



# Office of the City Clerk

City Hall  
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Room 107  
Chicago, IL 60602  
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## Legislation Text

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### SUBSTITUTE ORDINANCE

WHEREAS, The City of Chicago ("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 and Chicago Midway International Airport, (collectively, the "Airports") 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, and traveling to and around the Airports to promote and develop the Airports, and, in the exercise of such power, to lease City-owned properties at the Airports, upon such terms and conditions as the corporate authorities of the City shall prescribe; and

WHEREAS, Continental Air Transport Co., Inc., an Illinois corporation d/b/a Go Airport Express ("Go Airport Express"), owns and operates a passenger vehicle ground transportation service; and

WHEREAS, The City and Go Airport Express previously entered into an agreement on August 1, 2002, that expired on July 31, 2017, whereby Go Airport Express agreed to provide passenger vehicle ground transportation to and from the Airports; and

WHEREAS, Go Airport Express is the only entity that is licensed by the Illinois Commerce Commission to provide passenger vehicle ground transportation service using vehicles with a manufacturer's rated seating capacity of eight or more persons to and from the Airports; and

WHEREAS, Go Airport Express desires to continue to provide passenger vehicle ground transportation service to and from the Airports and the City desires to allow Go Airport Express to continue to provide such service at the Airports; 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 Commissioner of the Chicago Department of Aviation ("Aviation") is hereby authorized to execute an agreement with Go Airport Express in substantially the form attached hereto as Exhibit A, and such other documents as may be necessary or desirable to implement the objectives of this ordinance. The Commissioner of Aviation and other officers, agents and employees of the City are hereby further authorized, empowered and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this ordinance or to evidence said authority.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the City, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 4. This ordinance shall be in full force and effect from the date of its passage and approval.

**LICENSE AGREEMENT**

**BETWEEN**

**CITY OF**

**CHICAGO AND**

**CONTINENTAL AIR TRANSPORT CO., INC.**

**Dated: MONTH, DAY, 2017**

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## EXHIBITS

- Exhibit A- Premises
- Exhibit B- Performance Standards
- Exhibit C- Special Condition Regarding Disadvantaged Business Enterprise Commitment
- Exhibit D- Prevailing Wage Rates
- Exhibit E- Form of Letter of Credit
- Exhibit F- Economic Disclosure Affidavit
- Exhibit G- Description of Additional Types of Vehicles to Which the License Does Not Apply

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## AGREEMENT

THIS LICENSE AGREEMENT ("License") is made and entered into as of this DAYst day of MONTH, 2017, between the City of Chicago (the "City" ), a municipal corporation, body politic, unit of local government and political subdivision of the State of Illinois and Continental Air Transport Co., Inc., an Illinois corporation ("Licensee") (collectively, the "Parties" and each individually, a "Party").

## BACKGROUND

WHEREAS, City owns and operates those airports, including without limitation the roadways for such airports, commonly known as O'Hare International Airport ("O'Hare") and Midway Airport ("Midway"); and

WHEREAS, the City has the authority to lease or license premises and facilities and to grant rights and privileges with respect to O'Hare and Midway (collectively, the "Airports"); and

WHEREAS, Licensee is engaged in the business of providing passenger vehicle ground transportation to and from the Airports and desires to obtain certain rights and privileges with respect thereto, all as hereinafter provided; and

WHEREAS, the City is willing to license space at the Airports and to provide other rights to Licensee upon the terms and conditions hereinafter set forth; and

WHEREAS, the Parties previously entered into an agreement concerning passenger vehicle ground transportation to and from the Airports dated August 1, 2002; and

WHEREAS, the Parties acknowledge that the continued operation of the Airports as safe, convenient and attractive facilities is vital to the economic health and welfare of the City, and that the City's right to monitor performance under this License by Licensee is a valuable right incapable of quantification.

NOW, THEREFORE, for and in consideration of the promises, the mutual covenants and agreements herein contained and other valuable consideration, the Parties covenant and agree as follows:

## ARTICLE 1

### DEFINITIONS

The following terms, when used in this License, shall have the following meanings:

"Additional Fees" means all sums due to the City from Licensee under this Agreement other than the Base Fee, Concession Fee or the Minimum Guarantee Fee.

"Base Fee" means fees paid for the use of the Premises calculated at the rate of \$88.34 per square foot per year for the Terminal Areas at O'Hare and the Terminal Areas at Midway and two dollars and twenty five cents (\$2.25 per square foot for Remote Staging and Parking Areas located at either Airport for Year 1 of the term of the Agreement. The Base Fee shall be subject to an annual increase of 3%.

"Code"- means the Municipal Code of the City of Chicago.

"Commencement Date"- means [DATE].

"Commissioner"- means, for the purposes of this License, the Commissioner of Aviation of the City (or any successor thereto in whole or in part as to his duties as the person in charge of the operation of the Airports on behalf of the City).



"Concession Fee"-as defined in Section 4.3.

"Default Rate"- means the annual rate of four percent (4%) plus the Prime Rate (hereinafter defined), unless a lesser interest rate shall then be the maximum rate permissible' by law with respect thereto, in which event said lesser rate shall be the Default Rate. Changes in the Default Rate based on the Prime Rate shall take effect immediately upon the occurrence of any change in the Prime Rate. As used herein, the term "Prime Rate" at any time shall mean the rate of interest then most recently announced by Bank One Corporation or its successors at Chicago, Illinois as its "corporate base rate."

"Disclosure Affidavit" - means the affidavit required under Article 6, in the form of Exhibit F hereto.

"Environmental Laws" means collectively, all applicable federal, state and local environmental, safety or health laws and ordinances and rules or applicable common law, including the Occupational Safety and Health Act of 1970, as amended (29 U.S.C. §651 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.), the Hazardous Materials Transportation Authorization Act of

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1994 (49 U.S.C. §5101 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), the Toxic Substances Control Act of 1976, as amended (15 U.S.C. §2601 et seq.), the Clean Air Act (42 U.S.C. §7401 et seq.), the Clean Water Act (33 U.S.C. §1251 et seq.), the Safe Drinking Water Act (42 U.S.C. §300(f) et seq.) as any of the foregoing may hereafter be amended from time to time; any rule or regulation pursuant to them, and any other present or future law, ordinance, rule, regulation, permit or permit condition, order or directive addressing environmental, health or safety issues of or by the federal government, or any state or other political subdivision of it, or any agency, court or body of the federal government, or any state or other political subdivision of it, exercising executive, legislative, judicial, regulatory or administrative functions.

"Event of Default"-as defined in Section 10.1.

"Expiration Date" - means [DATE] (the date which is 5 years after the Commencement Date).

"Federal Aviation Administration" (sometimes abbreviated as "FAA") - means the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any successor agency thereto.

"Fees"- means' the Base Fee and Concession Fee.

"Gross Revenues"- means the revenues paid or due to Licensee for the transportation of persons or property exiting from the Airports. For purposes of this definition of "Gross Revenues," Licensee also shall include any revenues paid to the Licensee by its franchisees and sublicensees or by subtenants or sublicensees of the Premises. "Gross Revenues" does not include: amounts of any federal, state, or municipal sales taxes or Metropolitan Pier and Exposition Authority (MPEA) taxes. No deductions shall be made from "Gross Revenues" for uncollectible accounts.

"License Year" - means the twelve-month period commencing on the Commencement Date and each subsequent twelve-month period falling wholly or partly within the Term.

"Loading Zones" means those portions of the Premises which are identified in Exhibit A as Loading Zones.

"Minimum Guarantee Fee"-as defined in Section 4.3.

"Partial License Year"- means the period (consisting of less than twelve months) from the Commencement Date or any more recent anniversary of the Commencement Date to and

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including the expiration or termination date of the License, if the Term ends on a date other than the scheduled Expiration Date (other than because of an Event of Default).

"Partial Tax Year"- means the period (consisting of less than twelve months) that either: (i) begins on the Commencement Date and ends on the last day of a Tax Year, or (ii) begins on the first day of a Tax Year and ends on the Expiration Date.

"Percentage Fee" - as defined in Section 4.3.

- "Person" - means any individual, partnership, firm, trust, corporation, or other business entity or governmental authority or political unit or agency.

"Premises" - as defined in Section 2.2.

"Remote Staging and Parking Area"- means that portion of the Premises that is identified in Exhibit A as the Remote Staging and Parking Area.

"Security Deposit"- means an amount equal to the first three monthly installments of Base Fee and Minimum Guarantee Fee.

"Subcontractor" - means all contractors, subcontractors of any tier providing services, ^ material, labor, operation or maintenance on, about or adjacent to the Premises, whether or not in privity with Licensee.

"Tax Year" - means any twelve month period during the Term coinciding with the period used by the Licensee in reporting income to the Internal Revenue Service.

"Term"- means the period from the Commencement Date to and including the Expiration Date.

"Terminal Area"- means that portion of the Premises that is identified in Exhibit A as the Terminal Area.

"Trade Name(s)"- means Airport Express and Continental Air Transport Co., Inc., which names Licensee represents it is entitled to use under all applicable laws.

**ARTICLE 2 LICENSE**

Section 2.1 -Nature of License, (a) The City hereby grants to Licensee a license to use the Premises for the purposes described in Section 2.2 in the operation of the passenger vehicle ground transportation business that it conducts pursuant to certificates of public convenience and necessity issued by the Illinois Commerce Commission, provided that it conducts such business in accordance with these Certificates. The license is subject to the rights of the City under the law, in equity, and under this Agreement to direct Licensee in order to ensure that the Airports operate in the most effective and efficient way possible and to supervise the performance of Licensee. This License is exclusive for the provision of such services along Licensee's routes, to the extent that, independent of this License, Licensee remains the only entity legally authorized to operate on any such route(s) pursuant to a certificate(s) of public convenience.

(b) Limitation on Vehicles.

i) This License is limited to those vehicles that Licensee operates pursuant to and in accordance with certificates of public convenience and necessity issued by the Illinois Commerce Commission in effect as of the Commencement Date and for which vehicles these certificates are required.

ii) This License does not apply to (A) any vehicles which are not within the scope of the certificates of public convenience and necessity issued by the Illinois Commerce Commission in effect as of Commencement Date and (B) notwithstanding Section 2.1(b)(i) above, any vehicles of the types described in Exhibit G.

iii) The Commissioner may delete vehicle descriptions from Exhibit G, upon notice to the Licensee.

Section 2.2- Use of Premises. Subject to the terms of this License, including Section 2.3 below, City does hereby license to Licensee, and Licensee does hereby license from City, the space depicted on Exhibit A attached hereto (the "Premises"), located on the Airports. Subject to the terms and provisions contained in this License, and all applicable rules, regulations, laws, ordinances, codes and orders of any federal, state or local government or subdivision thereof in connection with the conduct of activities by Licensee at the Airports, Licensee may use the Premises for conducting a public passenger vehicle ground transportation business as described in this License and for no other purpose except as the City may approve in writing in its sole and absolute discretion. The Premises includes the Remote Staging and Parking Areas, the Loading Zones and the Terminal Areas, each as identified in Exhibit A, which may be used, subject to reasonable rules and regulations, for the following purposes:

a) Licensee may use the Remote Staging and Parking Area to stage and park its vehicles subject to call by Licensee's dispatchers. Licensee shall have the right to place a trailer in the Remote Staging and Parking Area, subject to the Commissioner's approval, which trailer shall be deemed part of the Premises.

b) Licensee may use the Loading Zones for the purpose of pick-up and delivery of passengers and for the receipt and delivery of baggage and property.

c) Subject to the Commissioner's approval, Licensee may place service counters in the Terminal Areas for the purpose of selling tickets for its passenger vehicle ground transportation services.

**Section 2.3 - Changes in Premises.**

(a) Adjustment of Area of Premises. The Commissioner may adjust the boundaries of the Premises from time to time. The City shall notify Licensee not less than forty-five (45) days in advance of such adjustment, and Licensee shall remove all property located on space being deleted no later than the date such adjustment is to occur. The Base Fee shall be adjusted based on the new area of the Premises as shall be indicated on an updated Exhibit A pursuant to an amendment of this Agreement; the Minimum Guarantee Fee shall not be affected by adjustments to the Premises.

b) Relocation of Premises. The Commissioner reserves the right to relocate all or any portion of the Premises. The Commissioner shall give the Licensee at least forty-five (45) days prior written notice of the relocation date. The Licensee shall cooperate with the City in connection with the relocation, including, without limitation, responding in a timely manner to any requests for information or for review and comment on proposed plans for improvements to the substitute premises. Licensee shall surrender possession of the portion of the Premises for which the substitution is being made in accordance with Section 3.3 and move from such portion of the Premises to the substitute premises on the relocation date. On the relocation date, Base Fee shall be recalculated and adjusted based on the new area of the substitute premises as shall be indicated on Exhibit A pursuant to an amendment of this Agreement executed by the Commissioner and Licensee; the Minimum Guarantee Fee shall not be adjusted.

c) Termination of Remote Staging and Parking Area. The Commissioner, in his sole and absolute discretion, is entitled to terminate Licensee's use of all or a portion of the Remote Staging and Parking Area as he deems appropriate, with forty-five (45) days' written notice to Licensee, in which instance Licensee shall, at its cost, remove its trailer, if any, from the terminated Remote Staging and Parking Area. Licensee shall surrender the Remote Staging and Parking Area in accordance with Section 3.3 on the date for termination set forth in the Commissioner's notice. On that termination date, Base Fee shall be recalculated and adjusted

based on the new area of the Premises as shall be indicated on Exhibit A pursuant to an amendment of this Agreement executed by the Commissioner and Licensee; the Minimum Guarantee Fee shall not be adjusted.

(d) Insufficient Loading Zones or Terminal Area. If the Commissioner decreases the amount of space for the Loading Zones or the Terminal Areas and the Commissioner determines in his sole and absolute discretion that the

remaining space for the Loading Zones or Terminal Areas is not sufficient for the Loading Zones or Terminal Areas then the Licensee may terminate this Agreement upon 30 days prior written notice to the Commissioner.

**Section 2.4 - Ingress and Egress.**

a) Subject to the lawful rules and regulations promulgated by the City, Licensee and its employees, agents, passengers, guests, patrons and invitees, its suppliers of materials and furnishes of services, and its equipment, vehicles, machinery and other property shall have the right and privilege of ingress to and egress from the Airports. The City may, at any time, temporarily or permanently, close or consent to or request the closing of any roadway or other right-of-way for such ingress and egress, and any other area at the Airports.

b) The City shall permit the Licensee to advertise departure times and destinations of its vehicles from its vehicles and Premises in accordance with the applicable rules and regulations of the Airports.

**Section 2.5 - Present Condition of Premises. Licensee understands and agrees that Licensee, by the execution of this License, accepts the Premises "AS IS". Except as expressly provided in this License, the City shall have no obligation or responsibility whatsoever to do any work or furnish any improvements of any kind to the Premises or perform any maintenance or repair on the Premises. CITY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PREMISES OR THAT THE PREMISES SHALL BE SUITABLE FOR LICENSEE'S PURPOSES OR NEEDS.**

**Section 2.6 - Standards of Service.**

A material condition of this Agreement is that Licensee must operate its concession operations in accordance with all rules and regulations regarding ground transportation that the Commissioner may promulgate and with the following standards:

(a) All vehicles used by Licensee to provide ground transportation to and from the Airports shall be maintained at Licensee's expense in good and safe operating order, free from any known mechanical defects and be in clean, neat, and attractive condition inside and out. Licensee's vehicles must be late models in good condition.

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b) Licensee shall comply with service scheduling requirements, if any, required by the Illinois Commerce Commission.

c) Licensee shall furnish good, prompt and efficient service and shall at all times have available a sufficient number of vehicles to meet all commercially and reasonably foreseeable demands of the traveling public in those routes for which it has certificates of authority from the Illinois Commerce Commission.

d) Licensee shall maintain a sufficient number of trained personnel to ensure that Licensee's customers will receive prompt and courteous service at all times and to maximize Gross Revenues.

e) Licensee shall not misrepresent to the public its services or prices or those of any other ground

transportation provider at the Airports. Licensee shall not identify the Base Fee or the Concession Fee (if any) as a "tax" or separate charge as part of fees or charges to a customer.

f) Licensee shall comply with all applicable rules and regulations of the Illinois Commerce Commission, Interstate Commerce Commission and all other governmental agencies. If the City determines, after notice and opportunity for Licensee to comment that any of Licensee's business practices are unlawful or discriminatory, Licensee shall immediately cease such practices upon receipt of a written order to do so from the City. The City will give advance notice to Licensee that the City considers a certain practice to be unlawful or discriminatory and Licensee shall have an opportunity to respond to the allegation.

g) Licensee must neither commit nor allow any nuisance, noise or waste in the Premises or annoy, disturb or be offensive to others in the Airports. Licensee must employ all reasonable means to prevent or eliminate unusual, nauseating or objectionable smoke, gases, vapors or odors from escaping from its vehicles and the Premises. Licensee must employ all reasonable means to eliminate vibrations and to maintain the lowest possible sound level in the operation of its business at the Airports.

h) City and Licensee acknowledge that the operation of a passenger vehicle ground transportation business at the Airports will enhance the economic development of the City, and that Licensee's rights to use the Airports are subject to the rights of the City, as licensor, to monitor compliance with the License.

