

[TENANT'S SIGNATURE PAGE TO FOLLOW]

TENANT:

UST INVESTMENTS, LLC, D/B/A UST AVIATION SERVICES, LLC a limited liability company organized and
existing under and by virtue of the laws of the State of Illinois

By:

Mayank Tripathi President and Manager

ATTEST:

By: _ Name: Title:

TENANT'S ILLINOIS AGENT FOR SERVICE OF PROCESS:

Print Name: Mayank Tripathi Print Address: 168 Touhy Court
Dcs Plaines, IL 60018
Title: President and Manager

EXHIBIT A Description of the Premises

See Attached.

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^' MM ■

II THE BASIS OF BEARINGS SHOWN HEREON IS
ILLINOIS STATE PLANE COORDINATE SYSTEM, 1201 EAST ZONE.

"21 ONLY BUILDING FOOTPRINT WAS MEASURED ON .M/20.... 20]8. OTHER IMPROVEMENTS THAT ARE USED IN THIS EXHIBIT ARE FROM AERIAL BASE MAP
1
1

)) THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A COMMITMENT FOR TITLE INSURANCE. THERE MAY BE RECORD AGREEMENTS, EASEMENTS AND OTHER MATTERS OF RECORD WHICH MIGHT AFFECT THE
QUALITY OF TITLE TO THE SUBJECT PROPERTY. ANY SUCH MATTERS ARE NOT SHOWN HEREON.

BUILDING #755 LEASE BOUNDARIES

EXHIBIT-A

NS N.S

EXHIBIT B

Permitted Exceptions

1. All covenants, conditions and restrictions and other exceptions on record with the Cook County Recorder's Office as of the Effective Date.
2. General leasehold taxes not yet due or payable as of the Effective Date.
3. All rights and interests of the Federal Aviation Administration in the Premises as designated for airport purposes.
4. All City-owned or controlled utility facilities or installations, or third party utility facilities or installations, located on, over or under the Premises as of the Effective Date, including such matters noted or depicted within O'Hare Modernization Program utility database

EXHIBIT C Form of Estoppel Certificate

See Attached.

EXHIBIT C FORM OF ESTOPPEL CERTIFICATE

To:

DEFINITIONS:

Ground and Building Lease:

Premises:

Landlord: Tenant:

Term Commencement Date:

Current Annual Base Rent:

Proceeds Rent

Percentage Rent:

Additional Rent: Term:

Termination Date: Renewal Options: Security Deposit:

Landlord's Address for Notices:
[TENANT NAME] ("Tenant")

Ground and Building Lease dated as of _____,
between City of Chicago and [TENANT NAME]

An area of land consisting of approximately [SQUARE FEET] square feet and containing the building known as Building [BUILDING NUMBER], at O'Hare International Airport, Chicago, Illinois, all as more specifically described in the Lease.

City of Chicago

[TENANT NAME]

[_____, 2018]

\$ _____ per annum

Three percent (3%) of Gross Proceeds (as defined in the Lease), due as set forth in the Lease

Three percent (3%) of Gross Revenue (as defined in the Lease), due quarterly

[PROCEEDS RENT, ANY OTHER AMOUNTS DUE TO CITY UNDER LEASE NOT ALREADY SET FORTH]

_____ years

[DATE]

[Surety Bond [INSERT DETAILS]][Irrevocable Letter of Credit
Number _____ from [NAME OF BANK] dated [DATE] in
the amount of \$ _____ for the [current renewal] term
expiring [DATE]]

City of Chicago
Office of Chief Financial Officer Room 600
33 North LaSalle Street Chicago, Illinois 60602

Attention: Chief Financial Officer CC:

City of Chicago Department of Aviation 10510
West Zemke Road Chicago, Illinois 60666
Attention: Commissioner of Department of Aviation

City of Chicago Department of Aviation 10510
West Zemke Road Chicago, Illinois 60666
Attention: Deputy Commissioner of Real Estate

City of Chicago
Department of Law
30 North LaSalle Street, 9th Floor
Chicago, Illinois 60602
Attn: Deputy Corporation Counsel, Aviation, Environmental, Regulatory Division

The undersigned Landlord under the Lease hereby certifies, represents, confirms and agrees, in favor of Tenant the following:

1. The Lease has not been canceled, modified, assigned, extended or amended [(except as set forth above)] and contains the entire agreement between Landlord and Tenant.
2. Rent has been paid to [DATE].

3. Tenant's current annual Base Rent is as set forth above. Tenant's current annual Base Rent shall be adjusted in accordance with the terms of the Lease on the following date: [DATE]. Tenant's Current Monthly Additional Rent payments are
' as set forth above.
4. The Lease is for the Term set forth above ending on the Termination Date.
5. Substantial Completion has occurred for the [renovation/Alterations (as defined in the Lease)] of the Hangar Facility in accordance with the requirements of the Lease and all improvements required to be made by Tenant under the terms of the Lease have been completed.
6. Landlord has not assigned its right, title or interest in the Lease or, except pursuant to the Lease, the Premises.
7. To the best of Landlord's knowledge, Tenant is not in any respect in default under the terms and provisions of the Lease.

2

8. To the best of Landlord's knowledge, Landlord is not in any respect in default under the terms and provisions of the Lease.
9. Tenant has paid Landlord a security deposit in the manner and amount set forth above.
10. The Lease is in full force and effect.
11. The statements contained herein may be relied upon by Tenant.
12. The current address to which all notices to Landlord as required under the Lease should be sent is the Landlord's Address for Notices, as set forth above.

IN WITNESS WHEREOF, Landlord has executed this estoppel certificate as of this day
of , 20 .

City of Chicago

By:
Name: Title:

3

EXHIBIT D

Minority and Women Owned Business Enterprises Commitment

See Attached.

Note: Tenant should ensure conformance with current applicable policy and form requirements as such terms and conditions may be subject to change.

**SPECIAL CONDITIONS REGARDING MINORITY OWNED BUSINESS ENTERPRISE
COMMITMENT AND WOMEN OWNED BUSINESS ENTERPRISE COMMITMENT IN
CONSTRUCTION CONTRACTS**

I. Policy and Terms

As set forth in 2-92-650 et seq. of the Municipal Code of Chicago (MCC) it is the policy of the City of Chicago that businesses certified as Minority Owned Business Enterprises (MBEs) and Women Owned Business Enterprises (WBEs) in accordance with Section 2-92-420 et seq. of the MCC and Regulations Governing Certification of Minority and Women-owned Businesses, and all other Regulations promulgated under the aforementioned sections of the Municipal Code, as well as MBEs and WBEs certified by Cook County, Illinois, shall have full and fair opportunities to participate fully in the performance of this contract. Therefore, bidders shall not discriminate against any person or business on the basis of race, color, national origin, or sex, and shall take affirmative actions to ensure that MBEs and WBEs shall have full and fair opportunities to compete for and perform subcontracts for supplies or services.

Failure to carry out the commitments and policies set forth herein shall constitute a material breach of the contract and may result in the termination of the contract or such remedy as the City of Chicago deems appropriate.

Under the City's MBE/WBE Construction Program as set forth in MCC 2-92-650 et seq., the program-wide aspirational goals are 26% Minority Owned Business Enterprise participation and 6% Women Owned Business Enterprise participation. The City has set goals of 26% and 6% on all contracts in line with its overall aspirational goals, unless otherwise specified herein, and is requiring that bidders make a good faith effort in meeting or exceeding these goals.

Pursuant to 2-92-535, the prime contractor may be awarded an additional 0.333 percent credit, up to a maximum of a total of 5 percent

additional credit, for every 1 percent of the value of a contract self-performed by M.B.E.s or W.B.E.s, or combination thereof, that have entered into a mentor agreement with the contractor. This 5% may be applied to the contract specific goals, or it may be in addition to the contract specific goals.

As provided in Section 2-92-720(e), Diversity Credit Program credits awarded by the City's affirmative action advisory board may also be applied to the contract specific goals.

Contract Specific Goals and Bids

A bid may be rejected as non-responsive if it fails to submit one or more of the following with its bid demonstrating its good faith efforts to meet the Contract Specific Goals by reaching out to MBEs and WBEs to perform work on the contract:

- A. An MBE/WBE compliance plan demonstrating how the bidder plans to meet the Contract Specific Goals (Schedule D); and/or
- B. Documentation of Good Faith Efforts (Schedule H).

If a bidder's compliance plan falls short of the Contract Specific Goals, the bidder must include either a Schedule H demonstrating that it has made Good Faith Efforts to find MBE and WBE firms to participate or a request for a reduction or waiver of the goals.

Accordingly, the bidder or contractor commits to make good faith efforts to expend at least the following percentages of the total contract price (inclusive of any and all modifications and amendments), if awarded the contract:

MBE	Contract	Specific	Goal:	26%	WBE
Contract Specific Goal: 6%					

This Contract Specific Goal provision shall supersede any conflicting language or provisions that may be contained in this document.

For purposes of evaluating the bidder's responsiveness, the MBE and WBE Contract Specific Goals shall be percentages of the bidder's total base bid. However, the MBE and WBE Contract Specific Goals shall apply to the total value of this contract, including all amendments and modifications.

Pursuant to 2-92-535, the prime contractor may be awarded an additional 0.333 percent credit, up to a maximum of a total of 5 percent additional credit, for every 1 percent of the value of a contract self-performed by M.B.E.s or W.B.E.s, or combination thereof, that have entered into a mentor agreement with the contractor. This 5% may be applied to the contract specific goals, or it may be in addition to the contract specific goals. Contract Specific Goals and Contract Modifications

1. The MBE and WBE Contract Specific Goals established at the time of contract bid shall also apply to any modifications to the Contract after award. That is, any additional work and/or money added to the Contract must also adhere to these Special Conditions requiring Contractor to (sub)contract with MBEs and WBEs to meet the Contract Specific Goals. ,
 - a. Contractor must assist the Construction Manager or user Department in preparing its "proposed contract modification" by evaluating the subject matter of the modification and determining whether there are opportunities for MBE or WBE participation and at what rates.
 - b. Contractor must produce a statement listing the MBEs/WBEs that will be utilized on any contract modification. The statement must include the percentage of utilization of the firms. If no MBE/WBE participation is available, an explanation of good faith efforts to obtain participation must be included.
2. The Chief Procurement Officer shall review each proposed contract modification and amendment that by itself or aggregated with previous modification/amendment requests, increases the contract value by ten percent (10%) of the initial award, or \$50,000, whichever is less, for opportunities to increase the participation of MBEs or WBEs already involved in the Contract.

Definitions

"Area of Specialty" means the description of a MBE's or WBE's activity that has been determined by the Chief Procurement Officer to be most reflective of the firm's claimed specialty or expertise. Each MBE and WBE letter of certification contains a description of the firm's Area of Specialty. Credit toward the Contract Specific Goals shall be limited to the participation of firms performing within their Area of Specialty. The Department of Procurement Services does not make any representation concerning the ability of any MBE or WBE to perform work within its Area of Specialty. It is the responsibility of the bidder or contractor to determine the capability and capacity of MBEs and WBEs to perform the work proposed.

"B.E.P.D." means an entity certified as a Business enterprise owned or operated by people with disabilities as defined in MCC 2-92-586.

"Broker" means a person or entity that fills orders by purchasing or receiving supplies from a third party supplier rather than out of its own existing inventory and provides no commercially useful function other than acting as a conduit between his or her supplier and his or her customer.

"Chief Procurement Officer" or "CPO" means the chief procurement officer of the City of Chicago or his or her designee.

"Commercially Useful Function" means responsibility for the execution of a distinct element of the work of the contract, which is carried out by actually performing, managing, and supervising the work involved, evidencing the responsibilities and risks of a business owner such as negotiating the terms of (sub)contracts, taking on a financial risk commensurate with the contract or its subcontract, responsibility for acquiring the appropriate lines of credit and/or loans, or fulfilling responsibilities as a joint venture partner as described in the joint venture agreement.

"Construction Contract" means a contract, purchase order or agreement (other than lease of real property) for the construction, repair, or improvement of any building, bridge, roadway, sidewalk, alley, railroad or other structure or infrastructure, awarded by any officer or agency of the City, other than the City Council, and whose cost is to be paid from City funds.

"Contract Specific Goals" means the subcontracting goals for MBE and WBE participation established for a particular contract.

"Contractor" means any person or business entity that has entered into a construction contract with the City, and includes all partners, affiliates and joint ventures of such person or entity.

"Direct Participation" the value of payments made to MBE or WBE firms for work that is done in their Area of Specialty directly related to the performance of the subject matter of the Construction Contract will count as Direct Participation toward the Contract Specific Goals.

