

**LICENSE AGREEMENT
for providing
FIXED BASE OPERATOR'S SERVICES
at
SCHAUMBURG REGIONAL AIRPORT**

THIS LICENSE AGREEMENT, made and entered into this _____, day of _____, 2022 between the Village of Schaumburg, a municipal corporation, and **Carver Aero, LLC** (hereinafter referred to as the Fixed Based Operator (FBO)).

WITNESSETH

WHEREAS, the Village has determined there is a need for an FBO to provide services at the Schaumburg Regional Airport and Schaumburg Municipal Heliport to the Village, at a fair and reasonable price and in accordance with the Minimum Standards for a Fixed Base Operation at the Airport and Heliport; and

WHEREAS, the Village and the FBO desire to enter into a License Agreement whereby the FBO is to provide FBO services as described herein; and

NOW, THEREFORE, in consideration of the mutual promises, covenants and obligations, hereinafter provided, the Village hereby grants to the FBO a license to use and certain ground area at the Airport upon the following terms and conditions and it is hereby mutually agreed as follows:

I. Term

The License Agreement shall be for a period of five (5) years commencing on the day of _____, 2022 and shall be eligible for up to three (3) additional five (5) year extensions to be mutually agreed upon by both parties.

II. Licensed Premises

- a. The Village shall make available sufficient space at the Airport for the FBO to conduct its operations pursuant to this Licenses Agreement (the "Licensed Premises"). The Licensed Premises shall be substantially the same as shown on Attachment A, attached hereto and made a part hereof, with all buildings, structures, improvements, additions and permanent installations constructed and installed therein or thereon, consisting of: Rooms 114 and 115.
- b. In addition to the Licensed Premises, the Village shall further grant to the FBO a license for the placement of fifteen (15) aircraft on the Airport to be located within a reasonable proximity to the Licensed Premises or elsewhere convenient for the operation of the FBO's business as specified herein at no additional fee. Further, the FBO can request five (5) additional tie-downs which will be provided at 50 percent of the standard tie-down rate.

Any additional tie-down space will be licensed at the cost charged all persons per Village Ordinance.

III. Use of Licensed Premises

The FBO shall use the Licensed Premises for the following purposes and for no other purposes whatsoever:

- a. Engaging in aeronautical activities conforming with the Minimum Requirements of the Schaumburg Regional Airport including, but not limited to, provision of general ramp services, FAA approved major and minor aircraft engine and airframe maintenance and repair, FAA approved flight training, aircraft charter and leasing, aircraft rental, aircraft sales, FAA approved avionics and instrument repair, and the retail sale of aviation fuel and oil products.

IV. License Fees

- a. For use and occupancy of the Licensed Premises in the terminal building (approximately 9,519 square feet) herein granted, the FBO agrees to pay the Village a monthly base license fee of \$ 5.50/square foot/year. For the purposes of the first year of this agreement. The rent shall be paid based on a prorated rent schedule as outlined in Attachment B. The FBO and Village shall review fuel sales and other pertinent business data on a quarterly basis to determine if a higher rent rate can be implemented.
- b. In addition, the Village will make available additional office space constituting approximately 467 square feet (Rooms 114 and 115), which the FBO may license on an as needed basis for a monthly base license fee of \$10.00/square foot/year. Additional offices may be added to the license agreement at the current CPI adjusted office license fee rate.
- b. The monthly license fees shall be paid on or before the first day of the month in advance at the Village of Schaumburg or at such other office as may be directed in writing by the Village. The license fees will be billed by the Village monthly and payable to the Village per the terms and conditions as stated on the invoice processed by the Village. In the event the monies due to the Village are paid 30 days after date of the invoice, additional penalties shall be assessed in accordance with Village Ordinance.
- c. The Village will grant the FBO a license to use the fuel farm from the Village (2 – 10,000 gallon tanks and the self-fueling station) throughout the term of this License Agreement. FBO is responsible and required to purchase aircraft fuel for resale at the airport in sufficient amounts to ensure the flying public will have access to fuel for its flying needs. For the purpose of fuel price oversight, upon request from the Village, the FBO will make copies of the vendor's receipts for fuel available for viewing to the Village within ten (10) days of the request. Fuel prices shall be set by the FBO at fair,

reasonable and nondiscriminatory prices for each unit of sale or service, provided that the FBO may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions for volume purchases. Upon request, the FBO will provide the village with documentation outlining the FBO's fuel pricing formula.

The FBO will pay a fuel flowage fee of \$0.10 per gallon of fuel for every gallon of fuel sold. Fuel flowage fees will be billed by the Village monthly and payable to the Village per the terms and conditions as stated on the invoice processed by the Village. In no event the monies shall be due and paid to the Village 30 days after date of the invoice. On a monthly basis, the FBO will provide an accounting of the number of gallons of fuel sold and a summary of all discounts given. The report will be due by the 15th of the month for the preceding month.