(i) Licensee must conduct its concession operations in a first-class, businesslike, efficient, courteous, and accommodating manner consistent with physical inspection standards (the "Physical Inspection Standards") as may be promulgated from

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time to time by the Commissioner and a copy of which may be obtained from the Commissioner. The Commissioner has the right to make reasonable objections to the appearance and condition of the Premises if they do not comply with the Physical Inspection Standards. Licensee must discontinue or remedy any objectionable practice, appearance or condition within 5 days following receipt of a written notice by the Commissioner (or immediately upon receipt of such a notice if the Commissioner or Corporation Counsel deems a condition existing on the Premises hazardous or illegal).

(j) Licensee must cause its personnel to attend all customer service training meetings and participate in such other programs as may be required by the Commissioner. Licensee and its personnel must at all times participate and cooperate fully in all quality assurance programs as may be instituted by the Commissioner from time to time.

(k) Licensee covenants to take all commercially reasonable measures to maintain, develop, facilitate and increase the business conducted by it at the Airports.

(l) All personnel of Licensee shall be polite, clean and neat in appearance, and appropriately attired. City shall have the right to complain to Licensee as to the demeanor, conduct or appearance of Licensee's employees, invitees and those doing business with it, whereupon Licensee must take all steps necessary to remove the cause of complaint. While on duty, Licensee's ticket agents, dispatchers and drivers must display on their outer clothing identification such as may be required by the Commissioner from time to time.

(m) Licensee's failure to timely cure the practice, appearance, or condition as required under subsection 2.6(i) would cause the City damages in loss of good will, which would be difficult or impossible to prove or quantify. Accordingly, if the Premises are not being operated in accordance with subsection 2.6(i) then, in addition to all other remedies the City may have at law, in equity and under this Agreement, and beginning on the first day after expiry of the 5-day cure period, Licensee must pay the City, as liquidated damages in connection with the loss of good will among visitors to the Airports, and not as a penalty, the amount of \$200 per day per breach specified in the notice and remaining uncured.

**Section 2.7 - Continuous Operation, Liquidated Damages.**

(a) Except as otherwise permitted under this Agreement, if Licensee fails to continuously provide concession operations during all times it is required to provide them pursuant to this Agreement, and the failure continues for more than 3 days after the City gives Licensee notice, it is an Event of Default. If such an Event of Default occurs, in

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addition to any other remedies under this Agreement, the Commissioner is authorized to remove, at Licensee's expense, Licensee's property (including any counters) from the Premises. No such removal alters any of the Licensee's obligations under this Agreement, including the amount of any Fees payable under this Agreement. At any time after such a removal, the Commissioner has the right, at his sole election, to either (i) sell the removed property and apply the proceeds to the Fees owed by Licensee to City or (ii) return the removed property to Licensee after Licensee has reimbursed the City for the cost of the removal and storage of the property. Licensee must obtain the Commissioner's written approval prior to replacing or re-installing the removed property.

(b) Licensee further acknowledges that failure on its part to comply with the provisions of this Agreement would cause the City substantial damages, a portion of which may be ascertainable but another portion of which, related to loss of services to visitors to the Airports and loss of good will as a result of interference, with the delivery of the services, the provision of which is one of the key purposes of this Agreement, might be difficult or impossible to prove or quantify. Accordingly, (i) if Licensee fails to provide the passenger vehicle ground transportation services described in this Agreement, and (ii) if the City notifies Licensee of Licensee's failure to provide those services in accordance with Section 2.8, then, in addition to all other remedies that the Commissioner may have under this Agreement, at law or in equity, Licensee must pay the City as liquidated damages and not as a penalty in connection with the loss of good will the lesser of: (i) \$100 per hour; or (ii) \$1,000 per day Licensee fails to provide such services in accordance with Section 2.8. The obligation to make payments of liquidated damages will continue until the earliest of (A) the date the breach is cured and (B) the date this Agreement ends. The liquidated damages must be paid monthly as Additional Fees.

Section 2.8 - Operating Hours. To the extent not in conflict with any rules or regulations promulgated, or licenses issued, if any, by the Illinois Commerce Commission, Licensee shall keep open its counters for service for such periods during each day and on such days during each week as may be necessary to meet reasonable demands for such services and to properly and adequately serve the public, as determined by the City.

Section 2.9- Availability of Employee. Without limiting Licensee's obligations under Section 2.8, Licensee shall provide a telephone with direct communications to employees who can provide service to customers for those

cases in which an employee is not available at Licensee's counters.

Section 2.10- Permits and Vehicle Registration, (a) Licensee shall obtain all permits required for the conduct of its business, shall register all vehicles as may be required by laws and ordinances and display valid permits or stickers as may be required. Upon execution of this

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License and thereafter annually or at the City's request, Licensee shall provide evidence to the City that Licensee has obtained such permits and registrations.

(b) The City intends to implement an automated vehicle identification system ("AVI System") at the Airports. The purpose of an AVI System is to track all commercial vehicles entering and exiting the Airports. If the City does implement an AVI System at one or both of the Airports, then within 90 days of notice from the City to Licensee, Licensee must purchase and install in all of its vehicles that operate at one or both of the Airports all equipment required by the City for those vehicles to be detected by the AVI System.

Section 2.11 - Utilities. The City shall provide heating, air cooling and electrical service to those portions of the Premises that are within an Airport terminal (e.g., not the curbside) and as reasonably required. Licensee shall pay for its own telephone service and installation of any telephone or computer connections or equipment or for extension of any electrical facilities to provide service. The City may elect to charge Licensee for its electrical usage and may install submeters to measure usage or otherwise estimate usage on a reasonable basis. If the City charges Licensee for electricity, Licensee shall pay each bill at the same time and place as installments of Base Fee or at such other time as required by the City. The City reserves the right to interrupt temporarily the heating, cooling or electrical services furnished to the Premises to make emergency repairs or for other reasonable purposes, and the City shall restore said services as soon as reasonably possible. The City shall have no responsibility or liability for any failure of heating, air cooling, electrical or any other service to the Premises, when prevented from doing so by laws, orders or regulations of any federal, state or local governmental requirement (including any requirement of any agency or department of the City) or as a result of the making of repairs or replacements, fire or other casualty, strikes, failure of the utility provider to provide service or for any other reason whatsoever.

Section 2.12- Use of Vehicles. Without limiting anything else contained herein, the Licensee shall operate its vehicles in accordance with the following requirements:

(a) Licensee's vehicles shall be subject to the applicable rules now or hereafter promulgated by the Department of Aviation, the Department of Consumer Services, other City departments, and any state or federal departments or agencies;

b) Licensee shall furnish the Commissioner with a 24-hour phone number for the City to contact the Licensee in case of an emergency;

c) Licensee shall prepare and observe a vehicle breakdown emergency plan approved by the Commissioner. Any vehicles of the Licensee which break down and are not moved by the Licensee in a timely manner may be towed by the City at the Licensee's expense;



d) Licensee must attend to its vehicles at all times when such vehicles are on the roadways of the Airports, and unattended vehicles may be towed by the City at the Licensee's expense;

e) All drivers of Licensee's vehicles shall be properly licensed and must be familiar with Airport roads and rules and those of its routes; and

f) Licensee's vehicles are subject to inspection by the City's Department of Environment and other governmental entities as required by applicable law.

Section 2.13 -Licensee's Trade Name. Unless otherwise approved by the Commissioner in writing, Licensee must conduct business in the Premises only in Licensee's Trade Name, as defined in Article 1.

**Section 2.14 - Management.**

a) Personnel. Licensee must maintain a full time professional staff during the Term of this Agreement having sufficient size, expertise and experience to manage the concession operations and to serve as a liaison with the Commissioner. The Commissioner reserves the right to object to the key management personnel responsible for the day-to-day operation of the Premises.

b) General Manager. Without limiting the generality of subsection (a) of this section, Licensee must designate a "General Manager" experienced in management and supervision who has sufficient authority and responsibility to administer and manage the concession operations. The General Manager (or authorized representative) must be immediately available on the days and at the times that Licensee is provide ground transportation services from either or both-Airports. The General Manager is subject to removal at the direction of the Commissioner if the Commissioner reasonably determines, in his sole discretion, that the General Manager is not performing up to standards consistent with the fulfillment of Licensee's obligations.

c) Staffing. All employees of Licensee that are stationed at either or both Airports must wear Airport identification badges issued by the Commissioner, and all other employees must wear an identification badge issued by Licensee. All employees of Licensee must be courteous and helpful to the public at all times, whether or not on duty.

d) Salaries. Salaries of all employees of Licensee and its Subcontractors performing services under this Agreement must be paid unconditionally and not less often than once a month without deduction or rebate on any account, except only for those payroll deductions as are mandated by law or permitted by the applicable regulations issued by the

and must insert appropriate provisions in all Subcontracts covering work under this Agreement to insure compliance of all Subcontractors with those regulations and with the other requirements of this subsection (d), and is responsible for the submission of affidavits required under them, except as the United States Secretary of Labor may specifically provide for variations of or exemptions from the requirements of them.

**Section 2.15 - Management Responsibilities.**

a) In its capacity as Licensee under this Agreement, and not as an agent of the City, Licensee must manage the concession operations and the Premises in accordance with this Agreement, in furtherance of which Licensee must, among other things:

1) Use reasonable efforts to remedy problems and issues raised by Airport patrons with respect to the operation of its concession operations and the Premises;

2) Answer in writing all written customer complaints within 72 hours after receipt, furnishing a copy of the complaint and the answer to the Commissioner within that period; and,

3) Furnish the Commissioner within 72 hours after their receipt copies of all written notices received by Licensee from any governmental authority or any Subcontractor with respect to the Licensee's vehicles, its operations, the Premises or any Subcontract.

4) Licensee shall respond in writing to complaints registered by the police department at the Airports with respect to violations of traffic regulations committed in the course of Licensee's business by Licensee's agents, employees, invitees and licensees, setting forth such action as has been taken or is immediately contemplated to remedy said violations.

b) If Licensee fails to timely answer and furnish the requisite copies to the Commissioner, Licensee acknowledges that the City may suffer loss of good will and other harm the value of which is difficult to determine, and thus the Commissioner may assess as liquidated damages against Licensee, and not as a penalty, an amount not to exceed \$200 per day per breach of this section 2.15.

**ARTICLE 3**

**TERM**

Section 3.1- Term of License, (a) The Term shall be from the Commencement Date until the Expiration Date, or earlier termination as provided for hereunder. The Commissioner, by providing written notice(s) to the Licensee, may extend the License for up to two additional periods, each period not to exceed 5 years, under the same terms and conditions as in this License. However, Licensee may preclude an extension of the Term if Licensee notifies the Commissioner in writing pursuant to the notice provisions of this License of its objection within 10 days of receiving notice from the City of its intent to extend this License. Unless the Commissioner receives such written objection within

the stated time period, the proposed extension will be deemed approved without any need for further notice by the City.

(b) Licensee may enjoy such license only if Licensee holds valid certificates of public convenience and necessity from the Illinois Commerce Commission and only to the extent that Licensee remains authorized under applicable law to provide the pick-up and drop-off of passengers services described in this Agreement; provided, however, if such certificates of public convenience and necessity are not required in the future then the City may terminate this license by giving 30 days' prior notice to Licensee.

Section 3.2- Operation after Term. Licensee must vacate the Premises and cease its operations at the Airports as described hereunder upon the expiration or termination of this License. If the Commissioner notifies Licensee to continue to operate beyond the expiration of this License, the term will be deemed automatically extended for a period of 30 days. That 30 day period will be deemed extended for another 30 day period, and such 30 day extensions will continue, until the Commissioner sends written notice to the Licensee stating that the License is not be extended for any additional 30 day period. Subject to the last sentence of this Section 3.2, Licensee shall pay Fees during the extension periods on the same terms and conditions as in this Agreement; the Minimum Guarantee Fee for any extension period shall be calculated in accordance with Section 4.3 based on Gross Revenues for the License Year immediately preceding the 30 day extension period. Subject to Section 15.10 of this Agreement, any holding over with the consent of the City in writing shall thereafter constitute a month to month agreement on the same terms and conditions as the License, including payment of the Fees, or at such other rate of Fees as to which City notifies Licensee prior to or after such holding over.

Section 3.3- Return of the Premises. At the termination or expiration of this License, Licensee shall return the Premises in good condition and repair and Licensee shall remove all personal property and trade fixtures of Licensee from such portion of the Premises prior to the date of termination. Further, at the City's request, Licensee shall also remove all improvements installed by or for Licensee prior to or within ten (10) days after the termination of the License or

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Licensee shall repair any damage to the Premises caused by Licensee's removal of the personal property, trade fixtures and Improvements. All such removal and repair required of Licensee pursuant to this Section shall be at Licensee's sole cost and expense. If Licensee fails to remove any items required to be removed by it hereunder or fails to repair any resulting damage prior to or within ten (10) days after termination of the License, then the City may remove said items, including the improvements, and repair any resulting damage and Licensee 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 receipt of full payment therefor. Licensee shall also furnish to the City (if not previously delivered), and the City shall have the right to use, a full set of the "as-built" plans and specifications for all improvements, and all reports prepared for Licensee on the condition of the Premises.

Section 3.4- Lien. In addition to any liens as may arise under Illinois law, the City has a contractual lien under this Agreement on all property, including Licensee's personal property located on the Premises, as security for non-payment of any Fees due.

**ARTICLE 4**

FEES

Section 4.1 - Place of Payment. Licensee shall pay Fees as set forth below without setoff, deduction or discount, except as otherwise provided herein, in lawful money of the United States, to City at the Office of the City Comptroller, 333 South State Street, Room 402, Chicago, Illinois 60604, or to such other place or person as City may direct Licensee by written notice. Payment of Fees is independent of every other covenant and obligation in this License. The City shall not be obligated to bill Licensee for any Fees. Payment by Licensee to the City of compensation pursuant to this License shall not be considered to be a tax and shall be in addition to and exclusive of all license fees, taxes, or franchise fees which Licensee may now or in the future be obligated to pay to the City.

Section 4.2- Base Fee. Licensee shall pay Base Fee for the Premises during the Term. Base Fee shall be payable in monthly installments in advance equal to one twelfth (1/12) of the applicable yearly amount, on the Commencement Date and on the first day of each calendar month; provided, however, if the Commencement Date is not the first day of any calendar month or the Expiration Date is not the last day of any calendar month, the monthly installment of Base Fee for such month shall be adjusted ratably (based on the number of days of such month within the Term).

