

COMMERCIAL OPERATING PERMIT

CHICAGO EXECUTIVE AIRPORT

By this Permit, between the City of Prospect Heights, 8 North Elmhurst Road, Prospect Heights, Illinois 60070, and the Village of Wheeling, 255 W. Dundee Road, Wheeling, Illinois 60090, hereinafter referred to as "Management", and \_\_\_\_\_ a(n) corporation, having offices at:

hereinafter referred to as "Permittee", Permittee is authorized to perform the services set forth in Article 1 below at Chicago Executive Airport (the "Airport") in consideration of the payment of fees set forth in Article 2 below and compliance with Airport Rules and Regulations and the terms and conditions of this Permit. Permittee's Federal Employer Identification Number is .

1. Services Authorized to be Performed

Permittee is authorized to provide at the Airport the following commercial services, hereinafter referred to as "Services": \_\_\_\_\_. Aircraft to be used by the Permittee for the conduct of its Services is/are \_\_\_\_\_. In consideration of the granting of this Permit by Management, the Permittee agrees that it shall conduct its business and render its Services in a professional manner consistent with industry standards and sound business practices and will furnish all necessary and proper machines, fixtures, equipment, personnel, supplies, materials and other facilities and replacements therefor.

2. Location For The Performance of Services

Management, for reasons of public safety, and consistent with its responsibility for the safe and efficient operation of the Airport shall, in its sole discretion designate and/or approve the location on the Airport from which Permittee will provide its Services. The location designated and approved for the provision of Services under this Permit is .

3. Fees

Permittee agrees, in consideration of the rights and privileges granted to it herein to pay to Management the applicable Permit fees as set forth below.

- a. The fixed fees payable pursuant to this Permit are those set forth in Section \_\_\_ of Schedule A attached hereto.
- b. Payment of all fees shall be by check or money order payable at the office of the Airport Manager or at such other office as may be directed in writing by Management. The fixed fee for the first month shall be paid at the time of execution and delivery of this Permit by the Permittee.
- c. Permittee agrees to pay when due all applicable Airport fees including but not limited to landing fees, fuel storage/flowage fees and tie-down fees at the rates posted by Management. Permittee acknowledges that all Airport fees may be adjusted from time to time by Management in its sole discretion.
- d. If any payments shall not be made when due, the Permittee shall pay a late charge of \$5.00 for each month that the payment remains unpaid thereafter.
- e. Permittee shall also pay a security deposit as set forth in Article 11 hereof at the time of execution of this Permit.

4. Term

The term of this Permit shall be for a period of one year commencing on \_\_\_\_\_ and terminating on \_\_\_\_\_. Unless either party provides the other with at least 30 days written notice prior to the expiration of the term of this permit that it does not desire the Permit to be extended for an additional period, such term shall be automatically extended for an additional one year period; in such event, all terms and conditions of this permit shall continue in full force and effect during the extension period. Management may terminate this Permit on 24 hours notice if the Permittee fails to pay Management any amounts required to be paid by this Permit. If the Permittee breaches any other provision or covenant of this Permit or violates the Airport Rules and Regulations, Management shall give Permittee notice of such default. If with 15 days after Management gives such notice, Permittee has not cured or commenced to cure with due diligence said default, this Permit and all rights and privileges granted herein may be terminated by Management and Management may without further notice or demand enter the location designated herein for the provision Services, expel the Permittee, remove its effects and thereupon the term of this Permit shall terminate, but without prejudice to the right of Management to pursue any remedies which might otherwise be available pursuant to the Permit or applicable law.

5. Assignment and Sale

Permittee agrees that it will not sell, convey, transfer, pledge, or assign this Permit or any part hereof or any rights created hereby. Any attempted sale, conveyance, transfer, pledge or assignment of this Permit, or any rights of Permittee hereunder shall be null and void, and shall be a material breach hereof, in consequence which management may immediately terminate this Permit.

6. Right of Audit and Maintenance of Books and Records

Permittee shall maintain at the Airport, or another location approved in writing by Management, true and accurate books and records of its operation at the Airport. The keeping of such books and records shall be in accordance with generally accepted accounting practices. Any Permittee having gross annual receipts of \$50,000 or more shall furnish the Manager upon request and within ninety days of the end of their fiscal year, an affidavit of gross receipts. Further, any Permittee having gross annual receipts of \$100,000 or more shall, within ninety (90) days of the end of their fiscal year, furnish the Airport Manager annual financial statements which shall reflect the Permittee's financial condition and the financial performance of such activity. The financial statements shall be prepared by an independent Certified Public Accountant and shall include, but not be limited to, a balance sheet, income statement and statement of changes in financial position. Management shall have the right to audit Permittee's books and records at any time during normal business hours during the term of this Permit and for two years after its expiration or termination.