The FBO will provide maintenance of the fuel farm for normal wear and tear items and be responsible for costs up to \$3,000 of each calendar year.

- d. Upon execution of this License Agreement, the FBO shall provide a sum to the Village equal to one month's license fee to be held by the Village in escrow. The escrow funds will remain in the possession of the Village to ensure the full faithful and prompt performance of and compliance with, on the part of the FBO, all the provisions, terms and conditions of this License Agreement. The Village shall have the right to use the said escrow funds or any part thereof in whole or partial satisfaction of any of its claims or demands against the FBO. In the event the Village shall so use the said escrow funds, of any part thereof, the FBO shall, on demand of the Village and within 10 business days thereafter, deposit with the Village the sum necessary to maintain the amount herein set forth.
- e. The Village of Schaumburg reserves the right to at any time, but no more than once in a twelve (12) month period adjust the monthly license fees set forth in Sections IV(a) and IV(d) above to reflect the annual percentage change as contained in the Consumer Price Index (CPI) as determined by the U.S. Department of Labor Bureau of Labor Statistics, Chicago Area. The percentage increase will be based on the comparison of the month of June from the current and previous year. If a decrease occurs in the CPI, no change in the monthly license fee shall occur. The Village also reserves the right at any time, but no more than once in a twelve (12) month period, to increase the fuel flowage fee set forth in Section IV(d) to reflect any increase in fuel costs. If a decrease occurs in fuel cost, no change in the fuel flowage rate shall occur.

V. FBO's Service

- a. FBO agrees to operate the Licensed Premises for the use and benefit of the public subject to the following standards:
 - 1. Furnish good, prompt and efficient services adequate to meet all the demands for its service at the airport.

2. Furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; and
 3. Charge fair, reasonable and nondiscriminatory prices for each unit of sale or service, provided that the FBO may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- b. The self-fuel station will be open 24 hours a day. Fuel sold from the station will be sold at \$0.25 per gallon of fuel less than base customer full service price including the fuel flowage fee and sales tax. The FBO will operate the self-fueling station including the credit card or debit system and collect all payments made through the system.
 - c. The FBO will provide a current fuel price list to the Village monthly or within 24 hours of any written request by the Village to FBO. The list will include the price for transient aircraft, base aircraft and self-service.
 - d. The FBO will provide professional services and perform as a representative of the Village. The following Airport Management services will be provided by the FBO:
 1. The FBO will provide normal opening and closing coverage for the terminal building between the hours of 8:00 A.M. and 5:00 P.M. with trained personnel on duty that are capable of handling all duties as described in the Agreement. The FBO will provide an attendant on weekday evenings when the facility is in use for meetings or other events. The attendant needs to be capable of locking the facility and providing minor assistance to user of the meeting room. It is anticipated that the meeting room will be used 10-15 evenings each year.
 2. The FBO will be given limited power and authority by the Village to supervise and oversee certain aeronautical activities at said Airport and Helistop, including both flight and ground activities, for the purpose of enforcing the rules and regulations pertaining thereto now or hereafter adopted by the Village of Schaumburg, State of Illinois, the United States of America, or any duly authorized agencies of these units of government. The FBO has the right to take any and all action necessary to protect the property of the Village and is authorized to enlist the aid of local law enforcement authorities, the Federal Aviation Administration, and the Illinois Department of Transportation, Division of Aeronautics if it is deemed such action to be necessary.
 3. The FBO will assist with the administration of the Airport's noise abatement procedures and monitoring. Monitoring must be conducted during regular business hours. Monitoring data must be provided to the Village monthly or upon request.

4. The FBO shall have the right to close the Airport and Helistop to air traffic according to the airport and helistop Emergency Response Plan if the FBO deems that an emergency exists which makes such action necessary. Also, under such circumstances the FBO will properly mark the facility with Village provided lighted X's giving prescribed warning to aircraft in flight of the closed condition and issue a Notice to Airmen (NOTAM). Additionally, the FBO shall notify the Director of Transportation or designee, or Village Manager as expeditiously as possible.
5. FBO agrees that, upon notification from the Village to do so, it will remove from the airfield any disabled aircraft to a location specified by the Village. FBO will exercise all ordinary care in the removal and relocation of such aircraft. Should the FBO be unable to receive reimbursement from owner, insurance or some other agent for such relocation they may seek compensation for all reasonable expenses from the Village.
6. Upon request of the Airport Manager or designee, the FBO will issue a NOTAM.
7. The Village maintains a Customer Service Request (CSR) database. The FBO, along with all airport licensees and the Village, shall monitor the daily cleanliness and state of repair of the Airport Terminal Building including but not limited to bathrooms, hallways, waiting rooms, conference rooms, common areas and all office spaces. The FBO shall notify and coordinate through the Customer Service Request (CSR) system with the Village of Schaumburg's Engineering and Public Works Department for all minor maintenance needs. The FBO shall also notify the Airport Manager of the service request within twenty four (24) hours. The FBO shall not be responsible for costs associated with repairs or maintenance on the above unless it is a direct result of their own or their employee's negligence.
8. The FBO shall monitor snow accumulation of the stairs and walkways at the front and east side of the terminal building. The Village of Schaumburg Department of Engineering and Public Works has the primary responsibility to clear these areas. The FBO shall assist in keeping these areas clean, clear and safe for all airport patrons by providing periodic snow removal and salting services as needed between visits. The FBO will assist the Village Engineering and Public Works Department during snow-plowing operations by monitoring air traffic or closing the airport to ensure that they are carried out in a timely and expeditious fashion.
9. The FBO will relocate aircraft as required for airport snow operations, maintenance, special events, tie-down reorganization, and in case of emergencies excluding wrecks and disabled aircraft.
10. The FBO shall assist the Village in the production and coordination of up to three (3) special event activities at the airport. The three specific activities may include but are not limited to the Father's Day Pancake Breakfast, Hops and Props, and the Schaumburg Park District's Santa Visit. The FBO shall provide day of event support and coordination and use of the main hangar at no charge. Additional events