Section 4.3 - Minimum Guarantee Fee and Percentage Fee. Licensee shall pay a Concession Fee as hereinafter provided:

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(a) With respect to each License Year, Licensee shall pay to the City an amount ("Concession Fee") equal to the greater of (i) ten percent (10%) of Gross Revenues ("Percentage Fee") for each License Year or (ii) the Minimum Guarantee Fee for that License Year. The Minimum Guarantee Fee for the first License Year shall be four hundred thousand dollars (\$400,000). The Minimum Guarantee Fee for each License Year thereafter shall be the greater of (i) \$400,000 or (ii) eighty percent (80%) of the amount of the Concession Fee due to the City from Licensee for the previous License Year. The Minimum Guarantee Fee shall be adjusted prorata (based upon the number of days in the year falling within the Term) for a Partial License Year, and for early termination of this Agreement pursuant to Sections 11.1. On the Commencement Date and on the first day of each calendar month during the Term, Licensee shall pay the City monthly installments in advance equal to one-twelfth (1/12) of the Minimum Guarantee Fee applicable for the License Year in which such month falls. If, however, (i) the Commencement Date does not fall on the first day of the month, or if the Expiration Date falls on a date other than the last day of a calendar month, the monthly installment of Minimum Guarantee Fee for such month shall be adjusted prorata (based on the number of days of such month within the Term), or (ii) a calendar month falls in more than one License Year, then the monthly installment of the Minimum Guarantee Fee payable for such month shall be the sum of (A) a monthly installment of Minimum Guarantee Fee applicable to the expiring License Year prorated for the number of days in such calendar month falling in that License Year, and (B) a monthly installment of Minimum Guarantee Fee for the new License Year prorated for the number of days in such calendar month falling within that License Year. If Minimum Guarantee Fee is not determined at the time a payment is required, then Licensee shall continue to pay installments at the rate last payable until the actual amount is determined, at which time (i) Licensee shall pay any excess Minimum Guarantee Fee owed (but in no event later than ten (10) days after the City's request), or Licensee shall be entitled to a credit against next Minimum Guarantee Fee owed in the amount of any excess paid, and (ii) the monthly installment shall be readjusted to be one-twelfth (1/12) of the actual Minimum Guarantee Fee.

(b) On or before the twentieth (20th) day of each calendar month during the Term (other than the month in which

the Commencement Date falls) and on or before the twentieth (20th) day of the calendar month immediately following the expiration or other termination of the License, Licensee shall pay to the City the amount, if any, by which the (i) Percentage Fee as calculated under Section 4.3(a) above attributable to Gross Revenues for the period from and after the commencement of the License Year through and including the last day of the immediately preceding calendar month exceeds (ii) the sum of the installments of Minimum Guarantee Fee paid for such period. If a License Year ends on a date other than the last day of a calendar month, and Gross Revenues are not calculated separately for that portion of the month falling in that License Year, then Gross Revenues for the calendar month shall be prorated and included in Gross Revenues

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for each of the License Years in which such calendar month falls based on the number of days in such month falling within the particular License Year. If the annual statement of Gross Revenues required pursuant to Section 4.3(c) hereof shows that additional Concession Fee is owed, because the Concession Fee attributable to the License Year or Partial License Year to which the statement of Gross Revenues applies exceeds the amount of all payments theretofore made by Licensee to the City in respect of the License Year or Partial License Year, then Licensee shall pay the balance of the Concession Fee owed to the City concurrently with the submission of said annual statement of Gross Revenues. If the annual statement of Gross Revenues shows that Licensee has overpaid the Concession Fee, it may offset any overpayment against the next payments of Concession Fee owed; any amount remaining at the end of the Term, subject to the other terms and conditions of this License, shall be refunded by the City.

(c) Licensee shall furnish to the Comptroller of the City and the Department on or before the twentieth (20th) day of each calendar month of each License Year a complete statement in a form acceptable to the City, certified by Licensee, including at a minimum: the amount of Gross Revenues made during the prior calendar month on a daily basis from passengers exiting each Airport, the number of passengers Licensee transports from each Airport- each day during the calendar month, baggage revenue, each day of the calendar month; and a description of the type and amount of any other Gross Revenues for the calendar month; provided, however, with respect to the month in which the Commencement Date falls, Licensee may furnish such report of Gross Revenues at the time its next monthly report is due. Licensee also agrees, that it will furnish to City no later than ninety-five (95) days after the end of each Tax Year or Partial Tax Year, and within ninety-five (95) days after the expiration or termination of this License, a complete statement of Gross Revenues certified by an independent certified public accountant employed by Licensee, showing in all reasonable detail the amount of Gross Revenues during the preceding Tax Year or Partial Tax Year and copies of all returns and other information filed with respect to Illinois sales and use taxes. Said annual statement shall include a breakdown, of Gross Revenues on a month by month basis and an opinion of an independent certified public accountant that must include the following language, or language of similar purport:

"We, a firm of independent certified public accountants, have examined the accompanying statement reported to the City of Chicago by Continental Air Transport Company, Inc., for the year ended

relating to its operations at the O'Hare International Airport and Chicago Midway Airport pursuant to an Agreement dated , . Our examination was made in accordance with generally accepted accounting principles and, accordingly, includes

such tests of the accounting records and such other procedures as we considered necessary in the circumstances.

[In our opinion, the accompanying statement showing gross revenues of \$\_\_\_\_\_ presents accurately the amount of Gross Revenues, as defined in the Agreement, for the year ended \_\_\_\_\_"]

All such reports and statements shall be prepared on a form approved by the City and shall, among other things, provide a breakdown of the Gross Revenues by type of service rendered (passenger transportation and package/luggage transportation) and an analysis of all Fees due and payable to the City with respect to the period in question. Licensee shall require all subtenants, franchisees and any other persons operating pursuant to this License to furnish similar statements for business performed arising out of this License. In the event Licensee shall fail to timely furnish to the City any monthly or annual statement required under this License or if the independent certified public accountant's opinion is qualified or conditioned in any manner, the City shall have the right (but shall not be obligated) without notice, to conduct an audit of Licensee's books and records and to prepare such statements at Licensee's expense. Moreover, in the event Licensee fails to timely furnish any monthly or annual statement or fails to make available its books and records, the City shall have the right to estimate the Gross Revenues.

(d) Licensee shall prepare and maintain at an office in Chicago, Illinois or its corporate headquarters (if approved by the City) full, complete and proper books, records and accounts in accordance with generally accepted accounting principles, of the Gross Revenues, both for cash and on credit, and of the operations of any franchisee or subtenant and shall require and cause all such parties to prepare and keep books, source documents, records and accounts sufficient to substantiate those kept by Licensee.

(i) The books and source documents to be kept by Licensee shall include, without limitation, true copies of all Federal, State and local tax returns and reports, copies of rental agreements, and daily receipts from all transactions conducted by Licensee, franchisees and any other persons conducting business as a result of this License, detailed original records of any exclusions or deductions from Gross Revenues, sales tax records and such other records, if any, which would normally be examined by an independent accountant pursuant to accepted auditing standards in performing an audit of Licensee's revenues. Licensee shall, or shall cause each franchisee or any other persons conducting business as a result of this License to, record at the time of each transaction, all receipts

from such sale or other transaction, whether for cash, credit or otherwise. Licensee shall at all times use such cash registers, invoicing machines, sales slips and other accounting equipment and devices and forms as are reasonably necessary to record properly, accurately and completely all transactions involving Gross Revenues. Said books, records and accounts, including any sales tax reports that Licensee or any subtenant may be required to furnish to any government or governmental agency, shall be retained and at all reasonable times be open to the inspection (including the

making of copies or extracts) of the City, the City's auditor or other authorized representative or agent for a period of at least three (3) years after the expiration of each License Year.

The acceptance by the City of payments of Fees shall be without prejudice to the City's right to an examination of the Licensee's and books and records of Gross Revenues in order to verify the amount of Gross Revenues.

After providing Licensee as the case may be, at least twenty-four (24) hours prior verbal notice, the City may inspect the books and records of Licensee and any subtenant or other person doing business as a result of this License or require Licensee to furnish the City copies of extracts of such books and records. Further, at its option, the City may at any reasonable time, upon no less than ten (10) days' prior written notice to Licensee, cause a complete audit to be made of Licensee's or any subtenant's entire records relating to the License for the period covered by any statement issued<sup>1</sup> by the Licensee as above set forth. If such audit shall disclose that Licensee's statement of Gross Revenues is understated to the extent of two percent (2%) or more, Licensee shall promptly pay to the City the cost of said audit in addition to the deficiency (and interest thereon at the Default Rate), which deficiency shall be payable whatever its amount. In addition to the foregoing, and in addition to all other remedies available to the City, if Licensee or the City's auditor shall schedule a date for an audit of Licensee's records and Licensee shall fail to be available or otherwise fail to comply with the reasonable requirements for such audit, Licensee shall pay all costs and expenses associated with the scheduled audit.

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(e) The City may, in its sole discretion, and if Licensee so requests, consent to Licensee's transmission of its monthly (but not annual) sales reports electronically, and to maintain its books and records in computerized form, provided that it is convenient and possible and that:

- (i) As to reports of Gross Revenues, (A) monthly reports are transmitted by disc or modem transmission to the City's data center, in either case in a manner compatible with the City's computer system and approved in writing by the City, and (B) print copies of such reports are furnished to the City within 30 days after request (which request may be made at any time within one year after the electronic reports are furnished by Licensee to the City); and
- (ii) As to books and records, (A) Licensee's computerized books and records provide the same level of information as the print books and records described above, are retained for the full record retention period provided for herein, and are made accessible for the City's inspection on request, and (B) print copies of any of such books and records are made available to the City's agents who are engaged in inspecting Licensee's books and records, as provided herein, promptly upon request.

Consent by Lessor to either electronic transmission of Gross Revenues reports or computerized record keeping, once given, may be revoked by the City on prior written notice to Licensee.

Section 4.4 - Interest on Overdue Amounts. Fees and any additional charges not paid when due shall bear interest at the Default Rate from the time such are due.

Section 4.5 - Security Deposit.

(a) As additional security for the faithful and prompt performance of Licensee's obligations hereunder, Licensee shall deliver the Security Deposit to City simultaneously with the execution of this License, to be held and applied by the City for the purpose of: curing any Event of Default; paying any amounts owed by Licensee to City pursuant to this License or any amount which the City may spend or be obligated to spend as a result of Licensee's default; or to compensate the City for any other damages as a result of Licensee's default. Licensee shall, at the commencement of each License Year, increase the amount of the Security Deposit (based on the definition of the Security Deposit), if Base Fee or Minimum Guarantee Fee (if any) has increased. In the event that City applies any portion of the Security Deposit for such purpose, Licensee shall within

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fifteen (15) days after written demand therefor deposit cash with City in an amount sufficient to restore the Security Deposit to its original amount, and Licensee's failure to do so shall be a material breach of this License. The Security Deposit shall not be deemed an advance payment of Fees or a measure of City's damages for any breach of the terms of this License by Licensee. Licensee may not elect to apply any portion of the Security Deposit toward the payment of Fees or other charges payable by Licensee hereunder. City shall not be required to segregate the Security Deposit from Airport funds and Licensee shall not be entitled to interest on the Security Deposit. If Licensee shall fully and faithfully perform every provision of this License to be performed by it, the Security Deposit or any balance thereof shall be returned to Licensee within ninety (90) days after the expiration of the Term and Licensee's vacation of the Premises.

(b) The Security Deposit may be in the form of a letter of credit in the form attached as Exhibit E or other form acceptable to the City. If Licensee delivers a letter of credit as the Security Deposit, then the first such letter of credit shall expire no earlier than twelve (12) months after issuance and all subsequent replacement letters of credit shall expire no earlier than twelve (12) months from the expiry date of the then outstanding and expiring letter of credit. Licensee shall ensure that at all times during the Term of this License, and for ninety (90) days after expiration of the Term (or any holdover period), an unexpired letter of credit in the face amount of the Security Deposit or cash in the amount of the Security Deposit shall be in the possession of the City. Licensee shall deliver each replacement letter of credit to the City no later than thirty (30) days prior to the expiry date of then outstanding and expiring letter of credit. Failure by Licensee to deliver any replacement letter of credit as required above shall entitle the City to draw under the outstanding letter of credit and to retain the entire proceeds thereof for application as the Security Deposit under this License. Each letter of credit shall be for the benefit of the City and its successors and assigns, shall be expressly assignable, and shall entitle the City or its successors or assigns to draw from time to time under the letter of credit in portions or in whole upon presentation of a sight draft.

If an Event of Default by Licensee exists with respect to any provision of this License, including, but not limited to, the provisions relating to the payment of Fees, the City may draw under the letter of credit in part or in whole and use, apply or retain all or any part of the proceeds thereof as if a cash Security Deposit.

Any letter of credit delivered by Licensee shall be issued by companies or financial institutions authorized to do business in Illinois, satisfactory to the Comptroller, and which have an office in Chicago where the City may draw on the letter of credit. If the financial condition of any letter of credit issuer issuing the letter of credit materially and adversely changes, the City may, at any time, require that such letter of credit be replaced with a letter of credit from an acceptable financial institution.



c) Qualified Issuers. The Letter of Credit called for in this Agreement must be issued by companies or financial institutions having a rating of "A" or better as determined by Standard and Poor's or by Moody's Investors Service, Inc., or a net worth of at least \$500,000,000, and that have an office in Chicago where the Commissioner may draw on the Letter of Credit. The Commissioner also reserves the right to order Licensee to immediately close some or all of the Premises unless the Letter of Credit is in place and effective.

d) Right to Require Replacement of Letter of Credit. If the financial condition of any Letter of Credit issuer issuing the Letter of Credit materially and adversely changes, the Commissioner may, at any time, require that the Letter of Credit be replaced with a Letter of Credit in accordance with the requirements set forth in this section.

e) No Excuse from Performance. None of the provisions contained in this Agreement nor in the Letter of Credit required under this Agreement excuse Licensee from faithfully performing in accordance with the terms and conditions of this Agreement or limit the liability of Licensee under this Agreement for any and all damages in excess of the amounts of the Letter of Credit.

f) Non-Waiver. Notwithstanding anything to the contrary contained in this Agreement, the failure of the Commissioner to draw upon the Letter of Credit required under this Agreement or to require Licensee to replace the Letter of Credit at any time or times when the Commissioner has the right to do so under this Agreement does not waive or modify the Commissioner's rights to draw upon the Letter of Credit and to require Licensee to maintain or, as the case may be, replace the Letter of Credit, all as provided in this Section 4.5.

Section 4.6- Taxes. Licensee must timely pay, as and when due, any and all taxes (including, but not limited to, "leasehold" taxes), assessments and charges levied, assessed or imposed upon this Agreement, the Premises or Licensee's business or upon Licensee's personal property and all license fees, permit fees and charges of a similar nature for the conduct by Licensee of any business or undertaking in the Premises. Licensee must provide the Commissioner with copies of all notices relating to the taxes within 30 days after receipt and must provide the Commissioner with a receipt indicating payment of the taxes when due. Nothing in this Agreement precludes Licensee from contesting the charge or tax, including those taxes or charges enacted or promulgated by City.

**ARTICLES 5 CONSTRUCTION, MAINTENANCE AND REPAIR**

### Section 5.1 -Americans With Disabilities Act.

- a) Within thirty (30) days after the Commencement Date, Licensee shall, at its sole cost and expense, make such modifications and improvements to the Premises as may be necessary for the Premises to comply with the Americans with Disabilities Act, as hereafter amended from time to time, and regulations promulgated thereunder, including but not limited to 49 CFR Part 37 - Transportation Services for Individuals with Disabilities and 49 CFR Part 38 Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles
- b) Pursuant to 49 CFR Part 37 - Transportation Services for Individuals with Disabilities, the following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Licensee pursuant to the provisions of the Airport Improvement Program grant assurances.
  - i. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities.
  - ii. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above nondiscrimination covenants, Licensee will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.
  - iii. With respect to deeds, in the event of breach of any of the above nondiscrimination covenants, Licensee will there upon revert to and vest in and become the absolute property of Licensee and its assigns.

Section 5.2- Improvements. Licensee may not without the prior written approval of the applicable City authorities, including but not limited to the City's Department of Buildings and the Commissioner: (i) construct or install in the Premises any improvements or equipment,

and any additions thereto; and (ii) display signage. Any construction or improvements shall commence only after Licensee obtains any requisite building or construction licenses or permits as may be required by federal, state or local laws or regulations. A construction application together with plans and specifications of any proposed construction or installation (including any substantial alteration or addition thereto), a proposed schedule and evidence of insurance coverages required by Article 7 shall be submitted to and received by the City prior to the issuance of written approval from the City and before commencement of construction. Licensee shall require the Contractor to furnish a performance and payment bond in form and substance acceptable to City. City's approval shall be absolute and may be withheld in its sole discretion, but City's approval of or consent to any plans and specifications shall not constitute a zoning approval or approval for other purposes or by other agencies or divisions of the City. Where appropriate, the professionals shall be

properly licensed and insured to perform their work. During any construction or installation of such other improvements, City shall have the right at all times to have inspectors or other representatives of the City at the site to review and inspect all such work. Notwithstanding said right of review and inspection of the City, City shall in no way be deemed responsible for any such work not being completed in accordance with approved plans and specifications or applicable laws, codes, statutes, rules or regulations.

