

## SCHAUMBURG REGIONAL AIRPORT RESTAURANT LICENSE AGREEMENT

THIS LICENSE AGREEMENT, entered into this 8<sup>th</sup> day of December, 2015, by and between the VILLAGE OF SCHAUMBURG, a municipal corporation (hereinafter "VOS"), and PILOT PETE'S II, INC an Illinois corporation (hereinafter "PILOT PETE'S II, INC"), is made with reference to the following:

### RECITALS:

A. VOS is a municipal corporation duly organized and validly existing under the laws of the State of Illinois.

B. PILOT PETE'S II, INC is an Illinois corporation.

C. VOS and PILOT PETE'S II, INC desire to enter into a license agreement (the "License Agreement") on the terms and conditions herein set and conditions herein set forth.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

### 1. LICENSED PREMISES

VOS hereby grants a license to PILOT PETE'S II, INC for the use of suitable premises at the Schaumburg Regional Airport for its business operations as set forth in this License (the "Licensed Premises"). The Licensed Premises shall be substantially the same as follows:

- (i) That portion of space located within the Airport Terminal and Administration Building ("Terminal Building") consisting of approximately Six thousand eight hundred thirty (6,830) square feet, located at 905 West Irving Park Road, Schaumburg, Illinois at Schaumburg Regional Airport, and more particularly described in Exhibit A which is attached hereto and incorporated by reference; and
- (ii) That portion of space located within the Airport Terminal and Administration Building ("Terminal Building") consisting of approximately the north twenty four feet of room 210 measuring approximately three hundred seventy two square feet (372 sq. Ft) and is more particularly described in Exhibit A which is attached hereto and incorporated by reference; and

All improvements on the Licensed Premises, including the rest room facilities, shall be, operated, maintained and repaired by PILOT PETE'S II, INC, at Pilot Pete's II, Inc sole expense as further described in Section 10 hereof.

PILOT PETE'S II, INC shall also have a nonexclusive right to use all appurtenant sidewalks, stairways, elevators, decks, roads, parking facilities, public improvements and the mechanical room. Parking facilities are available for patrons and employees of PILOT PETE'S II, INC's restaurant and the other licensees of the Terminal Building and the General Fixed Base Operator Hangar. In addition, the airplane parking ramp directly in front of the Terminal Building, as described in Exhibit A may be used as tie-down for transient aircraft visiting the restaurant, provided that the use does not interfere with official or emergency use by any Federal, State or Village governmental officers, agents and employees.

PILOT PETE'S II, INC may additionally request use of outdoor premises for use as an outside eating area if such area is constructed in a manner acceptable to VOS for use as an outside eating area. Such outdoor facilities will be built by PILOT PETE'S II, INC, as described in paragraph 7, at PILOT PETE'S II, INC's sole expense. Any expansion that creates additional square footage of the Licensed Premises are hereby added to the description of the Licensed Premises. The monthly license fee will increase by the additional square feet of the outside eating area, and will be charged to PILOT PETE'S II, INC \$3.00 per square foot of the completion of the addition.

## 2. CONDITION OF LICENSED PREMISES.

PILOT PETE'S II, INC hereby accepts the Licensed Premises in their condition existing as of the License Agreement Commencement Date subject to all applicable zoning, municipal, county, state, and federal laws, ordinances, and regulations governing and regulating the use of the Licensed Premises, including specifically the Village of Schaumburg Municipal Code, and any covenants or restrictions of record, or which would be evident upon inspection of the Licensed Premises, and accepts this License Agreement subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. PILOT PETE'S II, INC acknowledges that VOS has not made any representation or warranty as to the present or future suitability of the Licensed Premises for the conduct of PILOT PETE'S II, INC's business.

Upon termination or expiration of this License Agreement, PILOT PETE'S II, INC agrees to immediately surrender its right to use of the Licensed Premises and any improvements thereon, and agrees that the Licensed Premises and any such improvements shall be in as good condition as they existed at the License Commencement Date or date of completion of such improvements as the case may be, less reasonable wear and tear.

Notwithstanding the foregoing, PILOT PETE'S II, INC shall not be responsible for hydrocarbon contamination on the Licensed Premises which preexists the date of execution of this License Agreement. However, PILOT PETE'S II, INC shall be responsible for cleanup of any hazardous wastes, substances, pollutants or contaminants on the Licensed Premises which are the result of any activities, business or work conducted on the Licensed Premises by PILOT PETE'S II, INC, its officers, agents, employees, contractors or invitees.

Except as expressly set forth in Section 16 of this Agreement, all improvements structures and fixtures on the Licensed Premises are the property of VOS and upon termination or expiration of this License Agreement, shall be free and clear of all liens and encumbrances incurred by PILOT PETE'S II, INC.

### 3. TERM.

gah This License Agreement shall be for a total period of ten (10) years commencing on the day of December, 2015 ("License Commencement Date"), and shall be eligible for up to two (2) additional five (5) year extensions, which shall automatically take effect upon expiration of the prior five (5) year period, unless either Party provides notice no earlier than one (1) year prior to expiration of the then current ten (10) year period of its intent not to extend the term for an additional five (5) year period, or unless the License Agreement is terminated earlier as provided in this License.

### 4. LICENSE FEES.

#### A. License Fee Commencement Date.

License Fees will commence on the License Commencement Date as described in section 3.

#### B. Minimum Annual License Fee.

Commencing on the License Commencement Date, PILOT PETE'S II, INC agrees to pay to VOS without abatement, deduction or offset (but subject to Section C hereof), for the use of the Licensed Premises, a minimum monthly license fee of Five thousand nine hundred and forty-nine dollars and ninety-nine cents (\$5,949.99). Upon each annual anniversary of the commencement of this agreement the monthly base license fee shall be adjusted to reflect the twelve month percent change as contained in the Consumer Price Index (CPI) as determined by the U.S. Department of Labor Bureau of Labor Statistics, All Urban Consumers, Chicago-Gary-Kenosha Area, Series ID CUURA207SA0, and CUUSA207SA0. If a decrease occurs in the CPI, no change in the monthly license fee shall occur.

The license fee shall be payable in twelve (12) equal monthly installments in the amount of Five thousand nine hundred and forty-nine dollars and ninety-nine cents (\$5,949.99) per month. All payments of Minimum Annual License Fees are payable to VOS in advance on the first day of each month of the License Agreement. PILOT PETE'S II, INC agrees to pay license fees by check payable to the Village of Schaumburg and delivered to the following:

Village of Schaumburg  
101 Schaumburg Court  
Schaumburg, IL 60193

## C. REAL ESTATE TAXES

PILOT PETE'S II, INC shall be liable for any taxes or Cook County Assessments assessed against the Licensed Premises.

## 5. ESCROW.

PILOT PETE'S II, INC shall deposit with VOS upon execution hereof the sum of Five thousand nine hundred and forty-nine dollars and ninety-nine cents (\$5,949.99) which the Village shall hold in escrow to ensure PILOT PETE'S II, INC's faithful performance of PILOT PETE'S II, INC's obligations hereunder.

