

**FACILITIES LEASE AND USE AGREEMENT
BETWEEN THE CITY OF CHICAGO
AND ATLANTIC AVIATION CORPORATION
AT CHICAGO MIDWAY INTERNATIONAL AIRPORT**

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Exhibits

Exhibit A - Premises

Exhibit B - Rent Schedules and Security Deposit

Exhibit C - Requirements for Work

Exhibit D - Insurance Requirements

Exhibit E – Development Plan

**FACILITIES LEASE AND USE AGREEMENT
BETWEEN CITY OF CHICAGO AND
ATLANTIC AVIATION CORPORATION
AT CHICAGO MIDWAY INTERNATIONAL AIRPORT**

This Facilities Lease and Use Agreement ("**Agreement**") is made and entered into effective as of the ____ day of _____, 2026 ("**Effective Date**"), by and between the City of Chicago, an Illinois municipal corporation and home rule unit of local government under Sections 1 and 6(a), respectively, of Article VII of the 1970 Constitution of the State of Illinois ("**City**") and Atlantic Aviation Corporation, a Delaware Corporation ("**Atlantic**").

RECITALS

WHEREAS, the City owns and, through its Chicago Department of Aviation ("CDA"), operates that certain airport known as Chicago Midway International Airport ("Airport"); and

WHEREAS, the City has the authority to lease premises and facilities and the power to grant rights and privileges with respect to the Airport; and

WHEREAS, Atlantic has operated as a fixed based operator at the Airport since 2003 under that certain Facilities Lease and Use Agreement dated September 23, 2003; and

WHEREAS, Atlantic commits to invest in a comprehensive redevelopment and modernization of its facilities at the Airport pursuant to the development plan proposed by Atlantic and to be set forth in Exhibit E, as finally approved by the Commissioner in accordance with Article V (the "Development Plan"), which plan shall including a new hangar and office facility, terminal upgrades, tenant facility upgrades, CBP facility, GSE facility, Advanced Air Mobility infrastructure, and ramp improvements more specifically detailed herein, the cost of which is estimated to be at least \$60 million; and

WHEREAS, the City and Atlantic agree that it is in the best interest of both parties to enter into this Agreement to facilitate the herein described redevelopment program, provide sufficient lease term to allow Atlantic to amortize its substantial capital investment and establish updated economic and operating provisions for the extended lease term; and

WHEREAS, the City and Atlantic acknowledge that the continued operation of the Airport as a safe, convenient and attractive facility is vital to the economic health and welfare of the City, and that the City's right to monitor Atlantic's performance under this Agreement is a valuable right incapable of quantification.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of

which are hereby acknowledged, the parties agree as follows:

ARTICLE I - DEFINITIONS

Section 1.01 - Definitions. The following words, terms, and phrases, shall, for the purposes of this Agreement, have the following meanings:

"Abandonment" or **"Abandons"** means the cessation of the use of the Premises by Atlantic in accordance with this Agreement, other than for reasons of strikes or force majeure, for a period of ninety (90) days.

"Affiliate" means any person, organization, legal entity, trust, partnership, corporation, or other form of enterprise that directly or indirectly controls, is controlled by, or is under common control with Atlantic.

"Agreement" means this Facilities Lease and Use Agreement, as may be hereafter amended or supplemented from time to time in accordance with its terms.

"Airport" means Chicago Midway International Airport, together with any additions thereto, or improvements or enlargements thereof, hereinafter made.

"Airport Rules and Regulations" means those rules and regulations governing the conduct and operations of the Airport promulgated from time to time by City as identified in Section 8.01 hereof.

"Airport Security Acts" means the Aviation and Security Improvement Act of 1990 (P.L. 101-604), as amended, the Aviation and Transportation Security Act of 2001, as amended, and all other federal laws governing security at airports, all as codified at 49 U.S.C. 44901 *et seq.*, including any rules, regulations, and directives promulgated and issued pursuant to them.

"Building Rent" has the meaning set forth in Section 4.01.

"Commissioner" means, for the purposes of this Agreement, the Commissioner of the CDA (or any successor thereto in whole or in part as to his or her duties as the person in charge of the operation of the Airport on behalf of the City), or such person as she or he may designate in writing, or any successor to her or his rights and duties.

"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 a 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 Chase Bank or its successors at Chicago, Illinois as its "corporate base rate". A certificate made by an officer of Chase Bank stating the "corporate base rate" in effect on any given day shall, for the purposes hereof, be conclusive evidence of the Prime Rate in effect on such day. In the event Chase Bank ceases to use the term "corporate base rate" in setting the base rate of interest for commercial loans, then the Prime Rate herein shall be determined by reference to the rate used by Chase Bank as a base rate of interest for commercial loans as the same shall be designated by Chase Bank. In the event Chase Bank ceases to exist, then the Prime Rate herein shall be determined by reference to the rate used by a lender qualified to be an Institutional Leasehold Mortgagee in Chicago, Illinois, selected by City, as a base rate of interest for commercial loans, as the same shall be designated by such lender.

"Development Plan" means the comprehensive plan for the development of the Improvements as further described in Section 5.04 to be submitted to the City for approval in accordance with that section, and incorporated into this Agreement as Exhibit E.

"Environmental Condition" has the meaning set forth in Section 7.08.

"Environmental Laws" means all federal, state, and local laws, regulations, ordinances, rules, permits, orders, and directives relating to environmental protection, Hazardous Materials, Special Wastes, pollution, or public health and safety, including without limitation those enumerated in Section 7.08.

"Exempt Transfer" means [to be inserted]

"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.

"Fuel System" means the Airport fueling system operated by the consortium of airlines serving the Airport known as "MATCO", or any successor thereto.

"Gross Revenues" mean the aggregate amounts of all charges, including but not limited to all facilities/services fees of whatever nature Atlantic charges its customers for the use of the Premises (including the Improvements and equipment located thereon) and fees for such Primary Commercial Support Services or Secondary Commercial Support Services Atlantic may perform, or that Atlantic may receive in rent or service fees from any third party conducting such services on the Premises. It shall not include gross business revenues of subtenants or licensees, taxes, charges by governmental entities that are passed through to customers, insurance proceeds, and credit card surcharges.

"Ground Rent" has the meaning set forth in Section 4.0.

"Hazardous Materials" and **"Special Wastes"** mean any hazardous or toxic substance, material, or waste regulated under Environmental Laws, including petroleum products, aviation fuel, oils, solvents, and other materials used in FBO operations.

"Improvements" mean any structures or other improvements on the Premises, including hangars, aircraft parking apron or ramp, infrastructure, and, except as otherwise provided herein, all fixtures now or hereafter located thereon.

"Landing Fees" have the meaning set forth in Section 4.03.

"Minimum Annual Guarantee" has the meaning set forth in Section 4.0.

"Odyssey Parcel" means that certain parcel of land located within the Premises commonly referred to as the Odyssey parcel, with the legal description and square footage set forth in Exhibit A. The Odyssey Parcel is a subset of the Premises and is subject to the City's reclamation rights as set forth herein.

"Odyssey Parcel Improvements" means those improvements to be completed by Atlantic on the Odyssey Parcel as part of the Development Plan, including the new hangar and office facility, the Customs and Border Protection (CBP) facility, and ramp upgrades.

"Percentage Rent" has the meaning set forth in Section 4.01.

"Pre-Existing Condition" has the meaning set forth in Section 7.08.

"Premises" has the meaning set forth in Section 2.01 and Exhibit A.

"Release Notice" means a written notice delivered by the City to Atlantic irrevocably releasing the City's right to reclaim all or a specified portion of the Odyssey Parcel for the remainder of the Term.

"Rent" means, unless the context specifically otherwise requires, Ground Rent, Building Rent, and Percentage Rent (or Minimum Annual Guarantee, as applicable). Landing Fees and any other amount which Atlantic is obligated to pay under this Agreement; including the Capital Investment Commitment and Atlantic's obligations under the Development Plan, and the Runway Development Contribution shall not constitute Rent.

"Runway Development Contribution" means the \$7.5 million contribution to be made by Atlantic to the City's Midway Airport Runway Development Project as described in Section 5.12, which for the avoidance of doubt shall exclusively be for aeronautical use associated with the Airport's capital program for redeveloping the general aviation portion of the Airport runway.

"Sustainable Airport Manual" or "SAM" means the manual developed by the CDA regarding environmentally sustainable practices in the construction and operation of the Airports. The manual is available on the CDA website and may be updated from time to time by the CDA. Any amendment of the SAM by the CDA during the Term of this Agreement will be binding on Tenant without need for amendment of this Agreement, provided that the amendment of SAM does not conflict with the other terms and conditions of this Agreement.

"Transfer" has the meaning set forth in Section 13.01.

"Transportation Security Administration" (sometimes abbreviated as "TSA") means the Transportation Security Administration created under the Aviation and Transportation Security Act of 2001, as amended, or any successor agency thereto.

"Work" means the furnishing by Atlantic of all labor, materials, equipment, and other incidentals necessary or convenient to the successful construction, demolition, or renovation of Improvements made by Atlantic from time to time, and the carrying out of all the duties and obligations under the terms and conditions of this Agreement.

"Work Liaison" means the person designated by the Commissioner to coordinate activities between Atlantic and the City.

Section 1.02 - Interpretation. Any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Agreement, nor shall they affect the meaning, construction, or effect of this Agreement. The term "including" shall be construed to mean "including, without limitation" Unless the context otherwise requires, the terms "hereby," "herein," "hereof," "hereto," "hereunder" and any similar terms used in this Agreement refer to this Agreement; all section references, unless otherwise expressly indicated, are to sections of this Agreement; words importing persons shall include firms, associations, partnerships, trusts, corporations, and other legal entities, including public bodies, as well as natural persons. Words of any gender shall be deemed and construed to include correlative words of the other genders. Words importing the singular number shall include the plural number and vice versa, unless the context shall otherwise indicate. All references to any exhibit or document shall be deemed to include all supplements and/or amendments to any such exhibits or documents entered into in accordance with the terms and conditions hereof and thereof. 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 the terms and conditions of this Agreement. All references to a number of days shall mean calendar days, unless otherwise expressly indicated.

Section 1.03 - Incorporation of Exhibits. The following exhibits attached hereto are incorporated by reference and made a part of this Agreement:

- Exhibit A – Premises
- Exhibit B – Rent Schedules and Security Deposit
- Exhibit C – Requirements for Work
- Exhibit D – Insurance Requirements
- Exhibit E – Development Plan

ARTICLE II - LEASE OF PREMISES

Section 2.01 - Premises. As of the Effective Date, City leases to Atlantic, and Atlantic leases from City, the parcels of land ("**Land**") depicted on Exhibit A, together with the Improvements located thereon (the Land and Improvements being collectively referred to as the "**Premises**").

The Improvements shall include all additional structures constructed on the Premises during the term of this Agreement, as described more fully in the Development Plan.

Section 2.02 - Adjustment of Area of Premises. City reserves the right to re-measure the Premises, or any portion thereof, at any time during the Term of this Agreement upon the occurrence of any circumstances, including but not limited to the construction or alteration of Improvements and modifications to taxiways, taxi lanes and service roads, that may, in the opinion of the Commissioner, warrant a re-measurement of the Premises. The City shall use reasonable efforts to cause such re-measurement not to materially interfere with Atlantic's operations. Any change in the square footage of the Premises resulting from such a re-measurement and any corresponding change in Rent resulting therefrom that has not been disputed by Atlantic within ten (10) days after written notice, shall be indicated on the applicable exhibits hereto without the necessity of an amendment to this Agreement. If Atlantic disputes the re-measurement, the parties shall refer the matter to a licensed land surveyor; if the difference between the surveyor's determination and the City's measurement is two percent or less, Atlantic shall bear the cost of the survey, otherwise the City shall bear it.

Section 2.03 - Easements and Rights of Entry.

A. Atlantic's leasing of the Premises is subject to any and all easements, licenses and other rights of entry with respect to the Premises granted to or vested in any other governmental entities or agencies, such as the FAA or TSA.

B. Atlantic acknowledges that there currently exist, and that City may grant in the future, easements and rights of entry on, over and/or under the Premises for the benefit of suppliers and/or owners of utilities that service the Airport, and Atlantic, to the extent such easements on operations upon such easement do not breach Atlantic's covenant of quiet enjoyment or materially interfere with Atlantic's operations, hereby consents to any such easements or rights of entry whether now in existence or granted during the term of this Agreement.

