

COPY



JOURNAL of the PROCEEDINGS of the CITY COUNCIL of the CITY of CHICAGO, ILLINOIS

Regular Meeting--Wednesday, December 5, 1990

at 10:00 A. M.

(Council Chamber--City Hall--Chicago, Illinois)

OFFICIAL RECORD.

RICHARD M. DALEY
Mayor

WALTER S. KOZUBOWSKI
City Clerk

Attendance At Meeting.

Present -- The Honorable Richard M. Daley, Mayor, and Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone.

Absent -- Aldermen Tillman, Carter, Kellam, O'Connor.

Call To Order.

On Wednesday, December 5, 1990 at 10:00 A.M., The Honorable Richard M. Daley, Mayor, called the City Council to order. The Honorable Walter S. Kozubowski, City Clerk, called the roll of members and it was found that there were present at that time: Aldermen Roti, Rush, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Fary, Madrzyk, Burke, Langford, Streeter, Garcia, Krystyniak, E. Smith, Bialczak, Figueroa, Mell, Austin, Banks, Cullerton, Laurino, Pucinski, Eisendrath, Hansen, Levar, M. Smith, Stone -- 29.

Quorum present.

Invocation.

Reverend Carol Cory, Associate Pastor of The First United Methodist Temple of Chicago, opened the meeting with prayer.

**REPORTS AND COMMUNICATIONS FROM
CITY OFFICERS.**

***Rules Suspended -- CONGRATULATIONS EXTENDED
TO PAUL ROBESON HIGH SCHOOL
FOOTBALL TEAM ON WINNING
CITY'S 1990 FOOTBALL
CHAMPIONSHIP.***

Alderman Streeter moved to *Suspend the Rules Temporarily* for the purpose of going out of the regular order of business for the immediate consideration of and action upon a proposed resolution. The motion *Prevailed*.

The said proposed resolution reads as follows:

WHEREAS, The great football team of Paul Robeson High School became the City's 1990 Football Champions in their November 23rd victory over the excellent Gordon Tech team; and

WHEREAS, While both teams exhibited the highest standards of sportsmanship, the Paul Robeson team won a resounding victory; and

WHEREAS, This is the first time in its history that Paul Robeson High School has won such a championship; and

WHEREAS, The leaders of this great City take great pride in Chicago's youth and in their performance in competition; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby congratulate Paul Robeson High School and its powerful team in winning the City's 1990 Football Championship. We extend to each and every team member our gratitude and our best wishes for success and fulfillment in the many years to come; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to Paul Robeson High School.

On motion of Alderman Streeter, seconded by Aldermen Beavers and Langford, the foregoing proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

At this point in the proceedings, The Honorable Richard M. Daley, Mayor, extended his personal congratulations to Robeson Principal Jacqueline Simmons, Raiders Coach Roy Curry, the school staff, parents and to each of the members of the Robeson Raiders. In expressing the city's pride in the Raiders, Mayor Daley stressed that the team was an example to young Chicagoans off as well as on the football field. Members of the team are our future leaders, the Mayor declared, and will excel in any field of endeavor they choose as a consequence of their confidence, discipline and most importantly, their understanding of how to work with others to achieve a common goal. Citing the Raiders as representative of the best of Chicago, Mayor Daley concluded his remarks by emphasizing that the students can achieve whatever goals they set for themselves.

REGULAR ORDER OF BUSINESS RESUMED.

Placed On File -- RESIGNATION OF THE HONORABLE
MICHAEL F. SHEAHAN AS ALDERMAN OF 19TH WARD.

The Honorable Richard M. Daley, Mayor, submitted the following communication, which was *Placed on File*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have received the resignation of Michael F. Sheahan from the office of Alderman of the 19th Ward of the City of Chicago. The resignation is transmitted to you herewith.

This communication is submitted for your information.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Placed On File -- RESIGNATION OF THE HONORABLE
DANNY K. DAVIS AS ALDERMAN OF
29TH WARD.

The Honorable Richard M. Daley, Mayor, submitted the following communication, which was *Placed on File*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have received the resignation of Danny K. Davis from the office of Alderman of the 29th Ward of the City of Chicago. The resignation is transmitted to you herewith.

This communication is submitted for your information.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Placed On File -- RESIGNATION OF THE HONORABLE
DAVID D. ORR AS ALDERMAN OF
49TH WARD.

The Honorable Richard M. Daley, Mayor, submitted the following communication, which was *Placed on File*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have received the resignation of David D. Orr from the office of Alderman of the 49th Ward of the City of Chicago. The resignation is transmitted to you herewith.

This communication is submitted for your information.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPOINTMENT OF MS. GINGER RUGAI AS
ALDERMAN OF 19TH WARD TO
FILL VACANCY.

The Honorable Richard M. Daley, Mayor, submitted the following communication, which was, at the request of two aldermen present (under the provisions of Council Rule 43) *Referred to the Committee on Committees, Rules and Ethics*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I hereby appoint Ginger Rugai to the office of Alderman of the 19th Ward of the City of Chicago, to complete the unexpired term of Michael F. Sheahan, who has resigned.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPOINTMENT OF MR. SAM BURRELL AS
ALDERMAN OF 29TH WARD TO
FILL VACANCY.

The Honorable Richard M. Daley, Mayor, submitted the following communication, which was, at the request of two aldermen present (under the provisions of Council Rule 43) *Referred to the Committee on Committees, Rules and Ethics:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I hereby appoint Sam Burrell to the office of Alderman of the 29th Ward of the City of Chicago, to complete the unexpired term of Danny K. Davis, who has resigned.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPOINTMENT OF MR. ROBERT CLARKE AS
ALDERMAN OF 49TH WARD TO FILL VACANCY.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, at the request of two aldermen present (under the provisions of Council Rule 43) *Referred to the Committee on Committees, Rules and Ethics*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I hereby appoint Robert Clarke to the office of Alderman of the 49th Ward of the City of Chicago, to complete the unexpired term of David D. Orr, who has resigned.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- ESTABLISHMENT OF BUSINESS INFRASTRUCTURE
ASSISTANCE PROGRAM.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Economic Development, I transmit herewith an ordinance establishing a Business Infrastructure Assistance Program, whereby private businesses will share the cost of installing, repairing, replacing or relocating elements of public infrastructure serving those businesses.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- EXECUTION OF CITY/STATE AGREEMENT TO PROVIDE
FOR INSTALLATION OF AUTOMATIC WARNING
DEVICES AT KOLIN AVENUE, KILDARE
AVENUE AND TRIPP AVENUE
RAILROAD CROSSINGS.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Public Works, I transmit herewith an ordinance authorizing the execution of a City/State Agreement providing for the installation of automatic warning devices at the Kolin Avenue, Kildare Avenue and Tripp Avenue Railroad Crossings.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- EXECUTION OF CITY/STATE PROJECT
AGREEMENT FOR IMPROVEMENT OF
MICHIGAN AVENUE DRAWBRIDGE
OVER CHICAGO RIVER.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Public Works, I transmit herewith an ordinance authorizing the execution of a City/State Project Agreement for the improvement of the Michigan Avenue Drawbridge over the Chicago River.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- EXECUTION OF AGREEMENT WITH STATE
OF ILLINOIS FOR MODERNIZATION OF TRAFFIC
SIGNALS AT INTERSECTION OF 55TH STREET
AND DR. MARTIN LUTHER KING, JR. DRIVE.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Public Works, I transmit herewith an ordinance authorizing the execution of an agreement with the State of Illinois for modernization of traffic signals at the intersection of 55th Street and Martin Luther King Drive.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- EXECUTION OF COMMERCIAL BUSINESS
DEVELOPMENT LOAN TO NATIONAL
K-9 SECURITY, INC.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Economic Development, I transmit herewith an ordinance authorizing a commercial business development loan in the amount of \$343,000 to National K-9 Security, Inc.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- EXPANSION OF CHICAGO TAX REACTIVATION
PROGRAM TO INCLUDE ANY TAX
DELINQUENT PROPERTIES.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing, Land Acquisition, Disposition and Leases*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance amending the Chicago Tax Reactivation Program by expanding the program to include any tax delinquent properties.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AMENDMENT NUMBER FOUR TO 63RD-DORCHESTER
REDEVELOPMENT PLAN BY CHANGING LAND USE
FOR PORTION OF EAST 63RD STREET.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing, Land Acquisition, Disposition and Leases:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance approving Amendment No. 4 to the 63rd-Dorchester Redevelopment Plan. This amendment would establish a new land use category and change the land use for Disposition Parcels B-2 and I-3, adjacent to East 63rd Street between South Dorchester and South Kenwood Avenues, to the new Institutional Parking use.

Also enclosed are certified copies of the resolution adopted by the Department of Urban Renewal Board at a regular meeting held on July 17, 1990, authorizing the Commissioner to request City Council approval of the ordinance referred to above.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPROVAL FOR SALE OF PARCEL I-3 IN
63RD-DORCHESTER REDEVELOPMENT PLAN
AREA TO APOSTOLIC CHURCH OF GOD.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing, Land Acquisition, Disposition and Leases*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance approving the sale of Parcel I-3 in the 63rd-Dorchester Redevelopment Plan Area to the Apostolic Church of God.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- ACCEPTANCE OF BIDS FOR PURCHASE OF
CITY-OWNED PROPERTIES UNDER ADJACENT
NEIGHBORS LAND ACQUISITION PROGRAM.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing, Land Acquisition, Disposition and Leases:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 5, 1990.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of General Services, I transmit herewith an ordinance and bid proposals for various city-owned properties. The attached bid proposals were opened by the Department of General Services at a public meeting held on November 2, 1990.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

**City Council Informed As To Miscellaneous
Documents Filed In City Clerk's Office.**

The Honorable Water S. Kozubowski, City Clerk, informed the City Council that documents have been filed in his office relating to the respective subjects designated as follows:

***Placed On File* -- REPORTS AND DOCUMENTS OF
COMMONWEALTH EDISON COMPANY.**

The following communication from Mr. William L. Ramey, Assistant Secretary, Commonwealth Edison Company, addressed to the City Clerk under date of November 30, 1990, which reads as follows:

"Pursuant to the provision of the 1948 Franchise Ordinance granted to this company, I am enclosing copies of reports of the company as listed below:

Statement for bills issued in December, 1990 filed with the Illinois Commerce Commission related to Rider No. 20.

Conservation Program Clause for the month of December, 1990 related to Rider No. 21.

Monthly Electric Utility Sales and Revenue Report filed with Federal Energy Regulatory Commission (F.E.R.C. Form No. EIA-826) for the month of September, 1990."

***Placed On File* -- CERTIFICATIONS AS TO AMOUNT OF
ASSESSMENTS FOR NEW STREET IMPROVEMENT
PROGRAM AT SPECIFIED LOCATIONS.**

Also, a communication from Mr. Louis Koncza, City Engineer, Department of Public Works, addressed to the City Clerk under date of November 23, 1990, transmitting certified copies of the amount of assessments for the New Street Improvement Program in accordance with Title 10, Chapter 12, Section 040 of the Municipal Code of Chicago, which was *Placed on File*.

Placed On File -- REPORT OF VOUCHER PAYMENTS FOR PERSONAL SERVICES FOR MONTH OF OCTOBER, 1990.

Also, the City Clerk transmitted the following report received from Mr. Walter K. Knorr, City Comptroller, which was *Placed on File* and ordered published:

[Voucher payments printed on page 26347 of this Journal.]

City Council Informed As To Certain Actions Taken.

PUBLICATION OF JOURNALS.

November 28, 1990.

The City Clerk informed the City Council that all those ordinances, et cetera which were passed by the City Council on November 28, 1990, and which were required by statute to be published in book or pamphlet form or in one or more newspapers, were published in pamphlet form on December 5, 1990, by being printed in full text in printed pamphlet copies of the Journal of the Proceedings of the City Council of the regular meeting held on November 28, 1990, published by authority of the City Council, in accordance with the provisions of Title 2, Chapter 12, Section 050 of the Municipal Code of Chicago, as passed on June 27, 1990.

November 28, 1990
(Special Meeting).

Also, the City Clerk informed the City Council that the call for the special meeting and appropriate comments thereto which were discussed by the City Council on November 28, 1990, and which were required by statute to be published in book or pamphlet form or in one or more newspapers, were published in pamphlet form on December 5, 1990, by being printed in full text in printed pamphlet copies of the Journal of the Proceedings of the City Council of the special meeting held on November 28, 1990, published by authority of the City Council in accordance with the provisions of Title 2, Chapter 12, Section 050 of the Municipal Code of Chicago, as passed on June 27, 1990.

12/5/90

COMMUNICATIONS, ETC.

26347

PERSONAL SERVICE PAID BY VOUCHER OCT. 1990

NAME	ADDRESS	DEPT	TITLE	ACCT	RATE	OCT. 1990
VILLANOVA, MARSHALL	7036 S. FAIRFIELD	AVIATION	ADM ASST 11	740	\$2,025.00	\$1,012.50
BUCKHANAN, JANICE	1141 N. LOREL	BUILDINGS	EX SEC	100	\$1,839.00	\$91.95
DONOHUE THOMAS J.	4442 W 55TH	FIRE	FIREMAN	"	\$8,737.47	\$8,737.47
LOZEAU, EVA	4715 N. CHESTER	"	"	"	\$8,517.96	\$8,517.96
MUSNAI, JAMES	7011 W. TALCOTT	"	"	"	\$4,623.88	\$4,623.88
PRESNY, PAUL	3824 N. PLAINFIELD	"	"	"	\$9,021.75	\$9,021.75
ROGERS, WILLIAM	4147 S. ALBANY	"	"	"	\$8,321.04	\$8,321.04
SCHILIRO, EVELYN	6106 N. NEVA	"	"	"	\$7,722.72	\$7,722.72
SCHMIDT, PATRICIA	3525 W. 72ND PL	"	"	"	\$8,836.56	\$8,836.56
ZUBEK, EDWARD	3042 W. COLUMBUS	"	"	"	\$14,612.40	\$14,612.40
SELINKER, MICHAEL	5320 N. SHERIDAN	HUM RELATIONS	ADM ASST.	100	\$142.55	\$2,993.55
MEISTER, CHRISTOPHER	1444 BERWYN	MAYOR'S OFF	ASST TO MAYOR	"	\$4,000.00	\$4,000.00
PLANTZ, PAUL	4711 N. AVERS	MAYOR'S OFF	ASST TO MAYOR	"	\$1,408.33	\$2,816.66
KARNEY, CHRIS	2040 N. LARABEE	POLICE	POLICEMAN	100	\$8,251.48	\$8,251.48
O'BRIEN, MARC	4104 N. PONTIAC	"	"	"	\$65.34	\$65.34

RPS;jlp

**Miscellaneous Communications, Reports, Et Cetera, Requiring
Council Action (Transmitted To City Council By
City Clerk).**

The City Clerk transmitted communications, reports, et cetera, relating to the respective subjects listed below, which were acted upon by the City Council in each case in the manner noted, as follows:

*Referred -- ZONING RECLASSIFICATIONS OF
PARTICULAR AREAS.*

Applications (in duplicate) together with the proposed ordinances for amendment of the Chicago Zoning Ordinance, as amended, for the purpose of reclassifying particular areas, which were *Referred to the Committee on Zoning*, as follows:

Cole Taylor Bank, Trust Number 90-2003 -- to classify as an R5 General Residence District instead of an M2-5 General Manufacturing District the area shown on Map No. 4-F bounded by:

West 15th Street; South State Street; a line 100 feet south of and parallel to West 15th Street; and the alley next west of and parallel to South State Street.