may be hosted at the airport under terms mutually agreed to by the Village and the FBO.

11. The FBO will assist the Village with tours of the airport for community groups including but not limited to schools, scouts and visiting dignitaries.
12. For the purpose of this agreement, UNICOM is the non-government communication facility which may provide airport information at certain airports. FBO agrees that it will furnish and operate the Airport UNICOM in a manner that best serves the interest of the flying public. However, the Village will have access to UNICOM at all times. The FBO will train and provide personnel capable of using the UNICOM. In addition, on nights that the Schaumburg Baseball Stadium is displaying fireworks. The airport will remain open during this time but personnel will notify aircraft in the area or on the ground about the firework event. It is anticipated that this will occur up to 20 times annually, primarily between May and September and on July 3.
13. From time to time the FBO may be requested to perform additional services as agreed upon by the FBO and Village for a fee. These additional services will be paid for on an agreed upon hourly rate. Examples of additional services are the closing of the airport for an emergency and providing on site coordination.

Additional services outside the services listed shall be invoiced at \$30 per hour for utility work requiring the assistance of a line service personnel, \$ 70 per hour for work performed by an FAA Certified Mechanic and \$ 100 per hour for the services of a pilot or member of the management team from the FBO. All services provided outside the scope are subject to a minimum of 2 hours charge per event.

- e. In the absence of the Airport Manager, the FBO will assume Airport Management responsibilities and will act as an on-site Airport Manager for the purpose of providing daily services to the airport. These activities include daily inspections of the active airside areas, including all hard surface runways, taxiways, ramp area conditions, checks for damage to and immediately request repairs or maintenance of all ramp lighting, the rotating beacon, approach lights, wind indicator lights and obstruction lights., inspection of the AWOS, and completion of an airport gate inspection.

VI. Acceptance, Maintenance and Repair and Acknowledgements

- a. It is clearly understood by the FBO that no right or privilege has been granted which would operate to prevent any person operating aircraft on the airport from performing any service (including, but not limited to, maintenance and repair) on its own aircraft with its own regular employees, who are qualified to perform such services.

- b. The FBO understands that it may not be the only FBO the Village may allow to sell fuel on the premises. Any fuel agreements with other FBO's, will be with the same terms and conditions of fuel sales to the FBO.
- c. The FBO understands that the village may allow any individual or corporation at the airport, to bring fuel onto the airport for the sole purpose of self fueling if that individual or corporation has been approved to store a refueler truck at the airport for the sole purpose of self fueling their aircraft.
- d. FBO's taking possession of the Licensed Premises shall be conclusive evidence that the Licensed Premises was in good order and satisfactory condition when the FBO took possession, except for (i) items noted by FBO during a walk-through inspection as punch list items prior to moving in; (ii) latent or patent defects in or about the Licensed Premises, (iii) Village representation that it shall deliver the Licensed Premises in broom-swept condition with all mechanical systems and any equipment located thereon in good working order and repair and suitable for the uses and purposes intended for the Licensed Premises as provided for herein this License Agreement, and the Licensed Premises shall be in compliance with all applicable codes, rules and regulations, including ADA and free of any hazardous material; and, if applicable. Village shall have no obligation to repair, maintain or restore any improvements placed upon the premises by the FBO. Furthermore, FBO shall not be accountable for any latent or undisclosed defect in the premises nor any defect previously disclosed to the Village by FBO.
- e. Operating Repair and Maintenance; Capital Repair and Maintenance. FBO, at FBO's expense, shall be responsible for all Operating Repair and Maintenance Costs, including but not limited to cleaning and supplying sanitation and housekeeping services as well as all operating repair and maintenance, and shall perform the same in a good workmanlike manner at and to the Licensed Premises, except that all work undertaken by FBO at the request of the Village under this subparagraph shall be compensable to FBO by Village. "Operating Repair and Maintenance Costs" are defined as those costs which are either (1) ordinary and recurring expenses for current repair and maintenance which do not improve, restore or replace an Asset (but which repair and maintain it) all in accordance with generally accepted accounting principles, or (2) items with a cost of less than two thousand five hundred dollars (\$2,500.00). Notwithstanding the foregoing, Operating Repair and Maintenance Costs do not include (1) construction items, whether they relate to the initial construction of the Licensed Premises or any subsequent construction work related to the Licensed Premises, and (2) any items with a cost of more than two thousand five hundred dollars (\$2,500.00) related to the exterior or permanent structures at the Facility; these items shall be capital repair and maintenance. Any required repair or maintenance exceeding \$2,500 shall first be approved by the Village whose approval shall not be unreasonably withheld.