C. The City hereby reserves unto itself and other users of the Airport the rights and easements to those areas of the Premises identified as service roads for ground vehicles and taxiways and taxi lanes for aircraft, as may be necessary for the ground vehicles and aircraft of users of the Airport other than Atlantic to move on or over the Premises on such service roads and taxiways and taxi lanes. The City further reserves unto itself the right to relocate such service roads and taxiways and taxi lanes from time to time, all at the City's own cost. City shall use all reasonable efforts to minimize the impact of any such relocation upon Atlantic's operations. If such a relocation renders a portion of the Premises unusable, the City will (i) delete the square footage of that unusable portion from the calculation of Rent for the period that such portion remains unusable and (ii) use commercially reasonable efforts to provide alternative operating space as adjacent as practicable to the existing Premises to facilitate Atlantic's continued operations, if any such space is reasonably available. For the purposes of calculating Ground Rent, the square footage within such easements for service roads

and taxiways and taxi lanes has been and will be excluded from such calculations.

D. The City hereby reserves such rights and such easements as may be necessary to enter onto the Premises for the purpose of conducting any operations related to the function of the Airport without such entering causing or constituting a termination of this Agreement, including, without limitation, the right to do all things necessary to operate and maintain water mains, sewer mains and other utilities that may exist beneath the surface of the Premises and to service any antennas or communications facilities now or hereafter located on the roofs of buildings located on the Premises. (The City shall operate and maintain only its water mains and sewer mains, and assumes no responsibility or liability for the operation or maintenance of any sewer or water laterals within the Premises that are used exclusively by Atlantic.) The City, its officers, employees, agents, representatives, contractors, and furnishers of utilities and other services, shall have the right at all reasonable times to enter the Premises for the purpose of inspecting the same, for emergency repairs to utilities systems, and for any other purpose necessary for, incidental to, or connected with the performance of City's obligations hereunder, or in the exercise of its governmental functions.

E. City agrees to use reasonable efforts to not unreasonably interfere, or to cause grantees of easements not to unreasonably interfere, with Atlantic's use, quiet enjoyment, and possession of the Premises when exercising any of the rights reserved under this Section 2.03.

Section 2.04 - Permitted Uses (Mandatory and Discretionary). Subject to the terms and provisions contained in this Agreement, 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 aeronautical activities by Atlantic at the Airport, Atlantic is hereby granted the use of the Premises for the following purposes:

A. Primary (Mandatory) Commercial Support Services. Atlantic must perform the following enumerated services at the Airport to support general aircraft operating at the Airport and other Airport users soliciting from Atlantic any of the services usually supplied by a fixed base operator. Atlantic shall perform its services in accordance with those minimum standards as may be established by the Commissioner pursuant to FAA Circular No. 150/5190-8, "Minimum Standards for Commercial Aeronautical Activities", as it may be amended from time to time, and such other rules and regulations as may be promulgated by the Commissioner from time to time. Atlantic shall staff qualified personnel to perform such services on a "24/7" basis unless otherwise determined by the Commissioner in writing.

1. Arrival and departure guidance, supervision of parking of aircraft, ramp assistance and fire guard service for departing aircraft, as required.
2. Transport for passengers, crew and ordinary hand baggage between aircraft and Atlantic's hangar(s) or public passenger terminals on the Airport.

3. Flight line servicing of aircraft, including the sale and into-plane delivery of aviation fuels, lubricants and other related aviation products.
4. Other aircraft services, such as window cleaning, as requested by the aircraft operators.
5. Customer terminal services, including:
 - a. Assisting aircraft passengers and crew in obtaining local transportation, lodging, and general information on the Chicago area;
 - b. Maintaining means of conveying current weather information; and
 - c. Conveying messages to arriving or departing passengers and crew using Atlantic's facilities.
6. Subject to any restrictions on Transfers which may arise under the terms and conditions of Article XIV hereof, making available hangar and aircraft tie-down space and parking space to aircraft owners and/or operators.
7. Subject to any restrictions on Transfers which may arise under the terms and conditions of Article XIV hereof, leasing or rental of office space to aircraft owners and/or operators for support of their aviation activities at the Airport.
8. Removal of disabled general aviation aircraft from the operational movement areas of the Airport. Atlantic must have equipment available at the Airport to remove and relocate any type of aircraft that Atlantic services within 30 minutes (or as soon thereafter as reasonably practicable) of it becoming disabled, other than those involved in an accident requiring investigation by federal authorities.
9. Remediation of any fuel spills or other environmental contamination caused by Atlantic or any of its customers. Atlantic must have equipment available at the Airport to commence such remediation for any type of aircraft that Atlantic services within 30 minutes (or as soon thereafter as reasonably practicable) of the event.
10. If requested by the Commissioner, and subject to the terms and conditions of Section 4.03 hereof, collection of Landing Fees on behalf of the City from any or all users of the Premises and remittance of such landing fees to the City for an administrative fee of not more than ten percent (10%) of the landing fees payable by such users to the City and collected by Atlantic. The City reserves the right to revoke any authority granted to Atlantic to collect any landing fees pursuant to this Section 2.04.A.10 at any time upon thirty (30) days written notice to Atlantic.

B. Secondary (Discretionary) Commercial Support Services. Upon written approval of the Commissioner, Atlantic may engage in any or all of the following activities, or may, with the approval of the Commissioner, provide space within its Premises for a third party to engage in the following activities:

1. Leasing or rental of aircraft or providing air charter, air freight or flight management services;
2. Sale and installation of aircraft parts, engines, radios, avionics equipment or instruments, propellers or any related parts or accessories;
3. Repair and maintenance services for aircraft and aircraft engines, their components and accessories, including executive jet aircraft;
4. Providing equipment and manpower in connection with passenger, baggage or freight handling, or any other ground services;
5. Sale of airman materials and supplies, and other aeronautical items;
6. Leasing or rental of desks, storage or any equipment in connection with the conduct of aviation-related activities;
7. Maintenance and repair of ramp vehicles;
8. Associated aviation customer services not otherwise mandated under Section 2.04.A;
9. Advertisements installed with the permission of the Commissioner.;
10. At Atlantic's election, at least one specialized area of airframe, aircraft engine, radio, avionics repair or other specific type of aircraft repair or maintenance service, which specialized area Atlantic may choose at its discretion, and which service Atlantic may provide through a subcontractor; and
11. Leasing or rental of motor vehicles and associated services.

C. Additional Rights. In addition to the above-described responsibilities and rights, and subject to the approval of the Commissioner, Atlantic shall have the right to perform and conduct such other activities and operations consistent with the rights, privileges and responsibilities granted to Atlantic which do not unreasonably interfere or conflict with the rights granted by the City to others on the Airport, but no flight training may be conducted in which student pilots take off or land at the Airport, or use the Airport for any flight activities whatsoever.

D. License to use Airfield and Other Public Areas of the Airport. The City grants Atlantic

the license to use, in common with others, the public facilities at the Airport, including, but not limited to, landing areas, runways, taxiways, taxi lanes and other aeronautical or navigational facilities, subject to the rules and regulations with respect to the use of such facilities imposed by the City or any other governmental agency. This access license may be revoked in whole or in part, at the discretion of the Commissioner, due to failure to comply with this Agreement or with any safety or security requirement for accessing the Air Operations Area of the Airport.

E. Restrictions on Use. Nothing stated in this Section 2.04 shall permit the conduct by Atlantic of any business other than the performance of fixed base operator services, and the activities described in this Section 2.04 and those related and incidental thereto.

F. Ground Handling Services. The Commissioner hereby consents to Atlantic's performance of ground handling services for commercial airlines. In the event that Atlantic desires to perform any ground handling services through any other entity, Atlantic shall only do so after obtaining the prior written consent of the Commissioner, such consent to be given or withheld in each case in the sole and absolute discretion of the Commissioner; provided, however, in an emergency situation, oral approval or consent of the Commissioner shall be sufficient. For the purposes of this Agreement, ground handling services include, but are not limited to, the handling of passengers of commercial or retail flights, including those situations in which traffic at the Airport may prevent the handling of such passengers at the terminal. If the Commissioner approves the handling of retail passenger operations on the Premises, Atlantic shall provide shuttle services to the terminal for such passengers. In no event shall this provision be construed as permitting retail passenger operations by Atlantic other than the incidental handling of passengers in irregular operation situations. Nothing in this Section 2.04 shall be construed as limiting Atlantic's right to provide ground handling services to single entity specialty charters, including, but not limited to, sports teams and musical groups, which do not require passenger check-in, baggage, security or other facilities provided at the Airport's commercial passenger terminal.

G. Fuel System. Atlantic agrees to use the Airport Fuel System for all aviation fuel. Atlantic shall not at any time during the Term of this Agreement or any extension thereof construct or install any aviation fuel storage facilities on or beneath the Premises without the express prior written consent of the Commissioner, such consent being within the Commissioner's sole and absolute discretion. Atlantic hereby acknowledges and agrees that Fuel System usage fees that are 125% or less of those fees charged to commercial airline signatories to the Chicago Midway Airport Fuel System Use and Operating Agreement by and between the City and those signatory airlines are reasonable fees.

Section 2.05 - First-Class Operation. The principal purpose of the City in entering into this Agreement is to fulfill the City's obligation to make available to the general aviation users of the Airport the products and services which Atlantic is required and/or permitted to sell and render hereunder. Atlantic accordingly agrees to conduct a first-class commercial aviation support and fixed base operation, consisting of the primary support

services listed in Section 2.04.A above. Atlantic agrees to provide and maintain a hangar and office/terminal complex with the facilities, equipment, supplies, materials and personnel necessary to adequately provide the sales and services authorized in this Agreement, including a lounge or waiting room for passengers and crews, and accessible restrooms, all to be maintained in a first-class, clean and sanitary manner in accordance with Article V of this Agreement.

Section 2.06 - Quiet Enjoyment. Subject to the provisions of this Agreement, City covenants that, so long as Atlantic is not in default beyond any applicable cure period, Atlantic, it shall be entitled to and shall have the use and enjoyment of the Premises, and the rights and privileges granted to it hereunder. Atlantic shall be entitled to lawfully and quietly occupy and enjoy the Premises during the term of this Agreement, provided Atlantic is not in default of any of its obligations under this Agreement.

Section 2.07 - Ingress and Egress. Subject to Airport Rules and Regulations, Atlantic shall have the right and privilege (a) of ingress to and egress from the Premises and the public areas of the Airport, for its employees, agents, guests, patrons, subtenants and invitees, suppliers of materials, furnishers of service, and its equipment, vehicles, machinery and (b) to provide transportation of its employees to, from, and within the Airport. Atlantic shall not block or otherwise obstruct the common use taxiways, taxilanes or service roads with aircraft or groundside vehicles, respectively, at any time or in any manner which will impair or adversely affect the use or operation of said taxiway, taxilane or service road areas by City or other Airport users.

Section 2.08 - Present Condition of Premises. [TO BE INSERTED]

Section 2.09 - Accessibility. City and Atlantic agree that Atlantic shall have the responsibility to ensure that the Premises and the services that Atlantic provides to its customers are in compliance with the Americans with Disabilities Act and related regulations, as amended from time to time. Atlantic shall submit its certification of such compliance to the Commissioner within thirty (30) days after written request.

Section 2.10 - Covenant Against Waste. Atlantic will not do or permit or suffer any waste, damage, impairment or injury to or upon the Premises or any part thereof.

Section 2.11 - Odyssey Parcel Reclamation Rights.

- (a) The City, acting by and through the Commissioner or the Chicago Department of Aviation, retains the right to reclaim the Odyssey Parcel, or any portion thereof, at any time on or before the fifth (5th) anniversary of the Effective Date upon not less than ninety (90) days' prior written notice to Atlantic (a "Reclamation Notice"). Atlantic shall, not less than 180 days prior to the fifth (5th) anniversary of the Effective Date, provide written notice to the City requesting the City's intention to retain or release the right to reclaim the Odyssey Parcel, or any portion thereof. Upon the effective date of any such reclamation, the reclaimed

portion of the Odyssey Parcel shall be excluded from the Premises for all purposes of this Agreement. Ground Rent and Building Rent, to the extent applicable, shall be recalculated and reduced proportionately based on the square footage reclaimed or withheld from Atlantic, effective as of the applicable date. The Commissioner shall provide Atlantic with written confirmation of the adjusted rent amounts within thirty (30) days following the applicable effective date. Any reclamation by the City shall not constitute a default or breach of this Agreement and shall not give rise to any claim by Atlantic for damages, except for the compensation expressly provided in subsection (e) with respect to City-approved improvements constructed by Atlantic on the Odyssey Parcel.