John Thnoukos c/o John J. Pikarski, Jr. -- to classify as a C2-2 General Commercial District instead of a B2-2 Restricted Retail District the area shown on Map No. 13-H bounded by:

West Berwyn Avenue; the alley next east of North Western Avenue; a line 85 feet south of and parallel to West Berwyn Avenue; and North Western Avenue.

Referred -- CLAIMS AGAINST CITY OF CHICAGO.

Also, claims against the City of Chicago, which were *Referred to the Committee on Claims and Liabilities*, filed by the following:

Vehicle And Property Damage.

Allstate Insurance Company and Carole C. Kuklinski, American Ambassador Casualty Company and Juanita E. Pinkston, Avila Louis;

Basham Byford, Bernard Karen, Bianco Helen, Bobadilla Eliborio, Bond Overland;

Chicago Motor Club and Veda Swearnigen, Chun Dong Joon, Continental Loss Adjusting Services, Inc. and Mitchell J. Majka, Creasey Jenny;

Daughters of Daragiu Ion, Lithuania, Devereux Patrick, Dixon Amy;

Elisius Beth, Ernst William;

Faniel Elizabeth, Friedman Lili;

Glasgow Mona, Gold Patricia, Gruzmark Yefim;

Hermosa Mariano, Holmes Winston, Homefinders Realty;

Illinois Farmers Insurance and Cynthia Brogdon;

Jones Jerome, Joy of Fellowship M.B.Church;

Konow Robert, Kostiwa Susan;

Ligon Paul;

Mallhi Mohan, Marinc Jim, Martinez Gumeriendo, Mell Jesse, Metropolitan Insurance Company and Osvaldo Gotera, William Miller;

Nachich Nicholas, Newberry William;

Perkins Yvonne;

Rouse John, Rybarczyk Ellen;

Sebastian John E., Secondi Arthur, Schindler Holly, Silha Frederick B., Skertich Mark and Sharon, Smolik Joseph, State Farm Insurance Company (6) Cindy L. Baumann, Mary Fullilove, Eugene Igyarto, Helen Norfleet, Joseph M. Thompson and Cheryl Winchester;

Towner Ulysses;

United Services Automobile Association and Joseph Appel;

Watts Leonard, Worldwide Insurance Group and Theodore Miskovitiz;
Zauch John A., Zervos Angelo.

Flood Damage.

Ahmed Gloria L.;
Baskin Pearline;
Coppins Wilson N.;
Echols Junius LaSalle;
Frazier George;
Hunte Omeatrice;
Johnson Granduline;
Kelly Donald E.;
Rogers Don and Irene;
Turner Ruth;
Waddell Arthur;
Young Viola.

Referred -- RECOMMENDATION BY COMMISSION ON CHICAGO
LANDMARKS FOR DESIGNATION OF ESSANAY
STUDIOS AS CHICAGO LANDMARK.

Also, a communication from Mr. William M. McLenahan, Director,
Commission on Chicago Landmarks, under date of December 4, 1990,
transmitting the recommendation that the Essanay Studios be designated as a

Chicago landmark, which was *Referred to the Committee on Historical Landmark Preservation.*

Referred -- FILING OF PETITION AGAINST PROPOSED GOOSE
ISLAND PLANNED MANUFACTURING DISTRICT
ORDINANCE.

Also, a petition filed in the Office of the City Clerk by Mr. Gregory H. Furda, with the law offices of Sidley and Austin, protesting passage of the proposed Goose Island Planned Manufacturing District ordinance, which was *Referred to the Committee on Zoning.*

REPORTS OF COMMITTEES.

COMMITTEE ON FINANCE.

AMENDMENT OF REGULATIONS GOVERNING ADMINISTRATION
OF CITY COMPENSATION PLAN AND EMPLOYEE BENEFITS
TO PROVIDE ADDITIONAL PAID LEAVE TO EMPLOYEES
WHO ARE MEMBERS OF RESERVE FORCES
CALLED TO MILITARY ACTION IN
CONNECTION WITH "OPERATION
DESERT SHIELD".

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a resolution amending the Regulations Governing the Administration of the Compensation Plan and Employee Benefits for Classified Positions concerning the seniority rights and benefits of City employees who are called to military action, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Adopt* the proposed resolution transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

Alderman Burke presented the following proposed substitute ordinance:

WHEREAS, The United States has, with other nations, undertaken military operations in the Middle East, known as Operation Desert Shield; and

WHEREAS, City employees who are members of the reserve force of the United States or of the State of Illinois have been called to active duty in connection with Operation Desert Shield, which has caused an economic hardship upon such employees and their families; and

WHEREAS, Operation Desert Shield is an extraordinary and unique situation; and

WHEREAS, It is the intent of the City Council to provide transitional assistance to such employees and their families while they are adjusting to the changed set of circumstances; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. In addition to the paid fourteen calendar days leave of absence provided in Section G(10) of the Regulations Governing The Administration Of The Compensation Plan And Employee Benefits For Classified Positions Set Forth In The Annual Appropriation Ordinance and applicable collective bargaining agreements, City employees who are members of the reserve force of the United States or of the State of Illinois who have been or are ordered to active duty by appropriate authorities shall be eligible for additional paid leave, as provided for herein.

SECTION 2. The Chairman of the Committee on Finance, Commissioner of Personnel and the Chief Financial Officer, or their designees, shall constitute the Operation Desert Shield Benefits Committee ("Committee"). The Committee shall promulgate eligibility standards for additional paid leave and length thereof based on criteria including, but not limited to, length of service and job performance, and shall develop procedures for application for such benefits by employees. Paid leave shall be conditioned upon payment of military pay to the Comptroller. The Committee will approve or disapprove such applications based on the application for additional paid leave and the applicant's employment information contained in City records. The Committee shall report to the City Council each denial of an application for additional paid leave within thirty days after the denial.

SECTION 3. Additional paid leave hereunder shall automatically terminate upon the termination of active duty in connection with Operation Desert Shield.

SECTION 4. No additional paid leave hereunder shall be payable after December 31, 1991.

SECTION 5. This ordinance shall take effect on January 1, 1991.

Alderman Burke then moved to *Substitute* the foregoing proposed ordinance for the said proposed ordinance transmitted with the preceding committee report. The motion to substitute *Prevailed* by a viva voce vote.

Thereupon, on motion of Alderman Burke, the said proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The United States has, with other nations, undertaken military operations in the Middle East, known as Operation Desert Shield; and

WHEREAS, City employees who are members of the reserve force of the United States or of the State of Illinois have been called to active duty in connection with Operation Desert Shield, which has caused an economic hardship upon such employees and their families; and

WHEREAS, Operation Desert Shield is an extraordinary and unique situation; and

WHEREAS, It is the intent of the City Council to provide transitional assistance to such employees and their families while they are adjusting to the changed set of circumstances; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. In addition to the paid fourteen calendar days leave of absence provided in Section G(10) of the Regulations Governing The Administration Of The Compensation Plan And Employee Benefits For Classified Positions Set Forth In The Annual Appropriation Ordinance and applicable collective bargaining agreements, City employees who are members of the reserve force of the United States or the State of Illinois who have been or are ordered to active duty by appropriate authorities shall be eligible for additional paid leave, as provided for herein.

SECTION 2. The Chairman of the Committee on Finance, Commissioner of Personnel and the Chief Financial Officer, or their designees, shall constitute the Operation Desert Shield Benefits Committee ("Committee"). The Committee shall promulgate eligibility standards for additional paid leave and length thereof based on criteria including, but not limited to, length of service and job performance, and shall develop procedures for application for such benefits by employees. Paid leave shall be conditioned upon payment of military pay to the Comptroller. The Committee will approve or disapprove such applications based on the application for additional paid leave and the applicant's employment information contained in City records.

SECTION 3. Additional paid leave hereunder shall automatically terminate upon the termination of active duty in connection with Operation Desert Shield.

SECTION 4. No additional paid leave hereunder shall be payable after December 31, 1991.

SECTION 5. This ordinance shall take effect on January 1, 1991.

EXECUTION OF STIPULATION AGREEMENT AND
DEMOLITION CONTRACT FOR PROPERTY AT
1531 -- 1539 NORTH CALIFORNIA AVENUE
AND CONVEYANCE OF SAID PROPERTY
TO MR. MOHAMMED ALI YUSUF.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance concerning the demolition of an abandoned building located at 1531 -- 1539 North California Avenue, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

Alderman Burke presented the following proposed substitute ordinance:

WHEREAS, By virtue of the Constitution of the State of Illinois, Article 3, Section 4, the City of Chicago is a Home Rule Unit with the power to legislate for the protection of the public health, safety and welfare; and

WHEREAS, There is presently a building situated in the City of Chicago located at 1531 -- 1539 North California Avenue ("the Property ") that is vacant, open and partially collapsed which poses an imminent danger to the public health, safety and welfare; and

WHEREAS, The Property is currently the subject of a court case entitled *City of Chicago v. Stylianos Angelakos, et al.*, Case Nos. 80M167938 and

84M1403294 in which the court has made a finding that the property is dangerous, hazardous and unsafe and economically not feasible to repair and has entered an order authorizing the City of Chicago to demolish the building located at the Property; and

WHEREAS, Demolition estimates, including removal of friable asbestos, have been submitted placing the cost of demolition of the property at \$70,000 or more which if paid out of the City's demolition fund would impose an undue financial strain on that fund; and

WHEREAS, Sections 11-31-1 (a) and (b) permit owners of property within 1,200 feet of an open and abandoned building to independently sue for the demolition of that building and to intervene in an action for demolition initiated by a municipality; and

WHEREAS, Mohammed Ali Yusuf is the beneficial owner and Harris Trust Bank, Trust Number 4990 is the legal title holder of the property located at 2753 West North Avenue which property is adjacent to the Property; and

WHEREAS, On November 20, 1990 Mohammed Ali Yusuf intervened in the City's demolition case; and

WHEREAS, Section 11-31-1 (b) permits an intervenor - owner to request the court to order the municipality to wreck a dangerous structure; and

WHEREAS, Mohammed Ali Yusuf has offered to pay for most of the costs of demolition in exchange for the City's agreement to foreclose its demolition lien and to quitclaim the property to him should the City come into title as a result of its foreclosure; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City of Chicago.

SECTION 2. The Corporation Counsel is authorized to enter into and execute a stipulation in *City of Chicago v. Stylianos Angelakos, et al.*, Case Nos. 80M167938 and 84M1403294; such stipulation is attached hereto as Exhibit A and is incorporated herein by this reference.

SECTION 3. That the Building Commissioner, the Purchasing Agent and the Comptroller of the City of Chicago are hereby authorized to enter into a standard demolition contract with Action Wrecking Company, the lowest bidder, for a total cost not to exceed \$70,000.

SECTION 4. The conveyance of the property commonly known as 1531 -- 1539 North California Avenue, Chicago, Illinois to Mohammed Ali Yusuf is hereby approved. The Mayor or his proxy is authorized to execute and the

City Clerk to attest to a quitclaim deed for such property subject to the approval of the Corporation Counsel.

SECTION 5. The Corporation Counsel is authorized and directed to file a petition for waiver of outstanding real estate taxes against the property commonly known as 1531 -- 1539 North California, pursuant to Section 216 (e) of the Illinois Revenue Act.

SECTION 6. This ordinance shall be effective upon its passage.

Exhibit "A" attached to this ordinance reads as follows:

Exhibit "A".

*In The Circuit Court Of Cook County, Illinois
Municipal Department -- First District.*

City of Chicago, a municipal	)	
corporation,	)	
	)	
Plaintiff,	)	Nos. 80M167938/84M1403294
	)	
v.	)	
	)	RE: 1531--1539 North California
Stylianios Angelakos, et al.,	)	
Defendants.	)	
	)	

Stipulation.

This stipulation is made by and between the parties, City of Chicago, plaintiff [hereinafter "City"] and Mohammed Ali Yusuf, plaintiff intervenor [hereinafter "Intervenor"], regarding the property located at 1531 -- 1539 North California Avenue, Chicago, Illinois.

Recitals.

1. The City of Chicago has obtained an order of demolition dated June 21, 1990, authorizing it to demolish the premises commonly known as 1531 --

1539 North California Avenue, Chicago, Illinois and legally described as follows (hereinafter "Property"):

Lots 37 to 40 in Block 4 in H. M. Thompson Subdivision of northwest quarter of the northeast quarter of Section 1, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois.

2. Intervenor was permitted to intervene in this action by the court on November 20, 1990, pursuant to the provisions of Sections 11-31-1 (a) and (b) of the Cities and Villages Act (Ill. Rev. Stat., C. 24, Sections 11-31-1 (a) and (b) which allow owners within 1,200 feet of a vacant and open structure to intervene in a demolition code violation case initiated by a municipality.

3. Intervenor is the sole beneficial owner and Harris Trust is the legal title holder under Trust Number 4990 of the property commonly known as 2753 West North Avenue, Chicago, Illinois, which property is adjacent to the Property.

4. The City has been unable to execute on its order of demolition because the estimates of costs of demolition, including removal of friable asbestos, have been exceedingly high as follows:

Action Wrecking Company	\$ 70,000
National Wrecking Company	\$102,900

5. Intervenor as adjacent owner is desirous that the building at the Property be wrecked expeditiously because its condition endangers the integrity of the building located at 2753 West North Avenue, Chicago, Illinois and the life of the occupants therein.

6. Intervenor is willing to pay in large part for the costs of wrecking the Property and to obtain a lien for his out-of-pocket demolition costs as permitted by Section 11-31-1(b) of the Cities and Villages Act.

7. The City is able to pay for part of the costs of demolition in an amount not to exceed \$3,000.

Wherefore, It is agreed by the parties as follows:

1. The City shall enter into a wrecking contract with Action Wrecking Company, the lowest bidder, for a total amount not to exceed \$70,000, to demolish the structure at the premises as soon as intervenor complies with the terms of paragraph 2 of this stipulation.