Village, at its expense and at no expense to FBO, shall be responsible for all Capital Repair and Maintenance Costs at and to the Facility only, and not to any of FBO's property or equipment of any kind or nature whatsoever, and shall perform such capital repair and maintenance in a first class manner; Village shall provide all of such capital repair and maintenance within a reasonable period of time after the same shall become necessary. "Capital Repair and Maintenance Costs" are defined as all costs other than Operating Repair and Maintenance Costs as defined above, all in accordance with generally accepted accounting principles. Village will coordinate any Capital Repair and Maintenance projects with FBO to insure minimum interruption with FBO's activities.

Notwithstanding anything to the contrary contained herein, FBO shall bear the cost and responsibility for any and all Capital Repair and Maintenance Costs necessitated from acts or omissions committed by FBO or any invitee or guest of FBO. FBO and Village shall meet, when necessary, to resolve any dispute regarding whether damage to the Facility which may generally require Capital Repair and Maintenance Costs was caused by FBO or FBO's invitees, and if so caused, FBO shall be responsible for the costs of such repair or maintenance.

- f. Capital Improvements. FBO shall have the right, from time to time, at its own expense, to make all such capital alterations and improvements to the Licensed Premises, as shall be reasonably necessary or appropriate, in FBO's judgment, for FBO's conduct of its business, provided that prior to the commencement of any capital alteration of any improvement, Village shall have reviewed and approved, in writing, the plans and specifications therefor which shall be submitted to Village by FBO. Such approval by Village will not be withheld unreasonably. If within thirty (30) days after such plans and specifications have been submitted and delivered by FBO to Village for such approval, Village shall not have given FBO notice of disapproval thereof, then the plans and specifications shall be deemed approved by Village. In all of these regards, FBO shall comply with all permitting requirements.

At the termination of this License Agreement, FBO agrees to return the Facility to its original or subsequently improved condition, ordinary wear and tear excepted, and to return to Village in good working condition, ordinary wear and tear expected all equipment and property of Village. The Village and FBO shall make a joint inspection upon termination of the License Agreement. Promptly after such inspection at the termination of this License Agreement, FBO shall pay Village any damages due to Village for damage to the Licensed Premises, or to Village's property, ordinary wear and tear expected. All buildings and other permanent improvements made, placed or constructed at the Licensed Premises or the parking area or areas shall be deemed to become a part of the realty and to become the property of Village, and FBO shall peaceably and quietly surrender the same, together with the Licensed Premises, to Village upon, the termination or cancellation of this License Agreement. If FBO is not in default under this License Agreement, FBO shall have the right upon the termination of this Agreement,

within thirty (30) days thereafter, to remove from the Licensed Premises all personal property, which is not owned by Village. All property not so removed shall be deemed abandoned by FBO and under the ownership of Village. FBO shall repair any damage caused by such removal of property. FBO shall not remove any property which was placed, constructed or affixed at or on the Licensed Premises as a replacement, repair or addition to property which was initially owned by Village.

- g. In the event any improvements, insured or not insured, on the Licensed Premises are damaged or destroyed to the extent they are unusable by the FBO for the purposes for which they were used prior to such damage or destruction, FBO shall promptly repair, rebuild or replace the damaged or destroyed portions of the Licensed Premises to the same condition as they were immediately prior to such casualty, subject to requirements of construction codes, which shall be as of the time of repair or replacement.
- h. In the event of damage or destruction to any of the improvements upon the Licensed Premises caused by the FBO, its invitees, the Village shall have no obligation to repair or rebuild the improvements or any fixtures, equipment pursuant to this License Agreement. Upon the failure of the FBO to repair or rebuild, the Village may, as agent of the FBO, repair or rebuild such damage or destruction at the expense of FBO which expense shall be due and payable on demand.