- (b) Notwithstanding any other provision of this Agreement, Atlantic is not obligated, and shall not be required, to break ground or commence design, construction or development of any Odyssey Parcel Improvements on the Odyssey Parcel unless, and the Redevelopment Commitment shall not be required and held in abeyance until, the City delivers to Atlantic a Release Notice irrevocably releasing the City's reclamation right with respect to all or a portion of the Odyssey Parcel for the remainder of the Term, except as otherwise expressly provided in subsection (d).
- (c) If the City reclaims all or any portion of the Odyssey Parcel, the portion of the Odyssey Parcel so reclaimed shall be excluded from the Premises, and (i) the Development Plan shall be adjusted to reflect the reclaimed portion of the Premises and (ii) the Minimum Capital Commitment shall be reduced commensurate with the total cost of the improvements projected to be built on the portion of the reclaimed Odyssey Parcel in the Development Plan. Following any partial reclamation, Atlantic may revise the Development Plan for the unreclaimed portion of the Odyssey Parcel and any related portions of the Premises to optimize the scope, sequencing, phasing, functionality and site layout of the Premises following such reclamation. The expiration of the City's reclamation right pursuant to Section 2.11(c) shall automatically constitute a Release Notice.
- (d) Until the fifth (5th) anniversary of the Effective Date, Atlantic shall not construct facilities on the Odyssey Parcel. During such period, Atlantic may use the Odyssey Parcel for parking, staging, equipment storage, and similar non-facility uses, subject to applicable Airport rules, safety requirements, and the terms of this Agreement. Following the fifth (5th) anniversary of the Effective Date, the City's reclamation right with respect to any unreclaimed portion shall expire automatically, and the applicable Odyssey Parcel Improvements for the unreclaimed portion shall remain part of the Development Plan unless otherwise modified in accordance with this Article V.
- (e) The Development Plan, as defined herein and as set forth in any exhibit to

this Agreement, shall be deemed amended to incorporate the reduction in investment obligations, proportionate rent adjustments, construction timing adjustments, and revisions to the Development Plan contemplated by this Section 2.11, including with respect to any improvements identified in Section 5.01 as being subject to this Section 2.11. The Commissioner is authorized to execute a written confirmation or ministerial amendment to any exhibit reflecting the adjustments required by this Section 2.11 without further City Council action, to the extent authorized by the approving ordinance.

ARTICLE III - TERM

Section 3.01 - Initial Term. The initial term of this Agreement (“Initial Term”) commences on the Effective Date and shall expire on the 20th anniversary of that date, for a period of twenty (20) years, unless extended or earlier terminated in accordance with the provisions of this Agreement. The City’s early termination of Atlantic’s lease for any parcel shall in no way diminish Atlantic’s obligations under this Agreement that survive expiration or termination of this Agreement.

Section 3.02 - Options to Extend. At the option of Atlantic and provided that the Initial Term has not already been terminated or been converted to month-to-month for a specific parcel, the Initial Term for the Premises as a whole or a parcel(s) thereof may be extended by for no more than two (2) additional five (5) year periods (the Initial Term and such extension being the “Term”, not to extend beyond the 30th anniversary of the Effective Date[enter date]), provided that, for each extension period:

A. Atlantic provides the City written notice of its intent to extend the Term for a parcel no less than fifteen (15) months, but not more than twenty-four (24) months, prior to the then current expiration date of the Term for that parcel;

B. Atlantic has complied with the Development Plan after giving effect to any approved amendments and any relief, excuse, extension, suspension, adjustment, or deferral permitted under this Agreement. Any obligation subject to a good-faith dispute or otherwise excused under this Agreement shall be deemed satisfied unless and until finally determined otherwise; and

C. there is no existing event of default, or any condition with which the giving of notice and/or the passage of time could become an event of default, as of the commencement of the extended Term.

The 15-month notice period in (A) is intended to provide the City time to find a replacement tenant; however, the Commissioner may, in his or her sole and absolute discretion, waive the 15 month requirement and allow Atlantic to exercise its option to extend. Except as provided in Article IV, Atlantic's occupancy of the Premises during any extension of the Term shall be on the same terms and conditions as otherwise contained herein. If Atlantic exercises its option to extend the Initial Term of this Agreement, the word "Term" shall be construed to include the extension. Any holding over by Atlantic after the expiration of the Term shall be on a month-to-month basis, which may be terminated by the Commissioner with 30 days written notice.

Section 3.03 - Early Termination. In addition to an early termination due to an uncured event of default, either party may terminate this Agreement with 30 days written notice in the event that Atlantic is no longer authorized to conduct fixed base operations or general aviation functions at the Airport by any governmental agency (other than the City). Further, Atlantic and the Commissioner may mutually agree to terminate the lease, or convert to a month-to-month lease, for a specific parcel of the Premises if they determine it to be in the best interests of the parties. In such event, Exhibits A and B will be amended prospectively. If the City terminates this Agreement, or Atlantic's lease of any parcel, because all or a substantial portion of the Premises is needed for other Airport development purposes, the City shall (i) provide not less than twelve (12) months' prior written notice, unless such notice is not feasible due to the emergency nature of the need; (ii) use commercially reasonable efforts to relocate Atlantic to other suitable Airport premises of comparable size, utility, and revenue potential, available for occupancy before the effective date of termination, if any such space is reasonably available; and (iii) pay Atlantic the unamortized costs of the Improvements already constructed on the affected portion of the Premises, calculated on a straight-line basis from the date of beneficial occupancy through the scheduled expiration of the Term or any then-effective extension.

ARTICLE IV - RENT

Section 4.01 - Rent. In consideration of this Agreement for lease and use of the Premises, Atlantic shall pay City sums in such form and amount as set forth below. For the purposes of this Agreement, all such sums are Rent.

A. **Ground Rent and Building Rent.** Atlantic shall pay Ground Rent and Building Rent according to the schedule set forth in Exhibit B, attached hereto and incorporated by reference herein.

B. **Percentage Rent.** In addition to the Ground Rent and Building Rent, Atlantic shall pay Percentage Rent consisting of a percentage of gross revenues and a fuel flowage fee, as follows:

1. Atlantic shall pay City the following percentages of its Gross Revenues (as defined below): two percent (2%) of the first \$1,000,000 of its Gross Revenues; three percent (3%) of Gross Revenues over \$1,000,000 to

\$4,000,000 per year, and four percent (4%) of its Gross Revenues over \$4,000,000 per year. All revenue shall be deemed to be received by Atlantic at the time such amounts are received by Atlantic, whether for cash or credit, unless otherwise specifically stated in this Agreement, or subsequently authorized in writing by the Commissioner. Revenues shall further be deemed to be received by Atlantic if received by any of its contractors, sublessees, agents or wholly-owned or affiliated companies using or occupying space on the Premises and supplying any support services authorized in Article II of this Agreement.

2. Fuel Flowage Fee. Atlantic shall pay a fuel flowage fee of \$0.20 per gallon of all fuel, including but not limited to automotive and aviation gas and jet fuel, sold by Atlantic at the Airport, or any fuel pumped by Atlantic on behalf of any person in the event that Atlantic acts as an into-plane agent for such person, and such person has bought or sold fuel at the Airport, is not in privity with the City, and has not otherwise paid a percentage fee or fuel flowage fee to the City. Commencing on January 1, 2028, and every January 1st thereafter, the fuel flowage fee may increase up to \$0.01 per gallon annually, at the election of the Commissioner. Further, the Commissioner may review the fuel flowage fee to determine whether such fee remains consistent with the prevailing fuel flowage fee at Comparable Airports at the ten-year intervals occurring as January 1, 2033; January 1, 2043; January 1, 2053; and at 10 year intervals thereafter should the Agreement be further extended beyond that time, and, at the Commissioner's discretion, he or she may raise the fuel flowage fee at those intervals to an amount up to the 90th percentile of fuel flowage fees charged at Comparable Airports. If the Commissioner elects to raise the fuel flowage fee in connection with this Section, the City shall notify Atlantic within 90 days of the commencement of the increase. This fuel flowage fee shall not apply if Atlantic serves as an into-plane agent for commercial airlines and charter flights that are non-retail customers of Atlantic. Aviation gas or jet fuel purchased by Atlantic for its own consumption or purchased by its parent company or any subsidiary in which Atlantic=s parent company has a minimum 50% ownership shall not be subject to this fuel flowage fee.

C. Alternative Aviation Propulsion Fee. [TO BE INSERTED]

D. Minimum Annual Guarantee. The Minimum Annual Guarantee of Percentage Rent pursuant to Section 4.01.B above shall commence on January 1, 2027, and shall be 85% of the Percentage Rent payable by Atlantic under its 2003 Agreement for calendar year 2025 or 2026, whichever is greater. Commencing on January 1, 2028, and every January 1 thereafter, the Minimum Annual Guarantee for the forthcoming year shall be the greater of: (1) 85% of the Percentage Rent actually payable for the prior calendar year and (2) the Minimum Annual Guarantee for the prior calendar year.

Section 4.02 - Escalation at Ten Year Intervals.

A. The Ground Rent and Building Rent payable to the City pursuant to Exhibit B shall increase at regular intervals based on a fair market value appraisal, with the first such increase to take effect on January 1, 2033; the second on January 1, 2043; the third on January 1, 2053; and at 10 year intervals thereafter should the Agreement be further extended beyond that time or continue on a month-to-month basis. The amount of such increase shall be determined by the appraised fair market rent for the Land within the Premises, and each Improvement upon the Premises, respectively; fair market rent to be initially determined by City's independent appraiser as the rent that would be paid by an unrelated, willing FBO tenant under the otherwise same terms and conditions as this Agreement, and City shall set forth such determination in a written notice to Atlantic, which determination shall be provided to Atlantic no later than 120 days prior to the expiration of the Initial Term. In no event shall the Ground Rent or Building Rent rates be increased under this provision more than 15% over the Ground Rent or Building Rent rates previously in effect. In no event shall the Ground Rent or Building Rent rates be decreased in connection with this provision, but they may remain the same if supported by the appraisals described in this Section.

B. In the event that Atlantic disputes the fair market rent as determined by City, then at any time on or before the date occurring thirty (30) days after Atlantic has been notified by City of the fair market rent, Atlantic may give written notice of such dispute to the City, supported by the report of its own independent appraiser as to the fair market rent. If City and Atlantic are thereafter unable to reach agreement upon the fair market rent, then the parties shall select a mutually acceptable independent MAI appraiser with at least ten (10) years' experience in commercial real estate appraisal of similar properties. The third appraiser shall, within forty-five (45) days of his or her appointment, select one of the two estimates of fair market rent submitted by City and Atlantic as the one closer to the fair market rent as determined by the third appraiser. The value so selected shall be the fair market rent. The party whose estimate is not chosen by the third appraiser shall pay all costs and expenses of the third appraiser and any experts retained by the third appraiser. Each party shall pay the fees and expenses of the appraiser appointed by or for such party. The time periods in this provision are intended to be approximate guidelines only, and failure of the parties to strictly comply shall not invalidate the process.

Section 4.03 - Landing Fees. Atlantic shall collect the current landing fees in effect at the Airport for each landing at the Airport of any aircraft being handled by Atlantic ("**Landing Fees**"). Landing fees shall not be assessed for any landing of an aircraft returning to the Airport after take-off because of meteorological conditions, mechanical or operating causes, or any similar emergency or cautionary reason.

Section 4.04 - Method and Manner of Payment.

A. The Rent and Landing Fees (net of Atlantic's administrative fee) shall be paid to City, without set-off, deduction or discount, in lawful money of the United States, 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 Atlantic by written notice, and shall be made in monthly installments, due on the first of each calendar month, commencing on the first full calendar month following the Effective Date. Payments for partial months or calendar years may be appropriately prorated.

B. Each month Atlantic shall pay the greater of the Percentage Rent payable on the prior month's gross revenues and one-twelfth of the Minimum Annual Guarantee. In February of each calendar year, Atlantic may offset against Rent due to the City the amount, if any, by which the sum of actual monthly payments of Percentage Rent and Minimum Annual Guarantee, if any, for the prior year exceeded the greater of the Percentage Rent payable on the gross revenues of the prior year and the Minimum Annual Guarantee for the prior year.