"Directory" means the Directory of Minority Business MBEs and WBEs maintained and published by the Chief Procurement Officer. The Directory identifies firms that have been certified as MBEs and WBEs, and includes the date of their last certifications and the areas of specialty in which they have been certified. Bidders and contractors are responsible for verifying the current certification status of all proposed MBEs and WBEs.

"Executive Director" means the executive director of the Office of Compliance or his or her designee.

"Good Faith Efforts" means actions undertaken by a bidder or contractor to achieve a Contract Specific Goal that, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program's requirements.

"Joint venture" means an association of a MBE or WBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which each joint venture partner contributes property, capital, efforts, skills and knowledge, and in which the MBE or WBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

Mentor-Protege Agreement means an agreement between a prime and MBE or WBE subcontractor pursuant to 2-92-535, that is approved by the City of Chicago and complies with all requirements of 2-92-535 and any rules and regulations promulgated by the Chief Procurement Officer.

"Minority Business Enterprise" or "MBE" means a firm awarded certification as a minority owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a minority owned and controlled business by Cook County, Illinois.

"Supplier" or "Distributor" refers to a company that owns, operates, or maintains a store, warehouse or other establishment in which materials, supplies, articles or equipment are bought, kept in stock and regularly sold or leased to the public in the usual course of business. A regular distributor or supplier is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials or supplies required for performance of the Contract are bought, kept in stock, and regularly sold to the public in the usual course of business. To be a regular distributor the firm must engage in, as its principal business and in its own name, the purchase and sale of the products in question. A regular distributor in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock if it owns or operates distribution equipment.

"Women Business Enterprise" or "WBE" means a firm awarded certification as a women owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a women owned business by Cook County, Illinois.

Joint Ventures

The formation of joint ventures to provide MBEs and WBEs with capacity and experience at the prime contracting level, and thereby meet Contract Specific Goals (in whole or in part) is encouraged. A joint venture may consist of any combination of MBEs, WBEs, and non-certified firms as long as one member is an MBE or WBE.

A. The joint venture may be eligible for credit towards the Contract Specific Goals only if:

1. The MBE or WBE joint venture partner's share in the capital contribution, control, management, risks and profits of the joint venture is equal to its ownership interest;
2. The MBE or WBE joint venture partner is responsible for a distinct, clearly defined portion of the requirements of the contract for which it is at risk;
3. Each joint venture partner executes the bid to the City; and
4. The joint venture partners have entered into a written agreement specifying the terms and conditions of the relationship between the partners and their relationship and responsibilities to the contract, and all such terms and conditions are in accordance with the conditions set forth in Items 1, 2, and 3 above in this Paragraph A.

B. The Chief Procurement Officer shall evaluate the proposed joint venture agreement, the Schedule B submitted on behalf of the proposed joint venture, and all related documents to determine whether these requirements have been satisfied. The Chief Procurement Officer shall also consider the record of the joint venture partners on other City of Chicago contracts. The decision of the Chief Procurement Officer regarding the eligibility of the joint venture for credit towards meeting the Contract Specific Goals, and the portion of those goals met by the joint venture, shall be final.

The joint venture may receive MBE or WBE credit for work performed by the MBE or WBE joint venture partner(s) equal to the value of work performed by the MBE or WBE with its own forces for a distinct, clearly defined portion of the work.

Additionally, if employees of the joint venture entity itself (as opposed to employees of the MBE or WBE partner) perform the work then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in Schedule B.

The Chief Procurement Officer may also count the dollar value of work subcontracted to other MBEs and WBEs. Work performed by the forces of a non-certified joint venture partner shall not be counted toward the Contract Specific Goals.

C. Schedule B: MBE/WBE Affidavit of Joint Venture

Where the bidder's Compliance Plan includes the participation of any MBE or WBE as a joint venture partner, the bidder must submit with its bid a Schedule B and the proposed joint venture agreement. These documents must both clearly evidence that the MBE or WBE joint venture partner(s) will be responsible for a clearly defined portion of the work to be performed, and that the MBE's or WBE's responsibilities and risks are proportionate to its ownership percentage. The proposed joint venture agreement must include specific details related to:

1. The parties' contributions of capital, personnel, and equipment and share of the costs of insurance and bonding;
2. Work items to be performed by the MBE's or WBE's own forces and/or work to be performed by employees of the newly formed joint venture entity;
3. Work items to be performed under the supervision of the MBE or WBE joint venture partner; and
4. The MBE's or WBE's commitment of management, supervisory, and operative personnel to the performance of the contract.

NOTE: Vague, general descriptions of the responsibilities of the MBE or WBE joint venture partner do not provide any basis for awarding credit. For example, descriptions such as "participate in the budgeting process," "assist with hiring," or "work with managers to improve customer service" do not identify distinct, clearly defined portions of the work. Roles assigned should require activities that are performed on a regular, recurring basis rather than as needed. The roles must also be pertinent to the nature of the business for which credit is being sought. For instance, if the scope of work required by the City entails the delivery of goods or services to various sites in the City, stating that the MBE or WBE joint venture partner will be responsible for the performance of all routine maintenance and all repairs required to the vehicles used to deliver such goods or services is pertinent to the nature of the business for which credit is being sought.

Counting MBE and WBE Participation Towards the Contract Specific Goals

Refer to this section when preparing the MBE/WBE compliance plan and completing Schedule D-1 for guidance on what value of the participation by MBEs and WBEs will be counted toward the stated Contract Specific Goals. The "Percent Amount of Participation" depends on whether and with whom a MBE or WBE subcontracts out any portion of its work and other factors.

Firms that are certified as both MBE and WBE may only be listed on a bidder's compliance plan as either a MBE or a WBE to demonstrate compliance with the Contract Specific Goals. For example, a firm certified as both a MBE and a WBE may only be listed on the bidder's compliance plan under one of the categories, but not both. Additionally, a firm that is certified as both a MBE and a WBE could not self-perform 100% of a contract, it would have to show good faith efforts to meet the Contract Specific Goals by including in its compliance plan work to be performed by another MBE or WBE firm, depending on which certification that dual-certified firm chooses to count itself as.

- A. Only expenditures to firms that perform a Commercially Useful Function as defined above may count toward the Contract Specific Goals.
 - 1. The CPO will determine whether a firm is performing a commercially useful function by evaluating the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the credit claimed for its performance of the work, industry practices, and other relevant factors.
 - 2. A MBE or WBE does not perform a commercially useful function if its participation is only required to receive payments in order to obtain the appearance of MBE or WBE participation. The CPO may examine similar commercial transactions, particularly those in which MBEs or WBEs do not participate, to determine whether non MBE and non WBE firms perform the same function in the marketplace to make a determination.
- B. Only the value of the dollars paid to the MBE or WBE firm for work that it performs in its Area of Specialty in which it is certified counts toward the Contract Specific Goals.

Only payments made to MBE and WBE firms that meet BOTH the Commercially Useful Function and Area of Specialty requirements above will be counted toward the Contract Specific Goals.

- C. If the MBE or WBE performs the work itself:
 - 1. 100% of the value of work actually performed by the MBE's or WBE's own forces shall be counted toward the Contract Specific Goals, including the cost of supplies purchased or equipment leased by the MBE or WBE from third parties or second tier subcontractors in order to perform its (sub)contract with its own forces. 0% of the value of work at the project site that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals
- D. If the MBE or WBE is a manufacturer:
 - 1. 100% of expenditures to a MBE or WBE manufacturer for items needed for the Contract shall be counted toward the Contract Specific Goals. A manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises the materials or supplies obtained by the bidder or contractor.
- E. If the MBE or WBE is a distributor or supplier:
 - 1. 60% of expenditures for materials and supplies purchased from a MBE or WBE that is certified as a regular dealer or supplier shall be counted toward the Contract Specific Goals.
- F. If the MBE or WBE is a broker:
 - 1. 0% of expenditures paid to brokers will be counted toward the Contract Specific Goals.
 - 2. As defined above, Brokers provide no commercially useful function.
- G. If the MBE or WBE is a member of the joint venture contractor/bidder:
 - 1. A joint venture may count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the MBE or WBE performs with its own forces toward the Contract Specific Goals.
 - i. OR if employees of this distinct joint venture entity perform the work then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in Schedule B.
 - 2. Note: a joint venture may also count the dollar value of work subcontracted to other MBEs and WBEs, however, work subcontracted out to non-certified firms may not be counted.
- II. If the MBE or WBE subcontracts out any of its work:
 - 1. 100% of the value of the work subcontracted to other MBEs or WBEs performing work in its Area of Specialty may be counted toward the Contract Specific Goals.
 - 2. 0% of the value of work that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals (except for the cost of supplies purchased or equipment leased by the MBE or

WBE from third parties or second tier subcontractors in order to perform its (sub)contract with its own forces as allowed by C. I. above).

- 3. i he fees or commissions charged for providing a bona fide service, such as professional, technical, consulting or managerial services or for providing bonds or insurance or the procurement of essential personnel, facilities,, equipment, materials or supplies required for

performance of the Contract, may be counted toward the Contract Specific Goals, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

4. The fees charged for delivery of materials and supplies required on a job site (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.
5. The fees or commissions charged for providing any bonds or insurance, but not the cost of the premium itself, specifically required for the performance of the Contract, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

Procedure to Determine Bid Compliance

The following Schedules and requirements govern the bidder's or contractor's MBE/WBE proposal:

A. Schedule B: MBE/WBE Affidavit of Joint Venture

1. Where the bidder's Compliance Plan includes the participation of any MBE or WBE as a joint venture partner, the bidder must submit with its bid a Schedule B and the proposed joint venture agreement. See Section III above for detailed requirements.

B. Schedule C: MBE/WBE Letter of Intent to Perform as a Subcontractor or Supplier

The bidder must submit the appropriate Schedule C with the bid for each MBE and WBE included on the Schedule D. The City encourages subcontractors to utilize the electronic fillable format Schedule C, which is available at the Department of Procurement Services website, <<http://cityofchicago.org/forms>>. Suppliers must submit the Schedule C for Suppliers, first tier subcontractors must submit a Schedule C for Subcontractors to the Prime Contractor and second or lower tier subcontractors must submit a Schedule C for second tier Subcontractors. Each Schedule C must accurately detail the work to be performed by the MBE or WBE and the agreed upon rates/prices. Each Schedule C must also include a separate sheet as an attachment on which the MBE or WBE fully describes its proposed scope of work, including a description of the commercially useful function being performed by the MBE or WBE in its Area of Specialty. If a facsimile copy of the Schedule C has been submitted with the bid, an executed original Schedule C must be submitted by the bidder for each MBE and WBE included on the Schedule D within five (5) business days after the date of the bid opening.

C. Schedule D: Compliance Plan Regarding MBE and WBE Utilization

The bidder must submit a Schedule D with the bid. The City encourages bidders to utilize the electronic fillable format Schedule D, which is available at the Department of Procurement Services website, <<http://cityofchicago.org/forms>>. An approved Compliance Plan is required before a contract may commence.

The Compliance Plan must commit to the utilization of each listed MBE and WBE. The bidder is responsible ' for calculating the dollar equivalent of the MBE and WBE Contract Specific Goals as percentages of the total base bid. All Compliance Plan commitments must conform to the Schedule Cs.

A bidder or contractor may not modify its Compliance Plan after bid opening except as directed by the Department of Procurement Services to correct minor errors or omissions. Bidders shall not be permitted to add MBEs or WBEs after bid opening to meet the Contract Specific Goals, however, contractors are encouraged to add additional MBE/WBE vendors to their approved compliance plan during the performance of the contract when additional opportunities for participation are identified. Except in cases where substantial, documented justification is provided, the bidder or contractor shall not reduce the dollar commitment made to any MBE or WBE in order to achieve conformity between the Schedule Cs and Schedule D. All terms and conditions for MBE and WBE participation on the contract must be negotiated and agreed to between the bidder or contractor and the MBE or WBE prior to the submission of the Compliance Plan. If a proposed

MBE or WBE ceases to be available after submission of the Compliance Plan, the bidder or contractor must comply with the provisions in Section VII.

D. Letters of Certification

A copy of each proposed MBE's and WBE's Letter of Certification from the City of Chicago or Cook County, Illinois, must be submitted with the bid.

A Letters of Certification includes a statement of the MBE's or WBE's area(s) of specialty. The MBE's or WBE's scope of work as detailed in the Schedule C must conform to its area(s) of specialty. Where a MBE or WBE is proposed to perform work not covered by its Letter of Certification, the MBE or WBE must request the addition of a new area at least 30 calendar days prior to the bid opening.

E. Schedule F: Report of Subcontractor Solicitations

A Schedule F must be submitted with the bid, documenting all subcontractors and suppliers solicited for participation on the contract by the bidder. Failure to submit the Schedule F may render the bid non-responsive.