If PILOT PETE'S II, INC fails to pay license fees or other charges due hereunder, or otherwise defaults with respect to any provision of this License Agreement, VOS may use, apply or retain all or any portion of said escrow funds for the payment of any license fees or other charge in default or for the payment of any other sum to which VOS may become obligated by reason of PILOT PETE'S II, INC's default, or to compensate VOS for any loss or damage which VOS may suffer thereby.

If VOS so uses or applies all or any portion of said escrow funds, PILOT PETE'S II, INC shall within fifteen (15) days after written demand therefore deposit cash with VOS in an amount sufficient to restore said escrow funds to the full amount herein above stated and PILOT PETE'S II, INC's failure to do so shall be a material breach of this License Agreement. If PILOT PETE'S II, INC performs all of PILOT PETE'S II, INC's obligations hereunder, said escrow funds, or so much thereof as has not thereto fore been applied by VOS, shall be returned, without payment of interest or other increment for its use, to PILOT PETE'S II, INC upon expiration or termination of this License Agreement and after PILOT PETE'S II, INC has vacated the Licensed Premises.

## 6. PERMITTED USES.

### A. Permitted Uses.

PILOT PETE'S II, INC may use the Licensed Premises solely for the following described uses, activities and privileges: Coffee shop, cafeteria, restaurant and service of alcoholic beverage, cocktail lounge or bar if a license has been issued by all appropriate governmental agencies, when open shall be available to the general public.

### B. Conditional Ancillary Uses.

All Conditional Ancillary uses shall be conducted concurrently with one or more of the Permitted Uses described above) snack bar, catering service (solely to the extent such catering services do not interfere with required restaurant services described below), cocktail lounge and related food vending and service operations. In addition, provided that PILOT PETE'S II, INC obtains prior written consent of VOS, which consent shall not be unreasonably withheld, and all required zoning, licensing or other governmental approvals, PILOT PETE'S II, INC may use the

Licensed Premises for the ancillary use as a nightclub featuring live entertainment or recorded music.

The use of the Licensed Premises for sale of nonfood and novelty items shall be subject to the prior written consent of VOS, such consent not to be unreasonably withheld

The use of the Licensed Premises that require closure of the restaurant to the general public shall require VOS's prior review and written consent; such consent shall not to be unreasonably withheld. PILOT PETE'S II, INC's request for such uses shall be made by written notice to VOS, describing in detail satisfactory to VOS the nature of the proposed use. If VOS fails to disapprove or object to the proposed use within thirty (30) days from receipt of the written notice requesting such use, then such proposed use will be considered approved.

PILOT PETE'S II, INC shall obtain written approval from the Village of Schaumburg prior to hiring or using any company or individual to provide aircraft or helicopter rides ("in air events") to patrons and invitees of PILOT PETE'S II, INC's restaurant at the Licensed Premises. This approval requirement applies to groups or individuals who desire to provide any in air events, including pre-planned fly-in activities involving three or more aircraft as part of a banquet or special event being held at the Licensed Premises.

Only the uses, activities and privileges expressly specified above are authorized uses, activities or privileges, and are authorized only when conducted as described herein by PILOT PETE'S II, INC.

PILOT PETE'S II, INC is expressly prohibited from conducting any other uses or activities in, on or about the Licensed Premises.

C. Hours of Operation: Liquor License.

PILOT PETE'S II, INC shall operate a restaurant at least twelve (12) hours per day, serving lunch and dinner, seven days a week on a year-round basis. PILOT PETE'S II, INC shall have the right to operate the restaurant until such hours as regulated by the liquor code, seven days a week. PILOT PETE'S II, INC shall operate a restaurant with liquor license in compliance with all applicable local health regulations and local liquor laws or requirements, including, but not limited to licensing, bonding and insurance requirements. All of PILOT PETE'S II, INC's obligations under the terms of this License Agreement are contingent upon PILOT PETE'S II, INC's obtaining a liquor license from the appropriate governmental agencies.

Any closure of the restaurant for remodeling excluding emergencies shall be subject to VOS's prior written approval, which approval shall not be unreasonably withheld. Failure to obtain such prior consent shall constitute a default under the License Agreement.

D. Conduct of PILOT PETE'S II, INC's Business.

The PILOT PETE'S II, INC shall keep the Licensed Premises in a safe, clean, orderly and inviting condition at all time, satisfactory to the Village at its sole discretion. All food, drinks, beverages, confections and other items sold or kept for sale on the Licensed Premises must

conform in all respects to federal, state and municipal food laws, ordinances and regulations. The PILOT PETE'S II, INC shall maintain continuously all necessary business, health and liquor licenses and shall maintain said restaurant in compliance with all the standards set forth by any health requirements.

PILOT PETE'S II, INC shall cooperate fully with VOS in the distribution of information and public education concerning the provisions of the Village of Schaumburg Airport Code, all airport rules, regulations and any Noise Abatement Program implemented by VOS.

PILOT PETE'S II, INC shall use its best efforts in PILOT PETE'S II, INC's operation of the Licensed Premises to generate the maximum gross sales which PILOT PETE'S II, INC, in the exercise of PILOT PETE'S II, INC's good faith business judgment believes to be permitted by market conditions, subject to the requirements of this License Agreement. PILOT PETE'S II, INC's decisions as operator and manager of the Licensed Premises shall be deemed to be reasonable good faith business judgments, if, among other bases, such decisions are consistent with operating decisions and management practices of one or more restaurants which are rated by the Automobile Club of America ("Triple A") restaurant/hotel guide. In its use of the Licensed Premises, PILOT PETE'S II, INC shall maintain the highest degree and standards of service to meet the needs of the public and air travelers. PILOT PETE'S II, INC shall at all times during the term of this License Agreement, strictly comply with the following conditions and requirements:

In its use of the Licensed Premises, PILOT PETE'S II, INC shall maintain the highest degree and standards of service to meet the needs of the public and air travelers. PILOT PETE'S II, INC shall at all times during the term of this License Agreement, strictly comply with the following conditions and requirements:

(1) PILOT PETE'S II, INC shall at all times retain an active, qualified, competent and experienced manager for the Licensed Premises to supervise all operations. The manager shall be authorized to represent and act for the PILOT PETE'S II, INC. The PILOT PETE'S II, INC shall furnish to the Airport Administrator and keep current during the term of this License Agreement, the name, address and telephone number of the manager and assistant manager.

(2) PILOT PETE'S II, INC covenants and agrees that its officers, agents, employees, representatives, and contractors doing business with it shall at all times act in a courteous and professional manner. Upon notice by VOS that PILOT PETE'S II, INC's agents or employees have not acted in the agreed manner, PILOT PETE'S II, INC agrees to take all reasonable steps to insure it's agents and employees act in a courteous and professional manner.

(3) PILOT PETE'S II, INC shall require all of its employees to wear clean and neat appearing clothing.

(4) PILOT PETE'S II, INC shall sell food products of high quality and may include, without limitation, alcoholic and non alcoholic beverages, package foods and foods prepared on site.