Any work performed in connection with such improvements at the direction of Licensee, even though performed by contractors, shall be the responsibility of Licensee. During any construction by Licensee, Licensee shall be solely responsible for the support, maintenance, safety and protection of the facilities of the City, and for the safety and protection of all persons or employees and of all property therein. All work shall be performed in accordance with the plans and specifications and other documents submitted to and approved by the City, with the Airport design and construction standards and any other applicable federal, state or local laws, codes, ordinances, statutes, rules, regulations, and with the legal requirements set forth in Articles 6 and 8 hereof. Licensee shall also comply with the additional legal requirements set forth in Exhibit B. Once work is completed, Licensee shall furnish "as-built" plans to City.

**Section 5.3- Maintenance and Repair.**

a) Licensee must provide all cleaning and janitorial services to the Premises. Licensee must clean, maintain and repair (including replacements, where necessary) the Premises in first-class condition and repair during the entire term of this Agreement. Without limiting the foregoing, Licensee must maintain utility lines to the Premises as follows: (i) where the utility lines, including gas, electrical, telephone, hot and cold water, fire sprinkler, gas, and sewer serve the Premises, Licensee must maintain those branch lines and facilities that are located within the Premises; and (ii) where the utility lines are solely for the use of the Premises, Licensee is obligated to maintain the utility lines from the Premises up to the main entry point to the Airport terminals. Alternatively, the City may maintain the lines and charge Licensee the reasonable cost of the maintenance. Licensee must maintain all electrical cables, conduits, wiring, fire alarm systems, electrical panels and associated equipment located within and serving the Premises. To the extent any City ordinance imposes a stricter standard than the requirements of this section, the stricter standard must govern.

**b) City's Right to Perform Licensee's Maintenance Obligations.**

i) If Licensee fails to perform its maintenance obligations required under this section within 3 days following written notice from the Commissioner, or in the event of a serious health or safety concern or in an emergency (in which case no notice is required) the Commissioner may, but is not obligated to, perform or cause the performance of any obligation required of Licensee under this section in any manner deemed expedient by the Commissioner for the purpose of correcting the condition in question (without limiting the right of any other City department or agency to enforce City ordinances or regulations). Inaction of the Commissioner never constitutes a waiver of any right accruing to his under this Agreement nor do the provisions of this subsection or any exercise by the Commissioner of his rights under this Agreement cure any Event of Default. Nothing contained in this Agreement requires the Commissioner to advance monies for any purpose.

ii) All sums paid by the City under the provisions of this section and all necessary and incidental costs, expenses and reasonable attorneys' fees incurred in connection with the performance of any such act by the Commissioner, together with interest thereon at the Default Rate, from the date of the City's payment until the date paid by Licensee, are deemed further Additional Fees under this Agreement and are payable to the City within 10 days following receipt of written demand therefor or, at the option of the Commissioner, may be added to any Fee then due or later becoming due under this Agreement, and Licensee covenants to pay any such sum or sums with interest at the Default Rate.

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As to any repairs and replacements Licensee also shall, in connection therewith, comply with the requirements of Section 5.2 above.

(c) Licensee must keep the curbside at which it is operating in a clean and orderly condition.

Section 5.4- Signs. Any signs installed by Licensee on the Premises shall be limited to the purpose of identifying Licensee and not for advertising; provided, however, that the Commissioner may require the Licensee to post signs providing information about other ground transportation services. The number, general type, size, design and location of such signs shall be subject to the prior written approval of the City.

Section 5.5- Covenant Against Liens. No party shall have any right to file any liens against the Premises or any other property of City, and Licensee shall keep the Premises and the buildings, improvements and facilities constructed thereon free and clear of liens or claims of liens in any way arising out of the construction, improvement or use thereof by Licensee. In the event of an attempt to file a lien against the Premises as a result of any act or omission of Licensee, Licensee shall promptly take such steps as are necessary to release such claim or attempted lien from the Premises.

Section 5.6- Ownership of Improvements. The City shall own all improvements and betterments hereinafter made to the Premises.

**ARTICLE 6 COMPLIANCE WITH ALL LAWS**

Section 6.1 - Applicable Laws. Without limiting the provisions of Article 2 of this License, Licensee shall, at its sole cost and expense, comply, and shall cause its contractors and their respective agents and employees to comply, with all applicable laws, including without limitation, the following:

(a) Non-Discrimination:

(i) Federal Requirements:

(A) It shall be an unlawful employment practice for Licensee to fail to hire, to refuse to hire, to discharge, or to discriminate against any individual with respect to his compensation, or the terms, conditions, or privileges of his employment, because of such individual's race, color, religion, sex, age, handicap, or national

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origin; or to limit, segregate, or classify his 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.

(B) Licensee shall comply with The Civil Rights Act of 1964, 42 U.S.C. Sec. 2000 et seq. (1981), as amended. Licensee shall further comply with Executive Order No. 11,246,30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 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); the Age Discrimination Act, 43 U.S.C. Sec. 6101-6106 (1981); the Rehabilitation Act of 1973, 29 U.S.C. Sec. 793-794 (1981); the Americans with Disabilities Act, P.L. 101-336; 41 C.F.R. Part 60 et seq. (1990); Air Carriers Access Act, 49 U.S.C.A. 1374; and FAA Circular No. I50/51OOXXV: and all other applicable federal statutes, regulations and other laws.

ii) State Requirements:

Licensee shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1990), as amended, and all rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 44 111. Admin. Code 750, App. A; the Discrimination in Public Contracts Act, 775 ILCS 10/0.01 et seq. (1990), as amended; the Environmental Barriers Act, 410 ILCS 25/1 et seq. 111. Rev. Stat.; and all other applicable state statutes, regulations and other laws.

iii) City Requirements:

Licensee shall comply with the Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq. of the Code, and all other applicable City ordinances and rules. Further, Licensee shall furnish such reports and information as requested by the Chicago Commission of Human Relations.

(b) Prevailing Wage:

(i) Licensee shall comply with 820 ILCS 130/0.01 et seq., as it may be amended (the "Prevailing Wage Act"), so long as the Prevailing Wage Act

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. is in effect, in order to ensure that such persons covered by the Prevailing Wage Act are paid the prevailing wage rate as ascertained by the Illinois Department of Labor. The present prevailing rates are attached hereto as Exhibit D. All contracts shall list the specified rates to be paid to all laborers, workers, and mechanics for such craft or type of worker or mechanic employed in the contract. If the Illinois Department of Labor revises such prevailing wage rates, the revised rates shall apply to all such contracts.

- (ii) The term "general prevailing hourly rate," when used in this License means the hourly cash wages plus fringe benefits for health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character on public work.

Non-Collusion, Bribery of a Public Officer or Employee:

Licensee shall comply with the Code, Section 2-92-320, as follows:

- i) No person or business entity shall be awarded a contract or subcontract if that person or business entity:
  - A) Has been convicted of bribery or attempting to bribe a public officer or employee of the City of Chicago, the State of Illinois, or any agency of the federal government or any state or local government in the United States, in that office's or employee's official capacity; or
  - B) Has been convicted of agreement or collusion among bidders or prospective bidders in restraint of freedom of competition by agreement to bid a fixed price, or otherwise; or
  - C) Has made an admission of guilt of such conduct described in (A) or (B) above which is a matter of record but has not been prosecuted for such conduct.
- ii) For purposes of this section, where an official, agent or employee of a business entity has committed any offense under this section on behalf of such an entity and pursuant to the direction or authorization of a responsible official thereof the business entity shall be chargeable with the conduct. One business entity shall be chargeable with the conduct of an affiliated agency.

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- (iii) Ineligibility under this section shall continue for three years following such conviction or admission. The period of ineligibility may be reduced, suspended, or waived by the Purchasing Agent under certain specific circumstances. Reference is made to Section 2-92-320 for a definition of "affiliated agency," and a detailed description of the conditions which would permit the Purchasing Agent to reduce, suspend, or waive the period of ineligibility.

d) Chapter 2-56 of the Code Office of Inspector General:

- i) It shall be the duty of Licensee to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Code. Licensee understands and will abide by all provisions of Chapter 2-56 of the Code.

- ii) All contracts shall inform Contractors of this provision and require understanding and compliance herewith.

e) Governmental Ethics Ordinance: Licensee shall comply with Chapter 2-156 of the Code, "Governmental Ethics," including but not limited to Section 2-156-120 of this chapter pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, by or on behalf of a subcontractor to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

f) Section 2-92-380 of the Code: The Licensee hereby warrants and covenants that it has no debts or outstanding parking violation complaints as defined in Section 2-92-380 of the Code.

g) American with Disabilities Act: Any and all transportation services provided by the Licensee and its franchisees shall comply with all Federal, State and local laws and regulations regarding accessibility standards for disabled or environmentally limited persons including, but not limited to, the following: American with Disabilities Act, P.L. 101-336 (1990), 42 U.S.C. 12101 et seq. and the Uniform Federal Accessibility Guidelines for Buildings and Facilities and, the Illinois Environmental Barriers Act, 410 ILCS 25/1 et seq. (1991), and the regulations promulgated thereto at 71 III. Admin. Code Ch. 1, Sec. 400.110. In the event that the above cited standards are inconsistent, Licensee shall comply with the standard providing greater accessibility.

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(h) MacBride Principles Ordinance:

- i) The City of Chicago through the passage of the MacBride Principles Ordinance seeks to promote fair and equal employment opportunities and labor practices for religious minorities in Northern Ireland and provides a better working environment for all citizens in Northern Ireland.

- ii) In accordance with Section 2-92-580 of the Code, if Licensee conducts any business operations, it shall make all reasonable and good faith efforts to conduct any business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 III. Laws 3220).

- (i) Certification: Licensee shall complete the appropriate subsection for State Tax Delinquencies and acknowledge all other representations in the Disclosure Affidavit in the form provided by the City, which certifies that Licensee, its agents, employees, officers and any contractors a) have not been engaged in or been convicted of bribery or attempted bribery of a public officer or employee of the City of Chicago, the State of Illinois, any agency of the federal government or any state or local government in the United States or engaged in or been convicted of bid-rigging or bid-rotation activities as defined in this section as required by the Illinois Criminal code; b) do not owe any debts to the State of Illinois, in accordance with

Section 11-42.1-1 of the Illinois Municipal code and c) are not presently debarred or suspended as defined in subsection D, Certification Regarding Suspension and Disbarment of the Disclosure Affidavit in Part One of the Contract Documents.

G) Disclosure of Ownership: Pursuant to Code sections 2-92-010, 2-92-020, 2-92-030 and 2-154(e), Licensee shall be required to complete Section I, Disclosure of Ownership Interests in the Disclosure Affidavit.

(k) Resident Preference:

If pursuant to this Agreement, Licensee is to perform construction ("Work") with an estimated contract value of \$ 100,000 or more, Licensee and its Subcontractors must comply with the provisions of § 2-92-330 of the Municipal Code of the City of Chicago (1990) ("Municipal Code"), as amended from time to time concerning the minimum percentage of total worker hours performed by actual residents of the City. (For any construction project advertised, or if not advertised, awarded, by the city that has an estimated contract value of \$100,000.00 or more, and where not otherwise prohibited by federal, state or local law, the total hours worked by persons on the site of the construction project by employees of the contractor and subcontractors shall be performed (i) at least 50 percent by city residents; and (ii) at least 7.5 percent by project area residents. Work hours performed by project area residents shall be considered to be

work hours performed by city residents for purposes of calculating the minimum work hour percentage required to be performed by city residents.). In addition to complying with this percentage, Licensee and its Subcontractors are required to make good faith efforts to utilize qualified Licensee may request a reduction or waiver of this minimum percentage level of Chicagoans in accordance with standards and procedures developed by the Purchasing Agent of the City.

"Actual residents of the City" means persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment. Licensee and each Subcontractor (for purposes of this subsection 6.1(k) "Employer") must provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) must be submitted to the Commissioner in triplicate and must identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

Each Employer must provide full access to its employment records to the Purchasing Agent, the Commissioner, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. Each Employer must maintain all relevant personnel data and records for a period of at least 3 years after final acceptance of the Work. At the direction of the Commissioner, affidavits and other supporting documentation may be required of each Employer to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of each Employer to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the



Purchasing Agent) shall not suffice to replace the actual, verified achievement of the requirements of this section concerning the worker hours performed by actual Chicago residents.

When the Work is completed, in the event that the City has determined that Licensee has failed to ensure the fulfillment of the requirement of this section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1% of the aggregate hard construction costs of the Improvement Costs (the product of .0005 x such aggregate hard construction

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costs) (as evidenced by approved contract value for the actual contracts) must be surrendered by Licensee to the City as liquidated damages, and not as a penalty, in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly will result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Licensee and/or the Subcontractors to prosecution. The City may draw against the Security Deposit any amounts that appear to be due to the City under this provision pending the City's determination as to the full amount of liquidated damages due on completion of the Work.

Nothing set forth in this; section acts as a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents, as applicable.

Licensee must cause or require the provisions of this subsection 6.1(k) to be included in all construction Subcontracts related to the Work.

(1) Motor Carriers: Licensee shall abide by all laws applicable to carriers of passengers, including but not limited to the Federal Motor Carrier Safety Act and other applicable laws contained in Title 49 of the Code of Federal Regulations.

(m) Licensee must not use or allow the Premises to be used for the release, storage, use, treatment, disposal or other handling of any hazardous substance, as defined in any Environmental Laws, except in full compliance with all Environmental Laws, and, with respect to the release, use, treatment, or disposal of any such hazardous substances. Licensee must not use or allow the Premises to be used for the storage of any such hazardous substances, except small amounts of cleaning fluids, business equipment materials (such as copy machine toner) and other small amounts of such hazardous substances customarily handled or used in connection with the concession operations, all of which must be stored in compliance with all applicable Environmental Laws. Upon the expiration or termination of this Agreement, Licensee must surrender the Premises to the City free from the presence and contamination of any hazardous substances.

(n) Business Relationships with Elected Officials: Pursuant to section 2-156-030(b) of the Municipal Code, no elected official, or any person acting at the direction of such official, shall contact either orally or in writing any other city official or employee with respect to any matter involving any person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the

official, or from whom or which he has derived any income or compensation during the preceding twelve months or

from whom or which he reasonably expects to derive any income or compensation in the following twelve months. In addition, no elected official may participate in any discussion in any city council committee hearing or in any city council meeting or vote on any matter involving the person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months. Violation of section 2-156-030(b) by any elected official with respect to this Agreement is grounds for termination of this Agreement.

**Section 6.2 - Conflicts of Interest.**

a) Licensee represents and warrants that no member of the governing body of the City of Chicago or other unit of government and no other officer, employee or agent of the City of Chicago or other unit of government who exercises any functions or responsibilities in connection with this License, has any personal interests, direct or indirect, in this License or in Licensee.

b) Licensee covenants that (i) no member of the governing body of the City of Chicago and no officer, employee or agent of the City of Chicago or other unit of government exercising any functions or responsibilities in connection with this License shall acquire any personal, financial or economic interest, direct or indirect, in Licensee or this License, and (ii) no member or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City of Chicago or employee of the City of Chicago shall be admitted to any share or part of this License or any financial benefit to arise from it.

**Section 63 - DBE Compliance.**

a) The City is committed to enhancing the opportunities of disadvantaged businesses. Accordingly, Licensee must act in accordance with the Special Conditions Regarding Disadvantaged Business Enterprise Commitment (in connection with Airport Business Opportunities) and executed schedules that are attached to this Agreement as Exhibit 3, as amended from time to time. The City will use reasonable efforts to notify Licensee of such amended Special Conditions Regarding Disadvantaged Business Enterprise Commitment within a reasonable period after such amendments become effective. Such amendments will amend Exhibit 3 upon notice to Licensee. To be counted towards Licensee's commitment to DBE participation under this Agreement, DBEs must be and remain certified as DBEs in accordance with applicable laws.

b) This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 C.P.R. Part 23, Subpart F, as amended from time to time. Licensee must not discriminate against any business owner because of the owner's race,  
' color, national origin, or sex in connection with the award or performance of any

concessions agreement covered by 49 C.P.R.. Part 23, Subpart F. Licensee must include the above statements in any subsequent contracts that it enters into with Subcontractors and cause those businesses to similarly include

the statements in further agreements, where appropriate and when required by law.