F. Scheduler!: Documentation of Good Faith Efforts

1. If a bidder determines that it is unable to meet the Contract Specific Goals, it must document its good faith efforts to do so, including the submission of Attachment C, Log of Contacts.
2. If the bidder's Compliance Plan demonstrates that it has not met the Contract Specific Goals in full or in part, the bidder must submit its Schedule H no later than three business days after notification by the Chief Procurement Officer of its status as the apparent lowest bidder. Failure to submit a complete Schedule H will cause the bid to be rejected as non-responsive.

3. Documentation must include but is not necessarily limited to:

- a. A detailed statement of efforts to identify and select portions of work identified in the bid solicitation for subcontracting to MBEs and WBEs;
- b. A listing of all MBEs and WBEs contacted for the bid solicitation that includes:
 - i. Names, addresses, emails and telephone numbers of firms solicited;
 - ii. Date and time of contact;
 - iii. Person contacted;
 - iv. Method of contact (letter, telephone call, facsimile, electronic mail, etc.).

C. Evidence of contact, including:

- i. Project identification and location;
- ii. Classification/commodity of work items for which quotations were sought;
- iii. Date, item, and location for acceptance of subcontractor bids;
- iv. Detailed statements summarizing direct negotiations with appropriate MBEs and WBEs for specific portions of the work and indicating why agreements were not reached.
- v. Bids received from all subcontractors.

- d. Documentation of bidder or contractor contacts with at least one of the minority and women assistance associations on Attachment A.

G. Agreements between a bidder or contractor and a MBE or WBE in which the MBE or WBE promises not to provide subcontracting quotations to other bidders or contractors are prohibited.

H. Prior to award, the bidder agrees to promptly cooperate with the Department of Procurement Services in submitting to interviews, allowing entry to places of business, providing further documentation, or soliciting the cooperation of a proposed MBE or WBE. Failure to cooperate may render the bid non-responsive.

I. If the City determines that the Compliance Plan contains minor errors or omissions, the bidder or contractor must submit a revised Compliance Plan within five (5) business days after notification by the City that remedies the minor errors or omissions. Failure to correct all minor errors or omissions may result in the determination that a bid is non-responsive.

J. No later than three (3) business days after receipt of the executed contract, the contractor must execute a complete subcontract agreement or purchase order with each MBE and WBE listed in the Compliance Plan. No later than eight (8) business days after receipt of the executed contract, the contractor must provide copies of each signed subcontract, purchase order, or other agreement to the Department of Procurement Services.

K. Any applications for City approval of a Mentor Protege agreement must be included with the bid. If the application is not approved, the bidder must show that it has made good faith efforts to meet the contract specific goals.

Demonstration of Good Faith Efforts

A. In evaluating the Schedule H to determine whether the bidder or contractor has made good faith efforts, the performance of other bidders or

contractors in meeting the goals may be considered.

B. The Chief Procurement Officer shall consider, at a minimum, the bidder's efforts to:

1. Solicit through reasonable and available means at least 50% (or at least five when there are more than eleven certified firms in the commodity area) of MBEs and WBEs certified in the anticipated scopes of subcontracting of the contract, as documented by the Schedule H. The bidder or contractor must solicit MBEs and WBEs within seven (7) days prior to the date bids are due. The bidder or contractor must take appropriate steps to follow up initial solicitations with interested MBEs or WBEs.
2. Advertise the contract opportunities in media and other venues oriented toward MBEs and WBEs.
3. Provide interested MBEs or WBEs with adequate information about the plans, specifications, and requirements of the contract, including addenda, in a timely manner to assist them in responding to the solicitation.
4. Negotiate in good faith with interested MBEs or WBEs that have submitted bids. That there may be some additional costs involved in soliciting and using MBEs and WBEs is not a sufficient reason for a bidder's failure to meet the Contract Specific Goals, as long as such costs are reasonable.
5. Not reject MBEs or WBEs as being unqualified without sound reasons based on a thorough investigation of their capabilities. The MBE's or WBE's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations are not legitimate causes for rejecting or not soliciting bids to meet the Contract Specific Goals.
6. Make a portion of the work available to MBE or WBE subcontractors and suppliers and selecting those portions of the work or material consistent with the available MBE or WBE subcontractors and suppliers, so as to facilitate meeting the Contract Specific Goals. ~
7. Make good faith efforts, despite the ability or desire of a bidder or contractor to perform the work of a contract with its own organization. A bidder or contractor who desires to self-perform the work of a contract must demonstrate good faith efforts unless the Contract Specific Goals have been met.
8. Select portions of the work to be performed by MBEs or WBEs in order to increase the likelihood that the goals will be met. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate MBE or WBE participation, even when the bidder or contractor might otherwise prefer to perform these work items with its own forces.
9. Make efforts to assist interested MBEs or WBEs in obtaining bonding, lines of credit, or insurance as required by the City or bidder or contractor.
10. Make efforts to assist interested MBEs or WBEs in obtaining necessary equipment, supplies, materials, or related assistance or services; and
11. Effectively use the services of the City; minority or women community organizations; minority or women assistance groups; local, state, and federal minority or women business assistance offices; and other organizations to provide assistance in the recruitment and placement of MBEs or WBEs.

C. If the bidder disagrees with the City's determination that it did not make good faith efforts, the bidder may file a protest pursuant to the Department of Procurement Services Solicitation and Contracting Process Protest Procedures within 10 business days of a final adverse decision by the Chief Procurement Officer.

Changes to Compliance Plan

- A. No changes to the Compliance Plan or contractual MBE and WBE commitments or substitution of MBE or WBE subcontractors may be made without the prior written approval of the Chief Procurement Officer. Unauthorized changes or substitutions, including performing the work designated for a subcontractor with the contractor's own forces, shall be a violation of these Special Conditions and a breach of the contract with the City, and may cause termination of the executed Contract for breach, and/or subject the bidder or contractor to contract remedies or other sanctions. The facts supporting the request for changes must not have been known nor reasonably could have been known by the parties prior to entering into the subcontract. Bid shopping is prohibited. The bidder or contractor must negotiate with the subcontractor to resolve the problem. If requested by either party, the Department of Procurement Services shall facilitate such a meeting. Where there has been a mistake or disagreement about the scope of work, the MBE or WBE can be substituted only where an agreement cannot be reached for a reasonable price for the correct scope of work.
- B. Substitutions of a MBE or WBE subcontractor shall be permitted only on the following basis:

1. Unavailability after receipt of reasonable notice to proceed;
2. Failure of performance;
3. Financial incapacity;
4. Refusal by the subcontractor to honor the bid or proposal price or scope;
5. Mistake of fact or law about the elements of the scope of work of a solicitation where a reasonable price cannot be agreed;
6. Failure of the subcontractor to meet insurance, licensing or bonding requirements;
7. The subcontractor's withdrawal of its bid or proposal; or
8. De-certification of the subcontractor as a MBE or WBE. (Graduation from the MBE/WBE program does not constitute de-certification.
9. Termination of a Mentor Protege Agreement.

C. If it becomes necessary to substitute a MBE or WBE or otherwise change the Compliance Plan, the procedure will be as follows:

1. The bidder or contractor must notify the Chief Procurement Officer in writing of the request to substitute a MBE or WBE or otherwise change the Compliance Plan. The request must state specific reasons for the substitution or change. A letter from the MBE or WBE to be substituted or affected by the change stating that it cannot perform on the contract or that it agrees with the change in its scope of work must be submitted with the request.
2. The City will approve or deny a request for substitution or other change within 15 business days of receipt of the request.
3. Where the bidder or contractor has established the basis for the substitution to the satisfaction of the Chief Procurement Officer, it must make good faith efforts to meet the Contract Specific Goal by substituting a MBE or WBE subcontractor. Documentation of a replacement MBE or WBE, or of good faith efforts, must meet the requirements in sections V and VI. If the MBE or WBE Contract Specific Goal cannot be reached and good faith efforts have been made, as determined by the Chief Procurement Officer, the bidder or contractor may substitute with a non-MBE or non-WBE.
4. If a bidder or contractor plans to hire a subcontractor for any scope of work that was not previously disclosed in the Compliance Plan, the bidder or contractor must obtain the approval of the Chief Procurement Officer to modify the Compliance Plan and must make good faith efforts to ensure that MBEs or WBEs have a fair opportunity to bid on the new scope of work.
5. A new subcontract must be executed and submitted to the Chief Procurement Officer within five business days of the bidder's or contractor's receipt of City approval for the substitution or other change.

D. The City shall not be required to approve extra payment for escalated costs incurred by the contractor when a substitution of subcontractors becomes necessary to comply with MBE/WBE contract requirements.

Reporting and Record Keeping

A. During the term of the contract, the contractor and its non-certified subcontractors must submit partial and final waivers of lien from MBE and WBE subcontractors that show the accurate cumulative dollar amount of subcontractor payments made to date. Upon acceptance of the Final Quantities from the City of Chicago, FINAL certified waivers of lien from the MBE and WBE subcontractors must be attached to the contractor's acceptance letter and forwarded to the Department of Procurement Services, Attention: Chief Procurement Officer.

B. The contractor will be responsible for reporting payments to all subcontractors on a monthly basis in the form of an electronic audit. Upon the first payment issued by the City of Chicago to the contractor for services performed, on the first day of each month and every month thereafter, email and/or fax audit notifications will be sent out to the contractor with instructions to report payments that have been made in the prior month to each MBE and WBE. The reporting of payments to all subcontractors must be entered into the Certification and Compliance Monitoring System (C2), or whatever reporting system is currently in place, on or before the fifteenth (15th) day of each month.

Once the prime contractor has reported payments made to each MBE and WBE, including zero dollar amount payments, the MBE and WBE will receive an email and/or fax notification requesting them to log into the system and confirm payments received. All monthly confirmations must be reported on or before the 20th day of each month. Contractor and subcontractor reporting to the C2 system must be completed by the 25th of each month or payments may be withheld.

All subcontract agreements between the contractor and MBE/WBE firms or any first tier non-certified firm and lower tier MBE/WBE firms must contain language requiring the MBE/WBE to respond to email and/or fax notifications from the City of Chicago requiring them to report payments received for the prime or the non-certified firm.

Access to the Certification and Compliance Monitoring System(C2), which is a web based reporting system, can be found at: <<http://chicago.mwdbe.com>>

- C. The Chief Procurement Officer or any party designated by the, Chief Procurement Officer shall have access to the contractor's books and records, including without limitation payroll records, tax returns and records and books of account, to determine the contractor's compliance with its commitment to MBE and WBE participation and the status of any MBE or WBE performing any portion of the contract. This provision shall be in addition to, and not a substitute for, any other provision allowing inspection of the contractor's records by any officer or official of the City for any purpose.
- D. The contractor shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs, retaining these records for a period of at least five years after final acceptance of the work. Full access to these records shall be granted to City, federal or state authorities or other authorized persons.

Non-Compliance

- A. Without limitation, the following shall constitute a material breach of this contract and entitle the City to declare a default, terminate the contract, and exercise those remedies provided for in the contract at law or in equity: (1) failure to demonstrate good faith efforts; and (2) disqualification as a MBE or WBE of the contractor or any joint venture partner, subcontractor or supplier if its status as an MBE or WBE was a factor in the award of the contract and such status was misrepresented by the contractor.
- B. Payments due to the contractor may be withheld until corrective action is taken.
- C. Pursuant to 2-92-740, remedies or sanctions may include disqualification from contracting or subcontracting on additional City contracts for up to three years, and the amount of the discrepancy between the amount of the commitment in the Compliance Plan, as such amount may be amended through change orders or otherwise over the term of the contract, and the amount paid to MBEs or WBEs. The consequences provided herein shall be in addition to any other criminal or civil liability to which such entities may be subject.
- D. The contractor shall have the right to protest the final determination of non-compliance and the imposition of any penalty by the Chief Procurement Officer pursuant to 2-92-740 of the Municipal Code of the City of Chicago, within 15 business days of the final determination.

Arbitration

If the City determines that a contractor has not made good faith efforts to fulfill its Compliance Plan, the affected MBE or WBE may recover damages from the contractor.

Disputes between the contractor and the MBE or WBE shall be resolved by binding arbitration before the American Arbitration Association (AAA), with reasonable expenses, including attorney's fees and arbitrator's fees, being recoverable by a prevailing MBE or WBE. Participation in such arbitration is a material provision of the Construction Contract to which these Special Conditions are an Exhibit. This provision is intended for the benefit of any MBE or WBE affected by the contractor's failure to fulfill its Compliance Plan and grants such entity specific third party beneficiary rights. These rights are non-waivable and take precedence over any agreement to the contrary, including but not limited to those contained in a subcontract, suborder, or communicated orally between a contractor and a MBE or WBE. Failure by the Contractor to participate in any such arbitration is a material breach of the Construction Contract.