Section 4.05 - Rent Credits. Atlantic shall offset no credits against Rent due to the City except as expressly provided in this Agreement or expressly authorized in writing by the Commissioner.

Section 4.06 - Late Payments. Each and every installment of Rent accruing under the provisions of this Agreement which is not paid when due shall bear interest at the Default Rate, from the date when the same is due until the same shall be paid. All other sums becoming due or payable to the City under this Agreement, including, without limitation, all monies expended by the City pursuant to this Agreement or on account of any default by Atlantic in the performance or observance of any of the covenants and agreements contained in this Agreement shall likewise bear interest from the respective dates when the same shall be advanced or paid by City, or otherwise due to City, at the rate per annum which shall be the lower of (a) the highest rate permitted by law or (b) the Default Rate, until the same shall be paid by Atlantic to City. All sums so advanced or paid by City shall become so much additional Rent under the terms of this Agreement, due and payable on the date of such advance or payment.

Section 4.07 - Security Deposit. On or before the Effective Date of this Agreement, Atlantic shall pay to the City a security deposit in an amount equal to the Rent due for the first three (3) months of the Term. Such security deposit may be in the form of cash or a letter of credit, which letter of credit shall be in the form reasonably acceptable to the Commissioner. The amount of the security deposit provided as of the Effective Date and in the City's possession shall be the only required security deposit; provided that the City may proportionally increase such security deposit amount by providing sixty (60) days notice to Atlantic in connection with any escalation of Ground Rent, Building Rent or Minimum Annual Guarantee. The security deposit will be refunded to Atlantic, less any sums which may be due and owing to the City, subsequent to the expiration or termination of this Agreement

Section 4.08 - Rent Absolute. Except as expressly provided in Section 4.10 (Abatement) and Section 15.06 (Force Majeure), Atlantic's obligation to pay Rent shall not be affected by any setoff, counterclaim, recoupment, defense, or other right except as expressly provided herein. Atlantic covenants and agrees that the Rent specified in this Article IV shall be absolutely net to the City, to the end that this Agreement shall yield net to City the entire Rent, and so that all costs, fees, interest, charges, expenses, real estate taxes, reimbursements and obligations relating to the Premises which may arise or become due during the Term (other than City's legal fees not otherwise covered by this Agreement) shall be paid or discharged or caused to be discharged by Atlantic as so much additional Rent, and Atlantic covenants and agrees that City shall be indemnified and saved harmless by Atlantic from and against all such costs, fees, interest, charges, expenses, real estate taxes, reimbursements and obligations.

Section 4.09 - Atlantic Books and Records. Atlantic shall maintain at its office in Chicago, Illinois, or at the Airport, books, records, and accounts relevant to the determination of Rent or any other sums owed to City under this Agreement, including, without limitation, records of its operations at the Airport. If such books, records, and accounts are not maintained at such office, Atlantic shall in any case maintain such books, records, and accounts within the United States, and Atlantic shall promptly furnish the Commissioner and City Comptroller in Chicago with all information reasonably requested by them with respect to such books, records, and accounts. The Commissioner and City Comptroller, and such persons as may be designated by them, shall have the right, at all reasonable times, subject to prior written notice to Atlantic, to audit, examine, make copies of, and take extracts from such books, records, and accounts. In the event that (i) an audit reveals any discrepancy of greater than 5% of the gross receipts which are the subject of such audit, and (ii) such error resulted in an underpayment by Atlantic to the City, Atlantic shall reimburse the City for any and all of its expenditures for such audit. In the event that an audit reveals no irregularities, such audit shall be at the expense of the City. Without limiting the foregoing, City has the right to inspect Atlantic's records of its operations at the Airport. City shall, to the extent permitted under applicable law, preserve the confidentiality of all information obtained through such inspections, unless Atlantic has consented to disclosure or has publicly released such information.

Section 4.10 - Abatement in the Event of Closing.

- (a) Except as otherwise expressly set forth below, Atlantic shall have no right to abatement or set-off of Rent of any kind. In the event that, for a period of time in excess of five (5) consecutive days, the Airport is closed by any order or direction of City or any other governmental authority or agency, or by any order or direction of any court of competent jurisdiction and not stayed by way of appeal or otherwise, then the sole and exclusive remedy of Atlantic shall be that the Ground Rent and Building Rent payable by Atlantic shall abate for the period of such closing. There shall be no abatement or reduction of Rent or deletion from the Premises where the unusable condition is caused by the willful or negligent act or omission of Atlantic, its agents, employees, licensees, contractors, subcontractors, or invitees.

(b) [TO BE INSERTED]

ARTICLE V- CONSTRUCTION, DEMOLITION, MAINTENANCE & REPAIR

Section 5.01 - Construction and Demolition of Improvements Generally.

The following provisions apply to Atlantic's construction and demolition of any Improvements:

A. All Work shall be accomplished in accordance with the terms and conditions of this Agreement and of Exhibit E, attached hereto and incorporated by reference herein, and shall be in conformance with all applicable City codes, ordinances, orders, regulations and FAA regulations, whichever are more restrictive. Work shall not be commenced until Atlantic has obtained all approvals, permits, and licenses required by any governmental authority or by Exhibit C. Atlantic shall diligently pursue Improvements until fully completed in a condition acceptable to the Commissioner, and in accordance with the Development Plan and Section 5.04.

B. A construction application together with plans and specifications of any proposed construction or installation (including any substantial alteration or addition thereto), or demolition, a proposed schedule and evidence of insurance coverages required by Article X shall be submitted to and received by the Commissioner prior to the issuance of written approval from the Commissioner at least 120 days before commencement of construction or demolition. Atlantic agrees to use best efforts to incorporate sustainable design practices in the development and construction of any Improvements, to engage a LEED® (Leadership in Energy and Environmental Design) accredited professional on its architectural team, to create an operational plan that incorporates sustainable practices in all aspects of the daily operation of the Premises, and to comply to the extent that it is commercially reasonable to the requirements of the Sustainable Airport Manual. Atlantic shall require each contractor to furnish a payment and performance bond in form and substance acceptable to the Commissioner. The Commissioner's approval shall be absolute and may be withheld in his sole discretion. The Commissioner'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. No restriction is placed on Atlantic as to any architect, builder or contractor for Improvements to the Premises other than those requirements set forth in Articles VII and VIII hereof, and any other applicable local, state or federal law or regulation. Any professionals employed by or contracted with by Atlantic shall be properly licensed and insured to perform their work. City shall have the right at all times to inspect any and all such work.

C. Notwithstanding its right of review and inspection, the City shall in no way be deemed responsible for any such Work, or the failure of such Work to be completed in accordance with approved plans and specifications, or any applicable laws, codes, statutes, rules or regulations. Any Work performed in connection with Improvements to

the Premises at the direction of Atlantic, even though performed by contractors, subcontractors or others of any and all tiers working through them, shall be the responsibility of Atlantic. All Work shall be performed in accordance with the plans and specifications and other documents submitted to and approved by the Commissioner, and any applicable federal, state or local laws, codes, ordinances, statutes, rules, regulations and those requirements set forth in Articles VII and VIII hereof.

D. All Work must be performed in accordance with all Environmental Laws and the provisions of Exhibit F, which may be updated by the City from time to time. Any agreement to perform Work must include the provisions of Exhibit F.

E. Notwithstanding subsection (B), Atlantic shall be excused from, and shall not be in default with respect to, the construction of any Improvement (including any portion of the Development Plan), and Atlantic's corresponding timelines, deadlines, and obligations (including for purposes of Section 3.02 and Section 12.01) shall be proportionally extended on a day-for-day basis, to the extent that Atlantic, working diligently and in good faith, is unable to construct such Improvement as a result of:

- (i) the failure of the City, the Commissioner, the FAA, or any other governmental entity or authority with oversight over the Airport or the Premises to issue or deliver any permit, license, approval, or consent needed for the construction of such Improvement, through no fault, delay, action, or inaction of Atlantic;
- (ii) any delay in the City's or the Commissioner's review or approval of plans and specifications beyond the time periods contemplated by this Section 5.01;
- (iii) any government action that materially alters the size, purpose, or location of any Improvement other than as contemplated by this Agreement; or
- (iv) any FAA action, order, rule, regulation, or directive that materially impacts aircraft traffic, traffic flow, or traffic volume at the Airport in a manner that adversely affects the construction, design, or commercial viability of such Improvement.

Atlantic shall use commercially reasonable efforts to minimize the delay and adverse effects of any such circumstance. For so long as any circumstance described in clauses (i) through (iv) continues, Atlantic shall be excused from constructing those portions of the Improvements adversely affected, and no such excused delay or non-performance shall constitute an Event of Default or impair Atlantic's eligibility for any extension of the Term.

Section 5.02 - Title to Improvements.

(a) Ownership During Term. Atlantic shall be deemed the owner of all Improvements and alterations constructed or placed upon the Premises by Atlantic during the construction period and throughout the Term and any extension thereof, and shall be entitled to all depreciation, tax, insurance, and similar benefits and incidents of ownership. The existing Improvements on the Premises as of the Effective Date are the property of the City.

(b) Reversion. Upon the expiration of the Term or the earlier termination of this Agreement for any reason, all Improvements and alterations constructed or placed upon the Premises by Atlantic, title to which has not previously vested in the City, shall become the absolute property of the City, free and clear of all liens, mortgages, and other encumbrances, and the City shall have every right, title, and interest therein. Upon the City's request, Atlantic shall deliver a bill of sale or other evidence of transfer, together with evidence reasonably satisfactory to the City that such Improvements are free from liens, mortgages, and encumbrances. Atlantic shall surrender all Improvements in good condition and repair, ordinary wear and tear excepted, and in compliance with applicable law.

(c) Continuing Insurance and Casualty Protection. Notwithstanding the vesting of title in the City under subsection (b), the insurance and casualty provisions of this Agreement shall continue to operate for Atlantic's benefit with respect to any casualty, damage, or destruction occurring prior to the expiration or termination of this Agreement. All proceeds of property or builder's risk insurance maintained by Atlantic shall be applied first to the repair, replacement, or rebuilding of the damaged Improvements, and any proceeds in excess of the cost of such repair, replacement, or rebuilding shall be remitted to Atlantic. The reversion of title to the City shall not entitle the City to any insurance proceeds attributable to a casualty occurring during the Term except to the extent required to fund the repair, replacement, or rebuilding of the affected Improvements, and Atlantic shall retain the right to recover business interruption proceeds and the unamortized value of its interest in the Improvements as otherwise provided in this Agreement.

Section 5.03 - City-funded Improvements. In addition to Atlantic's obligations under the Development Plan, which shall be at Atlantic's cost, from time to time the Commissioner may delegate in writing to Atlantic the responsibility for undertaking additional City-funded Improvements or demolitions to the Premises and agree to reimburse Atlantic for costs incurred in connection therewith. Eligible costs are actual, reasonable costs of labor and materials involved in performing the Work and actual, reasonable architectural, engineering, and consulting fees, and no others. Atlantic must publicly advertise the Work associated with any such Improvements and comply with the then-current City requirements for participation by City residents and Minority and Women's Business Enterprises. Atlantic must complete all such Improvements to the reasonable satisfaction of Commissioner and submit all invoices, sworn statements, lien waivers and any other appropriate documentation requested by the Commissioner to verify the costs paid in good faith by Atlantic with respect thereto. The Commissioner shall have the right to approve the reasonableness, allocability and allowability of those costs which are to be reimbursed, such approval not to be unreasonably withheld or delayed.

Section 5.04 - Atlantic Improvements. Atlantic must design, construct, and operate the Improvements on the Premises set forth in the Development Plan, attached hereto as Ex. E, on the schedule set forth in the Development Plan. The Development Plan

may be revised from time to time upon written agreement of the parties without need for amendment to this Agreement. Atlantic's minimum capital investment in the Improvements will total at least 95% of the Capital Investment Commitment set forth in the Development Plan. Any Development Plan schedule, milestone, completion date, capital investment requirement, or other obligation shall be deemed adjusted to reflect any delay, extension, suspension, modification, reduction, or other relief permitted under this Agreement, and any resulting noncompliance shall not constitute a default or impair Atlantic's renewal rights.

Section 5.05 - Liens Prohibited. Atlantic shall keep the Premises free and clear of any and all liens in any way arising out of the construction of Improvements, or use of the Premises by Atlantic; provided, however, Atlantic may in good faith contest the validity

of any lien, provided such contest does not impair the City's rights with respect to the Premises. City's rights to the Premises and the Airport are and always shall be paramount to the interests of Atlantic in the Premises. Nothing in this Agreement empowers Atlantic to commit or engage in any act which can, shall, or may encumber the rights of City. In no event shall this Agreement or any rights or privileges hereunder be an asset of Atlantic under any bankruptcy, insolvency, or reorganization proceedings.