2. Intervenor shall deposit with the City of Chicago a certified or registered check or money order payable to Action Wrecking Company in the amount of \$67,000 or the difference between the contract amount and the \$3,000 paid by the City, upon execution of this stipulation, to be disbursed to Action Wrecking Company after the building at the Property is wrecked and leveled.

3. Upon completion of the wreck, the City and Intervenor shall file affidavits of costs, including attorneys fees, and petition the court to authorize two demolition liens for their respective costs. Each party is responsible for recording the liens authorized to them by order of court.

4. The City shall file a foreclosure action after 30 days have passed from the entry of the order referenced in paragraph 3.

5. Intervenor shall answer the City's foreclosure action to preserve his lienhold interest and the City shall request the court to include Intervenor's demolition lien as part of its foreclosure decree.

6. If the City comes into title of the Property by its foreclosure action or by accepting a deed in lieu of foreclosure for demolition costs, the City shall give, and Intervenor shall accept, a quitclaim deed for the Property issued in the name of Mohammed Ali Yusuf upon Intervenor tendering to the City of Chicago a certified or registered check or money order payable to the City of Chicago for its demolition costs in the amount of \$3,000 plus its out-of-pocket costs in the foreclosure action, not including attorney's fees.

7. The provisions of paragraph 6 are expressly contingent upon the City either being the successful bidder at the sheriff's foreclosure sale and the court's approval of said sale or the City obtaining title to the Property by accepting a deed in lieu of foreclosure. Should the City of Chicago be outbid at the sheriff's sale, the City shall request that the sheriff disburse to the City and Intervenor from the proceeds of the sale, the sum shown in the foreclosure decree as the City's and Intervenor's demolition costs. If there are excess proceeds of sale which the court does not award to other claimants, the City shall request the court to distribute those funds to Intervenor and to the City in a pro rata allocation based on the out-of-pocket costs of Intervenor and the City of Chicago shown in the foreclosure decree.

8. If the City is the successful bidder at the sheriff's sale, Intervenor shall, at all times on and after the date the sheriff's sale is confirmed by order of court, maintain the Property free from junk and debris and secure it against unauthorized entry. From the date of the order confirming the sale until such time as title vests with Intervenor, Intervenor shall hold the City harmless from any and all damage and liability claims connected with the Property. The Intervenor shall indemnify and hold harmless the City of Chicago from and against any losses, costs, damages and expenses arising out of and in connection with any accident causing injury to any person or property and shall provide the City with a certificate of insurance naming

the City as additionally insured, insuring the City against all claims and demands arising out of or in connection with the Property from the date of the order confirming the sale to the City until the quitclaim deed to Intervenor is delivered by City and recorded by Intervenor.

9. Intervenor shall not sell, convey or assign his interest under this stipulation, under his demolition lien or in the foreclosure, without the prior written approval of the City. Intervenor will be able to freely transfer his interest in the Property upon obtaining a quitclaim deed from the City.

10. The City agrees, if it comes into title as provided in paragraph 6 of this stipulation, to undertake all necessary actions to eliminate any outstanding property taxes which have been levied against the premises prior to its conveyance by quitclaim deed to Intervenor. Intervenor agrees that the City is not responsible for obtaining title insurance or for clearing any title objections other than the above mentioned property taxes.

Mohammed Ali Yusuf,
Intervenor

City of Chicago, a municipal
corporation
Kelly R. Welsh, Corporation Counsel

Cyriac D. Kappil
Attorney for Intervenor
140 South Dearborn Street
Suite 1606
Chicago, Illinois 60603
(312) 372-0468
Attorney No. 23561

Nilda M. Soler
Chief Assistant Corporation Counsel
Building and Housing Division
180 North LaSalle Street,
Room 3100
Chicago, Illinois 60602
(312) 744-9684
Attorney No. 90909

Alderman Burke then moved to *Substitute* the foregoing proposed ordinance for the said proposed ordinance transmitted with the preceding committee report. The motion to substitute *Prevailed* by a viva voce vote.

Thereupon, on motion of Alderman Burke, the said proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, By virtue of the Constitution of the State of Illinois, Article 3, Section 4, the City of Chicago is a home rule unit with the power to legislate for the protection of the public health, safety and welfare; and

WHEREAS, There is presently a building situated in the City of Chicago located at 1531 -- 1539 North California Avenue ("the Property") that is vacant, open and partially collapsed which poses an imminent danger to the public health, safety and welfare; and

WHEREAS, The Property is currently the subject of a court case entitled *City of Chicago v. Stylianos Angelakos, et al.*, Case Nos. 80M167938 and 84M1403294 in which the court has made a finding that the property is dangerous, hazardous and unsafe and economically not feasible to repair and has entered an order authorizing the City of Chicago to demolish the building located at the Property; and

WHEREAS, Demolition estimates, including removal of friable asbestos, have been submitted placing the cost of demolition of the property at \$70,000 or more which if paid out of the City's demolition fund would impose an undue financial strain on that fund; and

WHEREAS, Sections 11-31-1 (a) and (b) permit owners of property within 1,200 feet of an open and abandoned building to independently sue for the demolition of that building and to intervene in an action for demolition initiated by a municipality; and

WHEREAS, Mohammed Ali Yusuf is the beneficial owner and Harris Trust Bank, Trust Number 4990 is the legal title holder of the property located at 2753 West North Avenue which property is adjacent to the Property; and

WHEREAS, On November 20, 1990 Mohammed Ali Yusuf intervened in the City's demolition case; and

WHEREAS, Section 11-31-1 (b) permits an intervenor-owner to request the court to order the municipality to wreck a dangerous structure; and

WHEREAS, Mohammed Ali Yusuf has offered to pay for most of the costs of demolition in exchange for the City's agreement to foreclose its demolition lien and to quitclaim the property to him should the City come into title as a result of its foreclosure; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City of Chicago.

SECTION 2. The Corporation Counsel is authorized to enter into and execute a stipulation in *City of Chicago v. Stylianos Angelakos, et al.*, Case Nos. 80M167938/84M1403294; such stipulation is attached hereto as Exhibit A and is incorporated herein by this reference.

SECTION 3. That the Building Commissioner, the Purchasing Agent and the Comptroller of the City of Chicago are hereby authorized to enter into a standard demolition contract with Action Wrecking Company, the lowest bidder, for a total cost not to exceed \$70,000.

SECTION 4. The conveyance of the property commonly known as 1531 -- 1539 North California Avenue, Chicago, Illinois to Mohammed Ali Yusuf is hereby approved. The Mayor or his proxy is authorized to execute and the City Clerk to attest to a quitclaim deed for such property subject to the approval of the Corporation Counsel.

SECTION 5. The Corporation Counsel is authorized and directed to file a petition for waiver of outstanding real estate taxes against the property commonly known as 1531 -- 1539 North California Avenue, pursuant to Section 216 (e) of the Illinois Revenue Act.

SECTION 6. This ordinance shall be effective upon its passage.

Exhibit "A" attached to this ordinance reads as follows:

Exhibit "A".

In The Circuit Court Of Cook County, Illinois
Municipal Department -- First District.

City of Chicago, a municipal	)	
corporation,	)	
	)	
Plaintiff,	)	Nos. 80M167938/84M1403294
	)	
v.	)	
	)	RE: 1531--1539 North California
Stylianios Angelakos, et al.,	)	
Defendants.	)	
	)	

Stipulation.

This stipulation is made by and between the parties, City of Chicago, plaintiff (hereinafter "City") and Mohammed Ali Yusuf, plaintiff-intervenor (hereinafter "Intervenor"), regarding the property located at 1531 -- 1539 North California Avenue, Chicago, Illinois.

Recitals:

1. The City of Chicago has obtained an order of demolition dated June 21, 1990, authorizing it to demolish the premises commonly known as 1531 -- 1539 North California Avenue, Chicago, Illinois and legally described as follows (hereinafter "Property"):

Lots 37 to 40 in Block 4 in H. M. Thompson Subdivision of northwest quarter of the northeast quarter of Section 1, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois.

2. Intervenor was permitted to intervene in this action by the court on November 20, 1990, pursuant to the provisions of Sections 11-31-1 (a) and (b) of the Cities and Villages Act (Ill. Rev. Stat., Chapter 24, Sections 11-31-1 (a) and (b)) which allow owners within 1,200 feet of a vacant and open structure to intervene in a demolition code violation case initiated by a municipality.

3. Intervenor is the sole beneficial owner and Harris Trust is the legal title holder under Trust Number 4990 of the property commonly known as 2753 West North Avenue, Chicago, Illinois, which property is adjacent to the Property.

4. The City has been unable to execute on its order of demolition because the estimates of costs of demolition, including removal of friable asbestos, have been exceedingly high as follows:

Action Wrecking Company	\$ 70,000
National Wrecking Company	\$102,900

5. Intervenor as adjacent owner is desirous that the building at the Property be wrecked expeditiously because its condition endangers the integrity of the building located at 2753 West North Avenue, Chicago, Illinois and the life of the occupants therein.

6. Intervenor is willing to pay in large part for the costs of wrecking the Property and to obtain a lien for his out-of-pocket demolition costs as permitted by Section 11-31-1(b) of the Cities and Villages Act.

7. The City is able to pay for part of the costs of demolition in an amount not to exceed \$3,000.

Wherefore, It is agreed by the parties as follows:

1. The City shall enter into a wrecking contract with Action Wrecking Company, the lowest bidder, for a total amount not to exceed \$70,000, to demolish the structure at the premises as soon as Intervenor complies with the terms of paragraph 2 of this stipulation.

2. Intervenor shall deposit with the City of Chicago a certified or registered check or money order payable to Action Wrecking Company in the amount of \$67,000.00 or the difference between the contract amount and the \$3,000.00 paid by the City, upon execution of this stipulation, to be disbursed to Action Wrecking Company after the building at the Property is wrecked and leveled.

3. Upon completion of the wreck, the City and Intervenor shall file affidavits of costs, including attorneys fees, and petition the court to authorize two demolition liens for their respective costs. Each party is responsible for recording the liens authorized to them by order of court.

4. The City shall file a foreclosure action after 30 days have passed from the entry of the order referenced in paragraph 3.

5. Intervenor shall answer the City's foreclosure action to preserve his lienhold interest and the City shall request the court to include Intervenor's demolition lien as part of its foreclosure decree.

6. If the City comes into title of the Property by its foreclosure action or by accepting a deed in lieu of foreclosure for demolition costs, the City shall give, and Intervenor shall accept, a quitclaim deed for the Property issued in the name of Mohammed Ali Yusuf upon Intervenor tendering to the City of Chicago a certified or registered check or money order payable to the City of Chicago for its demolition costs in the amount of \$3,000 plus its out-of-pocket costs in the foreclosure action, not including attorney's fees.

7. The provisions of paragraph 6 are expressly contingent upon the City either being the successful bidder at the sheriff's foreclosure sale and the court's approval of said sale or the City obtaining title to the Property by accepting a deed in lieu of foreclosure. Should the City of Chicago be outbid at the sheriff's sale, the City shall request that the sheriff disburse to the City and Intervenor from the proceeds of the sale, the sum shown in the foreclosure decree as the City's and Intervenor's demolition costs. If there are excess proceeds of sale which the court does not award to other claimants, the City shall request the court to distribute those funds to Intervenor and to the City in a pro rata allocation based on the out-of-pocket costs of Intervenor and the City of Chicago shown in the foreclosure decree.

8. If the City is the successful bidder at the sheriff's sale, Intervenor shall, at all times on and after the date the sheriff's sale is confirmed by order of court, maintain the Property free from junk and debris and secure it against unauthorized entry. From the date of the order confirming the sale until such time as title vests with Intervenor, Intervenor shall hold the City harmless from any and all damage and liability claims connected with the Property. The Intervenor shall indemnify and hold harmless the City of Chicago from and against any losses, costs, damages and expenses arising out of and in connection with any accident causing injury to any person or property and shall provide the City with a certificate of insurance naming the City as additionally insured, insuring the City against all claims and demands arising out of or in connection with the Property from the date of the order confirming the sale to the City until the quitclaim deed to Intervenor is delivered by City and recorded by Intervenor.

9. Intervenor shall not sell, convey or assign his interest under this stipulation, under his demolition lien or in the foreclosure, without the prior written approval of the City. Intervenor will be able to freely transfer his interest in the property upon obtaining a quitclaim deed from the City.

10. The City agrees, if it comes into title as provided in paragraph 6 of this stipulation, to undertake all necessary actions to eliminate any outstanding property taxes which have been levied against the premises prior to its conveyance by quitclaim deed to Intervenor. Intervenor agrees that the City

is not responsible for obtaining title insurance or for clearing any title objections other than the above mentioned property taxes.

Mohammed Ali Yusuf,
Intervenor

City of Chicago, a municipal
corporation
Kelly R. Welsh, Corporation Counsel

Cyriac D. Kappil
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140 South Dearborn Street
Suite 1606
Chicago, Illinois 60603
(312) 372-0468
Attorney No. 23561

Nilda M. Soler
Chief Assistant Corporation Counsel
Building and Housing Division
180 North LaSalle Street
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Chicago, Illinois 60602
(312) 744-9684
Attorney No. 90909

ESTABLISHMENT OF BOULEVARD RESTORATION LOAN
PROGRAM FOR REHABILITATION OF HOUSING
LOCATED ADJACENT TO BOULEVARDS.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance concerning the authority to establish the Boulevard Restoration Loan Program to provide loan funds for the rehabilitation of housing located adjacent to boulevards, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), a home rule unit of government under Section 6(a) Article VII of the 1970 Constitution of the State of Illinois, does hereby find that the City's historic boulevard system like many of the neighborhood communities through which it passes has been subject to decline and deterioration; and

WHEREAS, The Chicago Planning Commission in February, 1989, adopted guidelines for the redevelopment of the boulevard system; and

WHEREAS, The Department of Housing is seeking approval to implement a rehabilitation program (the "Boulevard Program") for properties in the vicinity of the boulevard system with an initial primary focus on the areas of Martin Luther King, Jr. Drive from 35th Street to 55th Street, Garfield Boulevard from Martin Luther King, Jr. Drive to Damen Avenue and Marshall Boulevard/California Boulevard from 26th Street to Douglas Boulevard; and

WHEREAS, The Department of Housing has preliminarily approved the Boulevard Program containing two loan funds. The first fund shall be in the amount of \$700,000 to be used for rehabilitation loans with a primary focus on owner-occupied buildings of one to four units ("Single-Family Loans"),

such loans to be administered by Neighborhood Housing Services of Chicago, Inc. ("N.H.S.") pursuant to a services contract between the City and N.H.S.; and

WHEREAS, Said City funds will be matched by additional funds aggregating \$1,000,000 from various banking institutions including, but not limited to, Old Kent Bank-Chicago, Household Bank F.S.B., Boulevard Bank N.A. and Independence Bank of Chicago; and

WHEREAS, The second loan fund shall be in the amount of \$300,000 to be used for loans to owners of buildings of five or more units ("Multi-Family Loans") through an interest-rate buydown program with Community Investment Corporation ("C.I.C.") wherein City funds will leverage \$3,000,000 in C.I.C. loan funds by prepaying interest on individual loans to reduce the interest rate pursuant to a services contract between the City and C.I.C.; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City hereby appropriates from Fund No. 100-99-2005-0963, \$1,000,000 to be used in conjunction with the Boulevard Program.