A MBE or WBE seeking arbitration shall serve written notice upon the contractor and file a demand for arbitration with the AAA in Chicago, IL. The dispute shall be arbitrated in accordance with the Commercial Arbitration Rules of the AAA. All arbitration fees are to be paid pro rata by the parties.

The MBE or WBE must copy the City on the Demand for Arbitration within 10 business days after filing with the AAA. The MBE or WBE must copy the City on the arbitrator's decision within 10 business days of receipt of the decision. Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

Equal Employment Opportunity

Compliance with MBE and WBE requirements will not diminish or supplant equal employment opportunity and civil rights provisions as

required by law related to bidder or contractor and subcontractor obligations.

Attachment A -Assist Agency List

DEPARTMENT OF PROCUREMENT SERVICES

Assist Agencies are comprised of not-for-profit agencies and/or chamber of commerce agencies that represent the interest of small, minority and/or women owned businesses.

51st Street Business Association 220 E. 51st Street Chicago, IL 60615 Phone: 773-285-3401 Fax: 773-285-3407 Email: alexisbivensltd@yahoo.com <mailto:alexisbivensltd@yahoo.com> 51stStreetWeekly.com <http://51stStreetWeekly.com>

Asian American Institute 4753 N. Broadway St. Suite 502 Chicago, IL 60640 Phone: 773-271-0899 Fax: 773-271-1982 Email: kfernicola@aaichicago.org <mailto:kfernicola@aaichicago.org> Web: www.aaichicago.org

Black Contractors United 12000 S. Marshfield Ave. Calumet Park, IL 60827 Phone 708-275-4622 Fax 708-389-5735 Email: bcunewera@att.net <mailto:bcunewera@att.net> Email: mckinnie@blackcontractorsunited.com <mailto:mckinnie@blackcontractorsunited.com> Web: www.blackcontractorsunit.ed <http://www.blackcontractorsunit.ed> com

Chicago Area Gay & Lesbian Chamber of Commerce 3179 N. Clark St. Chicago, IL 60657 Phone: 773-303-0167 Fax: 773-303-0168 Email: info@glchamber.org <mailto:info@glchamber.org> Web: www.glchamber <http://www.glchamber> org

Chicago Urban League 4510 S. Michigan Ave. Chicago, IL 60653 Phone: 773-285-5800 Fax: 773-285-7772 Email: president(5) thechicagourbanleague.org Web: www.cul-chicago <http://www.cul-chicago> org

Cosmopolitan Chamber of Commerce 30 E Adams Suite 1050 Chicago, IL 60603 Phone: 312-499-0611 Fax: 312-701-0095 Email: info@cosmochamber.com <mailto:info@cosmochamber.com> Web: www.cosmochamber.org <http://www.cosmochamber.org>

Eighteenth Street Development Corporation 1843 S. Carpenter Chicago, IL. 60608 Phone 312-733-2287 aesparza(5) eighteenthstreet.org www.eighteenthstreet <http://www.eighteenthstreet> org

Greater Englewood Community Development Corp. 6957 S Halsted Chicago, IL 60621 Phone 773-891-1310 Email: qfulton@greaterenglewoodcdc.org <mailto:qfulton@greaterenglewoodcdc.org>

www.greaterenglewoodcdc <http://www.greaterenglewoodcdc> org
Hispanic American Construction Industry Association (HACIA) 650 W. Lake St. Chicago, IL 60661 Phone 312-575-0389 Fax 312-575-0544

Email: info@haciaworks.org Web: www.haciaworks.org <http://www.haciaworks.org>

Asian American Business Expo 207 E. Ohio St Suite 218 Chicago, IL 60611 Phone: 312-233-2810 Fax: 312-268-6388 Email: Janny@AsianAmericanBusinessExpo.org

Association of Asian Construction Enterprises 4100 S. Emerald Chicago, IL 60609 Phone: 847-525-9693 Email: nakmancorp@aol.com <mailto:nakmancorp@aol.com>

Chatham Business Association Small Business Development, Inc. 800 E. 78th Street Chicago, IL 60619 Phone: 773-994-5006 Fax: 773-994-9871 Email: melindakelly@cbaworks.org <mailto:melindakelly@cbaworks.org> Web: www.cbaworks <http://www.cbaworks> org

Chicago Minority Supplier Development Council, Inc. 105 W. Adams, Suite 2300 Chicago, IL 60603-6233 Phone: 312-755-8880 Fax: 312-755-8890 Email: pbarreda@chicagomsdc.org Web: www.chicagomsdc <http://www.chicagomsdc> org
Chicago Women in Trades (CWIT) 2444 W. 16th Street Chicago, IL 60608 Phone: 773-942-1444 Fax: 312-942-1599 Email: cwitinfo@cwit2.org Web: www.chicagowomenintrades.org

Contractor Advisors Business Development 1507 E. 53rd Street, Suite 906 Chicago, IL. 60615 Phone. 312-436-0301 Email: sfstantley@contractoradvisors.us <mailto:sfstantley@contractoradvisors.us> Web: www.contractoradvisors.us <http://www.contractoradvisors.us>

Federation of Women Contractors 5650 S. Archer Avenue Chicago, IL 60638 Phone. 312-360-1122 Fax: 312-360-0239 Email: fwcchicago@aol.com Web: www.fwcchicago.com <http://www.fwcchicago.com>

Greater Pilsen Economic Development Assoc. 1801 S. Ashland Chicago, IL 60608 Phone: 312-698-8898 Email: contact@greaterpilsen.org <mailto:contact@greaterpilsen.org> Web: www.greaterpilsen.org <http://www.greaterpilsen.org>

Illinois Black Chamber of Commerce 331 Fulton Street Suite 530 Chicago, Illinois 60602 Phone: 309-740-4430 Email: Larrylvory@IllinoisBlackChamber.org <mailto:Larrylvory@IllinoisBlackChamber.org>

www.ilhnoisblackchamberofcommerce.org <http://www.ilhnoisblackchamberofcommerce.org>

Illinois Hispanic Chamber of Commerce 855 W Adams, Suite 100 Chicago, IL 60607 Phone: 312-425-9500 Fax: 312-425-9510 Email: oduque@ihccbbusiness.net <mailto:oduque@ihccbbusiness.net> Web: www.ihccbbusiness <http://www.ihccbbusiness> net

National Association of Women Business Owners 3332 W Foster #121 Chicago, IL 60625 Phone: 312-224-2605 Fax: 847-679-6291 Email: info@nawbochicago.org <mailto:info@nawbochicago.org> Web: www.nawbochicago <http://www.nawbochicago> org

Rainbow/PUSH Coalition International Trade Bureau 930 E. 50th Street Chicago, IL 60615 Phone: 773-373-3366 Fax: 773-373-3571 Email jmitchell@rainbowpush.org <mailto:jmitchell@rainbowpush.org> Web: www.rainbowpush.org

The Monroe Foundation 1547 South Wolf Road Hillside, Illinois 60162 Phone: 773-315-9720 Fax: 708-449-1976 Email omonroe@themonroefoundation.org <mailto:omonroe@themonroefoundation.org> Web: www.themonroefoundation.org <http://www.themonroefoundation.org>

US Minority Contractors Association, Inc. 1250 Grove Ave. Suite 200 Barrington, IL 60010 Phone: 847-852-5010 Fax: 847-382-1787 Email larry.bullock@usminoritycontractors.org Web: USMinorityContractors.org <http://USMinorityContractors.org>

Women Construction Owners & Executives (WCOE) Chicago Caucus 308 Circle Avenue Forest Park, IL 60130 Phone: 708-366-1250 Fax: 708-366-5418 Email: mkm@mkmservices.com <mailto:mkm@mkmservices.com> Web: www.wcoeusa.org

Latin American Chamber of Commerce 3512 W. Fullerton Avenue¹ Chicago, IL 60647 Phone: 773-252-5211 Fax: 773-252-7065 Email: dlorenzopadron@LACCUSA.com Web: www.LACCUSA.com <http://www.LACCUSA.com>

National Organization of Minority Engineers 33 W. Monroe, Suite 1540 Chicago, IL 60603 Phone: 312-425-9560 Fax: 312-425-9564 Email: shandy@infrastructure-eng.com Web: www.nomeonline <http://www.nomeonline> org

South Shore Chamber, Incorporated Black United Funds Bldg. 1750 E. 71st Street, Suite 208 Chicago, IL 60649-2000 Phone: 773-955-9508 Email: sshorechamber@qsbglobal.net Web: www.southshorechamberinc.org <http://www.southshorechamberinc.org>

The Resurrection Project 1818 S. Paulina Street Chicago, IL 60608 Phone: 312-666-1323 Email: asoto(3)resurrectiondroiect.org Web: www.resurrectionproject.org <http://www.resurrectionproject.org>

Women's Business Development Center 8 S. Michigan Ave., Suite 400 Chicago, IL 60603 Phone: 312-853-3477 Fax: 312-853-0145 Email: fcurry@wbdc.org <mailto:fcurry@wbdc.org> Web: www.wbdc.org <http://www.wbdc.org>

SCHEDULE B: MBE/WBE Affidavit of Joint Venture

All information requested on this schedule must be answered in the spaces provided. Do not refer to your joint venture agreement except to expand on answers provided on this form. If additional space is required, attach additional sheets. In all proposed joint ventures, each MBE and/or WBE venturer must submit a copy of Us current Letter of Certification.

- I. Name of joint venture:
Address:
Telephone number of joint venture:
- II. Email addressj
Name of non-MBE/WBE venturer:
Address:
Telephone number:
Email addressj
Contact person for matters concerning MBE/WBE compliance:
- III. Name of MBE/WBE venturer:
Address:
Telephone number:
Email addressj
Contact person for matters concerning MBE/WBE compliance:
- IV. Describe the role(s) of the MBE and/or WBE venturer(s) in the joint venture:

- V. Attach a copy of the joint venture agreement.

In order to demonstrate the MBE. and/or WBE joint venture partner's share in the capital contribution, control, management, risks and profits of the joint venture is equal to its ownership interest, the proposed joint venture agreement must include specific details related to: (1) the contributions of capital, personnel and equipment and share of the costs of bonding and insurance; (2) work items to be performed by the MBE/WBE's own forces; (3) work items to be performed under the supervision of the MBE/WBE venturer; and (4) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the project.

- VI. Ownership of the Joint Venture.

- A. What is the percentage(s) of MBE/WBE ownership of the joint venture?
MBE/WBE ownership percentagc(s)
Non-MBE/WBE ownership percentage(s)
- B. Specify MBE/WBE percentages for each of the following (provide narrative descriptions and other details as applicable):
 - 1. Profit and loss sharing:
 - 2. Capital contributions:
 - a. Dollar amounts of initial contribution: ;
 - b. Dollar amounts of anticipated on-going contributions:

Revised 07/27/04

Contributions of equipment (Specify types, quality and quantities of equipment to be provided by each venturer):

- 4. Other applicable ownership interests, including ownership options or other agreements which restrict or limit ownership and/or control:
- 5. Costs of bonding (if required for the performance of the contract):
- 6. Costs of insurance (if required for the performance of the contract):
- C. Provide copies of al] written agreements between venturers concerning this project.
- D. Identify each current City of Chicago contract and each contract completed during the past two years by a joint venture of two or more firms participating in this joint venture:

Control of and Participation in the Joint Venture.

Identify by name and firm those individuals who are, or will be, responsible for, and have the authority to engage in the following management functions and policy decisions. Indicate any limitations to their authority such as dollar limits and co-signatory requirements:

- A. Joint venture check signing:
- B. Authority to enter contracts on behalf of the joint venture:

C. Signing, co-signing and/or collateralizing loans:

D. Acquisition of lines of credit:

E. Acquisition and indemnification of payment and performance bonds:

Negotiating and signing labor agreements:

G. Management of contract performance. (Identify by name and firm only):

1. Supervision of field operations:
2. Major purchases:
3. Estimating:
4. Engineering:

VIII. Financial Controls of joint venture:

A. Which firm and/or individual will be responsible for keeping the books of account?

B., Identify the "managing partner," if any, and describe the means and measure of his/her compensation:

C. What authority does each venturer have to commit or obligate the other to insurance and bonding companies, financing institutions, suppliers, subcontractors, and/or other parties participating in the performance of this contract or the work of this project?

IX. State the approximate number of operative personnel by trade needed to perform the joint venture's work under this contract. Indicate whether they will be employees of the non-MBE/WBE firm, the MBE/WBE firm, or the joint venture.