(5) Without prior written authorization of VOS, PILOT PETE'S II, INC shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of utility, heating, ventilating or air conditioning systems or portions thereof on the Licensed Premises or elsewhere on the Airport, or in the building in which the Licensed Premises is located, nor do or permit to be done anything which may interfere with free access and passage in the Licensed Premises or the public areas adjacent thereto, or in the streets or sidewalks adjoining the Licensed Premises, except as otherwise provided in this License Agreement.

(6) PILOT PETE'S II, INC shall not do or permit to be done anything which may hinder police, fire fighting or other emergency personnel in the discharge of their duties.

(7) PILOT PETE'S II, INC shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of fire exits and elevators in or adjacent to the Licensed Premises, including lines, pipes, wires, conduits and equipment connected with or appurtenant thereto.

PILOT PETE'S II, INC hereby acknowledges that the principal use of the Airport consists of the operation of a public airport and that all other operations and businesses which are now or hereafter permitted by VOS, including the uses described herein, must be at all times compatible with such principal use, as VOS shall, in its sole discretion, determine.

PILOT PETE'S II, INC shall, use its best efforts to continuously and uninterruptedly operate during the term of this License Agreement, conduct its customary business activity on the Licensed Premises unless prevented from so doing by strikes, fire, casualty or other causes beyond PILOT PETE'S II, INC's control, except during reasonable periods for repairing, cleaning and decorating the Licensed Premises.

#### E. Quality and Price.

In licensing space for a restaurant at the Airport, it is the objective of the Village to provide the general public and air travelers using Schaumburg Regional Airport with a choice of high quality merchandise, food and beverages offered at reasonable prices.

PILOT PETE'S II, INC covenants and agrees that quality food and beverages shall be offered at affordable prices.

#### F. Restrictions on Leasing to Competitors

During the term of this License, VOS agrees to refrain from leasing or licensing to third parties for purposes of all food and beverage distributors with the exception of vending machines or catering operations, real property located within the existing boundaries of the Terminal Building and General Fixed Base Operator Hangar.

### G. Use of the Terms "Permitted Uses"

"Permitted Uses" or "Conditional Uses" do not relieve PILOT PETE'S II, INC of the duty and responsibility to secure appropriate zoning permission and liquor license from VOS as to the use and does not imply or grant PILOT PETE'S II, INC a zoning use of liquor license solely based on this License Agreement.

### 7. ALTERATIONS AND ADDITIONS

PILOT PETE'S II, INC shall not make any changes in, alterations, improvements, additions or utility installations to the Licensed Premises, or remove any portion of the Licensed Premises without first securing the prior written consent of VOS. PILOT PETE'S II, INC shall submit written detailed plans of any such changes, alterations, improvements, additions or utility installations to VOS for review and determination as to approval. All such approved changes, alterations, additions, improvements, utility installations or removals shall be at the sole expense of PILOT PETE'S II, INC. Throughout the term hereof, PILOT PETE'S II, INC shall provide VOS with a complete and current list of such approved changes, alterations, improvements, additions or removals made in, on or upon the Licensed Premises, or any portion thereof, including any equipment erected or installed in, on or upon the Licensed Premises. The above notwithstanding, PILOT PETE'S II, INC shall have the right to make decorative changes with a value of ten thousand dollars (\$10,000) or less, without seeking VOS' approval, except that PILOT PETE'S II, INC shall obtain all necessary permits and permission subject to building and life safety codes.

### 8. COMMON AREAS.

"Common Areas" shall mean those portions of the Schaumburg Regional Airport located within the physical boundary thereof which are made available for the general use, convenience or benefit of all invitees and visitors of the Schaumburg Regional Airport including, without limitation, transient aircraft tiedown space, taxiways, runways, public vehicle parking areas, all utility lines and systems, access roads, driveways, sidewalks, pedestrian walkways, and other similar areas, in addition, to maintenance and equipment areas.

VOS may at any time establish or change the nature, use, size, and composition of the Common Areas, which acts may include without limitation (i) the creation and relocation of driveways, entrances, exits, and parking spaces; (ii) installation of landscaping or restricted areas; and (iii) establishment of handicap and loading zones.

VOS shall operate, manage and maintain the Common Areas. The manner in which such Common Areas shall be operated, managed and maintained and the expenditures therefor shall be at the sole discretion of VOS.

PILOT PETE'S II, INC and its employees and invitees are, except as otherwise specifically provided in this License Agreement, authorized empowered and privileged to use the Common Areas in common with other persons during the License Agreement Term.



PILOT PETE'S II, INC shall not at any time park or permit the parking of its trucks or vehicles or the trucks or vehicles of its employees, suppliers, customers, or invitees in any area within the Schaumburg Regional Airport not designated by VOS for such use by PILOT PETE'S II, INC and its employees, suppliers, customers, or invitees. If PILOT PETE'S II, INC parks, or permits the parking of, any vehicle contrary to the foregoing provisions, VOS may cause the same to be towed to a public garage or other parking area and the expense of such towing plus storage charges, will be paid by the owner of the vehicle.

VOS shall at all times have the sole and exclusive control of all the Common Areas. PILOT PETE'S II, INC's rights hereunder in and to the Common Areas shall at all times be subject to the rights of VOS and the other licensees of the Schaumburg Regional Airport to use or to benefit from the use of such areas and it shall be the duty of PILOT PETE'S II, INC (i) to the extent reasonably within its control, to keep all of the Common Areas adjacent to the Licensed Premises free and clear of any obstructions nuisances trash or debris, whether created or permitted by PILOT PETE'S II, INC or its operation or by others; (ii) to use and allow the use of Common Areas only for normal ingress and egress by employees, suppliers, customers, and invitees to and from the Licensed Premises by PILOT PETE'S II, INC and the other licensees of the Schaumburg Regional Airport and such other use approved in advance and in writing from VOS and (iii) not to cause, permit or suffer to the extent within PILOT PETE'S II, INC's control, any Common Areas to be used so as to unreasonably interfere with the rights of VOS or other licensees of the Schaumburg Regional Airport or their employees, suppliers, customers, invitees or businesses. VOS shall have the right to perform any and all construction to, in or about the Common Areas which it deems reasonable for the maintenance, replacement, refurbishment, renovation or improvement of the Common Areas, other premises or the Schaumburg Regional Airport in general. VOS shall give PILOT PETE'S II, INC reasonable notice of any such construction in or about the Commons Areas. After such notification PILOT PETE'S II, INC must notify VOS in writing of any objection to construction. In connection therewith, VOS shall not be liable to PILOT PETE'S II, INC by reason of any injury to or interference with PILOT PETE'S II, INC's business or property or for any other inconvenience or damages caused thereby. VOS will complete any such construction within a reasonable period of time.

#### 9. MAINTENANCE AND REPAIR.

PILOT PETE'S II, INC expressly agrees to maintain and keep in good order, condition and repair, at its sole cost and expense, the Licensed Premises and all improvements of whatever kind that may be erected thereon, installed or otherwise made thereon by PILOT PETE'S II, INC in a safe, clean, and sanitary condition. PILOT PETE'S II, INC shall also be responsible for prompt cleanup of trash and debris in the Common Areas utilized by PILOT PETE'S II, INC's employers, contractors, suppliers and invitees, such cleanup to be performed at PILOT PETE'S II, INC's sole expense. PILOT PETE'S II, INC hereby consents to periodic inspections by VOS during normal business hours specified herein, for the purpose of determining maintenance violations and agrees to immediately correct each and every violation. PILOT PETE'S II, INC shall not allow refuse, garbage, or trash to accumulate on or adjacent to the Licensed Premises, except on the date of scheduled pickup service, and then only in appropriate receptacles located in areas designed for such purposes and approved by VOS.