Section 5.06 - Maintenance and Repair. Atlantic shall be responsible for and shall perform or cause to be performed all maintenance and repair of the Premises and shall keep such Premises clean and free from all debris. Atlantic shall at all times:

A. Keep the Premises and all fixtures, equipment and personal property in a clean, safe, and orderly condition and appearance;

B. Maintain the same in good condition (reasonable wear and tear excepted) and perform all ordinary repairs, replacements, and painting; such repairs, replacements, and painting by Atlantic shall be of a quality not inferior to the standards set forth in any rules and regulations adopted by City for the Airport;

C. Control all of its vehicular traffic on the Airport and take all precautions reasonably necessary to promote the safety of its passengers, customers, business visitors, and other persons, and employ such means as may be necessary to safely direct the movements of its vehicular traffic;

D. Remove all snow from all ramps, hangar taxiways and paved areas on the Premises.

E. Either directly or through a licensed independent contractor, dispose of its garbage, debris, and other waste materials at properly permitted facilities.

F. Maintain pavement areas in good operating condition sufficient to support all types

of aircraft that Atlantic services. Notwithstanding the foregoing, any required or deferred pavement maintenance requested by the Airport shall be performed by Atlantic only upon final completion of the taxiway renovation underway at the Airport during 2026 and 2027, which renovation requires the installation and use of a temporary taxiway that limits the existing ramp and pavement capacity within Atlantic's leasehold.

If the performance of any of the foregoing maintenance, repair, replacement, or painting obligations of Atlantic requires work to be performed near an active taxiway or runway or where safety of airport operations might be involved, Atlantic shall post guards or erect barriers or other safeguards as required and approved by the Commissioner at such locations prior to Atlantic's performance of any such maintenance, repair, replacement or painting.

Section 5.07 - Repairs Necessitated by Casualty.

A. In the event any Improvement from time to time upon the Premises shall be damaged or destroyed, in whole or in part, (regardless of the cause therefor) Atlantic covenants and agrees that Atlantic, at its own expense (notwithstanding insufficiency of insurance proceeds), shall repair, restore or rebuild any such building or other improvement so damaged, injured or partially destroyed, or erect, finish and complete such replacement Improvements on the Premises, or will have an alternative proposed repairs plan approved by the Commissioner. Any such repair, restoration, or rebuilding or construction of a new building is herein sometimes referred to as a "Restoration."

B. Insurance proceeds shall be made available for Restoration on the terms and conditions set forth in this Section. In the event that the Premises, or any portion thereof, are damaged or destroyed by fire or other casualty, Atlantic, after consultation with City, and subject to the limitations set forth in this Section, shall repair, reconstruct or restore the damaged or destroyed Premises to (i) substantially the same condition, character and utility value as existed prior to the event causing such damage or destruction, or (ii) such other condition, character and value as may be agreed upon by City and Atlantic; provided, however, that in the event that the damage, and the insurance proceeds therefor, are less than \$100,000, Atlantic may effect such repairs, reconstruction or restoration as Atlantic may deem reasonably necessary. The City and Atlantic may agree to apply insurance proceeds to the payment of Special Facility Revenue Bonds issued by the City for the benefit of Atlantic. Atlantic acknowledges that such a bond issuance will require concurrence of the City Comptroller and action by the City Council, which concurrence and action may be withheld in the Comptroller's and City Council's respective sole and absolute discretion.

C. Atlantic shall provide prompt written notice to the City of any event that may require a Restoration. Within sixty (60) days of the date of such notice, Atlantic shall provide to the City plans and specifications for such Restoration, which plans and specifications are subject to City review and approval. Upon approval of such plans and specifications, Atlantic shall immediately proceed to diligently perform the Restoration and complete such Restoration in a timely manner. In the event that Atlantic fails to diligently perform the Restoration or complete the Restoration in a timely manner, the

City may exercise its rights under Section 13.06 of this Agreement.

D. Prior to making any Restoration of more than \$100,000, Atlantic shall in good faith estimate the cost of the Restoration and furnish City supporting estimates by a reputable, experienced architect, engineer and contractor qualified to make such estimate.

E. Without limiting any of the other terms hereof, it is expressly understood and agreed that, except and to the extent provided herein, no loss or partial destruction of or damage to the Premises or the buildings or other improvements from whatsoever cause, shall operate to terminate this Agreement or to relieve or discharge Atlantic from its liability to pay the full Rent and additional charges payable under this Lease, or to relieve Atlantic from any of its other obligations under this Agreement. Except and to the extent provided herein, Atlantic waives any right now or hereafter conferred upon it, whether by statute or otherwise, to surrender this Agreement or possession of the Premises or any part thereof, or to obtain any suspension, diminution, abandonment or reduction of Rent, on account of any such loss, damage or destruction to the buildings or any other property at the Premises.

F. Any insurance proceeds greater than \$100,000.00 shall be made payable to both City and Atlantic. If Atlantic does not commence a Restoration promptly upon City approval of the plans and specifications for such Restoration, or if the Agreement expires or terminates at any time for any reason prior to application of all insurance proceeds, then all insurance proceeds shall be applied first to any required Restoration and the balance allocated between the parties as their interests appear under Section 5.02(c).

Section 5.08 - Inspection. City shall have the right to inspect the Premises and direct Atlantic to make ordinary repairs. City shall provide reasonable notice prior to such inspection, unless in an emergency situation, and shall notify Atlantic's representative on the Premises at the beginning of any such inspection.

Section 5.09 - Signs. Any signs installed by Atlantic on the Premises shall be limited to those which advertise the Atlantic brand and the aircraft support services provided by Atlantic. The number, general type, size, design, and location of such signs shall be subject to the prior written approval of the Commissioner.

Section 5.10 - Non-Interference with Airport Operations. The Work and the operations of Atlantic and its officials, agents, employees, contractors, guests, patrons, and invitees on the Premises shall be conducted in an orderly and proper manner and shall not otherwise annoy, disturb, or be offensive to others at the Airport. In the event that Atlantic is not in compliance with this Section, at the written request of the Commissioner, Atlantic shall immediately conform the demeanor or conduct of Atlantic or its officials, agents, employees, contractors, guests, patrons, and invitees to the standard set forth in this Section.

Section 5.11 - Access by City. Upon the giving of reasonable notice, which may in certain circumstances determined at the City's sole discretion be only by oral notice, Atlantic shall allow City, its officers, agents or employees, free access to the Premises for the purposes of examining them to ascertain if Atlantic is performing its obligations under this Agreement, and for conducting such other activities deemed reasonably necessary by the City. Upon request of the City, Atlantic shall immediately remove or relocate any aircraft or vehicle on the Premises if the City determines that such removal or relocation is necessary or desirable with respect to airport operation, safety, or maintenance of the Airport.

Section 5.12 - Runway Development Contribution. On the 5th anniversary of the Effective Date of this Agreement, Atlantic shall pay to the City the amount of \$7.5 million as its contribution toward the Midway Airport Runway Development Project, which is intended to improve the EMAS infrastructure on Midway's runway system. The manner of payment of the Runway Development Contribution shall be provided to Atlantic by the City no later than 90 days prior to the 5th anniversary of the Effective Date of this Agreement. If the City has not commenced the procurement for, or physical construction of, the Runway Development Project by the date any payment would otherwise be due, the due date for such payment shall be deferred until ninety (90) days after the City commences such procurement or construction. If the City elects not to proceed with the Runway Development Project on or before the expiration of the Term, Atlantic's Runway Development Contribution obligation shall terminate automatically. The Runway Development Contribution shall be used solely for airport aeronautical purposes in accordance with applicable federal law and FAA grant assurances, shall not be considered Rent, and shall not be subject to offset against other amounts owed by Atlantic. Any payment previously paid shall be credited against Atlantic's then-current Rent or refunded at the City's election if the City elects not to proceed after receiving such payment.

ARTICLE VI - MAINTENANCE AND OPERATION OF AIRPORT

Section 6.01 – City's Obligations. City shall operate and maintain in a manner consistent with that of a reasonably prudent operator of an Airport, and keep in good condition and repair, the runway and the taxiway, roadways, water lines, sewer lines, drainage ditches, additions, improvements, facilities, and equipment, now or hereafter provided by City, serving the Premises but located outside the Premises, including the removal of snow, ice, vegetation, stones, and other foreign matter, as reasonably as may be done, from the runway and taxiway, connections therefrom, and roadways.

Section 6.02 – Atlantic's Remedy. In the event that the City fails to cure any failure in its performance of its obligations under Section 6.01 within a reasonable period, and provided that the Airport is not closed at the direction of the City or any other governmental authority or agency as addressed in Section 12.01 hereof, Atlantic's sole and exclusive remedy is to terminate this Agreement by providing notice to the City pursuant to the terms of Article XIV hereof.

ARTICLE VII - ADDITIONAL OBLIGATIONS OF ATLANTIC

Section 7.01 - Taxes. Atlantic shall pay such taxes or special assessments, if any, which may be levied or assessed upon Atlantic's interest in the Premises. Atlantic shall provide the Commissioner with copies of all notices relating to such taxes within thirty (30) days of request and shall provide the Commissioner with a receipt indicating payment of such taxes. Nothing herein shall preclude Atlantic from contesting such charge or tax, including those taxes or charges enacted or promulgated by City.

Section 7.02 - Utilities. Atlantic shall be responsible for payment of all costs of utilities for the Premises, including, but not limited to, electricity and telephone service.

Section 7.03 - Permits, Licenses. Atlantic shall be responsible for obtaining, at its own expense, all necessary governmental approvals, inspections, permits, or licenses needed in connection with the Premises, any business conducted thereon, or any Work performed thereon.

Section 7.04 - Compliance with All Laws. Atlantic shall comply with all applicable federal, state, and local laws, codes, regulations, ordinances, rules, and orders; provided, however, that Atlantic may, without being considered to be in breach hereof, contest any such laws so long as such contest is diligently commenced and prosecuted by Atlantic and does not jeopardize the health or safety of persons at the Airport or Airport operations.

Section 7.05 - Compliance with City/State Requirements. Atlantic agrees to execute such certificates as may be necessary to comply with all applicable Federal, State, and local laws, codes, regulations, ordinances, executive orders, rules, and orders, including without limitation such certifications as are listed below.

A. **Economic Disclosure Statement and Affidavit ("EDS").** Atlantic has executed an EDS(s), in compliance with 720 ILCS 5/33E-3, 4 and 11(B), as amended; 65 ILCS 5/11-42.1-1; Chapters 2-56, 2-154, and 2-156 of the Municipal Code; and such other statutes, ordinances, regulations and executive orders as may be in effect from time to time. Atlantic shall provide updated EDS(s) in the event of any change in circumstance which renders the EDS on file with the City inaccurate or obsolete.

B. **Anti-Scofflaw.** In accordance with Section 2-92-380 of the Municipal Code of Chicago, and in addition to any other rights and remedies (including any of set-off) available to City under this Agreement or permitted at law or in equity, City shall be entitled to set off a portion of any amounts due Atlantic by City under this Agreement in an amount equal to the amount of the fines and penalties for each outstanding parking violation complaint and/or the amount of any debt owed by Atlantic to City. For purposes of this section, "outstanding parking violation complaint" means a parking ticket, notice of parking violation or parking violation complaint on which no payment

has been made or appearance filed in the Circuit Court of Cook County within the time specified on the complaint, and "debt" means a specified sum of money owed to City for which the period granted for payment has expired.

Notwithstanding the provisions of the immediately preceding paragraph, no such debt(s) or outstanding parking violation complaints shall be offset from any amounts due Atlantic from City under this Agreement if one or more of the following conditions are met:

1. Atlantic has entered into an agreement with the Department of Revenue, or other appropriate City department, for the payment of all outstanding parking violation complaints and/or debts owed to City and Atlantic is in compliance with the agreement; or
2. Atlantic is contesting liability for or the amount of the debt in a pending administrative or judicial proceeding; or
3. Atlantic has filed a petition in bankruptcy and the debts owed City are dischargeable in bankruptcy.

C. Ethics. Atlantic shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics", including, but not limited to, Section 2-156-120 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. Any contract negotiated, entered into, or performed in violation of any of the provisions of such Chapter shall be voidable as to City.