Trade	Non-MBE/WBE Firm (Number)	MBE/WBE (Number)	Joint Venture (Number)
-------	---------------------------	------------------	------------------------

X. If any personnel proposed for this project will be employees of the joint venture:

- A. Are any proposed joint venture employees currently employed by either venturer?
Currently employed by non-MBE/WBE venturer (number) Employed by MBE/WBE venturer_
- B. Identify by name and firm the individual who will be responsible for hiring joint venture employees:
- C. Which venturer will be responsible for the preparation of joint venture payrolls:

Please state any material facts of additional information pertinent to the control and structure of this joint venture.

The undersigned affirms that the foregoing statements are correct and include all material information necessary to identify and explain the terms and operations of our joint venture and the intended participation of each venturer in the undertaking. Further, the undersigned covenant and agree to provide to the City current, complete and accurate information regarding actual joint venture work and the payment therefore, and any proposed changes in any provision of the joint venture agreement, and to permit the audit and examination of the books, records and files of the joint venture, or those of each venturer relevant to the joint venture by authorized representatives of the City or the Federal funding agency.

Any material misrepresentation will be grounds for terminating any contract that may be awarded and for initiating action under federal or state laws concerning false statements.

Note: If, after filing this Schedule B and before the completion on the joint venture's work on the project, there is any change in the information submitted, the joint venture must inform the City of Chicago, either directly or through the prime contractor if the joint venture is a subcontractor.

Name of MBE/WBE Partner Firm

Name of Non-MBE/WBE Partner Firm

Signature of Affiant

Signature of Affiant

Name and Title of Affiant

Name and Title of Affiant

Date Date

On this _ day of , 20 , the above-signed officers

(names of affiants)

personally appeared and, known to me be the persons described in the foregoing Affidavit, acknowledged that they executed the same in the capacity therein stated and for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Signature of Notary Public

My Commission Expires:

DPS Version 04/25/2017

SCHEDULE C

MBE/WBE Letter of Intent to Perform as a Subcontractor to the Prime Contractor FOR CONSTRUCTION PROJECTS ONLY

NOTICE: THIS SCHEDULE MUST BE AUTHORIZED AND SIGNED BY THE MBE/WBE SUBCONTRACTOR FIRM. FAILURE TO COMPLY MAY RESULT IN THE BID BEING REJECTED AS NON-RESPONSIVE.

Project Name:
(Name of MBE/WBE Firm)

From:

To:
____ and the City of Chicago.
(Name of Prime Contractor)

The MBE or WBE status of the undersigned is confirmed by the attached City of Chicago or Cook County Certification Letter. 100% MBE or WBE participation is credited for the use of a MBE or WBE "manufacturer." 60% participation is credited for the use of a MBE or WBE "regular dealer."

The undersigned is prepared to perform the following services in connection with the above named project/contract. If more space is required to fully describe the MBE or WBE proposed scope of work and/or payment schedule, attach additional sheets as necessary. The description must establish that the undersigned is performing a commercially useful function:

The above described performance is offered for the following price and described terms of payment:

Pav Item No./Description	Quantttv/Unit Price	Total
--------------------------	---------------------	-------

Subtotal Total @ 100%

Total @ 60% (if the undersigned is performing work as a regular dealer)

NOTICE: THIS SCHEDULE AND ATTACHMENTS REQUIRE ORIGINAL SIGNATURES ON EACH PAGE.

(If not the undersigned, signature of person who filled out this Schedule C)

(Company Name-Please Print)

(Signature of President/Owner/CEO or Authorized Agent of MBE/WBE)

(Name/Title-Please Print)

Schedule C: MBE/WBE Letter of Intent to Perform as a Subcontractor to the Prime Contractor

Partial Pay Items

For any of the above items that are partial pay items, specifically describe the work and subcontract dollar amount(s):

Pay Item No./Description	Quantity/Unit Price	Total
--------------------------	---------------------	-------

Subtotal: \$ Total @ 100%: \$.
Total @ 60% (if the undersigned is performing work as a regular dealer): \$ _

SUB-SUBCONTRACTING LEVELS

A zero (0) must be shown in each blank if the MBE or WBE will not be subcontracting any of the work listed or attached to this schedule.

% of the dollar value of the MBE or WBE subcontract that will be subcontracted to non MBEAA/BE contractors.

% of the dollar value of the MBE or WBE subcontract that will be subcontracted to MBE or WBE contractors.

NOTICE: If any of the MBE or WBE scope of work will be subcontracted; list the name of the vendor and attach a brief explanation, description and pay item number of the work that will be subcontracted. MBE/WBE credit will not be given for work subcontracted to Non-MBE/WBE contractors, except for as allowed in the Special Conditions Regarding Minority Business Enterprise Commitment and Women Business Enterprise Commitment in Construction Contracts..

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, within three (3) business days of your receipt of a signed contract from the City of Chicago.

The undersigned has entered into a formal written mentor protege agreement as a subcontractor/protege with you as a Prime Contractor/mentor. () Yes () No

NOTICE: THIS SCHEDULE AND ATTACHMENTS REQUIRE ORIGINAL SIGNATURES ON EACH PAGE.

(If not the undersigned, signature of person who filled out this Schedule C) (Date)

(Name/Title-Please Print)

(Company Name-Please Print)

(Email & Phone Number)

(Signature of President/Owner/CEO or Authorized Agent of MBE/WBE) (Date)

(Name/Title-Please Print)

(Email & Phone Number)

SCHEDULE C

**MBE/WBE Letter of Intent to Perform as a 2nd Tier Subcontractor to the Prime Contractor
FOR CONSTRUCTION PROJECTS ONLY**

Project Name:

From:

To:

To:

____ and the City of Chicago.
(Name of Prime Contractor)

The MBE or WBE status of the undersigned is confirmed by the attached City of Chicago or Cook County Certification Letter. 100% MBE or WBE participation is credited for the use of a MBE or WBE "manufacturer." 60% participation is credited for the use of a MBE or WBE "regular dealer."

The undersigned is prepared to perform the following services in connection with the above named project/contract. If more space is required to fully describe the MBE or WBE proposed scope of work and/or payment schedule, attach additional sheets as necessary:

The above described performance is offered for the following price and described terms of payment:

Pay Item No./Description	Quantity/Unit Price	Total
--------------------------	---------------------	-------

Subtotal: \$

Total @ 100%: \$.

Total @ 60%: \$.

Partial Pay Items

For any of the above items that are partial pay items, specifically describe the work and subcontract dollar amount(s):

Pay Item No./Description	Quantity/Unit Price	Total
--------------------------	---------------------	-------

Subtotal: \$

Total @ 100%: \$.

Total @ 60%: \$.

Schedule C: MBE/WBE Letter of Intent to Perform as a 2 Tier Sub to the Prime Contractor

SUB-SUBCONTRACTING LEVELS

A zero (0) must be shown in each blank if the MBE or WBE will not be subcontracting any of the work listed or attached to this schedule.

% of the dollar value of the MBE or WBE subcontract that will be subcontracted to non MBE/WBE contractors.

% of the dollar value of the MBE or WBE subcontract that will be subcontracted to MBE or WBE contractors.

NOTICE: If any of the MBE or WBE scope of work will be subcontracted, list the name of the vendor and attach a brief

explanation, description and pay item number of the work that will be subcontracted. MBE/WBE credit will not be given for work subcontracted to Non-MBE/WBE contractors, except for as allowed in the Special Conditions Regarding Minority Business Enterprise Commitment and Women Business Enterprise Commitment in Construction Contracts.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, within three (3) business days of your receipt of a signed contract from the City of Chicago.

The undersigned has entered into a formal written mentor protege agreement as a subcontractor/protege with you as a Prime Contractor/mentor: () Yes () No

NOTICE: THIS SCHEDULE AND ATTACHMENTS REQUIRE ORIGINAL SIGNATURES.

(Signature of President/Owner/CEO or Authorized Agent of MBE/WBE) (Date)

(Name/Title-Please Print)

(Email & Phone Number)

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SCHEDULE C (Construction)

MBE/WBE Letter of Intent to Perform as a SUPPLIER

Specification Number

From'

(Name of MBE or WBE Firm)

To

(Name of Prime Contractor)

and the City of Chicago:

The MBE or WBE status of the undersigned is confirmed by the attached City of Chicago or Cook County Certification Letter 100% MBE or WBE participation is credited for the use of a MBE or WBE "manufacturer". 60% participation is credited for the use of a MBE or WBE "regular dealer".

The undersigned is prepared to supply the following goods in connection with the above named project/contract. On a separate sheet, fully describe the MBE or WBE proposed scope of work and/or payment schedule, including a description of the commercially useful function being performed Attach additional sheets as necessary:

Pay Item No. / Description

Quantity / Unit Price Total

Line 1: Sub Total: Line 2: Total

@ 100%: Line 3: Total @ 60%:

Partial Pay Items

For any of the above items that are partial pay items, specifically describe the work and subcontract dollar amount(s):

Pay Item No. / Description

Quantity / Unit Price Total

Line 1: Sub Total: \$.

Line 2: Total @ 100%: \$

Line 3: Total @ 60%: \$

SUB-SUBCONTRACTING LEVELS - A zero (0) must be shown in each blank if the MBE or WBE will not be subcontracting any of the work listed or attached to this schedule.

% of the dollar value of the MBE or WBE subcontract that will be subcontracted to non-MBE/WBE contractors

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Compliance Plan Regarding MBE & WBE Utiliz; Affidavit of Prime Contractor FOR CONSTRUCTION PROJECTS ONLY

MUST BE SUBMITTED WITH THE BID. FAILURE TO SUBMIT THE SCHEDULE D WILL CAUSE THE BID TO BE REJECTED. DUPLICATE AS NEEDED.

Specification No.

and a duly authorized representative of

(Name of Prime Contractor)

and that I have personally reviewed the material and facts set forth in the attached Schedule Cs regarding Minority Business Enterprise and Women Business Enterprise (MBE/WBE) to perform as subcontractor, Joint Venture Agreement, and Schedule B (if applicable). All MBEs and WBEs must be certified with the City of Chicago or Cook County in the area(s) of specialty listed.

Contract Name	Total MBE Participation in dollars	Participation Percentage	Program Credit ? > a Claimed	Total MBE Participation Percentage
1. ... -%MBE -X'tA''' ■,4 ' with Schedule Cs	\$	%	%	%
	\$	%	%	%
	\$	%	%	%
	\$	%	%	%

\$	%	%	%
\$	%	%	%
\$	%	%	%
\$	%	%	%
\$	%	%	%
\$	%	%	%
\$	%	%	- %
\$	%	. %	%

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1. Name of Bidder	2. Type of Work to be performed in accordance with Schedule Gs	3. Total MBE/WBE Participation in dollars;	4. Mentor Protege Program Credit Claimed	5. Total MBE/WBE Participation in percentage
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%
		\$	%	%

☐ Check here if the following is applicable: The Prime Contractor intends to enter into mentor protege agreements with certain MBEs/WBEs listed above as indicated by entries in the "Mentor Protege Program Credit Claimed" column. Copies of each proposed mentoring program, executed by authorized representatives of the Prime Contractor and respective subcontractor, are attached to this Schedule D. The Prime Contractor may claim an additional 0.333 percent participation credit (up to a maximum of five (5) percent) for every one (1) percent of the value of the contract performed by the MBEA/BE protege firm.

Total MBE Participation \$

Total MBE Participation % (including any Mentor Protege Program credit)

Total WBE Participation \$

Total WBE Participation % (including any Mentor Protege Program credit)

Total Bid \$

To the best of my knowledge, information and belief the facts and representations contained in the aforementioned attached Schedules are true, and no material facts have been omitted.

The Prime Contractor designates the following person as its MBEAA/BE Liaison Officer:

(Name- Please Print or Type)

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I DO SOLEMNLY DECLARE AND AFFIRM UNDER PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING DOCUMENT ARE TRUE AND CORRECT, AND THAT I AM AUTHORIZED ON BEHALF OF THE PRIME CONTRACTOR TO MAKE THIS AFFIDAVIT.

(Name of Prime Contractor - Print or Type)

State of:

County of:

(Signature)

(Name/Title of Affiant - Print or Type)

(Date)

On this day of , 20 , the above signed officer

(Name of Affiant)

personally appeared and, known by me to be the person described in the foregoing Affidavit, acknowledged that (s)he executed the same in the capacity stated therein and for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and seal.

(Notary Public Signature)

SEAL:

Commission Expires:

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SCHEDULE F: REPORT OF SUBCONTRACTOR SOLICITATIONS FOR CONSTRUCTION CONTRACTS

Submit Schedule F with the bid. Failure to submit the Schedule F may cause the bid to be rejected.

Duplicate sheets as needed.