PILOT PETE'S II, INC shall make all repairs necessary to maintain the Licensed Premises and all improvements of whatever kind that may be erected thereon installed, or otherwise made in, on or upon the Licensed Premises. Except as otherwise stated herein, PILOT PETE'S II, INC shall make any and all necessary repairs to or replacement of any equipment, structures, or other physical improvements on the Licensed Premises, to comply with any and all applicable regulations, laws or ordinances of the United States, the State of Illinois, County of Cook, Village of Schaumburg, or other governmental body, including but not limited to regulations promulgated by the Federal Aviation Administration.

If PILOT PETE'S II, INC fails to correct or commence diligent correction of any unsafe, unclean, or unsanitary condition within 48 hours after being notified in writing to do so by the VOS, then the VOS may enter the Licensed Premises and remedy the condition, or conditions, and charge the cost to PILOT PETE'S II, INC without any liability for any resulting business loss or damage. In the event of an emergency, VOS may immediately enter the Licensed Premises to remedy an unsafe, unclean, or unsanitary condition and charge the cost to PILOT PETE'S II, INC. VOS shall notify PILOT PETE'S II, INC of such emergency as soon as reasonably possible.

VOS's sole obligation, as to repair and maintenance of the Licensed Premises shall be limited to the repair and maintenance of exterior landscaping and normal exterior lighting of the building (but VOS shall have no obligation to repair exterior signs or lighting which identifies the Licensed Premises), public parking areas and common areas, and exterior surfaces of the structures or buildings in which the Licensed Premises are located, including the roof, and interior structures and utilities as shown in the Village's record drawings and specifications for the building in which the Licensed Premises is located, which plans are on file in the Office of the Village Building Department. Notwithstanding VOS's maintenance and repair obligations stated herein, any damages or destruction of the Licensed Premises, including any portion of the structures, building or improvements in which the Licensed Premises are located, whether structural or nonstructural, if caused by PILOT PETE'S II, INC, its officers, agents, employees, consultants or contractors or by third parties, shall be excluded from VOS's obligation to repair or maintain and shall be PILOT PETE'S II, INC's responsibility.

Notwithstanding the foregoing, PILOT PETE'S II, INC shall have the right, at PILOT PETE'S II, INC's expense, to make repairs which are necessary for the ongoing operation of the restaurant; provided, however, unless PILOT PETE'S II, INC gives VOS notice of the necessity for such repair and VOS fails to repair the same within a reasonable period and it is VOS's responsibility under this License Agreement, PILOT PETE'S II, INC shall have no right to offset the cost of any such repairs against rental or other monetary obligations arising under this License Agreement. However PILOT PETE'S II, INC gives VOS notice of the necessity for such repair and VOS fails to repair the same within a reasonable period and it is VOS's responsibility under this License Agreement and VOS fails to repair, PILOT PETE'S II, INC will have the right to make said repair and abate the cost of said repair from its next license fee payment.

Except as expressly stated above, VOS shall not at any time be required to make any improvements or repairs whatsoever with respect to the Premises except that VOS may, at its

sole discretion, and subject to scheduling at VOS's sole discretion, do any necessary improvements or repairs to protect the Licensed Premises or any other property located on or about the Schaumburg Regional Airport.

#### 10. LIENS TAXES AND ASSESSMENTS.

• PILOT PETE'S II, INC shall keep the Licensed Premises and every estate, right, title and interest therein, or in part thereof, at all times during the term of this License Agreement, or any extension thereof, free and clear of any mechanics' liens, and other liens, and liens for labor, services, supplies, equipment, or material incurred by it, and PILOT PETE'S II, INC will at all times fully pay and discharge and wholly protect, defend and save harmless VOS on account of said liens, or claims, or assertion, or filing thereof.

PILOT PETE'S II, INC shall assume full responsibility for, payment of all wages or salaries and all federal, state, and local taxes or contributions imposed or required under the Unemployment Insurance, Social Security, Income Tax, and Worker's Compensation laws, or under other laws respecting PILOT PETE'S II, INC's employees engaged in the performance of PILOT PETE'S II, INC's obligations hereunder.

PILOT PETE'S II, INC shall pay any and all taxes assessed upon the value of personal property and improvements belonging to PILOT PETE'S II, INC and upon PILOT PETE'S II, INC's possessory interest in the real property of VOS constituting the Licensed Premises and all improvements thereon, and PILOT PETE'S II, INC shall pay all sales, use, and other taxes levied against the operation of its business.

#### 11. UTILITIES.

PILOT PETE'S II, INC shall pay for all utilities supplied to the Licensed Premises. Utilities include all water, fuel, light, power, heat, telephone, communications, security, and trash collection services and other utility services. VOS shall provide sub-meters for water service billing and gas and electrical services provided to the Licensed Premises including those services necessary for operation of heating, cooling and ventilating system for the Licensed Premises. All charges including, but not limited to deposits, installation costs and all service charges for gas, electricity, water, heat, air-conditioning and other utility services to the Licensed Premises shall be paid by PILOT PETE'S II, INC regardless of whether such services are furnished by the Village or by the utility company.

#### 12. COMPLIANCE WITH APPLICABLE LAWS.

##### A. PILOT PETE'S II, INC's Operations Shall Comply with All Laws, Ordinances and Regulations.

PILOT PETE'S II, INC shall conduct all operations in accordance with all laws and comply with all laws, state or federal, ordinances, rules and regulations applicable to such business, in effect or hereinafter adopted by the Village of Schaumburg, County of Cook, State of Illinois or the United States, including but not limited to compliance with all technical

construction codes adopted by the Village of Schaumburg Building Code, and all rules and regulations adopted for the operation of the Schaumburg Regional Airport.

B. Permits and Licenses.

PILOT PETE'S II, INC shall obtain and maintain during the term of this License Agreement, all appropriate licenses, permits and certificates that may be required in connection with the operation of its facility and for the provision of services hereunder, including but not limited to, all FAA and Village of Schaumburg licenses, permits, and certificates, and State of Illinois licenses. Such licenses, permits, and certificates shall be obtained without additional expense to VOS.

C. Failure to Obtain Alcoholic Beverage Commission License: Termination.

In the event PILOT PETE'S II, INC fails after diligent efforts to obtain a license from the appropriate governmental agencies allowing for the sale of alcoholic beverages in conjunction with the restaurant services required by this License Agreement, then either party shall have the right, upon written notice to the other party to terminate this License Agreement. In the event PILOT PETE'S II, INC secures the necessary liquor license, but loses or gives up the license, PILOT PETE'S II, INC shall still be liable under the terms of the License Agreement and may not terminate it.