7. Valid Sublease

As a condition to Permittee providing the Services authorized herein, Permittee shall:

- a. if occupying space rented directly from Management, possess a current and valid agreement for the usage of the space, or;
- b. if occupying space, rented directly or indirectly from a lessee of Management, obtain from said lessee a current and valid sublease and submit to Management, for its approval, an original of said sublease.

If Permittee's use of the space does not, in Management's opinion, require a sublease, then written permission from Management's lessee allowing the Permittee to utilize its space for the provision of Services shall be submitted to Management for its approval.

The absence of a valid sublease or written permission as noted above shall automatically and immediately terminate all of Permittee's rights under this Permit and Permittee agrees it will immediately cease and desist from the rendering of Services at the Airport.

8. No Interest in Real Property

Permittee agrees that this Permit constitutes merely right to provide Services at the Airport and does not create or convey any interest in real property to Permittee.

9. Personal Conduct

The operations of the Permittee, its employees, invitees and those doing business with it, shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Airport. If directed by Management, the Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification.

10. Repairs to Management Property

The Permittee shall promptly repair or replace all property of Management damaged by the operations of the Permittee. The Permittee shall not install any fixtures or make any alterations or improvements in or additions or repairs to any property of Management except with the prior written approval of Management.

11. Security Deposit

Permittee has deposited with Management the sum of dollars (\$ \_\_\_\_\_) as security for the faithful performance and observance by Permittee of the terms and conditions of this Permit; it is agreed that in the event Permittee defaults in respect to any of the terms and conditions of this Permit including, but not limited to, the payment of fees, Management may use, apply or retain the whole or any part of the security so deposited to the extent required for payment of any fees or any other sum as to which Permittee is in default or for any sum which Management may expend or may be required to expend by reason of Permittee's default in respect of any of the terms and conditions of this Permit, including but not limited to any damages sustained by Management as a result thereof. In the event Permittee shall fully and faithfully comply with all of the terms and conditions of this Permit, the security deposit shall be returned to the Permittee after the date fixed as the end of this Permit.

12. Liabilities and Indemnities

- a. Management shall not in any way be liable for any cost, liability, damage or injury including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, occurring on the Airport, or as a result of any operations, works, acts or omissions performed on the Airport, by the Permittee, its agents, employees, contractors, guests or invitees.
- b. The Permittee agrees to indemnify, save and hold harmless, Management, the Chicago Executive Airport, their agents, employees and representatives of and from any and all costs, liability, damage and expense, including costs of suit and reasonable expenses or legal services, claimed or recovered, justly or unjustly, falsely, fraudulently or frivolously, by a person, firm or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including Management personnel and Management property, directly or indirectly arising from, or resulting from, any operations, works, acts or omissions of Permittee, its agents, employees, contractors, guest or invitees. The foregoing provisions concerning indemnifications shall not be construed to indemnify Management, the Chicago Executive Airport, their agents, employees and representatives for damage arising out of bodily injury to persons or damage to property caused by or resulting from the negligence of Management, its officers, employees or agents. Upon the filing with Management by anyone of a claim for damages arising out of incidents for which the Permittee herein agrees to indemnify and hold Management harmless, Management shall notify the Permittee of such claim and in the event that the Permittee does not settle or compromise such claim, then the Permittee shall undertake the legal defense of such claim both on behalf of the Permittee and behalf of Management. It is specifically agreed, however, that Management at its own cost and expense, may participate in the legal defense of any such claim. Any final judgement rendered against Management for any cause of which the Permittee is liable hereunder shall be conclusive against the Permittee as to liability and amount upon the expiration of the time for appeal.
- c. In addition to the Permittee's undertaking, as stated in the Article, and as a means of further protecting Management, the Chicago Executive Airport, their agents, employees and representatives, the Permittee shall at all times during the term of this Permit obtain and maintain in effect insurance coverage as set forth in Schedule B attached hereto and made a part hereof. In this connection, the Permittee agrees to require its contractors doing work on the airport to carry insurance coverage in amounts and types satisfactory to Management and if the Permittee so desires, it may accomplish same by an endorsement to the Permittee's policies to include such persons or parties as additional named insured.
- d. Management reserves the right to increase the minimum limits of liability insurance set forth in Schedule B when in Management's opinion the risks attendant to the Permittee's operations hereunder have increased.
- e. Permittee shall deliver to Management contemporaneous with the execution of this Permit, a Certificate of Insurance for each of the insurance policies referred to above. Each such certificate shall contain an endorsement that it cannot be cancelled or materially changed unless Management is given a least thirty (30) days prior written notice and shall name the Management, Chicago Executive Airport, their agents, employees and representatives as additional insured. Permittee shall obtain renewals of such policies at least 30 days prior to the expiration thereof and promptly deliver to Management certificates of such renewal policies.
- f. The Permittee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its delivery of Services under or in anyway connected with this Permit. The Permittee agrees to save and hold Management, its officers, employees, agents and representatives free and harmless of an from any loss, liability, expense suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee or in anyway connected with this Permit.