Project Name:

Specification #:

I, i on behalf of
(Name of reporter)

(Prime contractor)

have either personally solicited, or permitted a duly authorized representative of this firm to solicit, work for this contract from the following subcontractors which comprise all MBE/WBE and non-MBE/WBE subcontractors who bid or quoted price information on this contract

Company Name'

Business Address

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non- Certified

Company Name

Business Address

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non- Certified

Company Name

Business Address

s

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non-Certified

Company Name

Business Address

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non-Certified

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Company Name

Business Address

Contact Person

;

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non- Certified

Company Name

Business Address

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non-Certified

Company Name

Business Address

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non- Certified

Company Name

Business Address

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non- Certified

Company Name

Business Address

Contact Person

Date of contact

Method of contact

Response to solicitation

Type of Work Solicited

Please circle classification: MBE Certified WBE Certified MBE & WBE Certified Non- Certified

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I DO SOLEMNLY DECLARE AND AFFIRM UNDER PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING DOCUMENT ARE TRUE AND CORRECT, AND THAT I AM AUTHORIZED ON BEHALF OF THE PRIME CONTRACTOR TO MAKE THIS AFFIDAVIT.

(Name of Prime Contractor - Print or Type)

(Signature)

(Name/Title of Affiant) - Print or Type)

(Date)

On this day of , 20 ,

the above signed officer, ^- »
(Name of Atliant)

personally appeared and, known by me to be the person described in the foregoing Affidavit, acknowledged that (s) he executed the same in the capacity stated therein and for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and seal.

Notary Public Signature

(Seal)

Commission Expires:

07/29/04

DPS Version 04/25/2017

**SCHEDULE H: DOCUMENTATION OF GOOD FAITH EFFORTS TO UTILIZE
MBEs AND WBEs ON CONSTRUCTION CONTRACT**

Project Name:
Specification #

The Department of Procurement Services reserves the right to audit and verify all Good Faith Efforts as a condition of award. Material misrepresentations and omissions shall cause the bid to be rejected.

The following is documentation and explanation of the bidder's Good Faith Efforts to meet the contract specific goals as described in

the Good Faith Efforts Checklist as part of Schedule D. The Schedule D cannot be modified without the written approval of DPS.

I, _____ on behalf of _____
(Name of reporter) (Prime contractor)

have determined that it is unable to meet the contract specific goals in full or in part as set forth in the Special Conditions Regarding Minority and Women Business Enterprise Commitment in Construction Contracts. I hereby declare and affirm that the following good faith efforts were undertaken by the Bidder/Contractor to meet the MBE and/or WBE contract specific goals of this project.

**Good Faith Efforts Checklist from Schedule D Attach
additional sheets as needed.**

Solicited through reasonable and available means at least 50% (or at least 5 when there are more than 11 certified firms in the commodity area) of MBEs and WBEs certified in the anticipated scopes of subcontracting of the contract, within sufficient time to allow them to respond, as described in the Schedule F. Attach copies of written notices sent to MBEs and WBEs.

Provided timely and adequate information about the plan, specifications and requirements of the contract. Attach copies of contract information provided to MBES and WBEs.

Advertised the contract opportunities in media and other venues oriented toward MBEs and WBEs. Attach copies of advertisements.

Negotiated in good faith with interested MBEs or WBEs that have submitted bids and thoroughly investigated their capabilities.

Attach Schedule F, Report of Subcontractor Solicitations for Construction Contracts.

Selected those portions of the work or material consistent with the available MBE or WBE subcontractors and suppliers, including, where appropriate, breaking out contract work items into economically feasible units to facilitate MBE or WBE participation.

Describe selection of scopes of work solicited from M BEs and WBEs and efforts to break out work items.

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Made efforts to assist interested MBEs or WBEs in obtaining bonding, lines of credit, or insurance as required by the City or bidder or contractor.

Describe assistance efforts.

Made efforts to assist interested MBEs or WBEs in obtaining necessary equipment, supplies, materials, or related assistance or services. Describe assistance efforts.

Effectively used the services of the City; minority or women community organizations; minority or women assistance groups; local, state, and federal minority or women business assistance offices; and other organizations to provide assistance in the recruitment and placement of MBEs or WBEs as listed on Attachment A.

Describe efforts to use agencies listed on Attachment A.

DPS Version 04/25/2017

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING DOCUMENT ARE TRUE AND CORRECT, AND THAT I AM AUTHORIZED, ON BEHALF OF THE CONTRACTOR, TO MAKE THIS AFFIDAVIT.

Name of Contractor:

(Print or Type)

Signature:.

(Signature of Affiant)

Name of Affiant:.

(Print or Type)

Date:

(Print or Type)

State of

County (City) of

This instrument was acknowledged before me on

by

(date)

(name/s of person/s)

(type of authority, e.g., officer, trustee, etc.)

(name of party on behalf of whom instrument

Signature of Notary Public

DPS Version 04/25/2017

STATUS REPORT OF MBE/WBE (SUB) CONTRACT PAYMENTS

Specification No.:
Department Project No.

Date:
Voucher No.:

COUNTY (CITY) OF:

In connection with the above-captioned contract:

I HEREBY DECLARE AND AFFIRM that I am the
and duly authorized representative of

(Address of Company)

AMOUNT OF CONTRACT

AMOUNT PAID TO DATE

and that the following Minority and Women Business Enterprises (MBE/WBEs) have been contracted with, and have furnished, or are furnishing and preparing materials for, and have done or are doing labor on the above referenced project; that there is due and to become due them, respectively the amounts set opposite their names for material or labor as stated; and that this a full, true and complete statement of all such MBE/WBEs and of the amounts paid, due, and to become due to them:

I

MBE/WBE

GOODS/SERVICES PROVIDED

TOTAL AMOUNT PAID TO MBEs TO DATE: TOTAL AMOUNT PAID TO WBEs TO DATE:

\$.

\$.

DPS Version 04/25/2017

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING DOCUMENT ARE TRUE AND CORRECT, AND THAT I AM AUTHORIZED, ON BEHALF OF THE CONTRACTOR, TO MAKE THIS AFFIDAVIT.

Name of Contractor:

(Print or Type)

Signature:

(Signature of Affiant)

Name of Affiant;

(Print or Type)

Date:

(Print or Type)

State of

County (City) of

This instrument was acknowledged before me on _____ (date)
by _____ (name/s of person/s)
as _____ (type of authority, e.g., officer, trustee, etc.)
of _____ (name of party on behalf of whom instrument was executed).

Signature of Notary Public

(Seal)

DPS Version 04/25/2017

AFFIDAVIT OF UNCOMPLETED WORK
(Complete this form by either typing or using black ink.)

PART I. WORK UNDER CONTRACT

List below all work you have under contract as either a prime contractor or a subcontractor, including all pending low bids not yet awarded or rejected.

	1	2	3	4	5	Awards Pending
PROJECT						
CONTRACT WITH						
ESTIMATED						
COMPLETION DATE						
TOTAL CONTRACT PRICE						TOTAL
UNCOMPLETED DOLLAR						
VALUE						

PART II. UNCOMPLETED WORK TO BE DONE WITH YOUR OWN FORCES.

List below the uncompleted dollar value of work for each contract to be completed with your own forces including all work indicated as awards pending. All work subcontracted TO others will be listed on PART III of this form. In a joint venture, list only that portion of the work to be done by your company.

TOTALS

EXCAVATING
GRADING
PCC BASE, C&
BIT CONCRET
STABILIZED B
(BAM, CAM, P
AGGREGATE I
FILL
FOUNDATION
& PILE)
HIGHWAY ST
SEWER & DRA
STRUCTURES
PAINTING
PAVEMENT M
SIGNING

LANDSCAPING
DEMOLITION
FENCING

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	1	T	3	4	5	Awards Pending
OTHERS (LIST)						
STRUCT. STEEL (CONST.)						
ORNAMENTAL S (CONST.)						
MISCELLANEOUS						
FIREPROOFING						
MASONRY						
H.V.A.C.						
MECHANICAL						
ELECTRICAL						
PLUMBING						
ROOFING & SHEET						
FLOORING & TILING						
DRYWALL AND JOINT WORK						
CEILING CONST.						
HOLLOW METAL						
HARDWARE						
GLAZING AND CASING						
MISCELLANEOUS WORK						
OTHERS (LIST)						

TOTALS

REMARKS.

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PART HI. WORK SUBCONTRACTED TO OTHERS. List below the work, according to each contract on the preceding page, which you have subcontracted to others. DO NOT include work to be performed by another prime contractor in a joint venture. No work may be indicated as subcontracted to others on awards pending. If no work is subcontracted to others, show NONE.

SUBCONTRACTOR

TYPE OF WORK SUBCONTRACT

PRICE AMOUNT UNCOMPLETED

SUBCONTRACTOR TYPE OF WORK

SUBCONTRACT PRICE AMOUNT

UNCOMPLETED

SUBCONTRACTOR TYPE OF WORK

SUBCONTRACT PRICE AMOUNT

UNCOMPLETED

subcontractor type of work subcontract price amount uncompleted

SUBCONTRACTOR TYPE OF WORK

SUBCONTRACT PRICE AMOUNT

UNCOMPLETED

I, being duly sworn do hereby declare that this affidavit is a true and correct statement relating to ALL uncompleted contracts of the undersigned for Federal, State, County, City and private work including ALL subcontract work, ALL pending low bids not yet awarded or rejected, and ALL estimated completion dates.

Subscribed and sworn to before me Signed
this day of 20 . Company

Address

My commission expires

EXHIBIT E Structural Controls

See Attached.

EXHIBIT F

**Design, Renovation and Construction Tenant
Projects Standard Operating Procedure**

Mote: Tenant should ensure conformance with current applicable policy and form requirements as such terms and conditions may be subject to change.

DEPARTMENT OF AVIATION

CHICAGO O'HARE INTERNATIONAL AIRPORT
and
CHICAGO MIDWAY INTERNATIONAL AIRPORT

DESIGN, RENOVATION, AND CONSTRUCTION
Tenant Projects

STANDARD OPERATING PROCEDURE ("SOP") July, 2014

The City of Chicago, acting through its Chicago Department of Aviation ("CDA"), is responsible for the management of the Airports, and accordingly CDA reserves the right to review and approve the construction and/or modification of any structure on Airport property. The CDA, through its Design and Construction Division, reviews, oversees, and approves design and work for all new construction, renovation, and remodeling projects at the Airports. The procedures, submission requirements and deadlines set forth in this standard operating procedure ("SOP") are mandatory and may be waived only upon approval of the CDA Commissioner or designated representative in unique circumstances. The CDA reserves the right to modify the following procedural requirements based on the scope of each project and items discovered throughout the design and construction process.

The Tenant's design team shall provide evidence of professional services throughout the design, documentation, and field review stages of the work. Design, drawings, documents, materials, and as-builts shall be prepared, signed, and sealed by a licensed design professional, and a Leadership in Energy and Environmental Design (LEED) Accredited Professional (AP) to the extent dictated in the tenant's lease.

All Tenants, defined as any entity with a legal right to occupy Airport property including airlines, concessionaires, government agencies or other entities operating on Airport property, who desire to perform construction or renovation on Airport property shall use the following procedure.

DESIGN

Step 1: Project Initiation Letter

The Tenant must submit to the CDA Coordinating Architect, Design and Construction, a Project Initiation Letter on Tenant letterhead that includes:

- Tenant Point of Contact (POC) name, phone number and e-mail address
- Tenant's Architectural/Engineering firm's (if applicable) POC name and phone number
- Narrative of the Intended Project Scope
- Photos of the Current Conditions of the Project Location (showing adjacencies)
- Proposed Location Key Plan (if project is within the terminal facilities, show column lines, tenant lease line, and adjacencies within 3 to 5 bays, in addition to clearly identifying impacts to others)
- List of all items that need to be relocated by others (CDA or adjacent tenant) in order for the project to be built (advertising, phones, vending devices, internet kiosks, charging stations, AED's, fire extinguishers, CDA signage, public address speakers, mechanical/electrical/plumbing equipment, etc.)
- Conceptual Drawings defining the basic parameters of the project
- Estimated Construction Cost
- Preliminary Project Schedule including the appropriate time frame for CDA's review and response per the Design section in this SOP
- Indication if this is going to be a self-certified project
- Indication if this is the first time the designer has performed work at either ORD or MDW

Please address all design submittals as identified below, and copy as indicated on all emails. For concession projects only, please also copy the CDA Deputy Commissioner of Concessions and the CDA Retail Management Company.