VII. FBO's General Obligations

- a. FBO shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.
- b. FBO shall control the conduct of its offices, agents, employees, invitees and, upon objection from the Village concerning the conduct or demeanor of any such person, FBO shall immediately take all lawful steps necessary to correct or remove the cause of the objection.
- c. FBO shall comply with all environmental, health and safety laws and requirements and any other federal, state or local laws, ordinances, rules, regulations and requirements applicable to the Licensed Premises and its operations at the Airport.
- d. All aircraft fuels shall be stored in the areas on the airport designated by the Village as a "fuel farm" in tanks provided by the Village or in an approved Fuel Truck supplied and operated by the FBO. Fuel Trucks are to be parked along the north fence line or in other designated areas as approved by the Airport Manager. Fuel Trucks shall not be stored in hangars or fuel aircraft that have not been moved out of the hangar.

- e. FBO will install all necessary grounding equipment for aircraft refueling, provide and maintain appropriate firefighting and prevention equipment as required by Federal or State laws, rules and regulations, and advisories and assure that all of its line personnel are currently trained in the proper techniques and methods for refueling aircraft and fighting aircraft fires.
- f. Facilities for the storage and disposal of toxic materials and contaminants must comply with all applicable governmental rules, regulations, standards and requirements. FBO will obtain all necessary permits for storage and disposal and will provide Village with copies of such permits and evidence of compliance with the terms and conditions thereof. Improper storage or disposal of toxic materials or contaminants shall be grounds for termination. FBO shall be responsible for the costs of correcting any contamination or damage to the Licensed Premises and/or adjacent areas caused by improper storage, disposal or use of any such materials. FBO shall provide insurance coverage as required by Government Agencies to provide the Village with adequate protection in case of spillage and contamination and to cover cleanup and remediation expenses that result from FBO's activities. FBO provided insurance will cover all FBO equipment and any acts by the FBO that may result in a spill.

Should there be a documented spillage or contamination event, the FBO shall work with the appropriate village departments to identify and implement a remediation solution. Upon completion, the FBO shall provide the village with a written certification by an agreed upon third party that the required remediation has been completed.

- g. FBO shall comply with all written instructions of the Village for the disposal of nonhazardous trash and refuse and comply with all federal, state, and local rules and regulations. Storage and disposal of contaminants, pollutants and hazardous refuse shall be in accordance with the FBO's plan for such, as previously approved by Village. Submittal of an approved SPCC plan will meet this condition.
- h. FBO shall provide ramp services including, but not limited to incidental movement and towing of aircraft as needed.
- i. FBO shall not commit, nor permit to be done, anything which may result in the commission of a nuisance, waste or injury on the airport.
- j. FBO shall not do, or permit to be done, any act or thing upon the airport which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by this Agreement.

VIII. Ingress and Egress

- a. FBO shall have the right of ingress and egress to and from the Licensed Premises and the public landing areas at the Airport by means of connecting taxiways, to be

used in common with others having rights of passage thereon, except when the Airport is closed to the public.

- b. The use of any roadway or taxiway on the Airport shall be subject to the Rules and Regulations of the Airport. Village may, at any time, temporarily or permanently, close or consent to or request the closing of any such roadway or taxiway and any other way at, in or near the Licensed Premises so long as a reasonable means of ingress or egress as provided above remains available to the FBO. The FBO shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Licensed Premises or to any streets or roadways near the Licensed Premises.

IX. Insurance and Damage to the Premises

- a. To safeguard the interest of the Village, the FBO, at its sole cost and expense, shall procure and maintain throughout the term of this License Agreement insurance protection as listed in the Minimum Requirements.

Minimum insurance coverage requirements for any Aeronautical Service Provider as follows:

Airport Premises Liability - \$1,000,000

Workers Compensation and Employer's Liability - as required by State Law

Aircraft Liability - \$1,000,000 per occurrence; \$100,000 per passenger

Hangar Keepers Liability - \$100,000 per aircraft; \$100,000 per occurrence limit dependent on storage capacity of hangar.

Product Liability and Completed Operations - \$1,000,000 each occurrence.

Fire Legal Liability - \$100,000 per occurrence.

Environmental Impairment - As required by responsible government agencies.

The FBO's insurance shall be the primary coverage.

The FBO shall provide insurance coverage in the amount of five hundred thousand dollars (\$500,000) to provide the Village with adequate protection in case of spillage and contamination and to cover cleanup and remediation expenses that result from FBO's activities. FBO provided insurance will cover all FBO equipment and any acts by the FBO that may result in a spill

The required policies shall name the Village, Schaumburg Park District, and Schaumburg Regional Airport Advisory Commission as an "Additional Insured" and

provide 30 days' notice of cancellation or material change. A copy of this insurance must be provided to the Village by the FBO upon commencement of the License Agreement. Insurance renewals must be sent in two (2) weeks prior to the expiration of the policy.