## ARTICLE 7

### **INDEMNITY.INSURANCE. DAMAGE OR DESTRUCTION Section 7.1 -**

#### **Indemnification.**

a) Except where this indemnity clause would be found to be inoperative or unenforceable under the Construction Contract Indemnification for Negligence Act, 740 ILCS 35/0.01 et seq. ("Anti-Indemnity Act"), Licensee must defend, indemnify, keep and hold harmless the City, its officers, representatives, elected and appointed officials, agents and employees, from and against any and all Losses, including those related to:

i) injury, death or damage of or to any person or property;

ii) the contamination by any hazardous material (as the term may be described in any applicable Environmental Laws) or otherwise;

iii) any infringement or violation of any property right (including any patent, trademark, or copyright);

iv) failure to pay or perform or cause to be paid or performed Licensee's covenants and obligations as and when required under this Agreement or otherwise to pay or perform its obligations to any Subcontractor;

v) the Commissioner's exercise of her rights and remedies under section 10.2;

vi) injuries to or death of any employee of Licensee or any Subcontractor any worker's compensation statute; and

vii) taxes and assessments levied or assessed on the Premises, or which arise out of Licensee's concession operations, or which arise by reason of Licensee's occupancy of the Premises.

b) "Losses" means, individually and collectively, liabilities of every kind, including losses, damages, and reasonable costs, payments and expenses (such as, but not limited to, court costs and reasonable attorneys' fees and disbursements), claims, demands, actions, suits, proceedings, judgments or settlements, any or all of which in any way arise out of or relate to the acts or omissions of Licensee, its employees, agents, sublicensees, and Subcontractors.

c) At the City Corporation Counsel's option, Licensee must defend all suits brought upon all such Losses and must pay all costs and expenses incidental to them, but the City has the right, at its option, to participate, at its own cost, in the defense of any suit, without relieving Licensee of any of its obligations under this Agreement. No settlement may be made without the prior written consent of the City Corporation Counsel, if the settlement requires any action on the part of the City or in any way involves the Airports.

d) To the extent permissible by law, Licensee waives any limits to the amount of its obligations to

indemnify, defend or contribute to any sums due under any Losses, including any claim by any employee of Licensee that may be subject to the Workers' Compensation Act, 820 ILCS 305/1 \_et seq. or any other law or judicial decision (such as, Kotecki v. Cyclops Welding Corporation, 146 Ill. 2d 155 (1991)). The waiver, however, does not require Licensee to indemnify the City for its own negligence to the extent doing so would violate the Anti-Indemnity Act. The City, however, does not waive any limitations it may have on its liability under the Worker's Compensation Act, under the Illinois Pension Code or any other statute.

e) The indemnities contained in this section survive expiration or termination of this Agreement, for matters occurring or arising during the Term of this Agreement or as the result of or during the holding over of Licensee beyond the Term. Licensee acknowledges that the requirements set forth in this section to indemnify, keep and save harmless and defend the City are apart from and not limited by the Licensee's duties under this Agreement, including the insurance and Security Deposit requirements under this Section 7.1.

### **Section 7.2 - Insurance.**

The Licensee must provide and maintain at Licensee's own expense, during the term of the Agreement and during the time period following expiration if Licensee is required to return and perform any additional work, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

#### **A. INSURANCE TO BE PROVIDED**

1) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident or illness.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises

and operations, products/completed operations, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work. \

Subcontractors performing work for Licensee shall be required to maintain limits of not less than \$2,000,000 with the same terms herein.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Licensee must provide Automobile Liability Insurance with limits of not less than \$5,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

Subcontractors performing work for Licensee shall be required to maintain limits of not less than \$2,000,000 with the same terms herein.

4) Property

Licensee must maintain all-risk property insurance for the Premises including improvements and betterments, in the amount of their full replacement cost. The City of Chicago is to be named as an additional insured and loss payee.

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The Licensee shall be responsible for all loss or damage to personal property (including but not limited to material, equipment, tools, and supplies), owned, rented or used by Licensee.

**Licensee is responsible for all physical damage losses to vehicles. B. OTHER**

**REQUIREMENTS**

The Licensee must furnish the City of Chicago, Department of Aviation, 10510 W. Zemke Blvd., Chicago, IL 60666, original Certificate of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Licensee must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to Agreement award. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Licensee is not a waiver by the City of any requirements for the Licensee to obtain and maintain the specified coverages. The Licensee must advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Licensee of the obligation to provide insurance as specified herein. -Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to

stop work until proper evidence of insurance is provided, or the Agreement may be terminated.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or selfinsured retentions on referenced insurance coverages must be borne by Licensee.

The Licensee agrees that insurers waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Licensee in no way limit the Licensee's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Licensee under the Agreement.

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The required insurance to be carried is not limited by any limitations expressed in the' indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

The Licensee must require all Subcontractors to provide the insurance required herein, or Licensee may provide the coverages for Subcontractors. All Subcontractors are subject to the same insurance requirements of Licensee unless otherwise specified in this Agreement.

If Licensee or Subcontractor desire additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

**Section 7.3 - Damage and Destruction.**

a) In the event a portion of the Premises or a terminal at the Airports shall be substantially damaged or destroyed, then either the City or the Licensee may delete the affected portion of the Premises by giving notice to the other at any time no later than ninety (90) days after the date of such damage or destruction.

b) If any improvements to the Premises are not diligently repaired by Licensee where required, then the City shall be entitled to all insurance proceeds payable on account of improvements in such space.

**ARTICLE 8**

**AIRPORT MATTERS**

Section 8.1 - Rules and Regulations. Licensee shall observe and obey all rules and regulations governing the conduct and operation of the Airports promulgated from time to time by City, county, state or federal authorities and, in particular, Licensee agrees at all times to comply with any master security plan and procedures for the Airports as may be established by the Commissioner or the City from time to time. In emergency cases City shall deliver to Licensee such emergency rules and regulations as promptly as practical.

Upon request, City shall provide Licensee with copies of City's current Airport rules and regulations applicable to Licensee. Except in cases of emergency, subsequent rules and regulations promulgated by City shall be applicable to Licensee fifteen (15) days after notice of the adoption thereof

Section 8.2 - Other Legal Requirements. Licensee shall comply, and shall cause its contractors to comply, with all applicable federal, state and local laws, codes, regulations, ordinances, rules and orders including, without limitation, those promulgated by the FAA, which shall include, but not be limited to, the following:

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a) Nothing herein shall be construed to grant or authorize the granting of an exclusive right to conduct any business and the City reserves the right to grant to others the privileges of conducting any activities at the Airports, including those contemplated hereunder.

b) This License involves the use of or access to space on, over or under real property acquired or improved under the Airport Improvement Program of the Federal Aviation Administration, and therefore involves activity which serves the public. Licensee, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (i) no person on the grounds of race, creed, color, religion, age, sex 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) that no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (iii) that Licensee shall use the Premises in compliance with all other requirements imposed by or pursuant to regulations of the U.S. Department of Transportation.

c) Licensee agrees to furnish services in the United States in compliance with Federal law and on a fair and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit of service; provided, that the Licensee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions.

Section 8.3- Airport Agreements. Licensee's use and occupancy of the Premises shall be and remain subject to (a) the provisions of any existing or future agreements between City and the United States government, FAA or other governmental authority, relative to the operation or maintenance of the Airports, 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, and (b) any use agreement heretofore or hereafter executed by the City with airlines Operating at the Airports, and any ordinance or indenture, or both, authorizing bond anticipation notes adopted by the City Council of the City authorizing the issuance of notes, bonds or other obligations for the Airports and securing such obligations by a pledge of revenues or net revenues of the Airports and any ordinance or indenture supplemental thereto, which shall also include any master indenture. Licensee further agrees that it shall not cause the City to violate any assurances made by the City to the Federal government in connection with the granting of such Federal funds.

Section 8.4- Airport Security, Badging and Vehicles.

(a) This Agreement is expressly subject to 49 U.S.C. Chapter 449, Security, the provisions of which, and all rules and regulations promulgated under it, are incorporated by reference. Licensee must comply, and must cause its Subcontractors, guests, and invitees to comply, with all such rules and regulations as they apply to them, as well as any other applicable rules and regulations governing the conduct and operation of the City's airports which may be promulgated from time to time by the Commissioner.

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b) If, in the performance of this Agreement, any employee of Licensee or any Subcontractor has (i) unescorted access or regular escorted access to aircraft located on or at the City's airport; (ii) unescorted access or regular escorted access to secured areas; or (iii) capability to allow others to have unescorted access to such aircraft or secured areas, then that employee is subject to such employment investigations (including the submission of fingerprints to the City to conduct criminal history record checks) as the FAA, the Transportation Security Administration (the "TSA"), and the City may consider necessary. All such individuals who pass the requisite employment investigation will be required to participate in a security awareness program and will be issued an identification badge that must be visibly displayed at all times while on the airfield or other secured areas of the airport. They will further be required to report suspected security violations in accordance with rules and regulations promulgated by the Secretary of the United States Department of Transportation, by the Administrator of the FAA, the Under Secretary of Transportation Security and the Commissioner.

c) AH vehicles and equipment must be kept within the work areas established for that work shift unless traveling to or from the project site. Under no circumstances may vehicles or equipment be parked outside these areas. At no time may any vehicles be parked or operate within 131 feet of the centerline of any operational taxiway segment or within 257 feet of the centerline of any operational runway during any work shift. At no time may any vehicles or equipment be parked within 160 feet of the centerline of an operational taxiway segment or within 400 feet of the centerline of an operational runway (object free area) during periods other than the work shifts.

(d) Failure to comply with applicable rules and regulations may result in administrative actions or judicial prosecution. Licensee will be jointly liable for any fines imposed for violation of rules and regulations by its employees and those of its Subcontractors, guests, and invitees.

Section 8.5 - Regulating the Airports; Airport Operations. City reserves the right to regulate, police, and further develop, improve, reconstruct, modify, or otherwise alter the Airports in City's sole discretion. City reserves the right, but shall not be obligated to Licensee, to maintain and keep in repair the landing area of the Airports and all publicly owned facilities of the Airports. City shall not have any obligation to continue to operate the Airports or any part as an airport for passenger or freight air transportation or at any particular level of operation and may at any time limit or discontinue use of the Airports or any means of access to or within the Airports in whole or part.

**ARTICLE 9**

**EXERCISE BY CITY OF GOVERNMENTAL FUNCTIONS**

Nothing contained in this License shall impair the right of City in the exercise of its governmental functions including, without limitation, the right to require Licensee to pay any tax or inspection fees or to produce necessary permits or licenses.



**ARTICLE 10**

**DEFAULT AND TERMINATION**

Section 10.1- Event of Default. The occurrence of any of the following shall constitute an "Event of Default" hereunder:

a) Any material misrepresentation made by Licensee to the City in the inducement to or in the performance of this Agreement.

b) A failure by Licensee to make any payment in full when due under this Agreement and failure to cure the default within 5 days after the City gives written notice of the non-payment to Licensee. Licensee's failure to make any such payment within 5 days after the written notice more than 3 times in any License Year constitutes an Event of Default without the necessity of the City giving notice of it to Licensee or any opportunity to cure it.

c) Failure by Licensee to promptly and fully keep, fulfill, comply with, observe, or perform any promise, covenant, term, condition or other non-monetary obligation or duty of Licensee contained in this Agreement and the failure to cure the default within a reasonable period of time, as determined by the Commissioner, but not to exceed 30 days after delivery of written notice of the failure. But, if the promise, covenant, term, condition or other non-monetary obligation or duty cannot be cured within the time period granted by the Commissioner, but Licensee promptly begins and diligently and continuously proceeds to cure the failure within the time period granted and after that continues to diligently and continuously proceed to cure the failure, and the failure is reasonably susceptible of cure within 45 days from delivery of the notice, Licensee will have the additional time, not in any event to exceed 45 days, to cure the failure, provided however that such additional period shall not apply (i) to a default that creates or presents danger to persons or property or materially adversely affects the City's interest in the operation of the Airports or (ii) if the nature of the default is one for which the City (or any official, representative, employee or agent) may be subject to fine or imprisonment. (The provisions of this subsection 10.1(c), however, do not apply to breaches of those provisions of this Agreement that provide for different cure periods or those that do not allow a right to cure; those different cure periods or the disallowance of the cure periods take precedence over the provisions of this subsection 10.1 (c).

d) A failure by Licensee to promptly and fully perform any obligation or duty, or to comply with any restriction, of Licensee contained in this Agreement concerning assignment or transfer, whether directly or indirectly, of Licensee's rights or interests in this Agreement.

e) A failure by Licensee to provide or maintain the insurance coverage required under this Agreement (including any material non-compliance with the requirements) and the failure to cure the default within 2 days following oral or written notice of the failure from the Commissioner; or, if the noncompliance is non-material, the failure to remedy the non-compliance within 20 days after the City gives written notice to Licensee.

f) Licensee's failure to continuously conduct its business at the Airports or if any permit allowing it to do business in the City is revoked.

(g) Licensee fails to maintain all licenses, certificates and permits required by law for the operation of the ground transportation services described herein, including, but not limited to, applicable licenses and certificates of public convenience and necessity required by the Illinois Commerce Commission.

(h) Licensee fails to maintain the hours of operation and counter hours in accordance with the provisions of Section 2.8.

(i) The material default of Licensee or any Affiliate under any other agreement it may presently have or may enter into with the City during the Term of this Agreement and failure to cure the default within any applicable cure period. In case of an Event of Default under this Agreement the City also may declare a default under any such agreements.

j) Licensee does any of the following and the action affects Licensee's ability to carry out the terms of this Agreement:

i) becomes insolvent, as the term is defined under section 101 of the Bankruptcy Code as amended from time to time; or

ii) fails to pay its debts generally as they mature; or

iii) seeks the benefit of any present or future federal, state or foreign insolvency statute; or

iv) makes a general assignment for the benefit of creditors, or

v) files a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the Bankruptcy Code or under any other law or statute of the United States or of any State or any foreign jurisdiction; or

vi) consents to the appointment of a receiver, trustee, custodian, liquidator or other similar official, of all or substantially all of its property.

(k) An order for relief is entered by or against Licensee or its guarantor (if any) under any chapter of the Bankruptcy Code or similar law in any foreign jurisdiction and is not stayed or vacated within 60 days following its issuance.

(l) Licensee is dissolved.

(m) A violation of law that results in a guilty plea, a plea of nolo contendere, or conviction of a criminal offense, by Licensee, or any of its directors, officers, partners or key management employees directly or indirectly relating to this Agreement, and that may threaten, in the judgment of Commissioner, the performance of this Agreement in accordance with its terms.

(n) If Licensee shall fail to comply with an order of a court of competent jurisdiction or proper order of a governmental agency within the required time period or the Illinois Commerce Commission revokes Licensee's authority to operate.

(o) Licensee's failure to comply with the DBE requirements set forth in this Agreement,

(p) Licensee's failure to comply with the AVI System requirements set forth in Section 2.10(b).

(q) Licensee's failure to comply with Section 6.1.

(r) Licensee's repeated or continued violations of City ordinances unrelated to performance under the Agreement that in the opinion of the Commissioner indicate a willful or reckless disregard for City laws and regulations.

**Section 10.2- Remedies.**

(a) If an Event of Default occurs, in addition to any other remedies provided for in this Agreement, the City through the Commissioner or other appropriate City official may exercise any or all of the following remedies:

i) Terminate this Agreement (including, but not limited to, the license to pick-up and drop-off passengers within areas of the Airports) and exclude Licensee from the Premises. If the Commissioner elects to terminate this Agreement, the Commissioner may, at the Commissioner's sole option, serve notice upon Licensee that this Agreement ceases and expires and becomes absolutely void on the date specified in the notice, to be no less than 5 days after the date of the notice, without any right on the part of Licensee after that to save the forfeiture by payment of any sum due or by the performance of any term, provision, covenant, agreement or condition broken. At the expiration of the time limit in the notice, this Agreement and the Term of this Agreement, as well as the right, title and interest of Licensee under this Agreement, wholly ceases and expires and becomes void in the same manner and with the same force and effect (except as to Licensee's liability) as if the date fixed in the notice were the date in this Agreement stated for expiration of the Term.

ii) Recover all Fees, including Additional Fees and other amounts due that have accrued and are then due and payable and also all damages available at law or under this Agreement. If the Agreement is terminated, the damages will include damages for the balance of the scheduled Term, based upon any and all amounts that Licensee would have been obligated to pay for the balance of the Term calculated as provided in this Agreement or, if not fixed, as reasonably estimated. In determining the amount of damages for the period after termination, the Commissioner may make the determination based upon the sum of any future payments that would have been due to the City, for the full year immediately before the Event of Default. All amounts that would have been due and payable after termination for the balance of

the Term must be discounted to present value at the Prime Rate existing as of the date of termination. The Commissioner may declare all amounts to be immediately due and payable.

iii) At any time after the occurrence of any Event of Default, whether or not the license under this Agreement has been terminated, reenter and repossess the Premises and any part of it with or without process of law, so long as no undue force is used, and the City has the option, but not the obligation, to re-license all or any part of the Premises. The City, however, is not required to accept any licensee proposed by Licensee or to observe any instruction given the City about such a re-license. The failure of the City to re-license the Premises or any part or parts of it does not release or affect Licensee's liability under this Agreement nor is the City liable for failure to re-license. Reentry or taking possession of the Premises does not constitute an election on the City's part to terminate this Agreement unless a written notice of the election by the Commissioner is given to Licensee.