Roger Reeves
Coordinating Architect, Design and Construction
Chicago Department of Aviation
Chicago O'Hare International Airport
Aviation Administration Building
10510 West Zemke Road
Chicago, IL 60666
(773) 686-6626
roger.reeves@cityofchicago.org
<<mailto:roger.reeves@cityofchicago.org>>cc:
tfitzgerald@careplusllc.org
<<mailto:tfitzgerald@careplusllc.org>>

Within ten working days of receiving the Project Initiation Letter, the CDA will send a "Response to Project Initiation Letter" to the Tenant with comments and direction regarding the design submittals, including your assigned Project Number which must be included on all future project correspondence and submittals including on all permits. The letter will also identify the CDA Point of Contact for the design phase of the project who will either be a CDA employee or a designated representative. All Tenant questions, concerns, or requests for information or project coordination should be directed to the CDA Point of Contact.

During the project initiation step, the tenant and designer should proactively consider potential sustainable design elements for further consideration and detail in preparation of sustainable design requirements as outlined in Step 2.

Requests for Drawings:

Tenants requesting drawings from the CDA for use in their design shall use the link below for the "Document Request Form" and submit it to the CDA Point of Contact for required approvals. Drawings will not be available until the form is signed by CDA. Tenant will be notified by the CDA Point of Contact when the drawings are available.

CDA Document Request Form

Step 2: Design Submittals and CDA Review

The Tenant will submit to the CDA Coordinating Architect, Design and Construction, the 30%, 60%, 90%, and 100% design levels, or other completion level combinations based upon review and completeness of the initial and follow-up submittals. Less complex projects may be approved to deviate from this requirement, which will be addressed in CDA's "Response to Project Initiation Letter". Tenant may be requested to conduct a 30% design level presentation to the CDA. This request will also be addressed in the CDA's "Response to Project Initiation Letter".

The Design Documents must illustrate and describe the refinement of the design of the Project and define the scope, relationships, forms, size and appearance of the Project by means of plans, sections, and elevations, typical sectional details, diagrams, and equipment layouts. The Design Documents must include specifications that identify major materials and systems, and establish, in general, their quality levels. Design Documents must also include all calculations, studies,

technical evaluations and other tasks as required to provide complete Design Documents. Consultant must ensure that all projects are in compliance with all local, state and federal requirements and codes.

All concession tenant projects are required to include an updated project schedule and cost estimate with each design submittal. All other tenant projects shall be required to provide schedule and cost information at the CDA's request.

Projects requiring building permits will require reviews with the Department of Buildings. Complex projects may require multiple reviews at various stages during the design process. These reviews are mandatory for more complex projects to familiarize the Department of Buildings with the project and to provide the project manager with productive input during the design process, thus avoiding issues later in the Design, Renovation & Construction Procedures permit review process. The Tenants must coordinate the schedule for these meetings early on in the design process.

All CDA design reviews require a minimum ten (10) working day review period plus an additional five (5) working days for consolidation of comments and responding back to the Tenant. The tenant will receive either a "reviewed as noted" or a "revise and resubmit" in the "Review and Conditions Letter". The letter will include the "Submittal Review Comments Form" spreadsheet containing all design review comments.

The Tenant is required to include responses to all review comments listed in the "Submittal Review Comments Form" spreadsheet, as well as any issues identified in the "Review and Conditions Letter", by CDA and any other reviewing agencies/departments. The spreadsheet column titled "Tenant Response" must be completed and accompany the next designated design submittal. The Tenant must also incorporate all review comments into the next designated design submittal. Failure to do so will affect the design review process.

Adjacencies:

Designs requiring any work in spaces outside the tenant's lease line needs to be clearly identified on all drawings, communicated to the CDA Point of Contact and, if applicable, coordinated with the tenant of the impacted space during the design phase of the project. Designs must also specify any items that need to be relocated by others such as advertising, phones, vending devices, internet kiosks, charging stations, AED's, fire extinguishers, CDA signage, public address speakers, mechanical/electrical/plumbing equipment, etc.

Construction Components:

The components of construction including dumpster locations, phasing, haul routes of material to site and through terminal facility, required shutdowns of systems, and laydown/material storage areas should be coordinated to the best of the tenant's and designer's ability during the design phase. Due diligence should be taken to determine the exact locations of all system lie-ins, and to provide a design that requires minimal system shut downs in order to avoid the project being assessed multiple shut down fees. Work hours for the project must be included in the notes of the design submittal including work components planned for daytime versus work components planned for nighttime.

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Barricades

Projects requiring barricades that are within the view of passengers in the terminal facility must adhere to the CDA Temporary Barricade Standard for each airport. Please select the link below for the current version of CDA's Barricade Standard for ORD and MDW. Barricade details (height, material, color, location) must be included on the demolition drawing of the design submittal for review and approval by the CDA. Any requested deviations to the standard must be highlighted in the design submittal and must be approved by the CDA. All barricade graphics must also be included in the design submittal for review and approval by CDA.

ORD Barricade Detail MDW Barricade Detail

Projects requiring barricades outside the view of passengers are not required to adhere to the CDA standard but must still include the proposed barricade design on the demolition drawing of the design submittal for review and approval by the

CDA during the design review process. Any deviations to the CDA standard must be highlighted to assist in the review process.

Sustainable Airport manual (SAM):

Included with each design submittal, the Tenant must also submit a Sustainable Airport Manual (SAM) Checklist. The relevant SAM chapter is Concessions & Tenants - Design & Construction which can be found along with all its supporting documentation at www.airportsgoinggreen.org/SAM <<http://www.airportsgoinggreen.org/SAM>>.

Tenant and CDA Signage:

If the project includes new storefront and/or blade signage, the final design submittal must include side view renderings or photos, the sign location, the exact dimensions, and an elevation for review by CDA to ensure the signage meets the terminal specific requirements. Please note that if a sign permit is required, it can only be obtained by a licensed sign contractor. All storefront and blade signs, with and without electrical components, require a sign permit.

The Tenant must inform the CDA Point of Contact if the project requires CDA signage be removed, modified, or supplemented. A walk through with CDA will be scheduled to ensure CDA has adequate time to schedule the required signage work to occur during the construction phase. Please note that any CDA signage needing to be removed or relocated within the project area must be performed by CDA. If CDA signage is located within the project area, the Tenant must include in the construction documents that the contractor will adequately protect all CDA signage to ensure it is not damaged during construction.

FAA 7460:

A Federal Aviation Administration (FAA) Form 7460 (Notice of Proposed Construction or Alteration) may be required for certain projects that are expecting to use cranes or any other equipment that could impact the Airport Operations Area (AOA) due to its height. This should be confirmed with the FAA, and it is the responsibility of the Tenant to prepare and submit the Form 7460, if required, to the FAA. In addition to the Form 7460, the local FAA office also requires an FAA checklist and detailed site plan. For further information on this process, please contact the CDA Planning Office at (773) 894-6907 or (773) 686-3732. Select the link below to learn more

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about the 7460 process, to complete the form, and for the FAA's contact information. Please note, this process takes approximately 45 days to complete.

FAA 7460 Form

Impacts to CDA Security:

The Tenants must notify the CDA Point of Contact if the project scope of work includes the removal, installation, deactivation, reactivation, or relocation of an access control device or boundary including perimeter fence, perimeter gate or checkpoint, or new openings (temporary or permanent) from the public area to the sterile area/airside, access control door, camera, alarm, or supporting hardware. If the scope of work includes any of these items, CDA Security must comply with TSA regulations. Conditions lasting less than 60 days require a TSA Change Condition, and conditions lasting 60 days or longer require a TSA Amendment. Both submittal processes require a TSA approval process of up to 45 days. Information on scope will be required by the Tenant to assist CDA Security with the process.

Step 3: Construction Document Approval.

Upon review of the 100% design submittal and a determination that the documents are complete to the 100% level, the CDA Coordinating Architect, Design and Construction, will issue a "Construction Document Approval" to the Tenant, including any outstanding issues that need to be incorporated into the documents and/or addressed. For those projects requiring a building permit, a letter will also be included addressed to the City of Chicago, Department of Buildings

indicating the documents have been reviewed and are acceptable for beginning the permit application process.

After receiving the CDA's "Construction Document Approval" letter and completing all necessary construction document modifications required from the 100% design review, the Tenant may then apply for the required permits from the City of Chicago, and any other applicable state and federal authorities. The Tenant must coordinate the method, process and schedule for the permit application submittals. It is the Tenant's sole responsibility to follow-up on the permit issuance process. ^

The Chicago Department of Buildings is the department which conducts building inspections and processes and issues building permits. A list of work requiring a permit is located on the Department of Buildings website. Please note that if a sign construction permit is required, it can only be obtained by a licensed sign contractor.

All Chicago Department of Buildings permit applications and submittals are fully electronic via the City's online system "E-Plan" available at the following website: <<http://www.cityofchicago.org/buildings>>.

For work being performed at the terminal, the Description of Work on the permit must include the associated terminal (i.e. Terminal 2), the closest gate (i.e. E4) if applicable, the project name, and CDA project number.

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CONSTRUCTION

Step 4: Preconstruction Meeting

Following completion of Steps 1-3, the construction phase of the process begins. The Tenant shall request a Preconstruction Meeting through the CDA as directed in the "Construction Document Approval" letter. Requests shall be submitted to the CDA in a single email with all required documentation, as listed below, attached:

- All required City, State and Federal Permits
- FAA approved 7460 Forms, if required
- 100% design submittal response to comments
 - o CDA 100% Document Review Comments spreadsheet with completed responses by Tenant's architect/engineer
 - o Transmittal letter or email to the CDA Coordinating Architect, Design and Construction, documenting that the comments have been sent
- -Certificate of Insurance documenting that all appropriate insurance has been obtained. All City contractors and subcontractors must a copy of the Certificate of Insurance indicating the City of Chicago and its representatives as additional insured. Insured amounts should match requirements dictated in the tenant's lease documents.
- Contractor's Safety Representative documentation per the CDA Construction Safety Manual
 - o Incident Notification Plan
 - o Site Specific Safety Plan or Job Hazard Analysis
 - o Dedicated On-Site Safety Professional
 - 3 year resume showing minimum of 3 year verifiable construction projects, safety experience
 - 30 hour Occupational Safety and Health Administration (OSHA) card
 - Current Automated External Defibrillator (AED) / Cardiopulmonary Resuscitation (CPR) certification
- Construction schedule that includes: All phases from Permit Application through Construction Completion and

- Punchlist Walkthrough, including expected Department of Buildings inspections
- List of contractors/subcontractors with 24 hour phone numbers
- Compliance plan including Minority Business Enterprise (MBE)/Women-owned Business Enterprise (WBE) and City of Chicago residency requirements to the extent dictated in the tenant's lease
- Barricade Plan and elevation showing signage/graphics with dimensions
- Staging, dumpster location, and haul route
- Copy of ComEd electrical meter application if project requires a new electrical meter

The CDA will arrange a pre-construction meeting and notify the Tenant of the meeting time and location. Every project must have a construction manager assigned by the Tenant who attends the preconstruction meeting. The Tenant and construction team shall answer any outstanding questions and exchange documentation. The Tenant shall submit one (1) hardcopy of all submittals listed above in addition to one (1) full size hardcopy set of stamped approved building plans and one (1) PDF of stamped approved building plans. The Tenant must also state in the preconstruction meeting if this is the first project for the contractor or any subcontractors at ORD or MDW.

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The Tenant must present the barricade graphic as approved by CDA during the design phase. If the size of the graphic precludes the Tenant from bringing it to the preconstruction meeting, the Tenant must provide proof that the graphic has been produced and is ready for installation. The barricade graphic must be installed within 24 hours of erecting the barricade.

During the pre-construction meeting, the CDA will assign a Point of Contact for the construction phase of the project who will either be a CDA employee or a designated representative. The CDA Point of Contact will act as the project tenant coordinator. All Tenant questions, coordination requests, changes in schedule, or adjacency/infrastructure impacts should be directed to the CDA Point of Contact.

No construction may begin until all required documentation has been submitted and reviewed by the CDA, and all required coordination is complete.

Processes for all required Airport ID Badges and permits must be completed for every employee and vehicle involved in the Project before work begins and should be substantially completed by the time of this meeting. All Tenant badging requests must be handled by CARE Plus (Chicago Airports Resources Enterprise Plus) as specified in the Security ID Badging section included in this document.

Step 5: Notice to Airport Users

For all tenant projects, the Tenant is required to submit a Notice to Airport User Form. The Tenant shall register or login to the online Notice to Airport Users Form at <https://eforms.cityofchicago.org/uforms> and create a project start up form indicating scope, start and completion dates. Additional user forms required during the course of construction will be discussed at the Pre-Construction Meeting. All User Forms must be submitted at least 3 days in advance of the anticipated start of work to allow adequate time for review. Select the link below to learn more about how to submit a Notice to Airport Users Form for O'Hare International Airport and Midway International Airport.

ORD Quick Reference Guide MDW Quick Reference Guide

Step 6: Construction

All permits and the User Form shall be prominently displayed on the exterior of the barricade in a frame approved by the CDA. One full size stamped set of drawings and the original permit must be kept on site at all times for use by the CDA and the Chicago Department of Buildings during inspections.