D. Compliance with Federal Requirements.

PILOT PETE'S II, INC, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the Licensed Premises for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, PILOT PETE'S II, INC shall maintain and operate such facilities and services in compliance with all Federal, State and Local Laws.

E. PILOT PETE'S II, INC, for itself, its personal representatives and successors in interest, as a part of the consideration hereof, does hereby covenant and agree that: (1) no person on the grounds of race, religion, color, handicap, national origin, ancestry, sex, age, sexual orientation, or condition of having the disease of AIDS, shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, religion, color, handicap, national origin, ancestry, sex, age, sexual orientation, or condition of having the disease of AIDS, shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that PILOT PETE'S II, INC shall use the Licensed Premises 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 Regulations may be amended, and all Federal, State and local laws and regulations pertaining to rehabilitation.

That in the event of breach of any of the above nondiscrimination clauses, VOS shall have the right to terminate the License Agreement and to render and repossess said Licensed Premises and the facilities thereon, and hold the same as if said License Agreement had never been made or issued. This provision does not become effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed including expiration of appeal rights.

F. PILOT PETE'S II, INC shall furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT PILOT PETE'S II, INC may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.

G. VOS reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of PILOT PETE'S II, INC and without interference or hindrance.

H. VOS reserves the right, but shall not be obligated to PILOT PETE'S II, INC to maintain and keep in repair the landing areas of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of PILOT PETE'S II, INC in this regard.

I. This License Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between VOS and the United States, relative to the development, operation, or maintenance of the Airport.

J. There is hereby reserved to VOS, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Licensed Premises herein licensed. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operation on the Schaumburg Regional Airport.

K. PILOT PETE'S II, INC agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event of any planned modification or alternation of any present or future building or structure situated on the Licensed Premises.

L. PILOT PETE'S II, INC, by accepting this License Agreement, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object on the Licensed Premises above the mean sea level elevation 850 feet. In the event the aforesaid covenants are breached, VOS reserves the right to enter upon the Licensed Premises and to remove the offending structure or object, all of which shall be at the expense of PILOT PETE'S II, INC.

M. PILOT PETE'S II, INC, by accepting this License Agreement, agrees for itself, its successors and assigns that it will not make use of the Licensed Premises in any manner which might interfere with the landing and taking off of a aircraft from Schaumburg Regional Airport

or otherwise constitute a hazard. In the event the aforesaid covenant is breached, VOS reserves the right to enter upon the Licensed Premises and cause the abatement of such interference at the expense of PILOT PETE'S II, INC.

N. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation act of 1958 (49 U.S.C. 1349a).

O. This License Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation, and taking over of said Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.

### 13. INSURANCE REQUIREMENTS.

Prior to commencing use of the Licensed Premises, PILOT PETE'S II, INC shall procure and maintain at PILOT PETE'S II, INC's own cost and expense for the duration of the License Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with PILOT PETE'S II, INC's possession, occupancy, operation and use of the Licensed Premises hereunder by the PILOT PETE'S II, INC, his agents, representatives, employees or subcontractors.

#### A. Minimum Limits of Insurance.

PILOT PETE'S II, INC shall maintain insurance coverage with limits of no less than:

1. Comprehensive General Liability: Two million Dollars, \$2,000,000, combined single limit per occurrence for bodily injury and property damage. This insurance shall include coverage for the following:

- (I) Premises/Operations.
- (II) Liquor Liability.
- (III) Products/Completed Operations.
- (IV) Contractual.
- (V) Independent Contractors.
- (VI) Broad Form Property Damage.
- (VII) Personal Injury.

2. Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the Labor Code of the State of Illinois and Employer's Liability limits of at least One Million Dollars, \$1,000,000, per accident.

3. Property Insurance:

In the event PILOT PETE'S II, INC intends to construct any improvements, additions or alterations to the Licensed Premises PILOT PETE'S II, INC shall comply with the following requirement:

Before the commencement of any construction or demolition, PILOT PETE'S II, INC shall procure and maintain in force until completion and acceptance of work by the Village, an "All Risk Builders Risk" insurance policy providing coverage for improvements, additions or alterations in place and all material and equipment at the job site furnished under contract with limits in accordance with project value. This policy shall be endorsed naming the Village as loss payee. The Village shall also be added as an insured on said policy as its interests may appear.

4. Personal Property Insurance: Property insurance shall be provided for all PILOT PETE'S II, INC's contents, inventory, equipment, and for any improvements or betterments or betterments made by PILOT PETE'S II, INC on the Licensed Premises. PILOT PETE'S II, INC shall obtain and keep in force during the term of this License Agreement a policy or policies of insurance covering loss or damage to such contents and improvements or betterments located on the Licensed Premises, in the amount of at least one hundred percent (100%) or the full replacement value thereof, as the same may exist from time to time, against all perils included within the classification of fire, extend coverage, vandalism, malicious mischief, and special extended perils. The Village shall bear no responsibility for any loss, damage or destruction of PILOT PETE'S II, INC's contents, equipment, improvements or betterments, even if PILOT PETE'S II, INC fails to procure and maintain the personal property insurance required hereunder.

B. Other Insurance Provisions.

1. General Liability and Automobile Liability Coverage.

The Village of Schaumburg, members of its Village Board, commissions, officers, agents, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of PILOT PETE'S II, INC; products and completed operations of PILOT PETE'S II, INC, premises owned, leased or used by the PILOT PETE'S II, INC, or arising from or in any manner connected to PILOT PETE'S II, INC's business, activities, operations, services or work conducted in or about the Licensed Premises. The coverage shall contain no special limitations on the scope of protection afforded to the Village, members of the Village Board, commissions, officers, agents, employees and volunteers.

(II) The PILOT PETE'S II, INC's insurance coverage shall be primary insurance as respects the Village of Schaumburg, members of its Village Board, commissions, officers, agents, employees and volunteers. Any insurance or self-insurance maintained by the Village, its officials, employees and volunteers shall be in excess of VOS's insurance and shall not contribute with it.

(III) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Village of Schaumburg, members of its Village Board, commissions, officers, agents, employees and volunteers.

(IV) Coverage shall state that PILOT PETE'S II, INC's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

## 2. All Coverage.

(I) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the Village at the address set forth in Section 30, "Notices", of this License Agreement.

(II) If PILOT PETE'S II, INC, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of the Licensed Agreement. The Village, at its sole option, may obtain such insurance in PILOT PETE'S II, INC's name or as agent of PILOT PETE'S II, INC and shall be compensated by PILOT PETE'S II, INC for the costs of the insurance premiums. PILOT PETE'S II, INC shall pay VOS interest on paid insurance premiums at the maximum rate permitted by law computed from the day written notice is received that the premiums have been paid the Village may purchase such required insurance coverage (but has no special obligation to do so), and without further notice to PILOT PETE'S II, INC, the Village may add sums due to the Village, any premium costs advanced by the Village for such insurance.

## D. Acceptability of Insurance.

Insurance is to be placed with insurers rated A:VII or better by A.M. Best's rating service.