- b. Insurance Coverage: The Village reserves the right to reasonably change the required insurance coverage at any time by letter and the FBO shall comply within thirty (30) days from the date of notice. All required insurance shall show the Schaumburg Regional Airport Advisory Commission, the Village, Park District and the Airport Manager as additional insured. The FBO shall at all times maintain a current Certificate of Insurance, with Proof of Written Endorsement, with the Village of Schaumburg Purchasing Division.

X. Liabilities and Indemnities

- a. Village 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, or occurring on the Licensed Premises, or the Airport, or as a result of any operations, works, acts or omissions performed on the Leased Premises, or the Airport, by FBO, its subleases or tenants, or their guests or invitees.
- b. FBO agrees to indemnify, save and hold harmless the Village (including its officers, agents, servants and employees) of and from any and all costs, liability, damage and expense (including costs of suit and reasonable expenses of legal services), claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any 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 Village personnel and property, directly or indirectly arising from or resulting from any operations, works, acts or omissions of FBO, its agents, servants, employees, or contractors.
- c. Environmental Indemnity. Notwithstanding anything to the contrary herein this License Agreement, except if caused by the negligent or intentional acts or omissions by FBO or any of its officers, agents, servants and employees, Village agrees to indemnify, save and hold harmless the FBO (including its officers, agents, servants and employees) from, any and all demands, claims, causes of action, fines, penalties, damages, losses, liabilities, judgments, and expenses (including without limitation attorneys' fees and court costs) incurred in connection with or arising from: (i) at anytime during the term of this License Agreement, any environmental contamination or Release (as defined herein) of hazardous substances from any tanks or other equipment owned by Village; or (ii) the environmental condition of the Licensed Premises or Facility resulting from releases of contaminants into the environment prior to the FBO possession of the Licensed Premises. If any action or proceeding is brought against FBO, its employees, or agents by reason of any claim, Village, upon notice from FBO, will defend the claim at Village's expense with counsel reasonably satisfactory to Tenant. "Release" shall mean any release, deposit, discharge, emission,

leaking, leaching, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of any hazardous substances.

XI. Rules and Regulations

- a. From time to time the Village may adopt and enforce rules and regulations with respect to the occupancy and use of the Airport. FBO agrees to observe and obey any and all such rules and regulations including the Minimum Requirements for Airport Aeronautical Services and Schaumburg Regional Airport Rules and Requirements, as well as all other Federal, State and municipal rules, regulations, laws and ordinances and to require its officers, agents, employees, contractors and suppliers to observe and obey the same. The Village reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws. FBO hereby acknowledges the Minimum Requirements for Aeronautic Activities, Schaumburg Regional Airport, and approved October 10, 1995 (Revised 2021) and the Schaumburg Rules and Regulations, approved October 10, 1995 (Revised 2012) are incorporated into this Agreement. A copy of both the Rules and Regulations and Minimum Requirements can be downloaded from the Village of Schaumburg website at:
<https://www.villageofschaumburg.com/government/transportation/schaumburg-regional-airport/pilot-information>

XII. Signs

- a. FBO shall have the right to install and maintain one or more signs on the Licensed Premises identifying it and its operations, provided the subject matter, type, design, number, location and elevation of such signs shall be subject to and in accordance with the written approval of the Village.

XIII. Assignment

- a. FBO covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby.
- b. Any change in the percentages of partnership by more than 40% must secure prior written approval of the Village.
- c. Any assignment or transfer of this License Agreement, or any rights of FBO hereunder, shall entitle the Village at its option to immediately cancel this License Agreement.
- d. The FBO may reduce the space licensed pursuant to this Agreement by 10% without penalty with a 60 day notice to the Village

XIV. Non-Discrimination

- a. The FBO for themselves, their personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree, that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Airport (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the FBO shall use the Licensed Premises in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, non-discrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1962, and as said regulations may be amended. In the event of breach of any of the above non-discrimination covenants, the Village shall have the right to terminate the License Agreement and to reenter and repossess said land and facilities thereon, and hold the same as if said License Agreement had never been made or issued. The FBO further agrees to comply with such enforcement procedures as the United States might demand that the Village take in order to comply with the Sponsor's Assurances.
- b. The FBO shall include the foregoing provision in every agreement or concession pursuant to which any person or persons, other than the FBO, operates at the Licensed Premises providing service to the public and shall include therein a provision granting the Village, a right to take such action as the United States may direct to enforce such covenant.
- c. The FBO shall indemnify and hold harmless the Village from any claims and demands of third persons including the United States resulting from the FBO's noncompliance with any of the provisions of this Section and the FBO shall reimburse the Village for any loss or expense incurred by reason of such noncompliance.

XV. Rights of Entry Reserved

- a. The Village, (including its officers, employees, agents, representatives and contractors) shall have the right at all reasonable times to enter upon the Licensed Premises for any and all purposes, whether or not accompanied by a prospective FBO, occupier, or user of the Licensed Premises, provided such action does not unreasonably interfere with the FBO's use or security requirements of the Licensed Premises.