SECTION 2. The Comptroller is hereby authorized to establish a Boulevard Program account in an amount not to exceed \$1,000,000 of which \$700,000 shall be used to fund Single-Family Loans and \$300,000 shall be used to fund Multi-Family Loans.

SECTION 3. The Commissioner of the Department of Housing (the "Commissioner") is hereby authorized, subject to review by the Corporation Counsel, to negotiate and enter into a loan services contract with N.H.S. for the administration of Single-Family Loans.

SECTION 4. The Commissioner is hereby authorized, subject to review by the Corporation Counsel, to negotiate and enter into a loan services contract with C.I.C. for an interest-rate buydown program for Multi-Family Loans.

SECTION 5. The Commissioner is hereby authorized, subject to review by the Corporation Counsel, to enter into and execute, and the City Clerk to attest, such agreements, documents and other instruments as may be necessary to implement the Boulevard Program.

SECTION 6. This ordinance shall be in full force and effect from and after its passage.

APPROVAL OF TAX INCREMENT REDEVELOPMENT PLAN
AND REDEVELOPMENT PROJECT FOR ROOSEVELT-
HOMAN REDEVELOPMENT AREA.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance concerning the authority to approve a tax increment redevelopment plan for the Roosevelt-Homan Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Bloom moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interests of the citizens of the City of Chicago, Illinois (the "Municipality"), for the Municipality to implement tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code, as amended (the "Act"), for a proposed redevelopment plan (the "Plan") and a proposed redevelopment project (the "Project") within the municipal boundaries of the Municipality and within a proposed redevelopment project area (the "Area") described in Section 1(a) of this ordinance, which area constitutes in the aggregate more than 1 and 1/2 acres; and

WHEREAS, Pursuant to Section 11-74.4-5 of the Act, the Commercial District Development Commission of the Municipality, by authority of the City Council of the Municipality (the "Corporate Authorities"), convened a meeting of the Joint Review Board (the "Board") relative to the Plan and Project and the designation of the Area as a redevelopment project, on September 5, 1990 at 24 East Congress Parkway, Chicago, Illinois; and

WHEREAS, Pursuant to Section 11-74.4-5 of the Act, the Commercial District Development Commission of the Municipality by authority of the City Council of the Municipality (the "Corporate Authorities"), called a public hearing relative to the Plan and Project and the designation of the Area as a redevelopment project area under the Act, on October 16, 1990, at the Department of Economic Development, 6th floor conference room, located at 24 East Congress Parkway, Chicago, Illinois; and

WHEREAS, Due notice in respect to such hearing was given pursuant to Section 11-74.4-5 of the Act, as amended, said notice of the Joint Review Board meeting and public hearing, being given to taxing districts and the Illinois Department of Commerce and Community Affairs by certified mail on August 22, 1990, and said notice of the public hearing being given to taxpayers within the Area by certified mail on September 17, 18 and 19, 1990 and by publication in the Chicago Tribune on September 21 and September 28, 1990; and

WHEREAS, The Plan and Project set forth the factors which could cause the area to be blighted, and the Corporate Authorities have reviewed the information concerning such factors presented at the public hearing and have reviewed other studies, including the Roosevelt-Homan Eligibility Report, and are generally informed of the conditions in the proposed Area which could cause the Area to be a "blighted area" as said term is used in the Act; and

WHEREAS, The Corporate Authorities have reviewed the conditions pertaining to lack of private investment in the proposed Area to determine whether private development would take place in the proposed Area as a whole without the adoption of the proposed Plan; and

WHEREAS, The Corporate Authorities have reviewed the conditions pertaining to real property in the proposed Area to determine whether contiguous parcels of real property and improvements thereon in the proposed Area would be substantially benefited by the proposed Project improvements; and

WHEREAS, The Corporate Authorities have reviewed the proposed Plan and Project and the existing comprehensive plan for the development of the Municipality as a whole to determine whether the proposed Plan and Project conform to such comprehensive plan of the Municipality; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Findings. The Corporate Authorities hereby make the following findings:

a. The Area is described in Exhibit A attached hereto and incorporated herein as if set out in full by this reference. The street location (as near as practicable) for the Area is described in Exhibit B attached hereto and incorporated herein as if set out in full by this reference. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein as if set out in full by this reference.

b. There exist conditions which cause the Area to be subject to designation as a redevelopment project area under the Act and the Area to be classified as a blighted area as defined in Section 11-74.4-3(a) of the Act.

c. The proposed Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Plan.

d. The Plan and Project conform to the comprehensive plan for the development of the Municipality as a whole.

e. As set forth in the Plan all obligations issued by the City pursuant to the Redevelopment Plan and Project and the Act shall not exceed twenty-three years from the date of adoption of the ordinance approving the Redevelopment Project Area. However the final maturity date of any obligation issued pursuant to the Act may not be later than twenty (20) years from its respective date of issuance.

f. The parcels of real property in the proposed Area are contiguous, and only those contiguous parcels of real property and improvements thereon which will be substantially benefited by the proposed Project improvements are included in the proposed Area.

g. The Area would not reasonably be developed without the use of incremental revenue pursuant to Section 11-74.4-8 of the Act.

SECTION 2. Exhibits Incorporated by Reference. The Plan and Project which were the subject matter of the public hearing held on October 16, 1990, are hereby adopted and approved. A copy of the Plan and Project is set forth in Exhibit D attached hereto and incorporated herein as if set out in full by this reference.

SECTION 3. Invalidity of any Section. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 4. Superseder and Effective Date. All ordinances, resolutions, motions or orders in conflict herewith be, and the same hereby are, repealed to the extent of such conflict and this ordinance shall be in full force and effect immediately upon its passage by the corporate authorities and approval as provided by law.

[Exhibit "C" attached to this ordinance printed
on page 26422 of this Journal.]

Exhibits "A", "B" and "D" attached to this ordinance read as follows:

Exhibit "A".

Legal Description.

A tract of land in the east half and the west half of the southeast quarter of Section 14 and the west half of the southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principal Meridian, described as follows:

beginning at the southwest corner of said west half of the southeast quarter of Section 14; thence north 696.5 feet along the west line of said

southeast quarter to the north line of Fillmore Street as dedicated; thence east 2,560 feet along the north line of Fillmore Street to the west line of Kedzie Avenue; thence north 138.96 feet to the south right-of-way line of the B. & O. C. T. Railroad, also being the north line of the east-west alley in Block 6 of the subdivision of Block 6 of Pipers Subdivision; thence east 690 feet along the south right-of-way line of the B. & O. C. T. Railroad to the center line of Albany Avenue in said Pipers Subdivision; thence south along last said center line to the center line of Roosevelt Road, being the south line of Section 13; thence west along last said center line, being the south line of Section 13 and the south line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.

Exhibit "B".

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is located on the west side of the City of Chicago and is generally described as beginning at the southeast corner of West Roosevelt Road and South Central Park Avenue; then proceeding east on West Roosevelt Road to South Albany Avenue; then proceeding north to the B. & O. C. T. Railroad tracks then west to South Kedzie Avenue to West Fillmore Avenue, then west on West Fillmore Avenue to South Central Park Avenue; then south to the beginning point.

Exhibit "D".

*Roosevelt-Homan Commercial/Residential Redevelopment
Area Tax Increment Finance Program.*

Redevelopment Plan.

July, 1990.

Executive Summary.

Goals And Objectives.

General Goals:

Improve the quality of life in Chicago by eliminating the influence of, as well as the manifestations of, both physical and economic blight in the Redevelopment Project Area.

Provide sound economic development in the Redevelopment Project Area.

Revitalize the Redevelopment Project Area to make it an important center contributing to the revitalization of the North Lawndale community area.

Provide for residential rehabilitation and new development which will offer a diversity of new housing accommodations in a variety of structure types.

Provide new housing for low and moderate income persons.

Provide for the consolidation of a commercial strip into a neighborhood shopping cluster which will be conveniently located to adequately serve all residents of the area.

Provide for the vacation of unnecessary streets and alleys and development of a street system which will adequately serve the area.

Achieve changes of land use, through development of coordinated clusters of uses for neighborhood shopping, residential and recreation.

Remove impediments to land disposition and development through acquisition and/or assembly of vacant land into reasonably sized and shaped parcels.

Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the City, and preserve or enhance the value of properties in the North Lawndale community area.

Create job opportunities.

Redevelopment Objectives:

Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area. Section IV of the Eligibility Study, Blighted Area Conditions Existing in the Redevelopment Project Area, described the blighted conditions.

Enhance the tax base of the City of Chicago and of the other taxing districts which extend into the Redevelopment Project Area by encouraging private investment in commercial and residential new construction and rehabilitation.

Strengthen the economic well-being of the Redevelopment Project Area and the City by increasing business activity, taxable values, and job opportunities.

Encourage the assembly of land into parcels functionally adaptable with respect to shape and size for redevelopment needs and standards.

Provide sites for needed public improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with accepted design criteria for such facilities.

Provide needed incentives to encourage a broad range of improvements for both new development and rehabilitation efforts.

Encourage the participation of minorities and women in professional and investment opportunities involved in the development of the Redevelopment Project Area.

Development And Design Objectives:

Establish a pattern of land use activities arranged in compact, compatible grouping to increase efficiency of operation and economic relationships.

Achieve development which is integrated both functionally and aesthetically with nearby existing development.

Ensure safe and adequate circulation patterns and capacity in the project area.

Encourage a high-quality appearance of buildings, rights-of-way and open spaces, and encourage high standards of design.

Incorporate the 1970 Urban Renewal techniques to achieve plan objectives.

Based upon surveys, inspections and analysis of the area by Louik/Schneider & Associates, Inc., the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. The area is characterized by the presence of a combination of five or more blighting factors as listed in the Act, rendering

the area detrimental to the public safety, health and welfare of the citizens of this area of the City, specifically:

Of the fourteen factors set forth in the law, ten are present in the area.

The blighting factors are reasonably distributed throughout the Study Area.

All blocks within the Study Area show the presence of blighting factors.

Redevelopment Plan.

The proposed Roosevelt-Homan Commercial/Residential Redevelopment Project Area for the purposes of planning and programming of improvements have been divided into two components. These components are a commercial development and residential redevelopment and rehabilitation.

Commercial Development.

The commercial component of this plan encompasses an area bounded by South Kedzie Avenue on the east, West Homan Avenue on the west, South Roosevelt Road on the south, and West Fillmore Avenue on the north (see Map 3 Redevelopment Plan). The commercial redevelopment will require the City and a developer to enter into a redevelopment agreement upon approval by the City Council of Chicago. The redevelopment agreement will generally provide for the City to provide funding for necessary infrastructure and site improvements. The funds for said improvements are to come from the City's issuance of Bonds to be repaid from the incremental increase in tax revenues to be generated from the entire Redevelopment Project Area. The developer will undertake the responsibility for the required infrastructure and site improvements, and will further be required to build a retail shopping center containing approximately 130,000 square feet on approximately a 15.5 acre site and the necessary support facilities such as parking and landscaping.

The commercial portion of the project defined in this component of the Plan will be completed within 24 months of the signing of a redevelopment agreement. This commercial component is expected to generate tax increments in excess of its needs for development. Those additional dollars not needed for the commercial portion of the project along with the new taxes generated from the residential development will provide a basis for the residential component of the Plan.

Residential Redevelopment/Rehabilitation.

The residential component of this plan encompasses the residential areas of the Project Area as defined by the proposed land use (see Map 3). This residential component of the Redevelopment Plan will be administered and coordinated by the City of Chicago, Department of Housing. The residential program is part of a long term program to improve the housing conditions in the Lawndale Area. The residential component of the Redevelopment Plan includes the following four programs: (1) Neighborhood Home Improvement Program; (2) Low-Income Housing Tax Reactivation Program (3) In-Fill Housing Program; and (4) Site Improvement Program.

Neighborhood Home Improvement Program.

This program provides low-interest fixed rate loans to owners of one to four unit properties, for all types of home improvements. The Department of Housing will commit to doing a minimum of 60 houses within 20 years. The maximum that can be borrowed is \$25,000 per property.

Low-Income Tax Reactivation Program.

This program will return tax-delinquent properties to the tax rolls and develop low-income housing by providing not-for-profit and for-profit developers the opportunity to acquire tax delinquent multi-unit (7 or more) properties through the no-cash bid procedure of the Cook County Scavenger Sale. The Department of Housing will commit to doing a minimum of 8 to 10 buildings over a 10-year period.

In-Fill Housing Program.

This program is intended to help revitalize the Redevelopment Area by reducing blight of under-utilized, long vacant lots, replacing them with new homes and landscaped yards. The Department of Housing will put together a special demonstration project for the Redevelopment Project Area.

The projected goals of the In-Fill Housing Program are:

- (1) To build 40 to 50 single-family homes in the Redevelopment Area over a 10 to 15 year period. It is expected that these homes will sell

for between \$55,000 and \$85,000 as adjusted for inflation over the time period.

- (2) To build 50 to 60 multi-family rental units in the Redevelopment Area over a 10 to 15 year period.

Perimeter Site Improvement Program.

The purpose of the Site Improvement Program is to provide improvements to the public rights-of-way which surround and support the redevelopment project.

On site developments undertaken by the Department of Housing may include but not be limited to the construction or reconstruction of curbs, gutters, sidewalks, streets and alleys; the installation of landscaping to public parkways and plazas; and the installation or reconstruction of public and private utilities.

The Department of Housing will provide site improvements not to exceed \$500.00 per dwelling unit for each of the housing development programs.

The estimated redevelopment project costs are shown in Table 1. To the extent that municipal obligations may be issued to pay for such redevelopment project costs included prior to, but in anticipation of, the adoption of tax increment financing, the City shall be reimbursed for such redevelopment project costs. The total redevelopment project costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs).

Table 1

Estimated Redevelopment Project Costs.

Program Action/Improvements.