## E. Verification of Coverage.

PILOT PETE'S II, INC shall furnish the Village with certificates of insurance affecting coverage required by this clause. The certificates for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

## F. Subcontractors/Sublessees.

PILOT PETE'S II, INC shall include each of its subcontractors as insureds under the policies of insurance required herein, or alternatively, shall provide to the Village certificates of insurance evidencing satisfactory compliance by each subcontractor with the insurance requirements stated herein.

## 14. ADJUSTMENT OF INSURANCE COVERAGES AND LIMITS.

VOS and PILOT PETE'S II, INC understand and agree that the types of insurance and minimum limits of insurance herein required may become inadequate during the term of this License Agreement, and PILOT PETE'S II, INC agrees that it shall add such insurance coverage and increase such minimum limits by such amounts as may be requested, with specific details in writing, from time to time by VOS.



#### 15. OWNERSHIP OF IMPROVEMENTS AT TERMINATION.

All improvements and additions of whatever kind that may be erected, constructed, or installed in, on or upon the Licensed Premises including any and all alterations, betterments, structures, construction, additions, and fixtures, (except movable personal property, equipment, and trade fixtures), made or placed in or on said Licensed Premises by PILOT PETE'S II, INC or any other person, shall be considered part of the real property of said Licensed Premises and on said Licensed Premises and shall become the property of VOS upon termination or expiration of this License Agreement; free and clear of any liens or encumbrances whatsoever and without the payment of any consideration therefore.

#### 16. EQUIPMENT AND FURNISHINGS.

All equipment and furnishings and the cost of their installation and their removal shall be at the sole expense of PILOT PETE'S II, INC. VOS shall have the right to approve any nonstandard equipment belonging to PILOT PETE'S II, INC. For the purposes of this Section, nonstandard equipment is defined to include any equipment which requires unusual power, energy, or utility requirements or hookups, and/or which may cause interference with the operations of the Schaumburg Regional Airport. Any structural damage or alteration required as a result of the installation or removal of equipment or furnishings shall be repaired at the sole cost of PILOT PETE'S II, INC. No furnishing or fixture installed in such a manner as to become part of the Licensed Premises shall be removed.

It shall be PILOT PETE'S II, INC's responsibility to obtain adequate insurance providing coverage for damage or destruction to equipment, furnishings, trade fixtures or other personal property located on the Licensed Premises. If PILOT PETE'S II, INC fails to obtain such insurance, any loss or damage to such equipment, furnishings, or personal property shall be at PILOT PETE'S II, INC's sole risk.

PILOT PETE'S II, INC shall have no claim whatsoever against VOS for damage or destruction of any equipment, furnishings, trade fixtures or other personal property which is located on or in the Licensed Premises unless claim is based on negligence or an intended act of VOS or its agent or employees.

In the event PILOT PETE'S II, INC desires to replace any equipment or improvement involving the use of electricity, PILOT PETE'S II, INC agrees to have the replacement be an Energy Star Rated piece, if available.

#### 17. EMPLOYEES AND MECHANICS' LIENS.

PILOT PETE'S II, INC shall provide such employees as may be required to render good service. PILOT PETE'S II, INC shall keep the Premises and every estate, right, title and interest therein, or any part thereof, at all times during the term of this License Agreement, free and clear of any mechanics' liens, and other liens, and liens for labor, services, supplies, equipment, or material incurred by it, and lessee will at time fully pay and discharge and wholly protect, defend and save harmless VOS on account of said liens, or claims, or assertion, or filing thereof.

## 18. INGRESS AND EGRESS.

VOS reserves the right to enter upon the Licensed Premises at any and all times during the term of this License Agreement.

## 19. DEFENSE INDEMNIFICATION AND HOLD HARMLESS.

PILOT PETE'S II, INC hereby agrees to defend, indemnify, and hold harmless the VOS, its Village Board, commissions, officers, agents, employees and volunteers (hereinafter collectively referred to as "Village") from and against any and all loss, damage, cost, expense, liability, claims, demands, suits, attorney's fees and judgments arising directly or indirectly from or in any manner connected to: (i) PILOT PETE'S II, INC's possession, occupancy or use of the Licensed Premises; (ii) the condition of the Licensed Premises; (iii) the construction of any improvements, including the Restaurant Improvements; and (iv) the business, activities, operations, services or work conducted in, on or about the Licensed Premises and the Common Areas by PILOT PETE'S II, INC, its officers, agents, employees, contractors and invitees.

PILOT PETE'S II, INC further agrees to indemnify, defend and hold harmless Village, from and against all loss, damage, costs, expense, liability, claims, demands, suits, attorney's fees and judgments arising from or in any manner connected to the furnishing or supplying of any work, services, materials, equipment or supplies by any persons, firms, corporations or other entities in, on or about the Licensed Premises.

Without limiting the generality of the foregoing, PILOT PETE'S II, INC agrees that Village shall not be liable for any injury to PILOT PETE'S II, INC's business or any loss of income therefrom, or for damage to the goods, wares, merchandise, improvements or other property of PILOT PETE'S II, INC, PILOT PETE'S II, INC's officers, agents, employees, invitees, customers contractors, or any other person in, on or about the Licensed Premises, or personal injury or death of PILOT PETE'S II, INC or any of its officers, agents, employees, invitees, customers or contractors provided the same are not the result of VOS' negligence.

VOS hereby agrees to defend indemnify and hold harmless the PILOT PETE'S II, INC, its officers, agents, employees and Directors from and against any and all loss, damage, cost, expense, liability, claims, demands, suits, attorney's fees and judgments arising directly or indirectly from or in any manner connected to VOS' negligence in maintaining the Common Area or its violating its obligations under this License Agreement.

## 20. PROHIBITION AGAINST TRANSFER.

PILOT PETE'S II, INC shall not assign, sublicense hypothecate, or transfer this License Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise. Any attempt to do so shall be null and void, and any assignee, sublicensee, hypothecate or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

The sale, assignment, transfer, or other disposition of any of the issued and outstanding capital stock of PILOT PETE'S II, INC, or of the interest of any general partner or joint venturer or syndicate member or cotenant, if PILOT PETE'S II, INC is a partnership or joint venturer or syndicate or cotenancy, which shall result in changing the control of PILOT PETE'S II, INC, shall be construed as an assignment of this License Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

## 21. RELATIONSHIP OF PARTIES.

Nothing contained in this License Agreement shall be deemed or construed to create the relationship of principal and agent or of partnership or of joint venture or of any association between VOS and PILOT PETE'S II, INC.

## 22. SUBORDINATION.

This License Agreement is and shall be subordinate to any encumbrance now of record or recorded by VOS prior the date of this License Agreement;

Such subordination is effective without any further act of PILOT PETE'S II, INC. PILOT PETE'S II, INC shall from time to time on request from VOS execute and deliver any documents or instruments that may be required by a lender to effectuate any subordination.