13. Rules and Regulations and Compliance

- a. Airport Rules and Regulations. From time to time Management may adopt by ordinance and enforce rules and regulations with respect to the use and occupancy of the Airport. The Permittee agrees to observe and obey any and all such rules and regulations and all other applicable Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. This provision will include compliance with the Airport's Noise Abatement Plan as promulgated. Management reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuse to obey and comply with such rules, regulations or laws.
- b. Licenses, Certificates and Permits. Permittee shall obtain all licenses, certificates, Permits or other authorization from all governmental authorities having jurisdiction over the Permittee's operations at the Airport and provide copies thereof to Management. Permittee shall pay when due all taxes, license, certification, Permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on any of its property or in connection with the provision of Services at the Airport.

14. Signs

Permittee shall not post, install, erect or operate any sign, placard, poster or other devices on any part of the Airport without the prior written permission of Management.

Such signs, as may from time to time be Permitted by Management, shall be made, posted, maintained, and removed at Permittee's own cost and expense. Management shall have the right to remove unauthorized signs at Permittee's expense.

15. Nondiscrimination

- a. Permittee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree that
- i. No person shall be excluded from participation in regard to the Services to be performed, denied the benefits of the Services, or be otherwise subjected to discrimination on the grounds of race, color or national origin,
  - ii. No person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the furnishing of Services, on the grounds of race, color or national origin,
  - iii. Permittee shall be in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation -Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulation may be amended.
- b. Permittee shall furnish its Services at a fair, reasonable and not unjustly discriminatory basis to all users thereof, and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit of Service, provided however, that Permittee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchases.
- c. Noncompliance with subparagraphs a. or b. above shall constitute a material breach hereof, and, in the event of such noncompliance,
- i. Management shall have the right to terminate this Permit without liability therefor, or
  - ii. either Permittee or the United States shall have the right to judicially enforce subparagraphs a. or b.
- d. Permittee covenants that it shall furnish to the United States Government, or Management, whichever is required, all documents, reports and records including but not limited to any affirmative action plan, Form EEO-1, the submission of which are required by 14 CFR 152, Subpart E.
- e. The Permittee assures that it will undertake any affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Permittee 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 this subpart. The Permittee assures that it will require that its covered sub-organizations provide assurance to the Permittee that they similarly will undertake affirmative action programs and that they will require assurance from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

16. Rights Non-exclusive

Permittee hereby acknowledges that all operating rights and privileges granted hereunder are non-exclusive and Management reserves the right to authorize others to perform the same or similar services at its sole discretion.

17. Notice

All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is personally delivered or deposited in the United States Mail, registered or certified mail, return receipt requested, addressed to the recipient, at the address set forth below:

To Management: Chicago Executive Airport  
1020 S. Plant Road  
Wheeling, IL 60090

To Permittee:

18. Subordination

This Permit is subject and subordinate to all laws, deeds and existing liens, encumbrances and agreements which may now or hereafter affect the title to or right to use of the property from which Permittee conducts its operation and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Permittee shall execute promptly any certificate that Management may request.

19. Integration

No change or modification of any of the covenants, terms or provisions hereof shall be valid unless in writing and signed by the parties hereto. There are no understandings or Agreements of any kind between the parties hereto, verbal or otherwise, pertaining to this Permit or rendition of Services other than as set forth herein.