Commercial Area:

Infrastructure Improvements	\$ 700,000
Site Improvements	800,000
Planning, legal studies, et cetera	200,000
Contingencies	150,000

Residential Area:

Infrastructure	\$ 100,000
Financing assistance -- interest rate subsidy	200,000
Acquisition	100,000
Planning, legal studies, et cetera	100,000
Contingencies	50,000

Total Costs*	\$2,500,000

Funds necessary to pay for redevelopment project costs and municipal obligations which have been issued or incurred to pay for such costs are to be derived principally from tax increment revenues and proceeds from municipal obligations which have as their revenue source tax increment revenue. To secure the issuance of these obligations, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

The tax increment revenue which will be used to fund tax increment obligations and redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such property in the Redevelopment Project Area. Other sources of funds which

*Exclusive of capitalized interest, issuance costs and other financing costs.

may be used to pay for redevelopment costs and obligations issued or incurred, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate.

Issuance Of Obligations.

To finance redevelopment costs a municipality may issue obligations secured by the anticipated tax increment revenue generated within the T.I.F. Redevelopment Project Area.

Revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs, and, to the extent that real property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

Most Recent Equalized Assessed Valuation Of Properties In The Redevelopment Project Area.

The total 1988 equalized assessed valuation for the entire Redevelopment Project Area is \$3,618,369. This equalized assessed valuation is subject to final verification by Cook County. After verification, the County Clerk of Cook County, Illinois will certify the amount, and this amount will serve as the "Initial Equalized Assessed Valuation".

Anticipated Equalized Assessed Valuation.

By the year 2001, when it is estimated that all the anticipated private development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between \$8,500,000 and \$11,000,000. By the year 1994, when the primary phase of the commercial and the initial residential development is complete, the equalized assessed value of real property within the Redevelopment Project Area is estimated at between \$6,000,000 and \$8,000,000. These estimates are based on several key assumptions, including: 1) primary phase of the commercial development will be completed in 1992; 2) residential and secondary commercial development projects will occur in a timely manner; 3) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Project and Plan;

4) the most recent State Multiplier of 1.9133 as applied to 1989 assessed values will remain unchanged; and 5) for the duration of the project the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1989 level.

Introduction.

The North Lawndale area since the early 1960's has been a much studied community area within the City of Chicago. Dating back to the first steps taken in 1958 by the Community Conservation Board when it designated the Lawndale Community a "Conservation Area". This first planning step to curtail and eliminate blighting from occurring was followed by a study of the area by the Department of Urban Renewal in 1964, which produced the Lawndale Conservation Plan of 1968. The Lawndale Conservation Plan was revised in 1970 with specific objectives, development methodologies and techniques. Numerous amendments have been approved for specific projects within the boundaries of Lawndale.

Although many social programs were established and some physical improvements were carried out in the Lawndale Area by both the public and private sectors, both population and jobs in the area continued to decline. This decline was evident in the erosion of commercial activities as well as industrial employers.

Positive progress has been made in some areas of Lawndale as a result of the City's and citizens' efforts and along with local neighborhood groups. However, many of the plans for the Lawndale Community have not been implemented as a result of the necessary dollars needed to induce redevelopment.

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is approximately a 54.09 acre section of the North Lawndale Community Area. The area is bounded by West Roosevelt Road on the south, South Central Park Avenue on the west, West Fillmore Avenue on the north (between South Central Park Avenue and South Kedzie Avenue) and the B & O. C. T. Railroad tracks (between South Kedzie Avenue and South Albany Avenue) on the north, and South Albany Avenue on the east. Within this Redevelopment Project Area 43% of the parcels of property are vacant.

The purpose of the Roosevelt-Homan Commercial/Residential Redevelopment Project Area Plan is to create a mechanism for the development of a shopping center and rehabilitation and construction of new housing.

With the loss of shopping in the Lawndale Community and the advent of regional, community and strip shopping centers, individual consumer

shopping patterns have changed. The proposed approximately 130,000 square foot shopping center along with newer residential development located south of the Redevelopment Project Area and in a small portion of the eastern part of the Redevelopment Project Area will help to create an economic synergy within the community area.

The Mid-West Development Area Planning Report, which covers the North Lawndale Area was prepared by the Department of Planning in 1967. This report stated that "Long stretches of the major streets in the Mid-West Area are lined with deteriorating and often vacant commercial buildings. Eventually, these commercial strips should be consolidated into attractive business centers of modern design at major street intersections. This should be done in conjunction with other community improvement programs . . .". This Plan further states that "It is probable that a new regional business center should be developed in the area, since it is highly accessible by excellent transportation lines."

One of the primary goals of the Mid-West Area report is, "To stimulate new investment in the area in order to make it more attractive to families. This would be done by assuring adequate resources for residential rehabilitation and by helping to make available land at suitable locations for new housing and for commercial, industrial and institutional development."

The second part of the Roosevelt-Homan Commercial/Residential Plan is to promote the rehabilitation of single-family housing, infrastructure and site preparation, in-fill housing, and tax reactivation. The objective of the housing component is the creation of a coordinated block-by-block strategy in a small targeted area. This strategy would increase housing stock in North Lawndale through rehabilitation and in-fill. The proposed Roosevelt-Homan Area is small enough in size that by placing maximum concentration on it, the greatest impact will occur and the return will be large for the investment of public funding.

To assist in the development of a new commercial center and new residential housing in the Roosevelt-Homan Commercial/Residential Area, various agencies will have to join together, including the City of Chicago Departments of Economic Development, Housing and Planning, along with the private sector. While the commercial center will be developed by the private sector with public assistance, much of the remaining vacant land which can and should be put to productive use for residential housing also needs investment of public funds in order to achieve such productive development.

Tax Increment Allocation Redevelopment Act.

An analysis of conditions within this area indicates that it is appropriate for designation as a redevelopment project, utilizing the State of Illinois tax

increment financing legislation. The area is characterized by conditions which warrant the designation as a "blighted area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (hereafter referred to as the "Act"). The Act is found in the Illinois Revised Statutes, Chapter 24, Section 11-74.4-1 et seq., as amended.

The Act provides a means for municipalities, after the approval of a "Redevelopment Plan and Project" to redevelop blighted areas by pledging the increase in tax revenues generated by public and private redevelopment in order to pay for the up front public costs which are required to stimulate such private investment in new redevelopment and rehabilitation. Municipalities may issue obligations to be repaid from the stream of real property tax increments that occur within the tax increment financing district.

The property tax increment revenue is calculated by determining the difference between the initial equalized assessed value (the Certified E.A.V. Base) for all real estate located within the district and the current year E.A.V. Any increase in E.A.V. is then multiplied by the current tax rate, which determines the incremental real property tax.

The Roosevelt-Homan Commercial/Residential Redevelopment Area Project and Plan (hereafter referred to as the "Redevelopment Plan") has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of redevelopment, the Redevelopment Plan sets forth the overall program to be undertaken to accomplish these objectives. This program is the "Redevelopment Project".

This Redevelopment Plan will also specifically describe the Roosevelt-Homan Commercial/Residential Tax Increment Redevelopment Project Area (hereafter referred to as the "Redevelopment Project Area"). This area meets the eligibility requirement of the Act. The Redevelopment Project Area boundaries are described in Section II of the Redevelopment Plan and shown in Map 1, Boundary Map.

After its approval of the Redevelopment Plan, the City Council then formally designates the Redevelopment Project Area.

The purpose of this Redevelopment Plan is to ensure that new development occurs:

1. On a coordinated rather than a piecemeal basis to ensure that the land use, vehicular access, parking, service and urban design systems will meet modern-day principles and standards.

2. On a reasonable, comprehensive and integrated basis to ensure that blighting factors are eliminated.
3. Within a reasonable and defined time period.

Revitalization of the Redevelopment Project Area is a large and complex undertaking and presents challenges and opportunities commensurate to its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government. The adoption of the Redevelopment Plan makes possible the implementation of a logical program to stimulate redevelopment in the Redevelopment Project Area -- an area which cannot reasonably be anticipated to be developed without the adoption of this Redevelopment Plan. Public investments will create the appropriate environment to attract the investment required for the rebuilding of the area.

Successful implementation of the Redevelopment Plan and Project requires that the City of Chicago take full advantage of the real estate tax increments attributed to the Redevelopment Project Area as provided in accordance with the Act. The Redevelopment Project Area would not reasonably be developed without the use of such incremental revenues.

Redevelopment Project Area And Legal Description.

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is located on the west side of the City of Chicago and is generally described as beginning at the southeast corner of West Roosevelt Road and South Central Park Avenue, then proceeding east on West Roosevelt Road to South Albany Avenue, then proceeding north to the B. & O.C.T. railroad tracks, then west to South Kedzie Avenue, then south on South Kedzie Avenue to West Fillmore Avenue, then west on West Fillmore Avenue to South Central Park, then south to the beginning point.

The legal description of the Roosevelt-Homan Commercial/Residential Redevelopment Area is as follows:

A tract of land in the east half and the west half of the southeast quarter of Section 14 and the west half of the southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principle Meridian, described as follows:

beginning at the southwest corner of said west half of the southeast quarter of Section 14; thence north 696.5 feet along the west line of said southeast quarter to the north line of West Fillmore Street as

dedicated; thence east 2,560 feet along the north line of West Fillmore Street to the west line of Kedzie Avenue; thence north 138.96 feet to the south right-of-way line of the B. & O.C.T. Railroad, also being the north line of the east-west alley in Block 6 of the subdivision of Block 6 of Pipers Subdivision; thence east 690 feet along the south right-of-way line of the B. & O.C.T. Railroad to the center line of Albany Avenue in said Pipers Subdivision; thence south along last said center line to the center line of Roosevelt Road, being the south line of Section 13; thence west along last said center line, being the south line of Section 13 and the south line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.

Redevelopment Project Area Goals And Objectives.

Investment in new development and reinvestment in existing structures and facilities are essential in the Roosevelt-Homan Commercial/Residential Redevelopment Project Area. Redevelopment and conservation efforts in the Redevelopment Project Area will strengthen the entire City through environmental improvements, an increased tax base and additional employment opportunities.

This section of the Redevelopment Plan identifies the goals and objectives of the Redevelopment Project Area. A latter section of the Redevelopment Plan identifies more specific programs which the City plans to undertake in achieving the redevelopment goals and objectives which have been identified.

General Goals:

Improve the quality of life in Chicago by eliminating the influence of, as well as the manifestations of, both physical and economic blight in the Redevelopment Project Area.

Provide sound economic development in the Redevelopment Project Area.

Revitalize the Redevelopment Project Area to make it an important center contributing to the revitalization of the North Lawndale community area.

Provide for residential rehabilitation and new development which will offer a diversity of new housing accommodations in a variety of structure types.

Provide new housing for low and moderate income persons.

Provide for the consolidation of strip commercial into a neighborhood shopping cluster which will be conveniently located to adequately serve all residents of the area.

Provide for the vacation of unnecessary streets and alleys and development of a street system which will adequately serve the area.

Achieve changes of land use, through development of coordinated clusters of uses for neighborhood shopping, residential and recreation.

Remove impediments to land disposition and development through acquisition and/or assembly of vacant land into reasonably sized and shaped parcels.

Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the City, and preserve or enhance the value of properties in the North Lawndale community area.

Create job opportunities.

Redevelopment Objectives:

Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area. Section IV of the Eligibility Study, Blighted Area Conditions Existing in the Redevelopment Project Area, describes the blighting conditions.

Enhance the tax base of the City of Chicago and of the other taxing districts which extend into the Redevelopment Project Area by encouraging private investment in commercial and residential new construction and rehabilitation.

Strengthen the economic well-being of the Redevelopment Project Area and the City by increasing business activity, taxable values and job opportunities.

Encourage the assembly of land into parcels functionally adaptable with respect to shape and size for redevelopment needs and standards.

Provide sites for needed public improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with accepted design criteria for such facilities.

Provide needed incentives to encourage a broad range of improvements for both new development and rehabilitation efforts.

Encourage the participation of minorities and women in professional and investment opportunities involved in the development of the Redevelopment Project Area.

Development And Design Objectives:

Establish a pattern of land use activities arranged in compact, compatible grouping to increase efficiency of operation and economic relationships.

Achieve development which is integrated both functionally and aesthetically with nearby existing development.

Ensure safe and adequate circulation patterns and capacity in the project area.

Encourage a high-quality appearance of buildings, rights-of-way and open spaces, and encourage high standards of design.

Incorporate the 1970 Urban Renewal techniques to achieve plan objectives.

Property Rehabilitation Standards (1970) Urban Renewal Plan.

All property in the area shall comply with the standards set forth in all applicable statutes, codes and ordinances, as amended from time to time, relating to the use, maintenance, facilities, and occupancy of the existing property. These laws, codes, ordinances, and regulations are as follows:

- (a) Municipal Building Code
- (b) Housing Code
- (c) Plumbing Code
- (d) Electrical Code
- (e) Chicago Zoning Ordinance
- (f) Chicago Air Pollution Code

The standards of these codes and ordinances are hereby incorporated by reference and made a part of these Property Rehabilitation Standards.

In addition to the standards set forth above, it shall be the goal that structures in the area will be rehabilitated in such a way to enhance the character and identity of the renewal area and provide improved housing of the highest quality possible for families. To achieve this goal, property owners will be encouraged to meet the following objectives:

- Exterior:** Improvements to be made to the exterior so as to assure that the general character and appearance of the area will reflect sound development and create an environment which will be compatible with and stimulate private investment in the proposed new development within the project area.
- Facade Treatment:** Aesthetic quality is recognized as an integral part of neighborhood improvement and is encouraged as part of rehabilitation activities. The choice of colors, textures, and materials must be related to the surrounding environment by expressing either the continuity of an existing character or, as may be desired in some situations, a sensitive contrast.
- Site Layout:** In treatment of building additions and secondary structures, care should be given to the development of the site so that the scale of each building and its relationship to its surroundings reflects a sensitivity to the community.
- Landscape:** The space around buildings is as important as the buildings themselves. Landscaping, walls, fences, et cetera, should be used to relate buildings to one another, emphasize important architectural features, confine spaces, and to screen service areas from view.
- Sign Control:** Where buildings contain commercial space, consideration should also be given to all aspects of graphic design. The various forms of lettering in a development have the important function of identifying and clarifying aspects of the development as well as contributing to its character. Signs should not be allowed to dominate the buildings they serve or to create a jarring affect on the surrounding neighborhood.

*Blighted Area Conditions Existing In
The Redevelopment Project Area.*

Based upon surveys, inspections, and analysis of the area by Louik/Schneider & Associates, Inc. the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. The area is characterized by the presence of a combination of five or more blighting factors as listed in the Act, rendering the area detrimental to the public safety, health and welfare of the citizens of this area of the City, specifically:

Of the fourteen factors set forth in the law, ten are present in the area.

The blighting factors which are present are reasonably distributed throughout the Study Area.