XVI. Termination

- a. In the event of a default on the part of the FBO in the payment of license fees or any other conditions required by this License Agreement to the Village, the Village shall give written notice to FBO of such default and demand the cancellation of this License

Agreement or the correction thereof. If, within 30 days after the date Village gives such notice, FBO has not corrected said default, and paid the delinquent amount in full, this License Agreement and all rights and privileges granted hereby in and to the Licensed Premises shall terminate.

- b. This License Agreement together with all rights and privileges granted in and to the Licensed Premises shall terminate automatically upon the happening of any one or more of the following events:
 - 1. The filing by FBO of a voluntary petition in bankruptcy or any assignment or the benefit of creditors of all or any part of FBO's assets; or
 - 2. Any institution of proceedings in bankruptcy against FBO; or
 - 3. The filing of a request for the appointment of a receiver or trustees of FBO's assets or the request for the appointment of a receiver or trustee of FBO's assets by a voluntary agreement with FBO's creditors; or
 - 4. Failure to meet insurance requirements; or
 - 5. The abandonment by FBO of its authorized Airport business at the Airport; in this connection, suspension of operations for a period of thirty (30) days will be considered abandonment in the absence of a satisfactory explanation which is accepted in writing by the Village.
 - 6. Upon Notice from the Village to the FBO that the License Agreement is being terminated, effective as of the date indicated in said Notice.
- c. Upon the default by FBO in the performance of any covenant or conditions required to be performed by FBO, and the failure of FBO to remedy such default for a period of thirty (30) days after receipt from the Village of written notice to remedy the same, the Village shall have the right to cancel this License Agreement.
- d. Upon the cancellation or termination of this Agreement for any reason, all rights of the FBO and any other persons in using the Licensed Premises shall terminate, including all rights or alleged rights of creditors, trustees, and all others similarly so situated as to the Licensed Premises.
- e. Upon said cancellation or termination of this License Agreement for any reason, the Licensed Premises, except for such personal property which may be removed from said Licensed Premises as provided for elsewhere herein, shall be free of all encumbrances and all claims of FBO, its creditors, trustees, and all others and the Village shall have immediate right of possession to the Licensed Premises. Failure to remove any personal property within 30 days after termination or cancellation of the License Agreement shall deem the personal property to be abandoned and the Village

shall have the right to dispose of the personal property. Any costs associated with the removal shall be charged to FBO.

- f. In the event of any change in the Minimum Requirements and Rules and Regulations or the Village's exercise of any covenant or condition here in stated which changes the FBO's ability to operate its business, the FBO shall have the option to terminate this License Agreement with a 120 day written notice of termination to the Village. The Village retains the right to cure within the 120 days.
- g. In the event circumstances change so that the Village or the FBO determines it is no longer reasonable or necessary to continue with the terms of this License Agreement, the Village or FBO may, give written notice that the License Agreement shall terminate 120 days after written notice.

XVII. Survival of FBO's Obligations

- a. Except in the case of a termination pursuant to paragraphs f. and g. above, in the event that this License Agreement shall have been terminated in accordance with a notice of termination as provided above, all the obligations of the FBO under this License Agreement shall survive such termination, notwithstanding Village's rights to re-entry and shall remain in full force and effect, and the amount or amounts of damages or deficiency shall become due and payable to the Village to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. Village may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency.
- b. In the case of termination pursuant to paragraphs f. and g. above, all the obligations of the FBO under this License Agreement except as to license fees shall survive such termination, notwithstanding Village rights to re-entry and shall remain in full force and effect, and the amount or amounts of damages or deficiency shall become due and payable to the Village to the same extent, at the same time or times, and in the same manner as if no termination or re-entry had taken place. Village may maintain separate actions each month to recover the damage or deficiency then due or at its option.

XVIII. Surrender and Right of Re-Entry

- a. Upon the cancellation or termination of this License Agreement pursuant to any terms hereof, FBO agrees peaceably to surrender up the Licensed Premises to the Village in the same condition as they are at the time of the commencement of the term hereof and as they may hereafter be repaired and improved by FBO, save and except: (1) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (2) obsolescence in spite of repair, and (3) damage to or destruction of the improvements for which insurance proceeds are received by the Village.

- b. Upon such cancellation or termination, the Village may re-enter and repossess the Licensed Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this License Agreement, at Village's election.

XIX. Services to FBO

- a. Village covenants and agrees that during the term of this License Agreement it will operate the Airport as such for the use and benefit of the public provided that the Village may prohibit or limit any given type, kind or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The Village further agrees to use its best efforts to maintain the runway and taxiways in good repair.
- b. Village reserves the right to further develop or improve the landing area of the airport as it deems necessary, regardless of the desires or views of the FBO, and without interference or hindrance therefrom. Should the Village exercise these rights, which result in the Airport, the landing area, taxiways, in part or in all being unusable, or if the development or improvement results in the Airport being "Closed" for more than 5 days, all fees due by the FBO under this Agreement shall be waived for the duration of the closure. This does not include any and all fees due the FBO by the Village.
- c. Village reserves the right, but shall not be obligated to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of FBO in this regard.