## 23. DEFAULTS.

The occurrence of any one or more of the following events shall constitute a material default and breach of this License Agreement by PILOT PETE'S II, INC:

- A. The vacating or abandonment of the Licensed Premises by PILOT PETE'S II, INC.
- B. The failure by PILOT PETE'S II, INC to make any payment of license fees or any other payment required to be made by PILOT PETE'S II, INC hereunder, as and when due, where such failure shall continue for a period of thirty (30) calendar days after written notice thereof from VOS to PILOT PETE'S II, INC.
- C. The failure by PILOT PETE'S II, INC to observe or perform any of the covenants, conditions or provisions of the License Agreement to be observed or performed by PILOT PETE'S II, INC, other than described in subsection B above, where such failure shall continue for a period of thirty (30) calendar days after written notice hereof from VOS to PILOT PETE'S II, INC; provided, however, that if the nature of PILOT PETE'S II, INC's default is such that more than thirty (30) calendar days are reasonably required for its cure, then PILOT PETE'S II, INC shall not be deemed to be in default if PILOT PETE'S II, INC commenced such cure within said Thirty (30) calendar day period and thereafter diligently prosecutes such cure to completion.
- D. The making by PILOT PETE'S II, INC of any general arrangement or assignment for the benefit of creditors.

E. PILOT PETE'S II, INC becomes a "debtor" as defined in 11 U.S.C. Section 101 or any successor statute thereto (unless, in the case of a petition filed against PILOT PETE'S II, INC, the same is dismissed within sixty (60) days).

F. The appointment of a trustee or receiver to take possession of substantially all of PILOT PETE'S II, INC's assets located at the Premises or of PILOT PETE'S II, INC's interest in this License, where possession is not restored to PILOT PETE'S II, INC within thirty (30) days.

G. The attachment, execution or other judicial seizure of substantially all of PILOT PETE'S II, INC's assets located at the Licensed Premises or of PILOT PETE'S II, INC's interest in this License Agreement, where such seizure is not discharged within thirty (30) days.

G. The attachment, execution or other judicial seizure of substantially all of PILOT PETE'S II, INC's assets located at the Licensed Premises or of PILOT PETE'S II, INC's interest in this License Agreement, where such seizure is not discharged within thirty (30) days.

H. The discovery by VOS that any financial statement given to VOS by PILOT PETE'S II, INC, was materially false.

I. The filing or execution of attachment, encumbrance, lien or stop notice either against the Licensed Premises, PILOT PETE'S II, INC or VOS related to the use or possession of the Licensed Premises, or any labor, services, materials, or supplies provided to the Licensed Premises or PILOT PETE'S II, INC, unless such attachment, encumbrance, lien, or stop notice is released or withdrawn within Thirty (30) calendar days of such filing or execution.

J. The unauthorized assignment, sublicense or transfer of this License Agreement or any interest therein.

#### 24. REMEDIES.

In the event of any such material default or breach by PILOT PETE'S II, INC, the VOS may at any time thereafter, with or without notice or demand and without limiting VOS in the exercise of any right or remedy which VOS may have by reason of such default or breach:

A. Terminate PILOT PETE'S II, INC's right to use the Licensed Premises under the License Agreement, in which case this License Agreement shall terminate and PILOT PETE'S II, INC's obligation to pay license fees will terminate and PILOT PETE'S II, INC shall immediately surrender possession of the Premises to VOS. In such event, VOS shall be entitled to recover from PILOT PETE'S II, INC all damages incurred by VOS by reason of PILOT PETE'S II, INC's default.

B. Pursue any other remedy now or hereafter available to VOS under the laws of judicial decisions of the state wherein the Licensed Premises are located. Unpaid license fees and other unpaid monetary obligations of PILOT PETE'S II, INC under the terms of this License Agreement shall bear interest from the date due at the maximum rate then allowable by law.

## 25. DEFAULT BY VOS.

VOS shall not be in default unless VOS fails to perform obligations required of VOS within a reasonable time, but in no event later than thirty (30) days after written notice by PILOT PETE'S II, INC to VOS and to the holder of any mortgage or deed of trust covering the Licensed Premises whose name and address shall have thereto fore been furnished to PILOT PETE'S II, INC in writing, specifying wherein that VOS has failed to perform such obligations; provided, however, that if the nature of VOS's obligation is such that more than thirty (30) days are required for performance, then VOS shall not be in default if VOS commences performance within such 30 day period and thereafter diligently prosecutes the same to completion.

PILOT PETE'S II, INC shall also have the right to pursue any other remedy, now or hereafter available to PILOT PETE'S II, INC under the laws of the judicial decisions of the State of Illinois.

## 26. COMPENSATION UPON TERMINATION.

Upon any termination, each party shall pay that portion of the compensation specified in Section 4 hereof unpaid prior to the effective date of termination or other expiration of this License Agreement.

## 27. REMOVAL OF PERSONAL PROPERTY.

Upon any termination or abandonment of the License Agreement, PILOT PETE'S II, INC shall remove all personal property, furnishings, and equipment which remain on the Licensed Premises. Any personal property remaining on the Licensed Premises shall become the property of the VOS.

## 28. LATE CHARGES.

If any payment of license fees or any other sum due from PILOT PETE'S II, INC shall not be received by VOS or VOS's designee within thirty (30) days after such amount shall be due, then, without any requirement for notice to PILOT PETE'S II, INC, PILOT PETE'S II, INC shall pay to VOS a late charge equal to 1% per month of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs VOS will incur by reason of late payment of PILOT PETE'S II, INC. Acceptance of such late charge by VOS shall in no event constitute a waiver of PILOT PETE'S II, INC's default with respect to such overdue amount, nor prevent VOS from exercising any of the other rights and remedies granted hereunder.


## 29. NOTICES.


All notices, demands, requests or approvals to be given under this License Agreement, shall be given in writing and shall be deemed served when personally delivered; or seventy two (72) hours after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided.

All notices, demands, requests or approvals from PILOT PETE'S II, INC to VOS at:

Village of Schaumburg  
Transportation Department  
101 Schaumburg Court  
Schaumburg, Illinois 60193

All notices, demands, requests or approvals from VOS to PILOT PETE'S II, INC shall be addressed to:

John Minginas   
1029 Silvana Court  
Schaumburg, IL 60173

CC: John A. Tsoutsias   
1 N LaSalle Street, 38<sup>th</sup> Floor  
Chicago, IL 60602

30. TIME IS OF THE ESSENCE

Time is of the essence to each and every provision of this License Agreement.

31. WAIVERS

No waiver by either party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by either party of any other provision. One Party's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of such party's consent to or approval of any subsequent act by the other party. The acceptance of license fees hereunder by VOS shall not be a waiver of any preceding breach by PILOT PETE'S II, INC of any provision hereof, other than the failure of PILOT PETE'S II, INC to pay the particular license fee or other charge so accepted, regardless of VOS's knowledge of such preceding breach at the time of acceptance of such license fee.

32. CUMULATIVE REMEDIES.

No remedy or election hereunder shall be deemed exclusive, but shall, wherever possible, be cumulative with all other remedies at law or in equity.

33. SECURITY MEASURES.

PILOT PETE'S II, INC hereby acknowledges that the license fees payable to VOS hereunder does not include the cost of guard service or other security measures, and that VOS shall have no obligation whatsoever to provide same. PILOT PETE'S II, INC assumes all responsibility for the protection of PILOT PETE'S II, INC, its employees and agents and invitees from acts of third parties.