All areas within the Study Area show the presence of blighting factors.

A separate report entitled "Roosevelt-Homan Commercial/Residential Tax Increment Financing District Eligibility Report", dated July, 1990 describes in detail the surveys and analysis undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. Summarized below are the findings of the Eligibility Report:

1. Age.

Age as a factor is present to a major extent in five of the eleven blocks and to a limited extent in two blocks. Of the 122 total buildings in the Redevelopment Area, 112 (92%) are 35 years of age or older.

2. Dilapidation.

Dilapidation is present to a major extent in four of the eleven blocks and to a minor extent in two other blocks. Of the 122 buildings in the Redevelopment Area, 34 (28%) are dilapidated.

3. Obsolescence.

Obsolescence as a factor is present in eight of the eleven blocks. Conditions contributing to this factor include obsolete buildings and obsolete platting.

4. Deterioration.

Deterioration as a factor is present to a major extent in six of the eleven blocks and to a minor extent in two other blocks. Of the 122 buildings in the Study Area, 57 (47%) exhibit deterioration. Conditions contributing to this factor include deteriorating structures, deteriorating off-street parking and storage areas and site surface areas, and deteriorating street pavement, curbs, gutters and sidewalks.

5. Illegal Use Of Individual Structures.

There were no structures which were illegal uses as defined by municipal ordinance.

6. Structures Below Minimum Code Standards.

Structures below the city's minimum code standards for existing buildings as a factor is present in six of the eleven blocks. Of the 122 buildings in the Study Area, 26 (21%) appeared to exhibit this factor.

7. Excessive Vacancies.

Excessive vacancies as a factor is present to a major extent in all of the eleven blocks. Of the 122 buildings in the Study Area, 14 are vacant and over 43% of the land area is vacant.

8. Overcrowding Of Structures And Community Facilities.

There were no blocks in the Study Area which contained evidence of overcrowding of structures.

9. Lack Of Ventilation, Light Or Sanitary Facilities.

Five of the eleven blocks exhibit to a minor extent factors contributing to the lack of light, ventilation and or sanitary facilities within the structures.

10. Inadequate Utilities.

Inadequate utilities are present to a minor extent in the Study Area.

11. Excessive Land Coverage.

Four of the eleven blocks in the Study Area exhibit excessive land coverage. This is particularly true with large commercial and multi-tenant residential buildings located on major arterial streets within the Study Area.

12. Deleterious Land-Use Or Layout.

Deleterious land-use or layout is present in seven of the eleven blocks. Conditions contributing to this factor include such findings as illegal uses, combined industrial and residential parcels, and outside storage areas. Large tracts of vacant and under-utilized land, vacant and dilapidated structures and sub-standard streets limit access to most of the Study Area.

13. Depreciation Of Physical Maintenance.

Depreciation of physical maintenance is present to a major extent in five blocks and to a minor extent in one additional block of the eleven blocks in the Study Area. Conditions contributing to this factor include deferred maintenance and lack of maintenance of buildings, parking and storage areas, and site improvements.

14. Lack Of Community Planning.

While there have been numerous public and private plans for the Study Area as well as much of the surrounding area, little implementation of these plans has occurred. A large portion of the Study Area has no specific plans for redevelopment, rehabilitation or in-fill for existing residential areas.

The analysis above is based upon data assembled by the City of Chicago, Department of Economic Development, the City of Chicago, Department of Housing and Louik/Schneider & Associates, Inc. The surveys and analysis conducted include:

1. Exterior surveys of the condition and use of each building;

2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning maps;
5. Historical analysis of site uses;
6. Analysis of original and current platting and building size layout;
7. Analysis of building floor area and site coverage;
8. Review of previously prepared plans, studies and data.

*Roosevelt-Homan Commercial/Residential
Redevelopment Project.*

A. Redevelopment Project Area Goal And Objectives.

The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including but not limited to tax increment financing, and by undertaking some or all of the following actions:

1. Assemblage of Sites. To achieve the revitalization of the Redevelopment Project Area, property identified in Map 3, Development Activities, attached hereto and made a part hereof, may be acquired by the City of Chicago and cleared of all improvements if any and either (a) sold or leased for private redevelopment, or (b) sold, leased or dedicated for construction of public improvements or facilities. The City may determine that to meet the revitalization objectives of this Redevelopment Plan, other properties in the Redevelopment Project Area not scheduled for acquisition should be acquired, or certain property currently listed for acquisition should not be acquired. Acquisition of land for public rights-of-way will also be necessary for the portions of said rights-of-way that the City does not own (see Map 3).

As a necessary part of the redevelopment process, the City may hold and secure property which it has acquired and place it in temporary uses until such property is scheduled for disposition and redevelopment. Such uses may include, but are not limited to,

project office facilities, parking or other uses the City may deem appropriate.

2. Provision for Public Improvements and Facilities. Adequate public improvements and facilities will be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to:
 - a. Improvements to and/or removal of public rights-of-way necessary for development.
 - b. Provision of utilities necessary to serve the redevelopment.
 - c. Construction of new traffic signalization.
3. Provision for Site Improvements. Funds may be made available for improvements to properties for the purpose of making land suitable for development.
4. Provision for Interest Subsidy. Funds may be made available to privately held properties for the purpose of reducing interest costs for the purpose of redeveloping properties.
5. Redevelopment Agreements. Land assemblage shall be conducted for (a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Terms of conveyance shall be incorporated in appropriate disposition agreements which may contain more specific controls than those stated in the Redevelopment Plan.

In the event that the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements.

B. Redevelopment Plan.

The proposed Roosevelt-Homan Commercial/Residential Redevelopment Project Area for the purposes of planning and programming of improvements have been divided into two components. These components are commercial development and residential redevelopment and rehabilitation.

Commercial Development.

The primary commercial component of this plan encompasses an area bounded by South Kedzie Avenue on the east, West Homan Avenue on the west, South Roosevelt Road on the south, and West Fillmore Avenue on the north (see Map 3, Redevelopment Plan). The commercial redevelopment will require the City and a developer to enter into a redevelopment agreement upon approval by the City Council of Chicago. The redevelopment agreement will generally provide for the City to provide funding for necessary infrastructure and site improvements. The funds for said improvements are to come from the City's issuance of bonds to be repaid from the incremental increase in tax revenues to be generated from the entire Redevelopment Project Area. The developer will undertake the responsibility for the required infrastructure and site improvements, and will further be required to build a retail shopping center containing approximately 130,000 square feet on approximately a 15.5 acre site and the necessary support facilities such as parking and landscaping.

In addition, there may also be a planned in-fill mixed-use development along the north side of Roosevelt Road. The City may determine that assistance be provided for acquisition, site improvements or financing of this residential/commercial development.

The primary phase of the commercial development contemplated by this Plan will be completed within 24 months of the signing of a redevelopment agreement. The primary commercial component is expected to generate tax increments in excess of its needs for development. These additional dollars along with new taxes generated from the residential development will provide a basis for the residential component of the Plan as well as the secondary phase commercial development.

Residential Redevelopment/Rehabilitation.

The residential component of this plan encompasses the residential areas of the Project Area as defined by the proposed land use (see Map 3). This residential component of the Redevelopment Plan will be administered and coordinated by the City of Chicago Department of Housing. The residential program is part of a long term program to improve the housing conditions in the Lawndale Area. The residential component of the Redevelopment Plan includes the following four programs: (1) Neighborhood Home Improvement Program; (2) Low-Income Housing Tax Reactivation Program; (3) In-Fill Housing Program; and (4) Site Improvement Program.

Neighborhood Home Improvement Program.

This program provides low-interest fixed rate loans to owners of one to four unit properties, for all types of home improvements. The Department of Housing will commit to doing a minimum of 60 houses within 20 years. The maximum that can be borrowed is \$25,000 per property.

Low-Income Tax Reactivation Program.

This program will return tax-delinquent properties to the tax rolls and develop low-income housing by providing not-for-profit and for-profit developers the opportunity to acquire tax delinquent multi-unit (7 or more) properties through the no-cash bid procedure of the Cook County Scavenger Sale. The Department of Housing will commit to doing a minimum of 8 to 10 buildings over a 10-year period.

In-Fill Housing Program.

This program is intended to help revitalize the Redevelopment Area by reducing blight of under-utilized, long vacant lots, replacing them with new homes and landscaped yards. The Department of Housing will put together a special demonstration project for the Redevelopment Area.

The projected goals of the In-fill Housing Program are:

- (1) To build 40 to 50 single-family homes in the Redevelopment Area over a 10 to 15 year period. It is expected that these homes will sell for between \$55,000 and \$85,000 as adjusted for inflation over the time period.
- (2) To build 50 to 60 multi-family rental units in the Redevelopment Area over a 10 to 15 year period.

Perimeter Site Improvement Program.

The purpose of the Site Improvement Program is to provide improvements to the public rights-of-way which surround and support the redevelopment project.

On-site developments undertaken by the Department of Housing may include but not be limited to the construction or reconstruction of curbs, gutters, sidewalks, streets and alleys; the installation of landscaping to public parkways and plazas; and the installation or reconstruction of public and private utilities.

The Department of Housing will provide site improvements not to exceed \$500.00 per dwelling unit for each of the housing development programs.

The residential component of the plan will be completed within 20 years after the plan is adopted.

C. General Land Use Plan.

The Redevelopment Plan and the proposed projects described herein conform to the land uses and development policies for the City as a whole as currently provided by the Comprehensive Plan of Chicago (1966) and the companion Mid-West Development Area Report. Also, this plan is in conformity with the goals and objectives of the City of Chicago, Department of Urban Renewals' Revised Lawndale Conservation Plan of 1970.

The Redevelopment Plan also conforms with Mid-West Development Area Report in that it provides for the development of attractive business centers of modern design at major street intersections and it is in conjunction with other community improvement programs. Furthermore, the Plan intends to stimulate new investments in the area in order to make it more attractive to families. This would be done by assuring adequate resources for residential rehabilitation and by helping to make land available at suitable locations for new housing and for commercial, industrial and institutional development.

The retail shopping facilities in the North Lawndale Area follow the general citywide pattern of commercial frontage along major arterial streets. This pattern no longer meets the needs of most consumers. An objective of this plan is to provide resources necessary for the development of a new commercial center which is located on a concentrate site with ample parking, easy ingress and egress. The development of this type of shopping center will also provide increased employment opportunities and strengthen the tax base of the City.

The rehabilitation of deteriorated single-family housing, infrastructure and site preparation necessary to encourage residential development and in-fill housing development on vacant land are the key elements of the City of Chicago Department of Housing's plan for residential redevelopment. This strategy and its objectives conform to the past and proposed land use plans for this area of Chicago.

The proposed Land Use Plan (see Map 2) incorporates the proposed objectives, goals and proposed development for the Roosevelt-Homan Commercial/Residential Redevelopment Project Area.

D. Estimated Redevelopment Project Costs.

Redevelopment project costs means the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan and Redevelopment Project pursuant to the State of Illinois Tax Increment Allocation Redevelopment Act. Such costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan, including but not limited to staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected;
2. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of any buildings, and the clearing and grading of land;
3. Costs of the construction of public works or improvements;
4. Costs of job training and retraining projects;
5. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
6. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
7. Payment in lieu of taxes;

8. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;
9. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a. such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
 - b. such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - d. the total of such interest payments incurred pursuant to this Act may not exceed 30% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to this Act.

The estimated redevelopment project costs are shown in Table 1. To the extent that municipal obligations have been issued to pay for such redevelopment project costs included prior to, but in anticipation of, the adoption of tax increment financing, the City shall be reimbursed for such redevelopment project costs. The total redevelopment project costs provide

an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs). Within this limit, adjustments may be made in line items without amendments to this Redevelopment Plan.

E. Sources Of Funds To Pay Redevelopment Project Costs.

Funds necessary to pay for redevelopment project costs and municipal obligations which have been issued or incurred to pay for such costs are to be derived principally from tax increment revenues and proceeds from municipal obligations which have as their revenue source tax increment revenue. To secure the issuance of these obligations, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

The tax increment revenue which will be used to fund tax increment obligations and redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such property in the Redevelopment Project Area. Other sources of funds which may be used to pay for redevelopment costs and obligations issued or incurred, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate.

Issuance Of Obligations.

To finance redevelopment costs a municipality may issue obligations secured by the anticipated tax increment revenue generated within the T.I.F. redevelopment project area. In addition, a municipality may pledge towards payment of such obligations any part of any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) a mortgage on part or all of the redevelopment project; or (c) any other taxes or anticipated receipts that the municipality may lawfully pledge.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Redevelopment Project Area. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and

interest on all obligations issued by the City pursuant to the Redevelopment Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds as may be provided by ordinance. Obligations may be of a parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

Revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs, and, to the extent that real property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

Most Recent Equalized Assessed Valuation Of Properties In The Redevelopment Project Area.

The total 1988 equalized assessed valuation for the entire Redevelopment Project Area is \$3,618,369. This equalized assessed valuation is subject to final verification by Cook County. After verification, the County Clerk of Cook County, Illinois will certify the amount, and this amount will serve as the "Initial Equalized Assessed Valuation".

Anticipated Equalized Assessed Valuation.

By the year 2001, when it is estimated that all the anticipated private development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between \$8,500,000 and \$11,000,000. By the year 1994, when the primary phase of the commercial and the initial residential development is complete, the equalized assessed value of real property within the Redevelopment Project Area is estimated at between \$6,000,000 and \$8,000,000. These estimates are based on several key assumptions including: 1) primary phase of the commercial development will be completed in 1992; 2) residential and secondary phase of the commercial development will occur in a timely manner; 3) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Project and Plan; 4) the most recent State Multiplier of 1.9133 as applied to 1989 assessed values will remain unchanged; and 5) for the duration of the project the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1989 level.

Phasing And Scheduling Of Redevelopment Plan.

A phased implementation strategy will be utilized to achieve a timely and orderly redevelopment of the project area.

It is anticipated that City expenditures for redevelopment will be carefully staged on a reasonable and proportional basis to coincide with expenditures in rehabilitation and/or redevelopment by private developers.

The public and private improvements to be undertaken in the Redevelopment Project Area are anticipated to be completed in the tenth year. Table 1, the Estimated Redevelopment Project Costs (see page 43), illustrates the public improvements to be undertaken as part of the Redevelopment Project.

Provision For Amending Action Plan.

This Roosevelt-Homan Commercial/Residential Redevelopment Project Area Tax Increment Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

Affirmative Action Plan.

The City is committed to and will affirmatively implement the following principles with respect to the Roosevelt-Homan Commercial/Residential Redevelopment Project Area:

- A. The assurance of equal opportunity in all personnel and employment actions with respect to the Plan and Project, including but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.
- B. This commitment to affirmative action will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

In order to implement these principles for this Plan and Project, the City shall require that all parties contracting with the City on the Project meet City goals for Minority Business Enterprises, Women's Business Enterprises, Affirmative Action and First Source Hiring.