D. MacBride Principles. City, 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 provide a better working environment for all citizens in Northern Ireland. If Atlantic conducts any business operations in Northern Ireland, it is hereby required that Atlantic 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 Ill. Laws 3220).

E. Inspector General and Legislative Inspector General. It shall be the duty of Atlantic and all officers, directors, agents, partners, and employees of Atlantic to cooperate with the Inspector General and Legislative Inspector General of the City in any investigation or hearing undertaken pursuant to Chapter 2-56 or 2-55 of the Code, respectively. Atlantic understands and will abide by all provisions of Chapters 2-56 and 2-55 of the Code.

F. Americans with Disabilities Act. Any and all design and construction of Improvements 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: The Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq. and the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities ("ADAAG"); the Architectural Barriers Act, Pub. L. 90-480 (1968), and the Uniform Federal Accessibility Standards ("UFAS"); and the Illinois Environmental Barriers Act, 410 ILCS 25/1 et seq., and all regulations promulgated thereunder, see Illinois Administrative Code, Title 71, Chapter 1, Section 400.110, and the Illinois Information Technology Accessibility Act, Public Act 095-0307, and its regulations (further details regarding the ITAA standards are currently available at <http://www.dhs.state.il.us/page.aspx?item=32765>).

If the above standards are inconsistent, Atlantic must assure that its designs, plans, and drawings comply with the standard providing the greatest accessibility. Also, Atlantic must, prior to construction, review the plans and specifications to insure compliance with these standards. If Atlantic fails to comply with the foregoing standards, the City may, without limiting any of its remedies set forth in this contractor or otherwise available at law, in equity or by statute, require Atlantic to perform again, at no expense, all services required to be re-performed as a direct or indirect result of such failure.

G. Conflicts of Interest. Atlantic represents and warrants that no member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who exercises any functions or responsibilities in connection with this Agreement has any personal interest, direct or indirect, in this Agreement, or in Atlantic. Atlantic further covenants that (i) no member of the governing body of the City and no officer, employee or agent of the City or other unit of government exercising any functions or responsibilities in connection with this Agreement shall acquire any personal, financial or economic interest, direct or indirect, in Atlantic or this Agreement, and (ii) no member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or employee of the City shall be admitted to any share or part of this Lease or any financial benefit to arise from it.

H. Shakman Accord.

1. The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.
2. Atlantic is aware that City policy prohibits City employees from directing any individual to apply for a position with tenants, either as an employee or as a subcontractor, and from directing tenants to hire an individual as an employee or

as a subcontractor. Accordingly, Atlantic must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Atlantic under this Agreement are employees or subcontractors of Atlantic, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Atlantic.

3. Atlantic will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under the Agreement, or offer employment to any individual to provide services under the Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this policy, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.
 4. In the event of any communication to Atlantic by a City employee or City official in violation of paragraph (2) above, or advocating a violation of paragraph (3) above, Atlantic will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General, and also to the Commissioner of the Chicago Department of Aviation.
- I. Mayoral Contributions; Executive Order 2011-4.
1. Atlantic agrees that it, and any person or entity who directly or indirectly has an ownership or beneficial interest in it of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, its Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Atlantic and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fund-raising committee (i) after execution of this Agreement by Atlantic, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between Atlantic and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

2. Atlantic represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached Atlantic or the date the Atlantic approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fund-raising committee.

3. Atlantic agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fund-raising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fund-raising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fund-raising committee.

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

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

6. If Atlantic violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement, the Commissioner may rescind this Agreement.

7. For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fund-raising committee.

"Other Contract" means any other agreement with the City of Chicago to which Tenant is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the city council.

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

Individuals are "Domestic Partners" if they satisfy the following criteria:

(a) they are each other's sole domestic partner, responsible for each other's common welfare; and

(b) neither party is married; and

(c) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

(d) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and

(e) two of the following four conditions exist for the partners:

(i) The partners have been residing together for at least 12 months.

(ii) The partners have common or joint ownership of a residence.

(iii) The partners have at least two of the following arrangements:

a. joint ownership of a motor vehicle;

b. a joint credit account;

c. a joint checking account;

d. a lease for a residence identifying both domestic partners as tenants.

(iv) Each partner identifies the other partner as a primary beneficiary in a will.

"Political fund-raising committee" means a "political fund-raising committee" as defined in Chapter 2-156 of the Municipal code of Chicago, as amended.

k. Confidentiality of Airport Security Data

Atlantic acknowledges that information vital to the security of the airport ("Airport Security Data"), including but not limited to Sensitive Security Information as defined by 49 CFR Part 1520, may be prepared, assembled, encountered by, or provided to Atlantic in connection with this Contract. Atlantic has an ongoing duty to protect confidential information, including but not limited to any Airport Security Data. If Contractor fails to safeguard the confidentiality of Airport Security Data, Contractor is liable for the reasonable costs of actions taken by the City, the airlines, the Federal Aviation Administration ("FAA"), or the Transportation Security Administration ("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. All subcontracts or purchase orders entered into by Atlantic with parties providing material, labor or services to complete the work must contain the language of this section. If Atlantic fails to incorporate the required language in all subcontracts or purchase orders, the provisions

of this section are deemed incorporated in all Subcontracts or purchase orders.

M. Policy on Non-Disclosure of Salary History (Section 2-92-385 of the Municipal Code of Chicago).

Atlantic agrees that it is required to comply with Section 2-92-385 of the Municipal Code of Chicago despite whether any reasonable argument may exist that Atlantic is not required to comply with Section 2-92-385 of the Municipal Code of Chicago.

For purposes of this section, the following definitions shall apply:

"Contract" means any Agreement or transaction pursuant to which a contractor (i) receives City funds in consideration for services, work or goods provided or rendered, including contracts for legal or other professional services, or (ii) pays the City money in consideration for a license, grant or concession allowing it to conduct a business on City premises, and includes any contracts not awarded or processed by the Department of Procurement Services.

"Contractor" means the person to whom a contract is awarded.

As a condition of contract award, Contractor shall, as prescribed by the Chief Procurement Officer, attest by affidavit that Contractor has a policy that conforms to the following requirements: (1) Contractor shall not screen job applicants based on their wage or salary history, including by requiring that an applicant's prior wages, including benefits or other compensation, satisfy minimum or maximum criteria; or by requesting or requiring an applicant to disclose prior wages or salary, either (i) as a condition of being interviewed, as a condition of continuing to be considered for an offer of employment, (iii) as a condition of an offer of employment or an offer of compensation, or (iv) as a condition of employment; and (2) Contractor shall not seek an applicant's wage or salary history, including benefits or other compensation, from any current or former employer.

Contractor's affidavit is included in Appendix C to Contractor's Economic Disclosure Statement.

If Contractor violates the above requirements, Contractor may be deemed ineligible to contract with the City; any contract, extension, or renewal thereof awarded in violation of the above requirements may be voidable at the option of the City. Provided, however, that upon a finding of a violation by Contractor, no contract shall be voided, terminated, or revoked without consideration by the Chief Procurement Officer of such action's impact on the Contractor's MBE or WBE subcontractors.

N. Duty to Report Corrupt or Unlawful Activity.

Pursuant to MCC 2-156-018, it is the duty of Atlantic to report to the Inspector General, directly and without undue delay, any and all information concerning conduct which it

knows to involve corrupt activity. "Corrupt activity" means any conduct set forth in Subparagraph (a)(1), (2), or (3) of Section 1-23-020 of the MCC. Knowing failure to make such a report will be an event of default under this Contract. Reports may be made to the Inspector General's toll free hotline, 866-IG-TIPLINE (866-448-4754).

Equal Pay Act.

O. The Contractor will comply with all applicable provisions of the Equal Pay Act of 1963, 29 U.S.C. 206(d) and the Illinois Equal Pay Act of 2003, 820 ILCS 112/1, et. seq., as amended, and all applicable related rules and regulations including but not limited to those set forth in 29 CFR Part 1620 and 56 Ill. Adm. Code Part 320.

Section 7.06 - Non-discrimination.

A. Federal Requirements. It shall be an unlawful employment practice for Atlantic (1) to fail or refuse to hire or to discharge any individual, or otherwise 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, disability, or national origin; or (2) to limit, segregate, or classify 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, disability, or national origin.

In all its activities within the scope of its airport program, Atlantic agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in the Title VI List of Pertinent Nondiscrimination Acts and Authorities, below, to ensure that no person shall, on the grounds of race, color, national origin, creed, sex, age, or disability be excluded from participating in any activity conducted with or benefitting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964. If Atlantic transfers its obligations to another, the transferee is obligated in the same manner as Atlantic.

The above provision obligates Atlantic for the period during which the property is owned, used, or possessed by Atlantic and the airport remains obligated to the FAA.

For purposes of this Section 7.06.A, the word "Acts" refers to Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and the word "Regulations" refers to 49 CFR Part 21 and 28 CFR 50.3.

1. Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Agreement, Atlantic, for itself, its assignees, and successors in interest (hereinafter referred to in this Section 7.06.A.1 and 7.06.A.2 as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities,

including, but not limited to:

- Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 200d et seq., 78 Stat. 252) (prohibits discrimination on the basis of race, color, and national origin);
- 49 CFR Part 21 (Non-discrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964), including amendments thereto;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. § 4601 et seq.) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794 et seq.) (prohibits discrimination on the basis of disability);
- 49 CFR Part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, as amended (49 U.S.C. § 47123) (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (Pub. L. 100-259) (broadened the scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973 by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, subrecipients, and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities), as implemented by U.S. Department of Transportation regulations at 49 CFR Parts 37 and 38; and
- Title IX of the Education Amendments of 1972, as amended (20 U.S.C. § 1681, et seq.) (prohibits discrimination because of sex in education programs or activities).

3.

2. Compliance with Non-Discrimination Regulations. During the performance of this Agreement, the Contractor agrees as follows:

a. Compliance with Regulations: The Contractor (hereinafter including consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Contract.

b. Nondiscrimination: The Contractor, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, national origin, creed, sex, age, or disability in the selection and retention of subcontractors, including

procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Title VI List of Pertinent Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21, including amendments thereto.

c. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation, made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the Contractor's obligations under this Contract and the Title VI List of Pertinent Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

d. Information and Reports: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City or the FAA to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails to furnish the information, the Contractor will so certify to the City or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

e. Sanctions for Noncompliance: In the event of Contractor's noncompliance with the non-discrimination provisions of this Agreement, the City will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to: (i) Withholding any payments due to the Contractor under this Agreement until the Contractor complies; and/or (ii) cancelling, terminating or suspending this Agreement, in whole or in part.

f. Incorporation of Provisions: Contractor will include the provisions of paragraphs 7.06.A.2.a through 7.06.A.2.f in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the City or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor or supplier because of such direction, the Contractor may request the City to enter into any litigation to protect the interests of the City. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

B. State Requirements. Atlantic shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101, et seq., as amended, and any rules and regulations promulgated in accordance therewith, including, but not limited to the Equal Employment Opportunity Clause, 44 Ill. Admin. Code 750 Appendix A. Contractor must additionally comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as

amended; the Environmental Barriers Act, 410 ILCS 25/1 et seq.; and all other applicable State laws, rules, regulations, and executive orders.

C. City Requirements. Atlantic shall comply with the Chicago Human Rights Ordinance, Chapter 6-10 of the Municipal Code, as amended, and all other applicable municipal code provisions, rules, regulations, and executive orders. Further, Atlantic shall furnish and shall cause each of its contractors to furnish such reports and information as requested by the Chicago Commission on Human Relations.

D. Contractor and Subcontractor Responsibilities. Atlantic agrees that the provisions of Sections 7.06.B and 7.06.C will be incorporated in all agreements entered into with any contractors, material suppliers, providers of services, subcontractors of any tier, and labor organizations which furnish skilled, unskilled, and craft union skilled labor, or which may provide any such materials, labor, or services in connection with this Agreement.

B. State Requirements. Atlantic shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101, et seq., as amended, and any rules and regulations promulgated in accordance therewith, including, but not limited to the Equal Employment Opportunity Clause, 44 Ill. Admin. Code 750 Appendix A. Atlantic must additionally comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as amended; the Environmental Barriers Act, 410 ILCS 25/1 et seq.; and all other applicable State laws, rules, regulations, and executive orders.