XX. Limitation of Rights and Privileges

- a. It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and the Village reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature.
- b. No exclusive rights for the conduct of any aeronautical activity at the Airport, are granted by this License Agreement and no greater rights or privileges with respect to the use of the Licensed Premises or any part thereof are granted or intended to be granted to the FBO by this License Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

XXI. Notices

- a. Except to the extent that certain notices and methods of service thereof are required by law by Village to FBO with respect to any default notice for an eviction/forcible entry and detainer, any and all other notices, requests, demands or other communications hereunder shall be in writing and be deemed properly served when given in the

following manner: (i) on the date sent if by hand delivery/personal service with receipt therefor; or (ii) by mailing to the addresses recited herein by regular mail and by certified mail, return receipt requested, except as otherwise provided herein, notice served by certified mail shall be effective on the date of mailing; (iii) by commercial overnight delivery, which notice shall be effective on the day the notice is deposited with the overnight delivery courier; or (iv) by e-mail transmission, which notice shall be effective as of the date and time of the e-mail transmission,. Notices shall be addressed to each respective party as follows (or to such new address as the addressee of such a communication may have notified the sender thereof):

Village: Village Manager	<u>and</u>	To: Director of Transportation
Village of Schaumburg		Village of Schaumburg
101 Schaumburg Court		101 Schaumburg Court
Schaumburg, Illinois 60193		Schaumburg, Illinois 60193

To FBO:

Carver Aero, LLC
43W752 US 30
Sugar Grove, IL 60554
Attn: Guy Lieser
Email: Guy.lieser@carveraero.com

With a copy to:

Carver Aero, LLC
315 Fifth St.
Peru, IL 61354
Attn: Daniel R. Harper, General Counsel
Email: dan.harper@carusllc.com

With a copy to:

Huck Bouma PC
1755 S. Naperville Road, Suite 200
Wheaton, Illinois 60189-5844
Attn: David D. O'Sullivan & Christian T. Laden
Fax: (630) 221-1756
Email: dosullivan@huckbouma.com
claden@huckbouma.com

- b. Such addresses shall be subject to change from time to time as may be specified in written notice given by the intended recipient to sender.

XXII. Invalid Provisions

- a. The invalidity of any provisions, articles, paragraphs, portions or clauses of this License Agreement shall have no effect upon the validity of any other part or portion hereof so long as the remainder shall constitute an enforceable agreement.

XXIII. Remedies to be Non-exclusive

- a. All remedies provided in this License Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or any other remedy available to the Village or FBO and the exercise of any remedy, or the existence herein of other remedies shall not prevent the exercise of any other remedy.

XXIV. General Provisions

- a. FBO shall not use, or permit the use of, the Licensed Premises, or any part thereof, for any purpose or use other than those authorized by this License Agreement.
- b. This License Agreement shall be performable and enforceable in Schaumburg, Illinois, and shall be construed in accordance with the laws of the State of Illinois.
- c. This License Agreement is made for the sole and exclusive benefit of the Village and FBO, their successors and assigns, and is not made for the benefit of any third party.

XXV. Subordination Clauses

This License Agreement is subject and subordinate to the following:

- a. Village reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent FBO from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the Village, would limit the usefulness of the Airport or constitute a hazard to the operation of aircraft.
- b. This License Agreement shall be subordinate to the provisions of any existing or future agreement between Village and the United States or the State of Illinois in carrying out its obligations relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal and/or State funds for the development of the Airport.
- c. During time of war or national emergency, Village shall have the right to contract all or any part of the landing area of the Airport to the United States or State of Illinois for military use and, if any such contract is executed, the provisions of this License Agreement, insofar as they may be inconsistent with the provisions of such contract, shall be suspended. Abatement of License Fees shall be determined by the Village in proportion to the degree of interference with FBO's use of the Licensed Premises.

XXVI. Entire Agreement

- a. This Agreement consists of Sections I through XXVI and Attachment A and B.
- b. It constitutes the entire Agreement of the parties hereto and may be changed, modified, discharged or extended except by written instrument duly executed by the Village and the FBO. The parties agree that no representations or warranties shall be binding on the Village or the FBO unless expressed in writing in this License Agreement.

In witness thereof, the Village of Schaumburg has caused this License Agreement to be executed by their respective duly authorized officers and made effective as of the date set forth above.

For: **VILLAGE OF SCHAUMBURG**

For: _____

By: _____
(signature)

By: _____
(signature)

Title: Village Manager

Title: _____

Date: _____

Date: _____

Attest:

Attest:

By: _____
(signature)

By: _____
(signature)

Title: Village Clerk

Title: _____