Legal Description.

A tract of land in the east half and the west half of the southeast quarter of Section 14 and the west half of the southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principal Meridian, described as follows:

beginning at the southwest corner of said west half of the southeast quarter of Section 14; thence north 696.5 feet along the west line of said southeast quarter to the north line of Fillmore Street as dedicated; thence east 2,560 feet along the north line of Fillmore Street to the west line of Kedzie Avenue; thence north 138.96 feet to the south right-of-way line of the B. & O. C. T. Railroad, also being the north line of the east-west alley in Block 6 of the subdivision of Block 6 of Pipers Subdivision; thence east 690 feet along the south right-of-way line of the B. & O. C. T. Railroad to the center line of Albany Avenue in said Pipers Subdivision; thence south along last said center line to the center line of Roosevelt Road, being the south line of Section 13; thence west along last said center line, being the south line of Section 13 and the south line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.

[Maps 1, 2 and 3 attached to this Redevelopment Plan printed on pages 26419 through 26421 of this Journal.]

Tables 1 and 2 attached to this Redevelopment Plan read as follows:

Tables.

Table 1

Estimated Redevelopment Project Costs.

Program Action/Improvements.

Commercial Area:

Infrastructure Improvements	\$ 700,000
Site Improvements	800,000
Planning, legal, studies, et cetera	200,000
Contingencies	150,000

Residential Area:

Infrastructure Improvements	\$ 100,000
Financing assistance -- interest rate subsidy	200,000
Acquisition	100,000
Planning, legal studies, et cetera	100,000
Contingencies	50,000
Total Costs*	\$2,500,000

Table 2

1988 Equalized Assessed Valuation.

Permanent Index No.	1988 E.A.V.
16-13-320-002	\$ 9,147

* Exclusive of capitalized interest, issuance costs and other financing costs.

Permanent Index No.

1988 E.A.V.

16-13-320-003		\$ 1,017
16-13-320-004		1,017
16-13-320-005		1,017
16-13-320-006	EX	
16-13-320-007	EX	
16-13-320-008		2,874
16-13-320-009		1,994
16-13-320-010		8,171
16-13-320-011		17,713
16-13-320-012		10,612
16-13-320-013		1,017
16-13-320-014		1,017
16-13-320-015	EX	
16-13-320-016		1,025
16-13-324-001		64,460
16-13-324-002		18,181
16-13-324-003		42,221
16-13-324-004		12,209
16-13-324-005		1,007
16-13-324-006		1,077
16-13-324-007	EX	
16-13-324-008		1,077
16-13-324-009		1,077
16-13-324-010	EX	

Permanent Index No.	1988 E.A.V.
16-13-324-011	\$ 1,077
16-13-324-012	1,422
16-13-324-013	34,211
16-13-324-014	17,472
16-13-324-015	9,560
16-13-324-016	9,560
16-13-324-017	9,560
16-13-324-018	29,860
16-13-324-019	8,677
16-13-324-020	1,077
16-13-324-021	1,077
16-13-324-022	EX
16-13-324-023	1,077
16-13-324-024	1,077
16-13-324-025	1,077
16-13-324-026	1,077
16-13-324-027	1,077
16-13-324-028	1,077
16-13-324-030	184,351
16-13-324-031	177,619
16-13-324-032	177,619
16-13-324-033	278,097
16-13-324-034	181,665
16-13-324-035	9,211
16-13-324-036	1,056

Permanent Index No.	1988 E.A.V.
16-13-324-037	\$ 2,454
16-13-325-002	3,963
16-13-325-003	6,864
16-13-325-004	6,209
16-13-325-005	5,772
16-13-325-006	10,756
16-13-325-007	2,828
16-13-325-008	4,685
16-13-325-009	2,056
16-13-325-010	10,756
16-13-325-011	1,060
16-13-325-012	2,545
16-13-325-013	2,549
16-13-325-014	3,048
16-13-325-015	771
16-13-325-016	2,873
16-13-325-017	3,672
16-13-325-018	778
16-13-325-019	919
16-13-325-020	938
16-13-325-021	959
16-13-325-022	7,580

Permanent Index No.		1988 E.A.V.
16-13-325-023	EX	
16-13-325-024		\$ 1,060
16-13-325-025		4,290
16-13-325-026		3,445
16-13-325-027	EX	
16-13-325-028		2,262
16-13-325-029	EX	
16-13-325-030		10,103
16-13-325-031		3,732
16-13-325-032		7,109
16-13-325-033		1,060
16-13-325-034	EX	
16-13-325-035	EX	
16-13-325-036		15,927
16-13-325-037		2,649
16-13-325-038		13,636
16-13-325-039	EX	
16-13-325-040	EX	
16-13-325-041		6,857
16-13-325-042		7,496
16-13-325-043	EX	
16-13-325-044		10,419
16-13-325-045		18,522

Permanent Index No.

1988 E.A.V.

16-13-325-046		\$13,024
16-13-325-047		2,454
16-14-422-001		5,456
16-14-422-002		3,707
16-14-422-003		5,784
16-14-422-004		5,909
16-14-422-005		5,909
16-14-422-006		1,676
16-14-422-007		5,445
16-14-422-008		1,090
16-14-422-009	EX	
16-14-422-010		1,090
16-14-422-011		39,594
16-14-422-012		4,188
16-14-422-013		47,288
16-14-422-014		6,067
16-14-422-015		1,029
16-14-422-016		11,041
16-14-422-017		15,151
16-14-422-018	EX	
16-14-422-019		1,543
16-14-422-020		42,740

Permanent Index No.	1988 E.A.V.
16-14-422-021 EX	
16-14-422-022	\$13,305
16-14-422-023	857
16-14-422-024	4,676
16-14-422-025	17,280
16-14-422-026	2,719
16-14-422-027 EX	
16-14-423-001	14,494
16-14-423-002	2,414
16-14-423-003	9,594
16-14-423-004	2,746
16-14-423-005	3,682
16-14-423-006	2,942
16-14-423-007	2,165
16-14-423-008	13,035
16-14-423-009	2,049
16-14-423-010 EX	
16-14-423-011 EX	
16-14-423-012	5,002
16-14-423-013	5,053
16-14-423-014	5,525
16-14-423-015	4,341
16-14-423-016	10,263

Permanent Index No.

1988 E.A.V.

16-14-423-017		\$ 2,182
16-14-423-018		3,527
16-14-423-019		1,868
16-14-423-020		26,055
16-14-423-021		678
16-14-423-022		6,753
16-14-423-023		1,857
16-14-423-024		1,414
16-14-423-025		2,061
16-14-423-026		3,888
16-14-423-027		3,333
16-14-423-028		56,866
16-14-424-042		4,239
16-14-424-045		2,243
16-14-424-046	EX	
16-14-424-047		35,814
16-14-424-048		370,871
16-14-424-049		717
16-14-425-001		7,248
16-14-425-014		1,175
16-14-425-015		1,175
16-14-425-016		1,169
16-14-425-017		2,898

Permanent Index No.	1988 E.A.V.
16-14-425-018	\$2,173
16-14-425-019	1,811
16-14-425-020	1,811
16-14-425-021	1,811
16-14-425-022	3,624
16-14-425-023	1,462
16-14-425-024	1,811
16-14-425-025	1,811
16-14-425-026	1,811
16-14-425-027	1,462
16-14-425-028	1,811
16-14-425-029	1,811
16-14-425-030	1,811
16-14-425-031	1,811
16-14-425-032	1,811
16-14-425-033	2,391
16-14-425-034	8,090
16-14-425-035	28,344
16-14-425-036	16,392
16-14-426-001	60,110
16-14-426-002	1,516
16-14-426-003	4,978

Permanent Index No.

1988 E.A.V.

16-14-426-004	EX	
16-14-426-005		\$4,054
16-14-426-006	EX	
16-14-426-007		5,233
16-14-426-008		6,209
16-14-426-009		6,105
16-14-426-010		1,184
16-14-426-011		848
16-14-426-012		6,556
16-14-426-013		116
16-14-426-014		5,352
16-14-426-015		5,439
16-14-426-016		6,258
16-14-426-017	EX	
16-14-426-018		838
16-14-426-019		3,356
16-14-426-020		10,390
16-14-426-021		25,113
16-14-426-022		6,275
16-14-426-023		9,764
16-14-426-024		2,913
16-14-426-025	EX	
16-14-426-026		33,376

Permanent Index No.	1988 E.A.V.
16-14-426-027	\$ 2,649
16-14-426-028	17,183
16-14-426-029 EX	
16-14-426-030 EX	
16-14-426-031	15,099
16-14-427-001	1,667
16-14-427-002	2,911
16-14-427-003	3,978
16-14-427-004	10,300
16-14-427-005 EX	
16-14-427-006	6,134
16-14-427-007	3,183
16-14-427-008	3,680
16-14-427-009	1,906
16-14-427-010	116
16-14-427-011	3,713
16-14-427-012	848
16-14-427-013	116
16-14-427-014	2,717
16-14-427-015	4,287
16-14-427-016	4,857
16-14-427-017	26,098
16-14-427-018	15,667

Permanent Index No.	1988 E.A.V.
16-14-427-019	\$ 5,262
16-14-427-020	5,285
16-14-427-021	2,119
16-14-427-022	4,994
16-14-427-023	2,649
16-14-427-024	2,649
16-14-427-025	39,312
16-14-427-026	5,298
16-14-427-027	2,649
16-14-427-028 EX	
16-14-427-029	63,015
16-14-427-030	2,649
16-14-427-031	16,139
16-14-427-032	2,939
16-14-427-033	17,106
16-14-427-034	26,306
16-14-427-035	30,350
16-14-427-036	11,072
16-14-427-037	21,884
16-14-427-038	18,992
16-14-427-039	62,776
16-14-428-001	6,088

Permanent Index No.	1988 E.A.V.
16-14-428-002	\$1,408
16-14-428-003	1,859
16-14-428-004	2,225
16-14-428-005	1,759
16-14-428-006	1,759
16-14-428-007	1,759
16-14-428-008	1,759
16-14-428-009	1,759
16-14-428-010	1,759
16-14-428-011	1,759
16-14-428-012	1,408
16-14-428-013	1,759
16-14-428-014	1,759
16-14-428-015	1,759
16-14-428-016	1,759
16-14-428-017	1,759
16-14-428-018	1,759
16-14-428-019	1,759
16-14-428-020	3,200
16-14-428-021	6,082
16-14-428-022	6,082
16-14-428-023	3,040

Permanent Index No.

1988 E.A.V.

16-14-428-024	\$ 2,607
16-14-428-025	3,485
16-14-428-026	2,695
16-14-428-027	2,695
16-14-428-028	2,695
16-14-428-029	2,695
16-14-428-030	2,695
16-14-428-031	18,983
16-14-428-032	13,026
16-14-428-033	2,695
16-14-428-034	5,393
16-14-428-035	2,695
16-14-428-036	2,695
16-14-428-037	2,695
16-14-428-038	2,695
16-14-428-039	EX
16-14-429-001	2,250
16-14-429-002	1,759
16-14-429-003	1,759
16-14-429-004	2,638
16-14-429-005	2,638
16-14-429-006	1,759
16-14-429-007	1,759

Permanent Index No.	1988 E.A.V.
16-14-429-008	\$1,759
16-14-429-009	1,759
16-14-429-010	1,759
16-14-429-011	1,759
16-14-429-012	1,759
16-14-429-013	1,759
16-14-429-014	1,759
16-14-429-015	1,759
16-14-429-016	1,759
16-14-429-017	2,322
16-14-429-018	8,758
16-14-429-019	3,774
16-14-429-020	3,774
16-14-429-021	3,774
16-14-429-022	4,982
16-14-429-023	12,296
16-14-429-024	3,235
16-14-429-025	3,235
16-14-429-026	6,471
16-14-429-027	3,235
16-14-429-028	3,235
16-14-429-029	3,235
16-14-429-030	3,235

Permanent Index No.	1988 E.A.V.
16-14-429-031	\$ 3,235
16-14-429-032	3,235
16-14-429-033	3,235
16-14-429-034	3,235
16-14-429-035	7,550
16-14-429-036	3,774
16-14-429-037	4,258
16-14-429-038	196,442
TOTAL:	\$3,618,369

DESIGNATION OF ROOSEVELT-HOMAN AREA AS
REDEVELOPMENT PROJECT AREA PURSUANT
TO TAX INCREMENT ALLOCATION
REDEVELOPMENT ACT.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

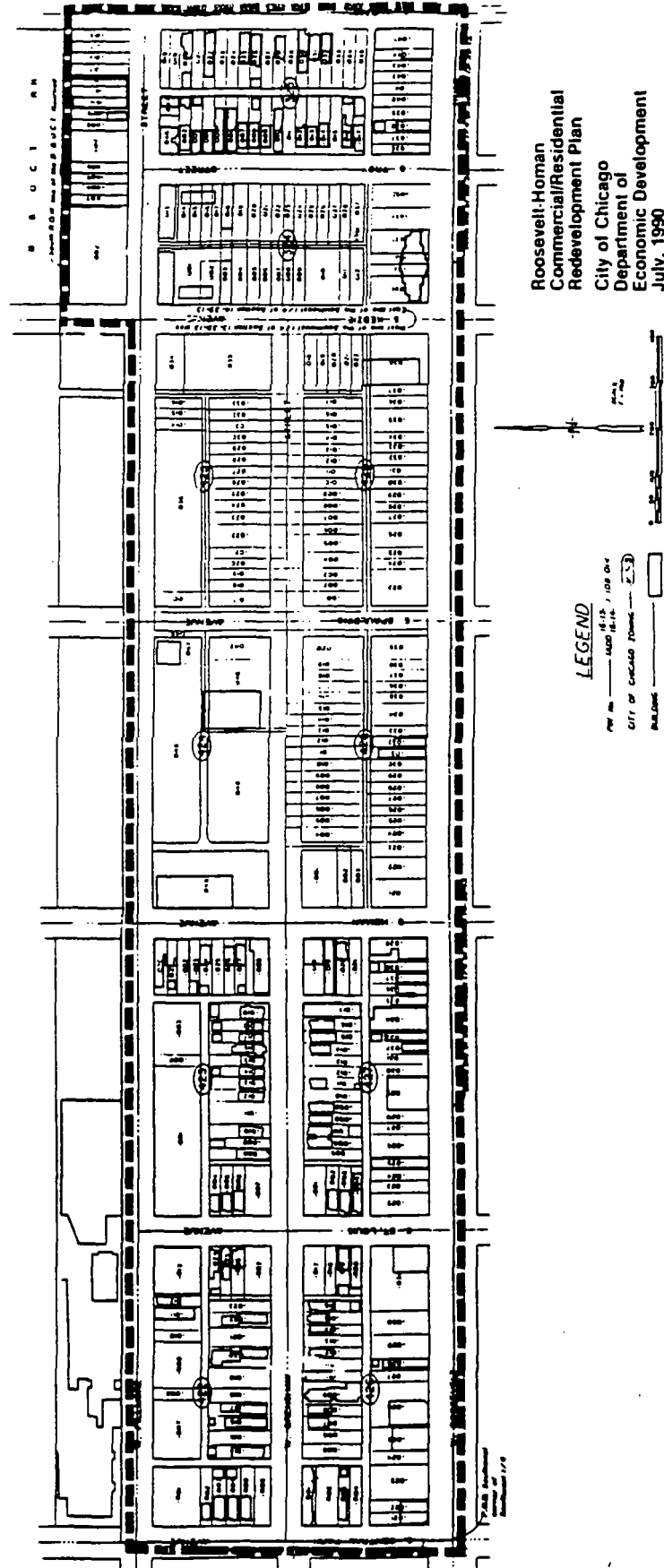
To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance concerning the authority to designate the Roosevelt-Homan Area as a Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