C. City Requirements. Atlantic shall comply with the Chicago Human Rights Ordinance, Chapter 6-10 of the Municipal Code, as amended, and all other applicable municipal code provisions, rules, regulations, and executive orders. Further, Atlantic shall furnish and shall cause each of its contractors to furnish such reports and information as requested by the Chicago Commission on Human Relations.

D. Atlantic and Subcontractor Responsibilities. Atlantic agrees that the provisions of Sections 7.06.B and 7.06.C will be incorporated in all agreements entered into with any contractors, material suppliers, providers of services, subcontractors of any tier, and labor organizations which furnish skilled, unskilled, and craft union skilled labor, or which may provide any such materials, labor, or services in connection with this Agreement.

Section 7.07 - Affirmative Action Program and MBE/WBE Requirements. Atlantic assures that it will undertake an affirmative action program which sets forth all applicable Federal standards as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E. Atlantic assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or

activity covered by Subpart E. Atlantic assures that it will require that its covered suborganizations provide assurances to Atlantic that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 C.F.R., Part 152, Subpart E, to the same effect. In furtherance thereof, Atlantic also agrees to coordinate with the City's Department of Procurement Services so as to comply with the then current City requirements for participation of Minority Business Enterprises and Women's Business Enterprises on construction or demolition of any Improvements.

Section 7.08 - Compliance With Environmental Laws

[TO BE INSERTED]

ARTICLE VIII - AIRPORT MATTERS

Section 8.01 - Airport Rules and Regulations. Atlantic shall observe and obey all Airport rules and regulations governing the conduct and operations of the Airport, promulgated from time to time by City, provided, however, that such Airport rules and regulations must be neither (i) inconsistent with the exercise by Atlantic of any right or privilege granted to it hereunder or under any other agreement between Atlantic and City relating to the Airport, nor (ii) inconsistent with the rules and regulations or orders of any Federal or State agency having jurisdiction over the Airport. Except in cases of emergency, no such rule or regulation shall be applicable to Atlantic unless it has been given fifteen (15) days prior written notice of the adoption thereof.

Section 8.02 - Other Legal Requirements. Atlantic 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 and the TSA, which shall include, but not be limited to, the following:

A. **Prohibition Against Exclusive Rights.** It is hereby specifically understood and agreed that nothing contained in this Agreement shall be construed to grant or authorize the grant to Atlantic of an exclusive right to use Airport facilities or to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and City reserves the right to grant to others at the Airport similar privileges and rights.

B. **Subordination of Agreement.** Atlantic covenants and agrees that this Agreement shall be subordinated to the provisions of any existing or future agreement between the City and the United States Government, the execution of which has been or will be required as a condition precedent to the granting of Federal funds for the development of the Airport. Atlantic 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.

C. Non-discrimination in the Use of the Premises. This Agreement involves the use of or access to space on, over, or under real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and therefore involves activity which serves the public. Atlantic, 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 (a) 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; (b) 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 (c) that Atlantic shall use the Premises in compliance with all other requirements imposed by or pursuant to regulations of the U.S. Department of Transportation. In the event of a breach of the above nondiscrimination-covenants by Atlantic, City shall have the right to terminate this Agreement and to reenter and repossess the Premises and the facilities thereon, and hold the same as if this Agreement had never been executed.

D. Non-Discrimination in Furnishing Services. Atlantic agrees that it shall provide its services and products promptly, efficiently and adequately to meet all reasonable demands therefor, all on a fair and non-discriminatory basis to all users thereof, at charges which are fair, reasonable and non-discriminatory; provided that reasonable discounts, rebates or other similar types of price reductions may be made to volume purchasers.

Section 8.03 - Airport Agreements. Atlantic's use and occupancy of the Premises shall be and remain subject to (i) 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 Airport, the execution of which has been or will be required as a condition precedent to the granting of federal or other government funds, including, without limitation, grant agreements, and (ii) any use agreement heretofore or hereafter executed by the City with airlines operating at the Airport, including, without limitation, the Midway Airport Use Agreement and Facilities Lease and any ordinance or indenture, or both, authorizing bond anticipation notes or bonds or other obligations adopted by the City Council of the City authorizing the issuance of notes, bonds or other obligations for the Airport and securing such obligations by a pledge of revenues or net revenues of the Airport and any ordinance or indenture supplemental thereto, which shall also include any master indenture.

Section 8.04 - Airport Security Acts. This Agreement is expressly subject to the Airport Security Acts, as amended from time to time, the provisions of which are hereby incorporated by reference, including, without limitation all rules and regulations promulgated thereunder. Atlantic and its employees, contractors, subcontractors, suppliers of materials, or providers of services are subject to such employment investigations, including criminal history record checks, as the Commissioner, the TSA or the FAA may deem necessary. Further, in the event of any threat to civil aviation, as

defined in the Airport Security Acts, Atlantic shall promptly report any information in accordance with those regulations promulgated by the Secretary of the United States Department of Transportation, the Secretary of the Department of Homeland Security and the City. Atlantic shall, notwithstanding anything contained herein to the contrary, at no additional cost to City, perform under this Agreement in compliance with those directives guidelines developed by City, the TSA and the FAA with the objective of maximum security enhancement, including without limitation any confidentiality directives and guidelines established by the TSA with respect to information that has been deemed by the TSA to be Security Sensitive Information.

Section 8.05 - Airport Noise Restrictions. Atlantic agrees to abide by any guidelines, rules or regulations for the Airport which result from any Part 150 study or any other restrictions imposed on noise and which are applicable to the use of the Premises as an aircraft maintenance facility or otherwise.

Section 8.06 - Regulating the Airport; Airport Operation. City reserves the right to regulate, police and further develop, improve, reconstruct, modify or otherwise alter the Airport in City's sole discretion. City reserves the right, but shall not be obligated to Atlantic, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport. City shall not have any obligation to continue to operate the Airport 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 Airport or any means of access to or within the Airport in whole or in part. Notwithstanding the foregoing, Atlantic shall have the right to terminate this Lease or renegotiate the MAG and other terms and conditions upon written notice to City if any such limitation, discontinuation, or change by City results in a material disruption to Atlantic's business operations at the Airport. This provision shall not be interpreted to grant a right to limit or discontinue means of access to the Premises by Atlantic from outside the Airport from dedicated public streets.

ARTICLE IX - EXERCISE BY CITY OF GOVERNMENTAL FUNCTIONS

Nothing contained herein shall impair the right of City, in the exercise of its governmental functions, to require Atlantic to pay any tax or inspection fees or to procure necessary permits or licenses. Nothing herein shall be construed to prevent Atlantic from contesting in good faith any tax or inspection fee so long as such contest is diligently commenced and prosecuted by Atlantic.

Nothing contained herein shall be deemed to be the grant of any franchise, license, permit or consent to Atlantic to operate motor coaches, buses, taxicabs or other vehicles carrying passengers or property for hire or other consideration over the public ways to and from the Airport.

ARTICLE X - INSURANCE

Atlantic shall provide and maintain at all times, at Atlantic's own expense during the term

of the Agreement and during any period subsequent to the expiration of the Term if Atlantic is required to return to perform Work or perform any activities to comply with any Environmental Law, the types of insurance specified in Exhibit D with insurance companies authorized to do business in the State of Illinois, covering all operations under this Agreement, whether performed by Atlantic, its contractors or subcontractors.

ARTICLE XI - INDEMNIFICATION BY ATLANTIC

Section 11.01 - Indemnity.

[TO BE INSERTED]

Section 11.02 - Release of City.

[TO BE INSERTED]

Section 11.03 - Non-Liability of Public Officials. No official, employee, or agent of City shall be charged personally by Atlantic, or by any assignee or contractor of Atlantic, with any liability or expenses of defense, or be held personally liable to them under any term or provision of this Agreement, or because of City's execution or attempted execution hereof, or because of any breach hereof.

Section 11.04 - Limitation on City Liability. City, its officers, directors, commissioners, agents and employees, shall, to the extent permitted by law, have absolutely no personal liability with respect to any provision of this Agreement or any obligation or liability arising from this Agreement or in connection with this Agreement or the Premises in the event of a breach or default by City of any of its obligations.

Section 11.05 - City Approvals. Nothing herein is intended nor shall it be construed to provide any limitation upon Atlantic's obligation to comply with the terms and conditions of this Agreement. No City review or approval of any act of Atlantic or document provided by Atlantic, including, but not limited to, plans and specifications, shall in any way serve to attenuate, diminish or otherwise limit Atlantic's obligations hereunder, nor shall any such review or approval constitute a waiver by the City of any non-compliance with the terms and conditions of this Agreement, provided that the City did not issue Atlantic direction contrary to applicable laws, regulations, and terms and conditions contained in this Agreement. Unless otherwise required by law or as expressly provided otherwise in this Agreement, any City review or approval required by this Agreement is deemed to mean the review or approval of the Commissioner.

Section 11.06 - Survival Beyond Termination of this Agreement. Atlantic's obligations under Section 7.08, Section 7.10, and Article XI shall survive the termination or expiration of this Agreement.

ARTICLE XII - DEFAULT AND TERMINATION

Section 12.01 - Events of Default. Each of the following is an event of default under this Agreement:

A. Atlantic becomes insolvent (as such terms is defined under Section 101 of the Federal Bankruptcy Code, 11 U.S.C. 101 *et seq.* (the "Code"), or any successor statute

thereto); or fails to pay its debts generally as they mature; or takes the benefits of any present or future federal or state insolvency statute; or makes a general assignment for the benefit of creditors.

B. Atlantic files a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the Code or under any other law or statute of the United States or of any State thereof; or consent to the appointment of a receiver trustee, custodian, liquidator, or other similar official, of all or substantially all of its property; or an order for relief is entered by or against Atlantic under any chapter of the Code.

C. By order or decree of a court, Atlantic is adjudged a debtor or bankrupt, or an order is made approving a petition filed by any of its creditors or by any of its stockholders, seeking its reorganization or the restructuring of its indebtedness under the Code or under any other law or statute of the United States or any state thereof and such order or decree is not stayed or vacated within sixty (60) days of its issuance.

D. A petition under any chapter of the Code or an action under any federal or state insolvency statute is filed against Atlantic and is not dismissed or stayed within sixty (60) days after being filed.

E. By or pursuant to, or under authority of any legislative act, resolution or rule, or order or decree of any court or governmental board, agency or officer, a receiver, trustee, custodian, liquidator, or other similar official takes possession or control of all or substantially all of the property of Atlantic and such possession or control continues in effect for a period of sixty (60) days.

F. Atlantic becomes a corporation in dissolution.

G. The letting, license, or other interest of or rights of Atlantic hereunder is transferred to, passed to, or devolved upon, by operation of law or otherwise, any other person, firm, corporation, or other entity, by, in connection with, or as a result of any bankruptcy, insolvency, trusteeship, liquidation or other proceedings or occurrence described in Subparagraphs (A) through (E) of this Section 12.01.

H. Atlantic fails to duly and punctually pay any Rent required to be paid hereunder or fails to make payment when due of any other sum required to be paid to City pursuant to this Agreement, for a period of ten(10) business days after written notice specifying such failure and requesting that it be remedied is given to Atlantic by City.

I. Atlantic fails to keep, perform, and observe any promise, covenant, or other provision of this Agreement, other than the obligation to pay Rent, but including compliance with all aspects of the Development Plan then in effect, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Atlantic by City; provided, however, that any such failure which can be remedied, but which cannot with due diligence be remedied within such thirty (30) day period, shall not

give rise to City's right to terminate this Agreement if corrective action is instituted by Atlantic within such thirty (30) day period and diligently pursued until the failure is remedied; provided further that no such failure shall constitute an Event of Default to the extent caused by a Force Majeure Event under Section 15.06 or excused under Section 5.01(C), and the applicable cure period shall be tolled for the duration of such event.

J. Any lien is filed against the Premises or any portion thereof resulting from any act or omission of Atlantic, and is not discharged within thirty (30) days, unless Atlantic within the aforesaid thirty (30) days furnishes the City such security as the Commissioner in his discretion determines to be adequate to protect the interests of City.

K. Atlantic ceases using or abandons substantially all of the Premises for a period of ninety (90) consecutive days.

L. Atlantic makes any purported Transfer without the consent of City as set forth in Article XIV.

M. Atlantic fails to maintain its corporate existence, or fails to remain duly qualified to do business in the State of Illinois, or Atlantic dissolves or otherwise disposes of all or substantially all of its assets, or consolidates with or merges into another corporation; provided, however, that it shall not be an Event of Default if Atlantic consolidates with or merges into an Affiliate; or

N. Atlantic fails to receive authorization to conduct fixed base operations or general aviation functions at the Airport by any governmental entity, or the FAA objects to or disapproves this Agreement; provided that no such failure, objection, or disapproval shall constitute an Event of Default unless the City has given Atlantic written notice and Atlantic has failed to resolve the issue within ninety (90) days (or such longer period as reasonably necessary) using commercially reasonable efforts.