Even if the City re-licenses without termination, the Commissioner may at any time after that elect to terminate this Agreement for any previous breach and default. For the purpose of re-licensing, the Commissioner may decorate or make repairs, changes, alterations or additions in or to the Premises to the extent deemed by the Commissioner to be desirable or convenient, and the cost of the decoration, repairs, changes, alterations or additions will be charged to and payable by Licensee as Additional Fees under this Agreement. Any sums collected by the City from any new licensee obtained on account of Licensee will be credited against the balance of the Fees due under this Agreement. Licensee must pay the City monthly, on the days when payments of Fees would have been payable under this Agreement, the amount due under this Agreement less the amount obtained by the City from the new licensee, if any.

Licensee, for itself and on behalf of any and all persons claiming through or under it (including creditors of all kinds), waives and surrenders all right and privilege that they or any of them might have under or by reason of any present or future law, to redeem the Premises or to have a continuance of this Agreement for the Term; as it may have been extended, after having been dispossessed or ejected by process of law or under the terms of this Agreement or after the termination of this Agreement as provided in this Agreement.

iv) To exercise the remedy of self-help and to enter upon the Premises, distraint upon and remove from it all inventory, equipment, machinery, trade fixtures and personal property of any kind or nature, whether owned by Licensee or by others, and to proceed without judicial decree, writ of execution or assistance or involvement of constables or the City's and Licensee's officers, to conduct a private sale, by auction or sealed bid without restriction. Licensee waives the benefit of all laws, whether now in force or later enacted, exempting any of Licensee's property on the Premises or elsewhere from distraint, levy or sale in any legal proceedings taken by the City to enforce any rights under this Agreement.

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v) To seek and obtain specific performance, a temporary restraining order or an injunction, or any other appropriate equitable remedy.

vi) To seek and obtain money damages, including special, exemplary, incidental and consequential damages.

vii) To deem Licensee non-responsible in future contracts or concessions to be awarded by the City.

viii) To accept the assignment of any and all Subcontracts, and to require Licensee to terminate a Subcontractor that is causing breaches of this Agreement.

ix) To declare Licensee to be in default under any other contract or agreement between the City and Licensee or an Affiliate of Licensee and to exercise any and all remedies available to the City under them.

b) All rights and remedies of the City under this Agreement are separate and cumulative and none excludes any other right or remedy of the City set forth in this Agreement or allowed by law or in equity. No termination of this Agreement or the taking or recovery of the Premises deprives the City of any of its remedies against Licensee for Fees, Additional Fees or other amounts due or for damages for the Licensee's breach of this Agreement. Every right and remedy of the City under this Agreement survives the expiration of the Term or the termination of this Agreement.

c) The City's waiver of any one right or remedy provided the City in this Agreement does not constitute a waiver of any other right or remedy then or later available to the City under this Agreement or otherwise. A failure by the City or the Commissioner to take any action with respect to any default or violation of any of the terms, covenants or conditions of this Agreement will not in any respect limit, prejudice, diminish or constitute a waiver of any rights of the City to act with respect to any prior, contemporaneous or later violation or default or with respect to any continuation or repetition of the original violation or default. The acceptance by the City of payment for any period or periods after a default or violation of any of the terms, conditions and covenants of this Agreement does not constitute a waiver or diminution of, nor create any limitation upon any right of the City under this Agreement to terminate this Agreement for subsequent violation or default, or for continuation or repetition of the original violation or default. Licensee has no claim of any kind against the City by reason of the City's exercise of any of its rights as set forth in this Agreement or by reason of any act incidental or related to the exercise of rights.

d) Neither this Agreement nor any rights or privileges under this Agreement are an asset of Licensee or any third party claiming by or through Licensee or otherwise, in any bankruptcy, insolvency or reorganization proceeding.

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**Section 10.3 - Other Provisions.**

a) If City exercises the remedies provided for in Section 10.2(a) above, Licensee shall surrender possession and vacate the Premises or appropriate portion thereof immediately and deliver possession thereof to City, and Licensee hereby grants to City full and free license to enter into and upon the Premises in such event and take complete and peaceful possession of the Premises, with or without process of law, to expel or remove Licensee and any other occupants and to remove any and all property therefrom without being deemed in any manner guilty of trespass, eviction, forcible entry and detainer, or conversion of property and without relinquishing City's right to any fees or any other right given to City hereunder or by operation of law.

b) All property removed from the Premises by City pursuant to any provisions of this License or by law may be handled, removed or stored in a commercial warehouse or otherwise by the City at the risk, cost and expense of Licensee, and City shall in no event be responsible for the value, preservation or safekeeping thereof. Licensee shall pay City, upon demand, any and all expenses incurred by City in such removal and storage charges against such property so long as the same shall be in City's possession or under City's control. All property not removed from the Premises or retaken from storage by Licensee within forty-five (45) days after the end of the Term, however terminated, shall, if the City so elects, be conclusively deemed to have been forever abandoned by Licensee.

c) Licensee shall pay all of City's costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Licensee's obligations under this License.

d) No waiver by City of default of any of the terms, covenants or conditions hereof to be performed, kept and observed by Licensee shall be construed to be or act as a waiver of any subsequent default of any of such terms, covenants and conditions. No failure by City to timely bill Licensee for any rentals, fees or charges of any kind shall in any way affect or diminish Licensee's obligation to pay said amounts. The acceptance of Fees, whether in a single instance or repeatedly, after it falls due, or after knowledge of any breach hereof by Licensee, or the giving or making of any notice or demand, whether according to any statutory provisions or not, or any act or series of acts except an express written waiver, shall not be construed as a waiver of any right hereby given City, or as an election not to proceed under the provisions of this License. The rights and remedies hereunder are cumulative and the use of one remedy shall not be taken to exclude or waive the right to the use of another.

## ARTICLE 11

### SPECIAL RIGHTS OF LICENSEE AND THE CITY

Section 1 1.1 - Termination by Licensee. Licensee may terminate this License and all of its obligations hereunder, so long as there are no other restrictions on Licensee's ability to terminate

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this License contained in any other document or instrument related to the Premises or the operation thereof, upon or within ten (10) days after the happening and during the continuance of any one of the following events (none of which, however, shall result in any liability to the City or provide Licensee with any remedy other than an option to terminate as set forth herein):

- a) The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airports or any part thereof so as to prevent Licensee's conduct of its business at the Airports and the remaining in force of such injunction, not stayed by way of appeal or otherwise, for a period of at least six (6) months; or
- b) The substantial restriction of City's operation of the Airports by action of any governmental agency or department and continuance thereof for a period of not less than six (6) months, provided such restriction materially adversely affects all of Licensee's operations at the Airports.

Any termination by Licensee pursuant to this Section 11.1 shall not occur unless the Licensee notifies the City of its election to terminate at least thirty (30) days prior to such termination together with a statement of the grounds for termination. If Licensee does not give such notice during the period that any of the above events is occurring, then Licensee's right to terminate this License as provided in this Article 11 shall not be available to Licensee until another happening of any one of said events.

Section 1 1.2- City's Reserved Rights. All rights not expressly granted to Licensee herein are reserved by the City, including, without limitation, the rights set forth below, each of which the City may exercise with notice to Licensee and without liability to Licensee for damage or injury to property, person or business on account of exercising them; the City's exercise of any such rights is not deemed to constitute a breach of this Agreement or a disturbance of Licensee's use or possession of or license to the Premises; the City's exercise does not give rise to any claim, including for set-off or abatement of Fees; and the City's exercise also does not relieve Licensee of any obligation to pay all Fees when due. The rights include the right:

a) to, at any time after notice to Licensee, adjust the frequency and curbside dwell time of Licensee's vehicles, and to regulate the number and type of vehicles in operation to further the efficient utilization of the Airports' facilities;

b) to exhibit the Premises at reasonable hours for inspection or providing of services or for other reasonable purposes, upon the giving of reasonable notice, and to decorate, remodel, repair, alter or otherwise prepare the Premises for re-occupancy at any time after Licensee vacates 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 Airports, including without limitation, systems for the supply of heat, water, gas, fuel, electricity, and for the furnishing of sprinkler, sewerage, drainage, and telephone service, including all related lines, pipes, mains, wires, conduits and equipment;

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(d) To install, affix and maintain any and all signs on the exterior and on the interior of the terminals at the Airports;

(e) To decorate or to make repairs, inspections, alterations, additions, or improvements, whether structural or otherwise, in and about the terminals at the Airports, or any part of them, and for such purposes to enter upon the Premises, and during the continuance of any of the work, to temporarily close doors, entryways, public space and corridors in the terminals at the Airports, and to interrupt or temporarily suspend services or use of facilities, all without affecting any of Licensee's obligations under this Agreement, so long as the Premises are reasonably accessible and usable;

(t) To require Licensee to furnish the City door keys for the entry doors of the Premises, where applicable, and to retain them at all times, and to use in appropriate instances, keys, including master keys and passkeys, to all doors within and into the Premises, but the keys must at all times be kept under adequate and appropriate security by the Commissioner. Licensee must purchase only from the City additional duplicate keys as required, may not change locks, and may not affix locks on doors without the prior written consent of the Commissioner. Notwithstanding the provisions for the City's access to the Premises, Licensee releases the City from all responsibility arising out of theft, robbery, pilferage and personal assault unless the same results from the City's gross negligence or willful misconduct. Upon the expiration of the Term of this Agreement or Licensee's right to possession of the Premises, Licensee must return all keys to the Commissioner and must disclose to the Commissioner the combination of any safes, cabinets or vaults left in the Premises;

g) To approve the weight, size and location of safes, vaults and other heavy equipment and articles in and about the Premises and the terminals at the Airports so as not to exceed the legal load per square foot designated by the structural engineers for the Airports, and to require all such items and furniture and similar items to be moved into or out of the terminals at the Airports and the Premises only at the times and in the manner as the Commissioner directs in writing. Licensee must not install or operate machinery or any mechanical devices of a nature not directly related to Licensee's ordinary use of the Premises without the prior written consent of the Commissioner. Movements of Licensee' property into or out the terminals at the Airports or the Premises and within the terminals at the Airports are entirely at the risk and responsibility of Licensee, and the Commissioner reserves the right to require permits before allowing any property to be moved into or out of the terminals at the Airports or the Premises;

h) To establish controls for the purpose of regulating all property and packages, both personal and

otherwise, to be moved into or out of the terminals at the Airports and the Premises;

- (i) To regulate delivery and service of supplies and the usage of the apron area, loading docks, receiving areas and freight elevators and to designate the times within which, and the locations at which, deliveries may be made to or by Licensee;

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- (j) To show the Premises to prospective licensees and sublicensees at reasonable times and, if vacated or abandoned, to prepare the Premises for re-occupancy;

- (k) To erect, use and maintain pipes, ducts, wiring and conduits, and appurtenances to them, in and through the Premises at reasonable locations;

- (l) To enter the Premises for the purpose of periodic inspection for fire protection, maintenance and compliance with the terms of this Agreement and to exercise any rights granted to it in this Agreement; except in the case of emergency, however, the right must be exercised upon reasonable prior notice to Licensee and with an opportunity for Licensee to have an employee or agent present;

- (m) To grant to any person the right to conduct any business or render any service in or to the terminals at the Airports or the Airports.

- (n) To promulgate from time to time rules and regulations regarding the operations at the Airports; and

- (o) If Licensee is required to perform any sprinkler work, City reserves the right to perform the Work and charge the Licensee for the cost of the sprinkler work and specify charges as Additional Fees under the Agreement or to approve Licensee's proposed sprinkler contractor, at the City's sole option.

- (p) to exercise such other rights as may be granted the City elsewhere in this License.

All such rights in this Section 11.2 shall be exercisable without notice (except as expressly provided in this Section) and without liability to Licensee for damage or injury to property, person or business, and without giving rise to any claim for setoff or abatement of Fees or affecting any of Licensee's obligations under this License. Notices under this Section 11.2 may be given verbally in an emergency or where entry does not materially affect Licensee's use and occupancy. Reasonable notice shall, in no event require more than twenty-four (24) hours' notice.

**Section 11.3 - Additional Services.**

The Commissioner reserves the right to require the Licensee to maintain Premises and provide services at other terminals that may be constructed at O'Hare and Midway under the same terms and conditions of this Agreement. On the date the Licensee receives the new Premises the Base Fee shall be increased accordingly and Exhibit A revised to reflect such additional Premises pursuant to an amendment to this Agreement; the Minimum Guarantee Fee shall not be affected by such additions.

Section 1 1.4 - City's Right to Perform Licensee's Obligation. If Licensee shall fail to maintain any insurance required to be paid by it under the terms hereof, or in an emergency situation or upon occurrence of an Event of Default, the City may (but shall not be obligated so to do), and without waiving or releasing Licensee from any obligation of Licensee hereunder, make any



payment or perform any other act which Licensee is obligated to make or perform under this License in such manner and to such extent as the City may deem desirable; and in so doing the City shall also have the right to enter upon the Premises for any purpose reasonably necessary in connection therewith and to pay or incur any other necessary and incidental costs and expenses, including reasonable attorneys' fees. All sums so paid and all liabilities so incurred by the City, together with interest thereon at the Default Rate shall be deemed Additional Fees hereunder and shall be payable to the City upon demand as Additional Fees. The performance of any such obligation by the City shall not constitute a waiver of Licensee's default in failing to perform the same. Inaction of the City shall never be considered as a waiver of any right accruing to it pursuant to this License. The City shall not in any event be liable for inconvenience, annoyance, disturbance, loss of business or other damage of Licensee or any other occupant of the Premises or any part thereof, by reason of exercise of its rights under this Section 1 1.4.

Section 11.5 Confidentiality, (a) Unless expressly agreed otherwise by the Commissioner in writing, all Deliverables, data, findings or information in any form prepared by or provided to Licensee in connection with this Agreement (collectively, "Project Data") are property of the City and are confidential. Licensee agrees that, except as specifically authorized by the Commissioner in writing or as may be required by law, Project Data will be made available only to the Commissioner, his designees, and, on a need-to-know basis, Licensee's employees and Subcontractors. Licensee acknowledges that Project Data may contain information vital to the security of the airport. If Licensee fails to comply with this section, Licensee is liable for the reasonable costs of actions taken by the City, the airlines, the FAA, or the TSA, that the applicable entity, in its sole discretion, determines to be necessary as a result, including without limitation the design and construction of improvements, procurement and installation of security devices, and posting of guards.

b) Except as authorized in writing by the Commissioner, Licensee must not issue any publicity news releases or grant press interviews, and except as may be required by law during or after the performance of this Agreement, disseminate any information regarding its Services or the project to which the Services pertain.

c) If Licensee is presented with a subpoena or a request by an administrative agency regarding any Project Data which may be in Licensee's possession by reason of this Agreement, Licensee must immediately give notice to the Commissioner and the Corporation Counsel for the City with the understanding that the City will have the opportunity to contest such process by any means available to it before any Project Data are submitted to the court, administrative agency, or other third party. Licensee, however, is not obligated to withhold the delivery beyond the time ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

## ARTICLE 12 CONDEMNATION

Section 12.1 - Condemnation. If the whole or any part of any terminal, the Airports or the Premises shall be taken by any competent authority right of eminent domain, Licensee shall not be

entitled to any part of any award that may be made for such taking nor to any damages and shall assign any award which it receives to the City. In the event of a partial taking of the Premises, the Base Fee shall be reduced as of the date of such taking based on the portions of the Base Fee attributable to the space taken. If any eminent domain proceeding shall be instituted in which it is sought to take any part of the Airports, the taking of which would, in the good faith judgment of the City or Licensee, render it impractical or undesirable to conduct ground transportation operations for the intended purposes, the City and Licensee shall each have the right to terminate this License upon not less than ninety (90) days' written notice to the other prior to the date of termination designated in said notice. In the event of termination of this License pursuant to either of the preceding sentences, the Fee accrued to the termination date shall be payable to the date

of termination.