35. COSTS OF LITIGATION.

If any legal action is necessary by either party to enforce any provision hereof or for damages by reason of an alleged breach of any provisions of this License Agreement, either

party shall be entitled to receive from each other all costs and expenses and such amount as the court may adjudge to be reasonable attorneys' fees for the costs incurred by either party in such action or proceeding.

36. COUNTERPARTS.

This License Agreement may be executed in several counterparts, each of which is an original, and all of which together constitute but one and the same document.

37. CAPTIONS FOR CONVENIENCE.

The captions herein are for convenience and reference only and are not a part of this License Agreement and do not in any way limit, define, or amplify the terms or provisions hereof.

38. GOVERNING LAW.

This License Agreement has been made and shall be construed and interpreted in accordance with the laws of the State of Illinois.

39. MERGER OF NEGOTIATIONS.

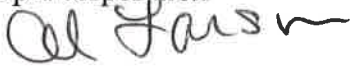
This License Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof.

This License Agreement shall replace and supersede the terms and conditions of any other prior agreements.

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

VOS:

**VILLAGE OF SCHAUMBURG,**  
a municipal corporation


By   
Village President

PILOT PETE'S II, INC.:

By   
John Minginas

ATTEST:

By   
Village Clerk

By 



**FIRST AMENDMENT TO SCHAUMBURG REGIONAL AIRPORT  
RESTAURANT LICENSE AGREEMENT**

This First Amendment to the Schaumburg Regional Airport Restaurant License Agreement, is made and entered into this 12<sup>th</sup> day of June, 2018, by and between the Village of Schaumburg, an Illinois home rule municipal corporation (hereinafter referred to as the "Village"), and PILOT PETE'S II, INC an Illinois corporation (hereinafter "Pilot Pete's") (the "First Amendment").

WHEREAS, the Village and Pilot Pete's have previously entered into a license agreement for the use of certain designated premises at the Schaumburg Regional Airport owned by the Village (the "License Agreement"); and

WHEREAS, Section 1 of the License Agreement allows Pilot Pete's to request use of outdoor premises for use as an outside eating, provided to the terms set forth in the License Agreement; and

WHEREAS, the Village and Pilot Pete's desire to enter into this First Amendment in order to provide for the terms and conditions for the construction of the outdoor dining area.

**NOW, THEREFORE, IN CONSIDERATION OF** the making of mutual covenants and promises set forth in the License Agreement, the parties agree as follows:

**A.** Section 1 of the License Agreement shall be amended as follows:

PILOT PETE'S II, INC may additionally request use of outdoor premises for use as an outside eating area if such area is constructed in a manner acceptable to VOS for use as an outside eating area. Such outdoor facilities will be constructed and paid for as described in Section 7. Any expansion that creates additional square footage of the Licensed Premises are hereby added to the description of the Licensed Premises. The monthly license fee for any outdoor premises shall be as provided for in Section 7.

**B.** Section 3 of the License Agreement shall be amended to read in its entirety as follows:

**3. TERM**

**A.** This License Agreement shall be for a total period of five (5) years commencing on the 8<sup>th</sup> day of December, 2015 ("License Commencement Date"), and shall be eligible for up to three (3) additional five (5) year extensions, which shall automatically take effect upon expiration of the prior five (5) year period, unless either Party provides notice no earlier than one (1) year prior to

expiration of the then current five (5) year period of its intent not to extend the term for an additional five (5) year period, or unless the License Agreement is terminated earlier as provided in this License.

- B. Provided the construction of the outdoor dining facilities is completed in accordance with Section 7(B) of this Agreement, the term of this Agreement shall automatically extend for a total period of twenty (20) years from the License Commencement Date, with the extensions provided for in Section 3(A) becoming null and void.
  
- C. Section 7 of the License Agreement shall be amended to read in its entirety as follows:

## **7. ALTERATIONS AND ADDITIONS**

- A. PILOT PETE'S II, INC shall not make any changes in, alterations, improvements, additions or utility installations to the Licensed Premises, or remove any portion of the Licensed Premises without first securing the prior written consent of VOS. PILOT PETE'S II, INC shall submit written detailed plans of any such changes, alterations, improvements, additions or utility installations to VOS for review and determination as to approval. All such approved changes, alterations, additions, improvements, utility installations or removals shall be at the sole expense of PILOT PETE'S II, INC. Throughout the term hereof, PILOT PETE'S II, INC shall provide VOS with a complete and current list of such approved changes, alterations, improvements, additions or removals made in, on or upon the Licensed Premises, or any portion thereof, including any equipment erected or installed in, on or upon the Licensed Premises. The above notwithstanding, PILOT PETE'S II, INC shall have the right to make decorative changes with a value of ten thousand dollars (\$10,000) or less, without seeking VOS' approval, except that PILOT PETE'S II, INC shall obtain all necessary permits and permission subject to building and life safety codes.
  
- B. Outdoor Dining Facilities: Construction of outdoor dining facilities shall be subject to the following provisions:
  - 1. The Village shall manage the design and construction of the outdoor dining facilities, and shall pay for the costs of said design and construction up front.
  - 2. Pilot Pete's shall reimburse the Village for all costs incurred for the design and construction of the outdoor dining facilities, with said reimbursement to occur over a ten (10) year period on payment schedule further agreed to by the Parties, and subject to three (3) percent (3%) interest per year on the outstanding balance.

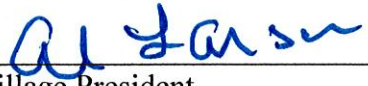


3. Pilot Pete's shall be permitted to fully pay any outstanding balance of the design and construction cost reimbursement amount at any time, with no prepayment penalty.
4. The Village shall not charge a license fee for use of the outdoor dining facility premises during the term of repayment of the design and construction costs.
5. Upon full repayment of the design and construction costs by Pilot Pete's to the Village, Pilot Petes shall be responsible for a license fee for use of the outdoor dining premises, payable at fifty (50) percent of the current license fee as set forth in 4B, as may be amended from time to time. This additional license fee shall be paid in the same manner as set forth in Section 4B, but shall only be payable for six (6) months of the year.
6. After receiving the detailed design and construction plans, including construction estimates, but prior to any actual construction commencement, the Village and Pilot Pete's shall meet and agree on the precise scope of the outdoor dining facilities. At this time, and prior to commencement of construction, either the Village or Pilot Pete's shall have the option to not move forward with construction of the outdoor dining facilities, at which time no construction shall proceed, and the Village shall be reimbursed for any design costs incurred in accordance with this Section.
7. The provisions of this Section 7B and the requirements for repayment of any design and construction fees shall survive termination or expiration of the License Agreement.


C. Terms of License Agreement as Amended: All terms contained in the License Agreement not expressly modified by this First Amendment shall remain valid and in full force and effect

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed the day and year first above written.

VILLAGE OF SCHAUMBURG,  
a municipal corporation

By:   
Village President

PILOT PETE'S II, INC.

By:   
John Minginas, President

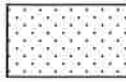
ATTEST:

By:   
Village Clerk

ATTEST:

By: 

Exhibit A

 Indicates Licensed Space