O. Atlantic defaults on any Loan Agreement pertaining to Special Facility Revenue Bonds issued by the City for use and repayment by Atlantic.

Section 12.02 – City's Remedies.

A. Whenever an Event of Default has occurred and is continuing beyond any applicable cure period, City may, at its option, on thirty (30) days prior written notice to Atlantic of such Event of Default:

1. terminate this Agreement and the licenses and other rights of Atlantic hereunder, without discharging any of Atlantic's obligations hereunder and, at City's further option, exclude Atlantic from the Premises; or
2. without terminating this Agreement, exclude Atlantic from the Premises and attempt to grant such Premises to another party for the account of Atlantic, holding Atlantic liable for all payments due hereunder up to the effective date of

such grant and for the excess over the Rent and other amounts which are paid by such new party under such new agreement, if any, of other amounts payable by Atlantic under this Agreement for the remainder of the term of this Agreement.

B. The remedies set forth in this Article are in addition to all other remedies which are or may be available to City at law or in equity. In addition, City may, from time to time, take whatever action at law or in equity appears necessary or desirable to collect Rent and any other amounts payable by Atlantic hereunder then due and thereafter to become due, and to enforce the performance and observance of any obligation, agreement, or covenant of Atlantic under this Agreement.

C. All rights and remedies hereinbefore given to City and all rights and remedies given to City by law, shall be cumulative and concurrent. No termination of this Agreement or the taking or recovering of the Premises shall deprive City of any of City's remedies or actions against Atlantic for Rent or for any other sum required to be paid to City pursuant to this Agreement, or for damages or for the breach of any covenant herein contained, nor shall the bringing of any action for fees or breach of covenant, or the resort to any other remedy herein provided for the recovery of fees be construed as a waiver of the right to obtain possession of the Premises.

Section 12.03 - Removal of Atlantic's Property.

A. The personal property financed with funds other than Special Facility Revenue Bonds or other City funds and placed or installed by Atlantic in the Premises shall remain the property of Atlantic and must be removed on or before the expiration of the Term or the expiration of any extension or renewal thereof at Atlantic's sole risk and expense. Any damage to the Airport, the Premises, or any fixtures located therein, resulting from such removal shall be paid for by Atlantic. In the event of the termination of this Agreement, by default or otherwise, Atlantic shall have thirty (30) days after such termination during which to remove such property; provided, however, City shall have the right to assert such liens against said property as City may by law be permitted. So long as any such property remains in the Premises, Atlantic's obligation to pay City Rent and any other sums which may be due the City under the Agreement shall continue.

B. If Atlantic's property is not removed as herein provided, City may, at its option, deem such property abandoned and keep such property or after written notice to Atlantic and at Atlantic's sole risk and expense, remove such property to a public warehouse for deposit, or retain the same in City's possession and after the expiration of thirty (30) days sell the same, with notice and in accordance with applicable law, the proceeds of which shall be applied first to the expenses of such removal and sale, second to any sum owed by Atlantic to City, and any balance remaining shall be paid to Atlantic.

Section 12.04 - Condemnation.

[TO BE INSERTED]

Section 12.06 – City's Right to Perform Atlantic's Obligations.

A. In the event that Atlantic fails to perform any of its obligations under this Agreement, the City may, but is not obligated to, and without waiving or releasing Atlantic from any of its obligations hereunder, make any payment or perform any other act which Atlantic is obligated to make or perform under this Agreement in such manner and to such extent as City may deem desirable; and in so doing city shall also have the right to enter upon the Premises, including any Improvement to 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 City, together with interest thereon at the lesser of the then current Default Rate or the highest interest rate permitted by law, shall be deemed additional Rent hereunder and shall be payable to City upon demand as additional Rent. City shall use reasonable efforts to give prior notice, which may be oral, of its performance, if reasonably feasible under the circumstances.

B. The performance of any such obligation by City shall not constitute a waiver of Atlantic's default in failing to perform the same. Inaction of City shall never be considered as a waiver of any right accruing to it pursuant to this Agreement. City, in making any payment hereby authorized: (a) relating to taxes, may do so according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; (b) for the discharge, compromise or settlement of any lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted; or (c) in connection with the completion of construction of Improvements to the Premises or the repair, maintenance or reconstruction of Improvements to the Premises or payment of operating costs thereof, may do so in such amounts and to such persons as City may reasonably deem appropriate. Nothing contained herein shall be construed to require the City to advance monies for any purpose. City shall not in any event be liable for inconvenience, annoyance, disturbance, loss of business or other damage to Atlantic or any other occupant of the Premises or any part thereof, by reason of making repairs or the performance of any work on the Premises or on account of bringing materials, supplies and equipment into or through the Premises during the course thereof and the

obligations of Atlantic under this Lease shall not thereby be affected in any manner. In doing so, however, City shall use reasonable efforts not to interfere with Atlantic's operations.

Section 12.07 - Attorneys' Fees and Expenses. In the event Atlantic defaults under this Agreement and City employs attorneys or incurs other expenses for the collection of Rent or any other amounts due hereunder, or for the enforcement or performance or observance of any obligation or agreement on the part of Atlantic herein contained, Atlantic shall, on demand, pay to City the reasonable fees and expenses of such attorneys and any such other reasonable expenses incurred by City as a result of such default.

ARTICLE XIII - TRANSFERS

Section 13.01 – Atlantic's Right to Transfer.

[TO BE INSERTED]

ARTICLE XIV - NOTICE

Any notices or other communications pertaining to this Agreement shall be in writing and shall be deemed to have been duly given by a party if sent by nationally recognized commercial overnight courier or registered or certified mail, return receipt requested, postage prepaid and addressed to the other party. Notices shall be deemed given on the date of receipt if by personal service, or one day after deposit with a nationally recognized commercial overnight courier, three days after deposit in the U.S. mails, or otherwise upon refusal of receipt. All notices or communications intended for Atlantic shall be addressed to:

Atlantic Aviation Corporation
5821 South Central Avenue
Chicago, Illinois 60638
Attn: General Manager

with a copy to:

Atlantic Aviation Corporation
5525 Granite Parkway, Suite 1700
Plano, TX 75024
Attn: General Counsel

All notices or communications intended for the City shall be addressed to:

Commissioner, Chicago Department of Aviation
City of Chicago

O' Hare International Airport
10510 Zemke Road
Chicago, Illinois 60666

with a copy to: City Comptroller
City of Chicago
Room 501 City Hall
121 North LaSalle Street
Chicago, Illinois 60602

and with a copy to: Corporation Counsel
Department of Law
City of Chicago
Room 610
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Deputy Corporation Counsel – Aviation

Either party may change its address or the individual to whom such notices are to be given by a notice given to the other party in the manner set forth above.

ARTICLE XV - MISCELLANEOUS

Section 15.01 - Entire Agreement. This Agreement, and the exhibits attached hereto and incorporated hereby, shall constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this Agreement that are not expressly addressed herein and therein.

Section 15.02 - Counterparts. This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

Section 15.03 - Amendments. No changes, amendments, modifications, cancellation, or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the parties hereto, or their respective successors and assigns. Without limiting the foregoing, this Agreement may be amended to authorize Atlantic or a third party to perform additional services that are customary or incidental to the operation of a fixed-base operator.

Section 15.04 - No Partnership or Agency. Nothing herein contained as intended or shall be construed to in any respect create or establish any relationship other than that of lessor and lessee, and nothing herein shall be construed to establish any partnership, joint venture, or association or to make Atlantic the general representative or agent of City for any purpose whatsoever.

Section 15.05 - Representatives. City and Atlantic shall each designate a representative who, except as otherwise provided hereunder, shall be authorized to act for City and Atlantic, respectively, with respect to any actions to be taken by either of them under the terms of this Agreement. Except as specifically set forth herein, for the purposes of actions to be taken by it or by the Commissioner, City's representative shall be the Commissioner. Atlantic's representative shall be designated in a written notice delivered to City. Any party hereto may change its designated representative by notice to the other party.

Section 15.06 - Force Majeure.

[TO BE INSERTED]

Section 15.07 - Governing Law. This Agreement shall be governed in accordance with the laws of the State of Illinois. Atlantic hereby irrevocably submits, and shall cause its subcontractors to submit, to the original jurisdiction of those State or Federal 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 Agreement. Atlantic agrees that service of process on Atlantic may be made, at the option of City, either by registered or certified mail addressed to the applicable office as provided for, in this Agreement, by registered or certified mail addressed to the office actually maintained by Atlantic, or by personal delivery on any officer, director, or managing or general agent of Atlantic.

Section 15.08 - Consent to Service of Process and Jurisdiction. All judicial proceedings brought by Atlantic with respect to this Agreement shall be brought in Cook County, Illinois, and by execution and delivery of this Agreement, Atlantic accepts, for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available. Atlantic irrevocably waives any objection (including without limitation any objection of the laying of venue or based on the grounds of forum nonconveniens) which it may now or hereafter have to the bringing of any action or proceeding with respect to this Agreement in the jurisdiction set forth above. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of City to bring proceedings against Atlantic in the courts of any other jurisdiction.

Section 15.09 - Severability. If any provisions of this Agreement 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 of 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 Agreement shall not affect the remaining portions of this Agreement or any part thereof.

Section 15.10 - Assigns. All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees, and assigns.

Section 15.11 - Co-Operation by Parties. The parties hereby agree to use good faith in the performance of this Agreement and to co-operate with each other. City must be expressly identified as a third party beneficiary in any of Atlantic's contracts for construction of Improvements or performance of Primary Commercial Support Services and must be granted a direct right of enforcement thereunder. If this Agreement is terminated for any reason, or if it expires by its own terms, Atlantic shall make every reasonable effort to assure an orderly transition to another fixed base operator or provider of general aviation services, if any; orderly demobilization of its own operation; and the uninterrupted provision of fixed base operations and general aviation services. During any transition period Atlantic shall otherwise comply with the reasonable requests and requirements of the Commissioner in connection with the termination or expiration of this Agreement.

ARTICLE XVI - AUTHORITY

Section 16.01 - City's Authority. This Agreement is authorized by an Ordinance passed by City of Chicago City Council on _____ (C.J.P. _____). Wherever this Agreement provides that an act is to be taken or performed, or approval or consent is to be 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 (i) an extension of the Term (beyond any permitted renewals), (ii) a decrease in the Rent other than such decreases expressly provided for herein, or (iii) expansion of the Premises; provided, however, that non-material changes may be made to the boundaries of the Premises to conform to a survey. The Commissioner may execute an amendment to the Agreement provided that he or she is authorized to take or perform the act, or provide the consent or approval, giving rise to such amendment.

Section 16.02 - Atlantic's Authority. Execution of this Agreement by Atlantic is authorized by corporate resolution, and the Atlantics of each person signing on behalf of Atlantic have been made with complete and full authority to commit Atlantic to all terms and conditions of this Agreement, including each and every representation, certification, and warranty contained herein, attached hereto and collectively incorporated by reference herein, or as may be required by the terms and conditions hereof.

IN WITNESS WHEREOF, City of Chicago has caused this Agreement to be executed on its behalf by its Mayor, pursuant to due authorization of City Council of City of Chicago, and Atlantic Aviation Corporation has caused this Agreement to be executed on its behalf by its _____ and witnessed by its _____ pursuant to due authorization of its Board of Directors.

CITY OF CHICAGO

Brandon Johnson, Mayor

Recommended by:

Michael McMurray
Commissioner of Aviation

ATLANTIC AVIATION CORPORATION

By:

Signature: _____

Designation of Agent for City
Clerk Service of Process

Name: _____

Address: _____

EXHIBIT A — PREMISES

[TO BE INSERTED]

EXHIBIT B — RENT SCHEDULES

Ground Rental Rate: \$1.30/square foot/year

Building Rental Rates:

[TO BE INSERTED]

EXHIBIT C — REQUIREMENTS FOR WORK

[TO BE INSERTED]

EXHIBIT D — INSURANCE REQUIREMENTS

[TO BE INSERTED]

EXHIBIT E — DEVELOPMENT PLAN

[TO BE INSERTED]