Section 12.2-Eminent Domain. Nothing in this License or the existence of this License shall be construed to restrict or in any way interfere with the exercise of eminent domain by the City of Chicago.

**ARTICLE 13 SUBCONTRACTS AND ASSIGNMENT Section**

**13.1 -Subcontracts and Assignments.**

a) The City expressly reserves the right to assign or otherwise transfer all or any part of its interest under this Agreement, at any time and to any third party. Upon assignment to any successor or assignee of the City's right, title and interest in and to the Airports, the City is forever relieved, from and after the date of the assignment, of any and all obligations arising under or out of this Agreement, to the extent the obligations are assumed by the successor or assignee.

b) Limits on Licensee's subcontracting and assignment:

(i) Licensee may not sell, assign, convey, pledge, encumber or otherwise transfer (individually and collectively, "Transfer") all or any part of its rights or interests in or to this Agreement, the Premises, the Term, or otherwise permit any third party to use the Premises, without prior consent by the City Council, which consent may be given or denied in the City Council's sole and absolute discretion. Consent by the City Council does not relieve Licensee from obtaining further consent from the City Council for any subsequent Transfer.

(ii) Except as provided in Section 13.1(b)(iii), any transaction involving a change of any ownership interest in Licensee (or if Licensee is a joint venture, any of the entities comprising Licensee), whether to an Affiliate, subsidiary or otherwise, or the transfer of an interest in any holder of a direct or indirect ownership interest in Licensee, or any merger or consolidation of Licensee (individually and collectively, "Change in Ownership"), is subject to the consent of: (a) City Council if the Change in Ownership involves a 100% Change in Ownership of Licensee (or if

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Licensee is a joint venture, any of the entities comprising Licensee), or (b) the Commissioner if the Change in Ownership involves less than a 100% Change in Ownership of Licensee (or if Licensee is a joint venture, any of the entities comprising Licensee), in the sole discretion of the City Council or the Commissioner, as applicable. Consent by the City to any such Change in Ownership does not relieve Licensee from obtaining further consent from the City for any subsequent Change in Ownership of any nature.

iii) A Change in Ownership involving the Transfer of an ownership interest in the Licensee from one or more of the individuals identified in Part I. of the attached Disclosure Affidavit as having an ownership interest in the Licensee to either:

A) one or more of the individuals identified in Part I. of the attached Disclosure Affidavit as having an ownership interest in the Licensee or

B) an individual who is not prohibited from having an interest in a City contract and who would otherwise receive an ownership interest in the Licensee pursuant to a court order relating to the death, disability or change in marital status of an individual identified in Part I. of the attached Disclosure Affidavit as having an ownership interest in the Licensee,

will be deemed to have been approved by the Commissioner if that proposed Transfer is not disapproved within 60 days of the Commissioner's receiving notice from Licensee of such proposed Transfer.

iv) Any Transfer or Change in Ownership made without the City's prior consent is an Event of Default subject to all remedies, including termination of this Agreement at the City's option, and does not relieve Licensee of any of its obligations under this Agreement for the balance of the Term. This section applies to prohibit a Transfer, such as an assignment by a receiver or trustee in any federal or state bankruptcy, insolvency or other proceedings or by operation of law. Under no circumstances will any failure by the Commissioner to act on or submit any request by Licensee or to take any other action as provided in this Agreement be deemed or construed to constitute consent to the Licensee's request by the Commissioner or by the City Council.

v) Notwithstanding any permitted Transfer by Licensee of any rights under this Agreement, Licensee remains fully liable for all payments due to the City under this Agreement and for the performance of all other obligations under this Agreement. In the event of a permitted Transfer of all or any portion of the Premises or assignment of all or any portion of the Term, where the fees reserved in the sublicense or assignment exceed the Fees or pro rata portion of the Fees, as the case may be, for the Premises, Licensee must pay the City monthly, as Additional Fees, at the same time as the monthly installments of other Fees under this Agreement that are payable in monthly installments, the excess of the fees reserved in the sublicense

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or assignment over the Fees reserved in this Agreement applicable to the sublicensed or assigned space.

vi) Any or all of the requests by Licensee for consents under this Section 13.1 must be made in writing and provided to the Commissioner (a) at least 60 days prior to the proposed Transfer or Change in Ownership if the Commissioner's consent is required; and (b) at least 120 days prior to a proposed Transfer or Change in Ownership if the City Council's consent is required, unless the City determines that more time is required. All requests for consent must include copies of the proposed documents of Transfer or Change in Ownership, evidence of the financial condition, reputation and business experience of the proposed transferee, and such other documents as the City may reasonably require to evaluate the proposed Transfer or Change in Ownership. All documents of Transfer or Change in Ownership must completely disclose any and all monetary considerations paid to Licensee in connection with the Transfer or Change in Ownership. Consent to a Transfer or Change in Ownership proposed under this Agreement is in the sole and absolute discretion of the City and, as a condition of the consent, the City may require a written acknowledgment from Licensee that, notwithstanding the proposed Transfer or Change in Ownership, Licensee remains fully and completely liable for all obligations of Licensee under this Agreement.

vii) If any Transfer or Change in Ownership under this Agreement occurs, whether or not prohibited by this section, the Commissioner may collect the compensation due under this Agreement from any transferee of Licensee and in that event will apply the net amount collected to the amounts payable by Licensee under this Agreement without, by doing so, releasing Licensee from this Agreement or any of its obligations under this Agreement. If any Transfer or Change in Ownership occurs without the consent of the City and the City collects

compensation from any transferee of Licensee and applies the net amount collected in the manner described in the preceding sentence, the actions by the, City are not deemed to be waiver of the covenant contained in this section and do not constitute acceptance of the transferee by the City.

viii) All reasonable costs and expenses incurred by the City in connection with any prohibited or permitted Transfer or Change in Ownership must be borne by Licensee and are payable to the City as Additional Fees.

c) The provisions of this Agreement, to the extent applicable, are deemed a part of any contract between Licensee and a Subcontractor.

d) Licensee assigns to the City all of Licensee's right, title and interest in and to each and every sublicense, and each and every Subcontract with a Subcontractor, now or later executed by Licensee in connection with the Premises or any part of it, provided such assignments will only become effective upon notice from the City to Licensee and its sublicensees and Subcontractors. The preceding sentence does not apply to Subcontracts and sublicenses relating to the operation of vehicles, In connection with the assignment, Licensee

must deliver all originally executed"sublicenses and Subcontracts to the Commissioner. If so requested by the Commissioner, Licensee must execute UCC financing statements or a separate, recordable instrument of assignment for the purpose of perfecting or confirming the assignment and the security interest created under it. Any such assignment will become operative and effective only:

- 1) when and if the City accepts the assignment by giving written notice to Licensee; and
- 2) either this Agreement and the Term of this Agreement or Licensee's right to possession under this Agreement are terminated under the terms and conditions of this Agreement; or
- 3) in the event of the issuance and execution of a dispossess warrant or of any other re-entry or repossession by the City under the provisions of this Agreement; or
- 4) if an Event of Default exists.

(e) At the time, if any, that the assignment becomes effective as provided above, the sublicensees or Subcontractors will be deemed to have waived all claims, suits, and causes , of action against the City arising out of or relating to the period before the effective date of the assignment. Further, in no instance will the City be responsible for any claims by a Sublicensee or Subcontractor arising from or related to any fraud, misrepresentation, negligence or willful or intentionally tortious conduct by Licensee, its officials, employees, or agents.

Section 13.2 - Excess Payment. If pursuant to Section 13.1(b) above Licensee shall assign this License to another party, notwithstanding City's consent, for compensation in excess of the Base Fee or pro rata portion thereof due and payable by Licensee under this License, then Licensee shall pay to City as Additional Fees (i) in the case of an assignment or other transfer, one-half of any such excess fees or other monetary consideration immediately upon receipt thereof, or (ii) in the case of a sublicense, (a) on the first day of each month during the term of any sublicense, one-half of the excess of all fees and other consideration due from the sublicensee for such month over the Base Fee then payable to City pursuant to this License for said month, and (b) immediately upon receipt thereof, one-half of any other consideration realized by Licensee from such subletting, it being agreed, however, that City shall not be responsible for any deficiency if Licensee shall transfer, assign or sublicense for compensation less than that provided herein.

#### ARTICLE 14

HAZARDOUS SUBSTANCES

Licensee shall not use, bring, store, or dispose of any hazardous (as the term may be described in any applicable Environmental Laws) or toxic substance or materials in the provision of services pursuant to this License.

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ARTICLE 15

SPECIAL PROVISIONS

Section 15.1-Notices; Consents. All consents and approvals shall be in writing (except as otherwise provided herein). All notices and other communications in connection with this License shall be in writing and be sent by registered or certified mail, postage prepaid, addressed as follows:

- a) to the City to the attention of the following:

Commissioner of Aviation Department of Aviation  
Chicago-O'Hare International Airport 10510 W. Zemke  
Rd AAB Building Chicago, IL 60666

with copies to:

[INSERT] and

Corporation Counsel City of Chicago City  
Hall  
121 N. LaSalle Street, Room 600 Chicago, IL 60602

- b) To Licensee:

CONFIRM

Mr. John C. McCarthy  
Continental Air Transport Company, Inc.  
1200 West 35th Street  
Chicago IL 60609

with copies to:

Matthias Lydon 1200 West 35th Street  
Chicago IL 60609

or such other persons or addresses as either party may designate from time to time by notice to the other, and shall be deemed given when delivered personally or three (3) business days after mailing.

Section 15.2 - Severability. If any provision of this License shall be held or deemed to be, or shall in fact be, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or of any constitution, statute, ordinance, rule of law, or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision . in question inoperative or unenforceable in any other case or circumstances, or rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this License shall not affect the remaining portions of this License or any part thereof.

Section 15.3- General Interpretation. Any headings of this License are for convenience of reference only and do not define or limit the provisions thereof. In this License, unless the context otherwise requires, the terms "hereby", "herein", "hereof", "hereto", "hereunder" and any similar terms used in this manner refer to this License. All section references, unless otherwise expressly indicated, are to sections in this License. Words importing persons shall include firms, associations, partnerships, trusts, corporations, joint ventures and other legal entities, including public bodies, as well as natural persons. Words importing gender shall be deemed and construed to include correlative words of other genders. Words importing the singular number shall include the plural and vice versa, unless the context otherwise indicates. Any references to any exhibit or document shall be deemed to include all supplements and/or amendments to any such exhibits or documents. All references to any person or entity shall be deemed to include any person or entity succeeding to the rights, duties, and obligations of such persons or entities in accordance with this License.

Section 15.4- Successors and Assigns. All of the covenants, stipulations and agreements herein contained shall, subject to the provisions of Article 13 above, shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 15.5- Choice of Law. This License shall be deemed to have been made in and shall be construed in accordance with the laws of the State of Illinois.

Section 15.6- Counterparts. This License has been executed in several counterparts, each of which shall be an original, and all collectively but one instrument.

Section 15.7- Submission to Jurisdiction; Subpoena. The Licensee hereby irrevocably submits to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the

execution or performance of this License. Both parties agree that service of process on the other party may be made, either by registered or certified mail addressed as provided for in Section 15.1 of this License, or by personal delivery on any officer, director or managing or general agent of the Licensee or on the Commissioner. If Licensee is presented with a request for documents by any administrative agency or with a subpoena duces tecum regarding any documents which

may be in its possession by reason of this License, Licensee shall immediately give notice to the Corporation Counsel. The City may contest such process by any means available to it before such records or documents are submitted to a court or other third party, provided; however, that Licensee shall not be obligated to withhold such delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

Section 15.8-No Partnership. Joint Venture or Third Party Benefit. By entering into this License, City shall in no way be deemed a partner or joint venturer with Licensee, nor shall any term or provision hereof be construed in any way to grant, convey or create any rights or interests to any person or entity not a party to this License.

Section 15.9- No Brokers. Licensee represents and warrants to the City that it has dealt with no broker, finder or agent with respect to this License or the Premises and agrees to indemnify, defend and hold harmless the City from any commissions or finder's fees, which any entity or person claiming through or by the actions of said party may assert is due as a result of the execution of this License or the licensing of the Premises to Licensee.

Section 15.10- City's Approval; Commissioner Authority. Whenever City's approval or consent is required under this License, City may withhold its approval or consent in its sole discretion, except to the extent otherwise expressly provided herein. Wherever this License provides that an act is to be taken or performed or approval or consent given by City, such act may be taken or performed or approval or consent may be given by the Commissioner without further action by the City Council of Chicago, as long as such act, approval or consent does not result in either: (1) an extension of the Term, except under Section 3.2; (2) a change in the Fees as provided in Article 4 other than a change resulting from a change in size of the Premises pursuant to Sections 2.3 or 11.3; (3) expansion of the Premises, other than changes in the boundaries as provided in Section 2.3 or 11.3; or (4) consent to or approval of a sublicense of the entire Premises or assignment of the License by Licensee.

Section 15.11 - Incorporation of Exhibits. Exhibits A through G attached hereto are incorporated herein as if set forth fully at each reference to any Exhibit herein.

**Section 15.12- Authority to Execute License.**

- a) City. Execution of this License by City is authorized by Ordinance passed
- a) by the City Council of the City of Chicago on Month, Day. 201 7 (C.J.P., pp. /
- b) Licensee. Licensee shall, upon the execution and delivery of this License by Licensee, deliver to City the following instruments and documents:

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Certificates of insurance as provided for under this License;

Certificates of Good Standing issued by the State of Illinois and the state of incorporation of Licensee and bearing a current date;

Corporate Resolutions authorizing Licensee's execution and delivery of this License and performance of Licensee's obligations under this License;

- (iv) Evidence of permits and registrations required under the License, including without

limitation certificates of authority from the Illinois Commerce Commission;

Disclosure Affidavit required under Article 6 of the License; and

(vi) Security Deposit.

Section 15.13 - Limitation of Liability. Licensee (and any person claiming by or through Licensee) shall look solely to legally available Airport discretionary funds from time to time for enforcement of any liability of the City under this License, and not any other funds or assets of the City whatsoever.

Section 15.14 - Estoppel Certificate. Licensee agrees that from time to time upon not less than twenty-one (21) days' prior request by the City, Licensee will execute an estoppel certificate certifying as to matters concerning the status of this License and the parties' performance hereunder, including, but not limited to, the following matters: that this License is unmodified and in full force and effect (or if modified, identifying the modifications); the date to which any Fees and other charges have been paid and the amount of the most recent Fees paid; that the City is not in default under any provision of this License (or the nature of such default, in detail); that Licensee is in occupancy and paying Fees on a current basis with no offsets or claims.

Section 15.15 - City Smoking Policy. Licensee shall cooperate and comply with the provisions of laws, ordinances and regulations, as amended from time to time, prohibiting or restricting smoking at the Premises.