20. Severability

The provisions of this Permit are severable and it is the intention of the parties hereto that if this Permit cannot take effect in its entirety because of the final judgment of any court of competent jurisdiction holding invalid any part or parts hereof, the remaining provisions of this Permit shall be given full force and effect as completely as if the part or parts held invalid had not been included herein.

21. Headings

The headings of the several Articles and paragraphs of this Permit are inserted only as a matter of convenience, and they in no way define, limit or describe the scope or intent of any provision of this Permit, nor shall they be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

22. Cessation of Operations by Permittee

Upon the expiration or other termination of this Permit, Permittee shall immediately cease all its operations at the Airport.

23. Applicable Law

This Permit shall be governed and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have executed this Permit as of the day and year above written.

MANAGEMENT CHICAGO EXECUTIVE AIRPORT

Attest:

BY: \_\_\_\_\_

BY: \_\_\_\_\_

PERMITTEE

Attest:

BY: \_\_\_\_\_

BY: \_\_\_\_\_

SCHEDULE A

SCHEDULE OF FEES TO BE PAID BY A COMMERCIAL OPERATING PERMITTEE

AT THE CHICAGO EXECUTIVE AIRPORT

EFFECTIVE MAY 1, 2006

1. Scheduled Air Taxi or Charter Service utilizing the Airport Terminal Building.
  - a. One dollar and twenty-four cents (\$1.24) per aircraft passenger seat per flight and,
  - b. A terminal use fee of twenty five dollars (\$26.47) per flight.
2. Charter Service from any Airport hangars, tiedown areas or other facilities.
  - a. Single engine \$ 69 per month, per aircraft
  - b. Multi engine not turbine \$ 69 per month, per aircraft
  - c. Multi engine turbo prop \$135 per month, per aircraft
  - d. Multi engine jet \$135 per month, per aircraft
3. Airframe, power plant, avionics instrument maintenance in Airport Hangars or other facilities. \$ 69 per month
4. Flight instruction/aircraft rental/aircraft sales/aerial photography \$ 69 per month, per aircraft
5. Sale of aircraft parts from businesses located on or within the limits of the Airport. \$ 69 per month
6. Car Rental Companies \$ 69 per month  
Each parking space \$ 50 per month
7. Other Activities \$ 69 per month

The above fees are subject to change, from time to time, as stated in Section 9.1 of the Chicago Executive Airport Rules and Regulations.

## SCHEDULE B

### INSURANCE

Permittee shall, at its own cost and expense, take out and maintain such insurance for the term of this Permit as the Permittee is required under the Illinois Workers' Compensation Act; and also take out and maintain such public liability insurance as will protect the Permittee, the Management and its Airport Manager from any claims for damage to persons and property arising out of, occurring or caused by the delivery of Services under this Permit by the Permittee or otherwise arising out of this Permit. The policy or policies will provide the amounts and types of insurance specified in this Schedule and shall have endorsed thereon:

1. A clause naming the Permittee, the Management and their officers, employees and representatives as additional insured under the policies.
2. "No cancellation or change in the policy shall become effective until after thirty (30) days notice by registered mail to the office of the Airport Manager."

Upon failure of Permittee to furnish, deliver and maintain such insurance as above provided, the Management may obtain such insurance and charge the cost of the insurance plus all appropriate administrative charges and incidental expenses associated with the transaction. Failure of Permittee to take out and/or maintain, or the taking out and/or maintenance of any required insurance shall not relieve Permittee from any liability under this Permit, nor shall the insurance requirements be construed to conflict with the obligations of Permittee concerning indemnification.

All required insurance must be in effect and so continue during the life of this Permit in not less than the following amounts:

1. Workers' Compensation Unlimited - Statutory - in compliance with the Workers' Compensation Law of the State of Illinois.
2. General Liability Insurance with a maximum combined single limit of **\$1,000,000** per occurrence. This insurance shall include the following coverage:
  - a. Premises - Operations
  - b. Independent Contractor and Subcontractors
  - c. Products and Completed Operations
  - d. Broad Form Contractual
  - e. Hangarkeepers Liability
  - f. Products Liability
3. Auto Liability (single limit per occurrence), Owned, Non-Owned and Hired.
4. Excess Liability

Location of operation shall be "All locations in Cook County, Illinois".

Nothing herein contained shall prevent the Permittee from taking out any other insurance for protection of its interest which it deems advisable or necessary.