During construction, contractors must request inspections by Ventilation, Electrical, Plumbing, and New Construction Department of Buildings Inspection Bureaus on all projects with issued building permits, regardless of scope, for both rough and final inspections. Failure to request these inspections may result in suspension or revocation of the permit and issuance of citations by the Chicago Department of Buildings for violation of licensing requirements against general and subcontractors. All rough and final inspections will conclude with the inspector signing the back of the original permit. If an inspector determines a walkthrough is not necessary or does not respond to the request for an inspection, the contractor must indicate on the back of the permit when the inspection was requested and the reason, if known, for an inspection not occurring.

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Please note that the Department of Buildings assigned Chief Inspector for the project will not sign off on the permit if necessary inspections have not been completed.

Chicago Department of Buildings inspections shall be scheduled via the web-based, on-line inspection scheduling system at www.cityofchicago.org/buildings <<http://www.cityofchicago.org/buildings>>. All requests for rough and final Chicago Department of Buildings inspections should be requested fourteen (14) working days in advance.

If needed, you may also contact the Department of Buildings Inspection Bureaus by phone as listed below:

Ventilation Department - (312) 743-3573 Electrical Department -
(312) 743-3622 Plumbing Department - (312) 743-3572 New
Construction Department - (312) 743-3531

In addition, contractors must offer the terminal manager and building engineer an opportunity to perform an inspection at demolition, rough, and final phases. The Tenant shall contact the CDA Point of Contact for notification to the terminal manager and building engineer for demolition, rough and final inspections.

Demolition:

Once demolition is completed, the CDA terminal manager and the CDA building engineer shall be offered the opportunity to perform an inspection of the site prior to beginning construction. Please note that demolition and construction waste management

Rough Inspections:

All internal structural components and mechanical systems shall remain exposed for completion of the preliminary rough inspection by the appropriate inspectors. Drywall should be installed only upon verification of code compliance for any work performed on any altered structural and/or mechanical systems. In addition, while rough components and systems are exposed, the CDA terminal manager and the CDA building engineer shall be offered the opportunity to perform an inspection.

Final Inspections:

Once the rough inspection is approved and the balance of construction completed, a final inspection must also be performed by Chicago Department of Buildings inspectors from bureaus having jurisdiction over the related work. In addition, the CDA terminal manager, and the CDA building engineer shall be offered the opportunity to perform a final inspection.

Retail food establishments are required to provide a building license which triggers a health inspection to be conducted by the Chicago Department of Public Health. Concessions applying for a liquor license require a separate inspection coordinated by the Business Affairs and Consumer Protection Department, in addition to

the Department of Buildings inspections.

During construction, the tenant shall submit monthly Chicago residency utilization reports per 2-92-330 of the Municipal Code of the City of Chicago to the extent dictated in the tenant's lease. All monthly reports shall be submitted to the assigned CDA point of contact.

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Non-compliance with any of the "Conditions of Approval" listed in the "Submittal Review Comments Form" may be just cause for the CDA to order work stoppage until corrective measures are completed and compliance is obtained. Any cost or claims due to this work stoppage shall be borne by the contractor.

Step 7: Notification to the City of Substantial Completion.

Upon substantial completion and prior to opening/occupancy, the Tenant shall request a site inspection/punchlist walk through with the CDA Point of Contact as instructed during the preconstruction meeting. Attendees should include the Tenant's designer and contractor, the CDA terminal manager, the CDA building engineer, the CDA Point of Contact, and any other attendees identified during the preconstruction meeting. During the walkthrough, an oral punch list will be communicated followed within a week by a written punch list produced and distributed to all attendees by the Tenant. Documentation showing the completion of punchlist items must be submitted to the CDA Point of Contact within 30 days of the punchlist walkthrough. If additional time is needed, the Tenant must coordinate that request through the CDA Point of Contact.

If a Certificate of Occupancy is required, as determined by the City of Chicago Department of Buildings, it will need to be submitted to the CDA prior to any occupancy of the renovated or newly constructed space. It is the Tenant's responsibility to arrange for inspection by the Department of Buildings for the Certificate of Occupancy.

The Tenant shall close out the Notice to Airport Users Form by electronically attaching a PDF of the permit's front and back showing inspector sign-offs, by entering the substantial completion date, by entering the punchlist walkthrough date, and by entering the anticipated submittal of redlined drawings which must be within 30 days of the punchlist walk through. An automatic email reminder will be sent to the Tenant/Contractor if this information is not entered into the Notice to Airport Users Form on or before the scheduled substantial completion date.

The Tenant must also submit a final construction SAM Checklist at construction completion that incorporates information on final quantities, contractor submittals, and other SAM-related data that is incorporated during the construction phase. SAM checklists will be reviewed concurrently with the contract documents with the exception of the final construction submittal which is submitted by the Tenant and reviewed separately by the Sustainable Review Panel (SRP). Recognition in the form of a Green Airplane Certification will be awarded at completion of final checklist review.

CLOSEOUT

Step 9: As-Builts

The as-built documents (all required prints and electronic files) shall be transmitted to the CDA Coordinating Architect, Design and Construction, within ninety (90) days of substantial completion unless the CDA has formerly approved an alternate time frame. The items listed below are required to support maintenance of accurate facility records and future construction:

- One full-size hardcopy of final as-built drawings
- One CD/DVD of C AD files either in AutoCAD or Microstation format

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- One CD/DVD of all image files in PDF format
- One PDF of the finalized SAM Construction Checklist
- One PDF of all O&M manuals for equipment being maintained by the CDA
- One PDF of the building permit (both sides) with all required rough and final inspection sign-off
- One PDF of the preventative maintenance schedule listing the systems and equipment that require preventative maintenance, scope of maintenance to be performed, frequency, and which entity is responsible
- All concession tenant projects are required to include one PDF of the tenant certified statement detailing the final improvement cost including change orders. All other tenant projects shall be required to provide this information at the CDA's request.
- All concession tenant projects are required to include one PDF documenting the project's Minority Business Enterprise (MBE)/Women-owned Business Enterprise (WBE) participation as well as the City of Chicago residency. All other tenant projects shall be required to provide this information at the CDA's request.

SAFETY

All contractors and subcontractors and the work they perform are subject to the CDA Construction Safety Manual. The contractor's Safety Representative's credentials must comply with the requirements as outlined in the most recent CDA Construction Safety Manual and must be approved prior to beginning any work on the project. Copies of the Safety Representative's resume, OSHA card, AED/CPR card, Site Specific Safety Plan/Job Hazard Analysis (JHA), Incident Notification Plan and any other documentation as required by the CDA Construction Safety Manual must be submitted to CDA or its representatives at the Pre-Construction Meeting.

SECURITY ID BADGING

All companies conducting business at the Airport and having an operational need for access to the Secured Area, Security Identification Display Area (SIDA), Air Operations Area (AOA), and/or the Sterile Area must be properly registered as a "Tenant" in the Airport ID Badging and Access Control System, or be sponsored by a registered Tenant, before its employees may be issued ID Badges, and its vehicles issued airfield vehicle permits. Tenants that are companies servicing an existing Airport Tenant must be sponsored by that Airport Tenant. All companies must be in compliance with the CDA - Identification Badge Regulations and Practices containing Policies and Procedures and Rules and Regulations of the CDA.

Registration of companies as Tenants in the system, and employee screening/ID Badging procedures, are a lengthy, but mandatory process. The Tenant should keep this in mind when scheduling a project. Tenants are advised to begin this process at the earliest opportunity, become familiar with required procedures, and allow adequate lead time, to preclude delays. Tenants or their contractors must know all access codes for required door access prior to starting the badging process.

Airport ID badges, driving privileges, and airfield vehicle permits are as crucial to this process as are required construction permits. Tenants' failure to understand, or comply with, ID Badging and vehicle permit/operating regulations can impose significant and costly project delays.

Requirements, and detailed instructions, for obtaining required badges, driving privileges, and permits are provided in the CDA Identification Badge Regulations and Practices and in the

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Ground Motor Vehicle Operation Regulations Manual. These documents are available on request from CDA. See ID Badging website: www.flychicago.com/badging <<http://www.flychicago.com/badging>>

Tenants must review and understand these procedures thoroughly, before attempting to obtain badges, driving privileges, or vehicle permits. Companies must complete the Employer Information and Authorization Form to register as Tenants and designate an authorized Signatory (required if the Tenant is not already established as a Tenant in the ID Badging System). Signatories must be established in accordance with the rules defined in the

Handbook, which typically requires 2 business days to accomplish upon submittal.

The Access Control and Photo ID Badge Application is required to register company employees.

The Company Vehicle Access Form-AIRFIELD must be completed to register the company vehicles.

NOTE: CARE Plus acts as "Tenant" for ID Badging purposes for those Tenants that are airfield construction companies under contract to the City. Such construction companies do not need to register as Tenants themselves but shall instead contact CARE Plus, and contact/proceed to ID Badging only as directed by CARE Plus. The above directives should be reviewed and understood before contacting CARE Plus.

CARE Plus may be reached at:

CARE Plus
P.O. Box 66790, AMF O'Hare Chicago, IL 60666
Attn: Lisa Kleopa (773) 894-3828
lkleopa@careplusllc.org
<mailto:lkleopa@careplusllc.org>

However, Tenants who already have established ID Badge accounts as Tenants shall continue to obtain ID Badges in the manner previously established.

Airport ID Badges and vehicle permits must be returned at the conclusion of each project. ID

Badges for Secured Areas

Any employee who works at the Airport and has operational duties requiring access to a Secured Area is required to obtain an ID badge. Requirements for obtaining an ID badge include the following: a successful completion of the Access Control and Photo ID Badge Application; favorable results of an FBI fingerprint-based Criminal History Records Check (CHRC); favorable results of a TSA Security Threat Assessment (STA); successful completion of the Security Identification Display Area (SIDA) training; and an understanding and commitment to follow federal and CDA regulations listed in the Handbook.

Depending on individual training and testing requirements, issuance of an individual employee badge typically requires a minimum of two visits, per applicant, with approximately 1-3 hours per visit, not including travel to CARE Plus and ID Badging. In addition, the required fingerprint-

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based investigations CHRC and STA typically require a minimum of 10 business days, per employee, to accomplish.

Applicants seeking airfield-driving privileges within the Airport airfield perimeter (AOA or Secured Area) must be trained and tested and, therefore, must be thoroughly familiar with the Ground Motor Vehicle Operation Regulations Manual to obtain the driving privileges.

Airfield Vehicle Permits.

If a project involves driving on the airfield, all vehicles driven on the movement or non-movement area (ramp, service roads, runways and taxiways) must be properly insured and registered with the ID Badging Office. While in these areas, registered vehicles must have a valid Vehicle Permit sticker affixed to the lower left (driver's side) of the windshield of the vehicle. All documentation should be submitted at least 15 business days before the expiration or new issue date of the

Vehicle Permit with a valid Certificate of Insurance covering the vehicles identified, with a minimum amount of \$5,000,000 of vehicle liability insurance.

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EXHIBIT G Delta Aircraft Parking Premises Description

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OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

January 23, 2019

TO THE HONORABLE, THE CITY COUNCIL OF THE CITY
OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Aviation, an ordinance authorizing execution of a ground facility lease agreement at O'Hare International Airport.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

Matthew J. O'Shea

Alderman, 19th Ward 10400 S. Western Ave. Chicago, Illinois 60643 Telephone: (773) 238-8766 Email: ward 19@cityofchicago.org

CITY COUNCIL
City of Chicago

Cuv Ham - Room 200 121 Nonm LaSalle Street

Council Chamber

Chicago, Illinois 60602 Telephone: (312) 744-2679

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Finance >

License & Consumer Protection

Public Safety Zoning, Landmark & Building Standards

Thank you Mr. President:

Reporting for your Committee on Aviation for which meeting was held March 1, 2019. The Committee had two items under consideration: Agreement(s) - Lease

□ 02019-1152) Ground and Building Lease Agreement for Hangar Facility with UST Investments LLC d/b/a UST Aviation Services LLC at O'Hare International Airport

Emanuel (Mayor)

Amendment - Ordinance

02018-8860 A proposed amendment to section 8.4(a) of the Food and Beverage agreement the City entered into with Hyde Park Hospitality LLC ("Hyde Park"), to properly reflect the base management fee to be paid to Hyde Park by Hilton on behalf of the City.

Direct Introduction

These items passed unanimously by the committee members present.

. If there are no objections Mr. President, I move for passage of these items by the same roll call as item # 1 of the Committee on Finance and the same motion to reconsider if there are no objections.

That concludes my report

C>){

Matthew J. O'Shea
Chairman,
Committee on Aviation