Section 15.16 - Representations and Warranties. In connection with the execution of this License, Licensee represents and warrants as follows:

(a) It is financially solvent; that it and each of its employees and agents are competent to perform as required under this Agreement; that it is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois; that Licensee has the full power and is legally authorized to execute and deliver and perform or cause to be performed its obligations under this Agreement under the terms and conditions stated in this Agreement; and that Licensee is qualified to do business in the State of Illinois; and

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b) No officer, agent or employee of the City is employed by Licensee or has a financial interest directly or indirectly in this Agreement, a Subcontract under it, or the compensation to be paid under it except as may be permitted in writing by the Board of Ethics established under Chapter 2-156 of the Municipal Code or as may be permitted by law; and

c) Licensee has not knowingly used the services of any person or entity for any purpose in its performance under this Agreement, which person or entity is ineligible to perform services under this Agreement or in connection with it, as a result of any local, state or federal law, rule or regulation; and

(d) Licensee, its Subcontractors, and any of their respective owners holding 7.5% or more beneficial ownership interest, have no outstanding parking violation complaints or debts, as the terms are defined in section 2-92-380 of the Municipal Code, and are not in default at the time of the execution of this Agreement, or deemed by the City or the Comptroller to have, within 5 years immediately preceding the date of this Agreement, been found to be in default under any



contract awarded by the City; and

e) This Agreement is feasible of performance by Licensee in accordance with all of its provisions and requirements; and

f) No representation, warranty of fitness, statement or promise, oral or in writing, or of any kind whatsoever, by the City, its officials, agents, or employees, has induced Licensee to enter into this Agreement or has been relied upon by Licensee, including any with reference to: (i) the meaning, correctness, suitability or completeness of any provisions or requirements of this Agreement; (ii) the nature of the services to be performed; (iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities, needed for the performance of this Agreement; (iv) the general conditions that may in any way affect this Agreement or its performance; (v) the compensation provisions of this Agreement; or (vi) any other matters, whether similar to or different from those referred to in clauses (i) through (v) immediately above, affecting or having any connection with this Agreement, the negotiation of this Agreement, any discussions of this Agreement, the performance of this Agreement or those employed in connection with it; and

g) Licensee, its Subcontractors, and any of their respective owners holding 7.5% or more beneficial ownership interest are not in violation of the provisions of §2-92-320 of the Municipal Code pertaining to certain criminal convictions or admissions of guilt and are not currently debarred or suspended from contracting by any Federal, State or local governmental agency; and

h) Licensee holds itself to very high standards of quality and professionalism; and

(i) This Agreement has been duly authorized, executed and delivered by Licensee or its duly authorized representative; and

(j) This Agreement constitutes the legal, valid and binding obligation of Licensee, enforceable against Licensee in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights and remedies generally and by the application of equitable principles; and

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(k) All approvals or consents necessary in order for Licensee to execute and deliver this Agreement have been obtained; and

(l) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated, nor the fulfillment of or compliance with the terms and conditions of this Agreement: A) conflict with or result in a breach, default or violations of (1) Licensee's organizational documents; (2) any law, regulation, ordinance, court order, injunction, or decree of any court, administrative agency or governmental body, or any license or permit; or (3) any of the terms, conditions or provisions of any restriction Or any agreement or other instrument to which Licensee is now a party or by which it is bound; or B) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Licensee under the terms of any instrument or agreement; and

(m) There is no litigation, claim, investigation, challenge or other proceeding now pending or, to Licensee's knowledge after due and complete investigation, threatened, challenging the existence or powers of Licensee, or in any way affecting its ability to execute or perform under this Agreement or in any way having a material adverse affect on the operations, properties, business or finances of Licensee; and

(n) Neither Licensee, any Affiliate of Licensee, any of their respective owners holding 7.5% or more beneficial

ownership interest, nor any of Licensee's directors, officers, members, partners or employees, has any interest, directly or indirectly, that conflicts in any manner or degree with Licensee's performance under this Agreement; and

(o) Neither Licensee nor any Affiliate of Licensee has any unpaid debt due and owing the City, and none of them is delinquent in the payment of any taxes due to the City; and

(p) Licensee has a valid current business privilege license to do business in the City, if required by applicable law; and

(q) The representations and warranties contained in this Section 15.16 are deemed made as of the Effective Date of this Agreement and are deemed remade and continuing throughout the Term of this Agreement.

Licensee must incorporate all of the provisions set forth in this Section 15.16 in all contracts entered into with any suppliers of materials, furnishers of services, Subcontractors, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any materials, labor or services in connection with this Agreement, such that the parties warrant, represent and covenant to Licensee as to the matters set forth in this Agreement. Licensee must cause its Subcontractors to execute those affidavits and certificates that may be necessary in furtherance of these provisions. The certifications must be attached and incorporated by reference in the applicable agreements. If any Subcontractor is a partnership or joint venture, Licensee must also include provisions in its Subcontract insuring that the entities comprising the partnership or joint venture are jointly and severally liable for its obligations under it.

Section 15.17 - Time of the Essence. Time is of the essence with respect to this License.

Section 15.18 -No Sales Tax Exemption. Neither Licensee nor any contractor of Licensee shall be entitled to claim any exemption from sales or use taxes or similar taxes by reason of the City of Chicago's ownership of fee title to the Premises.

Section 15.19 - License Only. This Agreement creates a license only and Licensee acknowledges that Licensee does not and shall not claim at any time any real property interest or estate of any kind or extent whatsoever in the Premises by virtue of this license or Licensee's use of the Premises pursuant hereto.

## **ARTICLE 16 FAA REQUIREMENTS**

Section 16.1 - As a part of the consideration of this Agreement, Licensee for itself, its heirs, personal representatives, successors in interest, and assigns, must maintain and operate the facilities and services in compliance with all other requirements imposed under '49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as the Regulations may be amended. (49 C.F.R. Part 21- DOT Title VI Assurance-AC 15075100-15A), if facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits.

Section 16.2 - Licensee for itself, its personal representatives, successors in interest, and assigns, as a part of the

consideration of this Agreement, covenants that: (1) no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in the use of the facilities; (2) in the construction of any improvements on, over, or under the land and the furnishing of services on them, no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination; and (3) Licensee will use the Premises in compliance with all other requirements imposed by or under 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as the Regulations may be amended. (49 C.F.R. Part 21 - DOT Title VI Assurance - AC 150/5 100-15A)

Section 16.3 Licensee must furnish service on a fair, equal, and not unjustly discriminatory basis to all users of it, and to charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, BUT Licensee is allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. (Grant Assurance 22)

Section 16.4 Licensee assures that it will comply with pertinent statutes, Executive Orders and the rules as are promulgated to assure that no person will, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from federal assistance. This provision obligates Licensee or its transferee for the period during which federal assistance is extended to the Airport program, except where federal

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assistance is to provide, or is in the form of personal property or real property or interest in them or structures or improvements thereon. In these cases, this provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the City or any transferee for a purpose for which federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the City or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. (AAIA of 1982, section 520- AC 150/5100-15A)

Section 16.5 Licensee will practice nondiscrimination in its activities and will provide DBE participation in the Agreement as required by the City, in order to meet the City's goals, or as required by the FAA in order to obtain an exemption from the prohibition against long-term exclusive leases. (49 C.F.R. Part 23 AC 150/5100-15A)

Section 16.6 Licensee must insert the above 5 provisions in any subagreement by which Licensee grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Premises. (See the documents referenced for the above clauses). See also Section 5.1 (b) of this License.

Section 16.7 Nothing contained in this Agreement must be construed to grant Or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by section 308(a) of the Federal Aviation Act of 1958, as amended, and the City reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature. (Federal Aviation Act of 1958 section 308(a) - AC 150/5100-16A)

Section 16.8 The City reserves the right to further develop or improve the landing area of the Airports as it sees fit, regardless of the desires or view of Licensee, and without interference or hindrance. (FAA Order 5190.6A- AGL-600)

Section 16.9 The City reserves the right, but is not obligated to Licensee, to maintain and keep in repair the landing area of the Airports and all publicly-owned facilities of the Airports, together with the right to direct and control all activities of Licensee in this regard. (FAA order 5190.6A- AGL-600)

Section 16.10 This Agreement is subordinate to the provisions of and requirements of any existing or future agreement between the City and the United States, relative to the development, operation, or maintenance of the Airports. (FAA Order 5190.6A - AGL-600)

Section 16.11 Licensee must comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations if any future structure or building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises. (FAA order 5190.6A - AGL-600)

Section 16.12 There is reserved to the City, its successors and assigns for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight includes the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through

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the airspace or landing at, taking off from, or operation on the Airports. (FAA Order 5190.6A-ACL-600)

Section 16.13 Licensee, by accepting this License, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Premises licensed under this Agreement above the applicable mean sea level elevation set forth in Part 77 of the Federal Aviation Regulations. If these covenants are breached, the owner serves the right to enter upon the land licensed under this Agreement and to remove the offending structure or object and/or cut down the offending tree, all of which will be at the expense of Licensee. (FAA Order 5190.6A- AGL-600)

Section 16.14 Licensee by accepting this License agrees for itself, its successors, and assigns that it will not make use of the Premises in any manner that might interfere with the landing and taking off of aircraft from Airports or otherwise constitute a hazard. If these covenant is breached, the City reserves the right to enter upon the Premises licensed and cause the abatement of the interference at the expense of Licensee. (FAA Order 5190.6A- AGL-600)

Section 16.15 This Agreement and all the provisions of this Agreement are subject to -whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of either Airport, or the exclusive or non-exclusive use of the Airports by the United States during the time of war or national emergency. (Surplus Property Act of 1944- FAA Order 5190-6A- AGL-600)

Section 16.16 It is clearly understood by Licensee that no right or privilege has been granted that would operate to prevent any person, firm, or corporation operating aircraft on the Airports from performing any services on its own aircraft with its own regular employees (including maintenance and repair) that it may choose to perform. (Assurance 22 FAA Order 5190.6A - AGL-600)

Section 16.17 This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations 49 C.F.R. Part 23, Subpart F. Licensee will not discriminate against any business owner because of the owner's race, color, origin, or sex in connection with the award or performance of any subcontract covered by 49 C.F.R. Part 23, Subpart F. Licensee also must include the above statements in any subsequent complementary aeronautical activity agreements that it enters into and cause Subcontractors to similarly include the statements in further subcontracts. (49 C.F.R. Part 23, Subpart F).

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IN WITNESS WHEREOF, the parties have caused this License to be executed as of the day and year first above written.

CITY OF CHICAGO

By:

Commissioner of Aviation

CONTINENTAL AIR TRANSPORT CO., INC.

By:

Name

Title:

ATTEST:

By:

Name

Title:

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**EXHIBIT A**

**PREMISES**

**A-1**

Continental Air Transport, Inc. Chicago O'Hare International Airport and Chicago Midway  
International Airport

Premises Exhibit A

Chicago O'Hare International Airport Terminal Area

Column Line/Door Number	Square Footage
T1.L.93-Vestibule IB	66
T1.L.81-Vestibule IE	66
T2.L.4T-Vestibule 2E	88
T3.L.8P-Vestibule 3E	88
T5.L. 103 - Outside Door 5E	38
	, 346

**Remote Staging and Parking Area 8,303**

Chicago Midway Airport

**Terminal Area**

**EXHIBIT B**

**PERFORMANCE STANDARDS**

I. Licensee's Operations. The following performance standards shall be adhered to with respect to Licensee's operations at both O'Hare International Airport and Midway International Airport:

- a) During hours of Licensee's operation, Licensee shall, at all times have employee(s) present to inform, guide and

serve passengers at its ticket counters.

b) Hours of operation shall be permanently posted at Licensee's ticket counters in such locations as are clear and visible to airport visitors and passengers.

c) Licensee shall ensure that a maximum of two of its buses are present on the curbfront at any given time.

d) Licensee shall develop new technology for their operation to enhance the passenger experience, including but not limited to installing monitors on the interior of its buses to display airport information and city tourism information for passengers to view while in transit to and from the airports.

e) Licensee must provide all cleaning and janitorial services to the Premises. Licensee must clean, maintain and repair (including replacements, where necessary) the Premises and improvements thereon in first-class condition and repair during the entire term of this Agreement.

## II. Maintenance and Improvements.

a) Licensee shall, within the first year of the term of this Agreement, replace the ticket counters at both O'Hare International and Midway International Airports and provide upgrades in line with current improvements being made throughout the terminal buildings, including compliance with the American with Disabilities Act (ADA) architectural standards by providing accessible ticket counters at each location for its employees and passengers, and where applicable their service animals.

b) Licensee must budget and expend such funds as necessary, to undertake a mid-Term refurbishment of each of its ticket counters during or about the middle of the term of this Agreement in order to ensure that each ticket counter presents a first-class appearance to the public. The minimum expenditure does not include financing costs, interest, inventory or intracompany charges of the Licensee. The scope and extent of the renovation, remodeling, upgrade and/or redecorating for such mid-Term refurbishment shall be jointly determined by the CDA and Licensee. \*

III. Bi-Annual Review. Licensee and CDA shall meet on a bi-annual basis for the term of the contract in order to discuss performance standards and expectations with respect to maintenance of ticket counters, signage and buses and shall review potential new technologies required in Section I. d) above.

## EXHIBIT C

Special Conditions Regarding Disadvantaged Business Enterprises

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## EXHIBIT D

PREVAILING WAGE RATES



For prevailing wage information please see current monthly Cook County prevailing wage report issued by the State of Illinois.

EXHIBIT E  
FORM OF LETTER OF CREDIT

(Date)

City of Chicago  
c/o Commissioner of Aviation  
Aviation Administration  
Building  
10510 W. Zemke Road Chicago, Illinois  
60666

Gentlemen:

We hereby issue Unconditional, Irrevocable Stand-By Letter of Credit No. \_\_\_\_\_ in your favor up to an aggregate amount of Dollars (\$) \_\_\_\_\_. This letter of credit is issued, presentable and payable at our offices at \_\_\_\_\_ - Chicago, Illinois \_\_\_\_\_.

Funds under this Credit are available to you unconditionally against your sight drafts for any sum or sums not exceeding a total of \_\_\_\_\_ Dollars (\$) \_\_\_\_\_ drawn on us mentioning our credit No. \_\_\_\_\_ purportedly signed by the Commissioner of Aviation or the City Comptroller of the City of Chicago (whether acting or actual).

Our obligations hereunder are primary obligations to the City and shall not be affected by the performance or non-performance by \_\_\_\_\_ under any agreement with the City or by any bankruptcy or other insolvency proceeding initiated by or against \_\_\_\_\_ is not the owner of or beneficiary under this Credit and possesses no interest whatsoever in this Credit or proceeds of same. We engage with you that any draws under this Credit shall be duly honored on sight if presented to us on or before \_\_\_\_\_

Partial and multiple drawing are permitted.

It is a condition of this letter of credit that it shall be deemed automatically extended without amendment for an additional 18 month period from the present or any future expiration date hereof, unless at least 90 days prior to any such date we notify you by certified mail, return receipt requested, that we elect not to consider this letter of credit renewed for any such additional period.

This Credit is subject to the Uniform Customs and Practice for Documentary Credits ((1993) Revision), International Chamber of Commerce publication No. 500 (IUCP) and to the Uniform Commercial Code -Letters of Credit, 810 ILCS 5/5-101 et seq., as amended, as in effect in the State of Illinois (UCC). To the extent the provisions of the IUCP and the UCC conflict, the provisions of the UCC shall control.

**EXHIBIT F**

**ECONOMIC DISCLOSURE AFFIDAVIT**

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

**RECERTIFICATION**

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with (J1s0 11 - r1\ vJI™ UHrh Gi5rTh/l &KVt"ftI ^t [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

Continental Air Transport Co., Inc  
(Print or type legal name of Disclosing Party)

Date: January 9, 2018

By:

•fiere)

Print or type name of signatory:

John C. McCarthy

Title of signatory: President

Signed and sworn to before me on [date]

""TnMgj, /Ha\* ColmcPrei , at Cook

'County, IOU'nc^s [state]

\y>yy^c- (X^a^.

Notary Public.

Commission expires:

JAMES A COLINDRES Official Seal Notary  
Public - State of Illinois MyCommission  
Expires Apr 13,2021

Vcr. 11-01-05

## **EXHIBIT G**

### **DESCRIPTION OF ADDITIONAL TYPES OF VEHICLES TO WHICH THE LICENSE DOES NOT APPLY**

All passenger sedan type vehicles, regardless of whether they have been modified to carry eight or more persons including the driver.

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**Michael R. Zalewski**

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**CITY COUNCIL**

City of Chicago

COUNCIL CHAMBER

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COMMITTEE MEMBERSHIPS

Aviation (Chairman)

Budget & Government Operations

Health & Environmental Protection

Rules & Ethics

Economic, Capital & Technology Development

Workforce Development & Audit

Finance

January 17, 2018

To the President and Members of the City Council:

Your Committee on Aviation begs to leave report and recommend that your Honorable Body pass the proposed ordinance(s) transmitted herewith.

A meeting was held on January 16, 2018, in Room 201 A, second floor at City Hall to consider the following

Ordinance:

SO2017-8469 License agreement with Continental Air Transport Co., Inc. d.b.a. Go Airport Express to provide passenger vehicle ground transportation to and from airports.

Emanuel (Mayor)

IvHeKael R. Zalewskt-^ Chairman  
Committee on Aviation

This ordinance was passed unanimously viva voce of the members. 'Respectfully  
submitted,