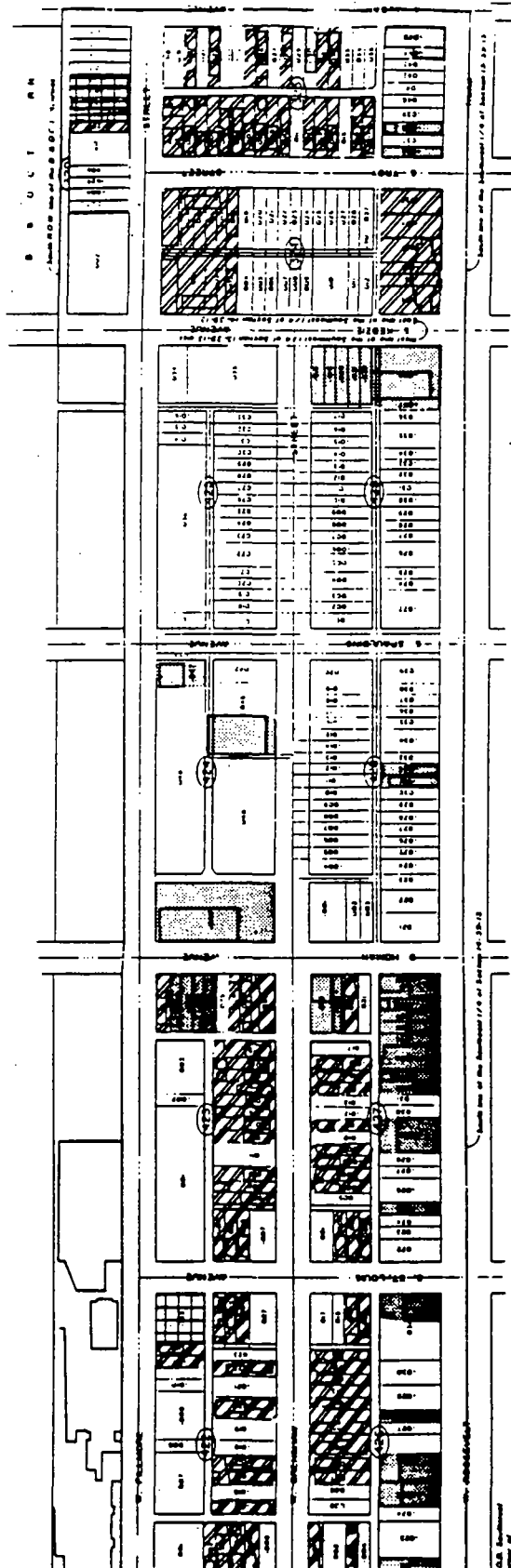
(Continued on page 26423)

Map 1 to Redevelopment Plan.

Project Boundaries.



Map 2 to Redevelopment Plan.
Existing Land Use.



Roosevelt-Homan
Commercial/Residential
Redevelopment Plan
City of Chicago
Department of
Economic Development
July, 1990

Prepared by Louik/Schneider
& Associates, Inc.

LEGEND

For the
CITY OF CHICAGO
JULY 1990

- Commercial
- Residential
- Vacant/Under Utilized Land
- Industrial

Map 3 to Redevelopment Plan.
Redevelopment Plan/Proposed Land Use.

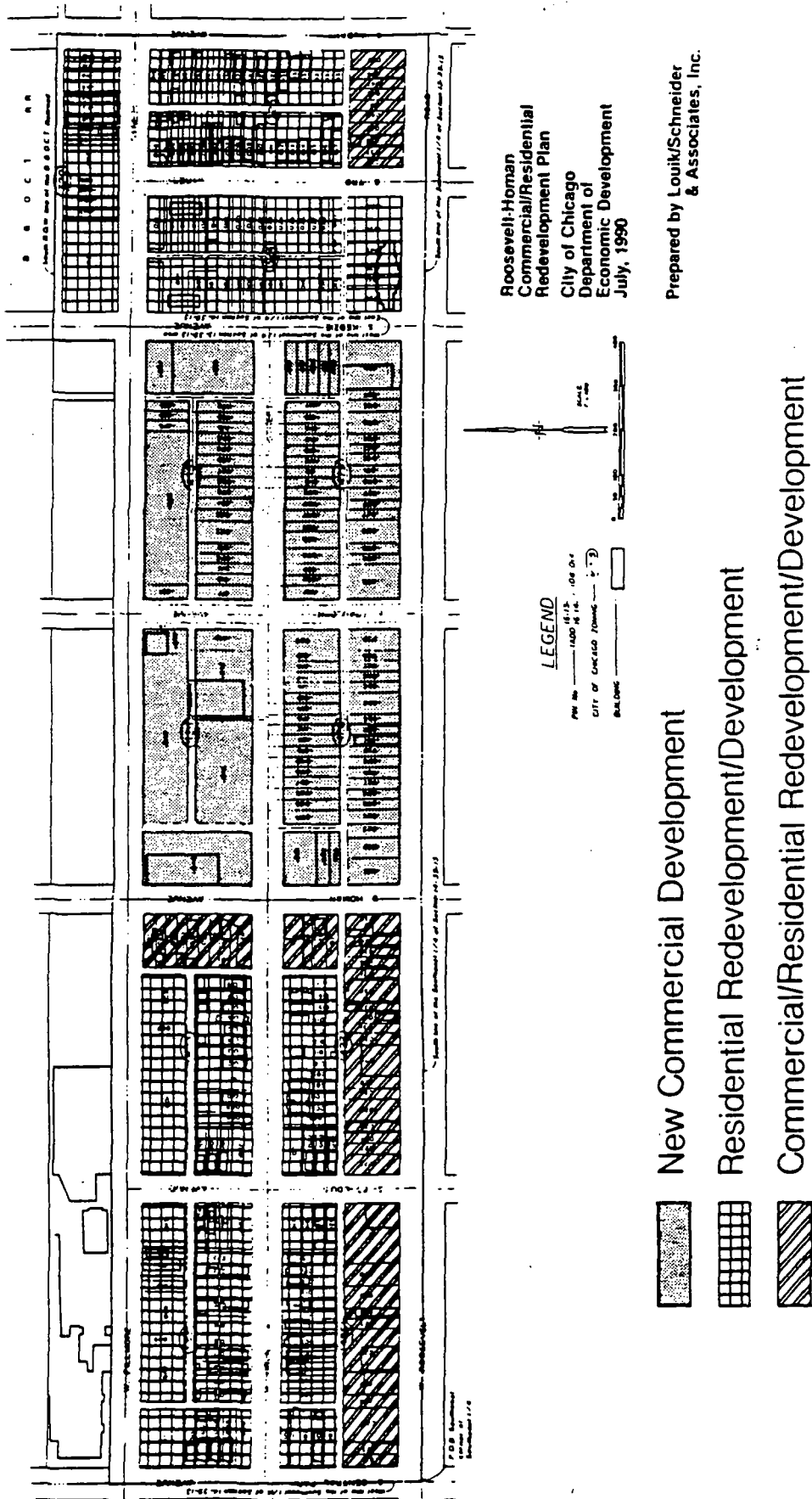
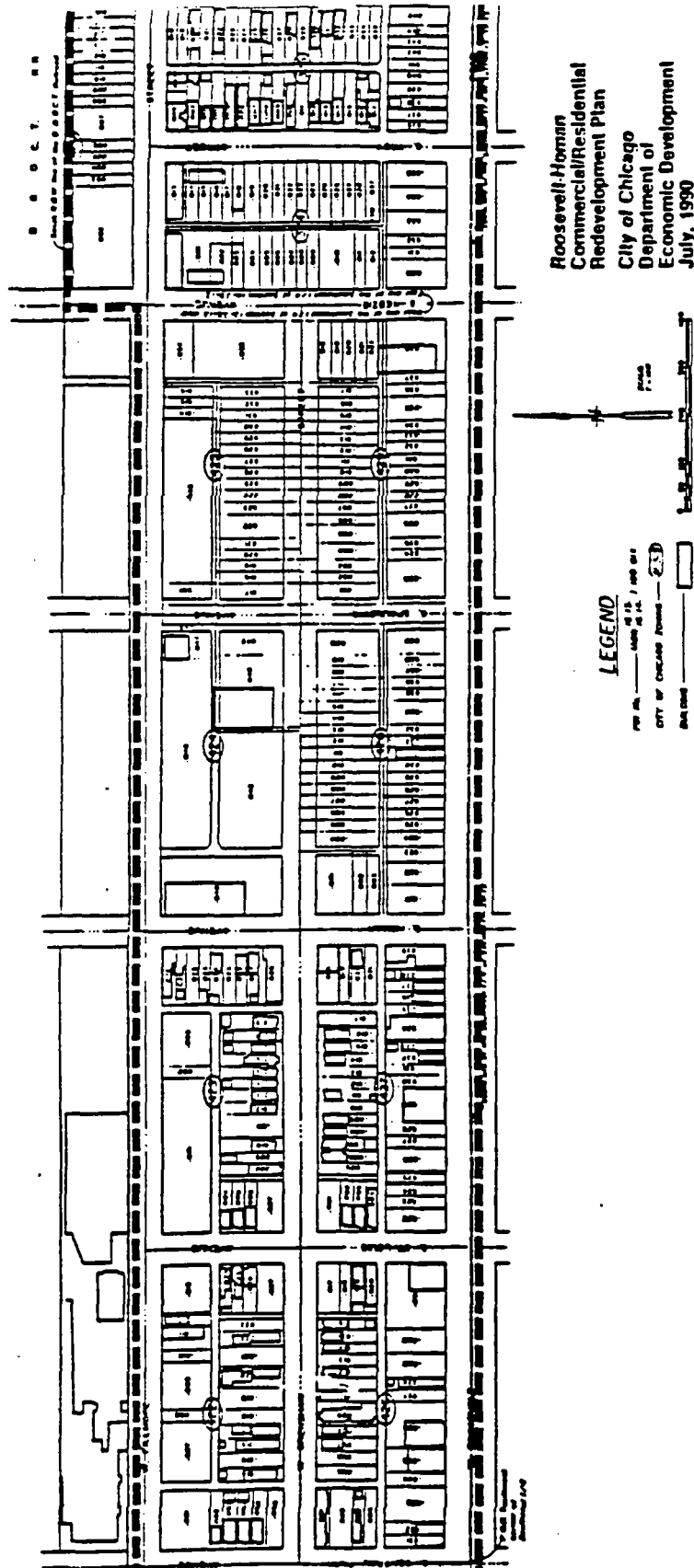


EXHIBIT C

Project Boundaries

----- Project Boundary

(Continued from page 26418)

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Bloom moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interests of the citizens of the City of Chicago, Illinois (the "Municipality"), for the Municipality to implement tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code, as amended (the "Act"), for a proposed redevelopment plan and redevelopment project (the "Plan" and "Project") within the municipal boundaries of the Municipality and within a proposed redevelopment project area (the "Area") described in Section 1 of this ordinance; and

WHEREAS, The Corporate Authorities have heretofore by ordinance adopted and approved the Plan and Project, which Plan and Project were identified in such ordinance and were the subject, along with the Area designation hereinafter made, of a public hearing held on October 16, 1990 and it is now necessary and desirable to designate the Area as a redevelopment project area pursuant to the Act; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Area Designated. The Area, as described in Exhibit A attached hereto and incorporated herein as if set out in full by this reference, is hereby designated as a redevelopment project area pursuant to Section 11-74.4-4 of the Act. The street location (as near as practicable) for the Area is described in Exhibit B attached hereto and incorporated herein as if set out in full by this reference. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein as if set out in full by this reference.

SECTION 2. Invalidity of Any Section. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability shall not affect any of the remaining provisions of this ordinance.

SECTION 3. Superseder and Effective Date. All ordinances, resolutions, motions or orders in conflict herewith be, and the same hereby are, repealed to the extent of such conflict and this ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and approval as provided by law.

[Exhibit "C" attached to this ordinance printed on page
26426 of this Journal.]

Exhibits "A" and "B" attached to this ordinance read as follows:

Exhibit "A".

Legal Description.

A tract of land in the east half and the west half of the southeast quarter of Section 14 and the west half of the southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principal Meridian, described as follows:

beginning at the southwest corner of said west half of the southeast quarter of Section 14; thence north 696.5 feet along the west line of said

southeast quarter to the north line of West Fillmore Street as dedicated; thence east 2,560 feet along the north line of West Fillmore Street to the west line of South Kedzie Avenue; thence north 138.96 feet to the south right-of-way line of the B. & O.C.T. Railroad, also being the north line of the east-west alley in Block 6 of the subdivision of Block 6 of Pipers Subdivision; thence east 690 feet along the south right-of-way line of the B. & O.C.T. Railroad to the center line of South Albany Avenue in said Pipers Subdivision; thence south along last said center line to the center line of West Roosevelt Road, being the south line of Section 13; thence west along last said center line, being the south line of Section 13 and the south line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.

Exhibit "B".

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is located on the west side of the City of Chicago and is generally described as beginning at the southeast corner of West Roosevelt Road and South Central Park Avenue, then proceeding east on West Roosevelt Road to South Albany Avenue, then proceeding north to the B. & O.C.T. Railroad tracks, then west to South Kedzie Avenue to West Fillmore Avenue, then west on West Fillmore Avenue to South Central Park Avenue, then south to the beginning point.

ADOPTION OF TAX INCREMENT FINANCING FOR
ROOSEVELT-HOMAN REDEVELOPMENT
PROJECT AREA.

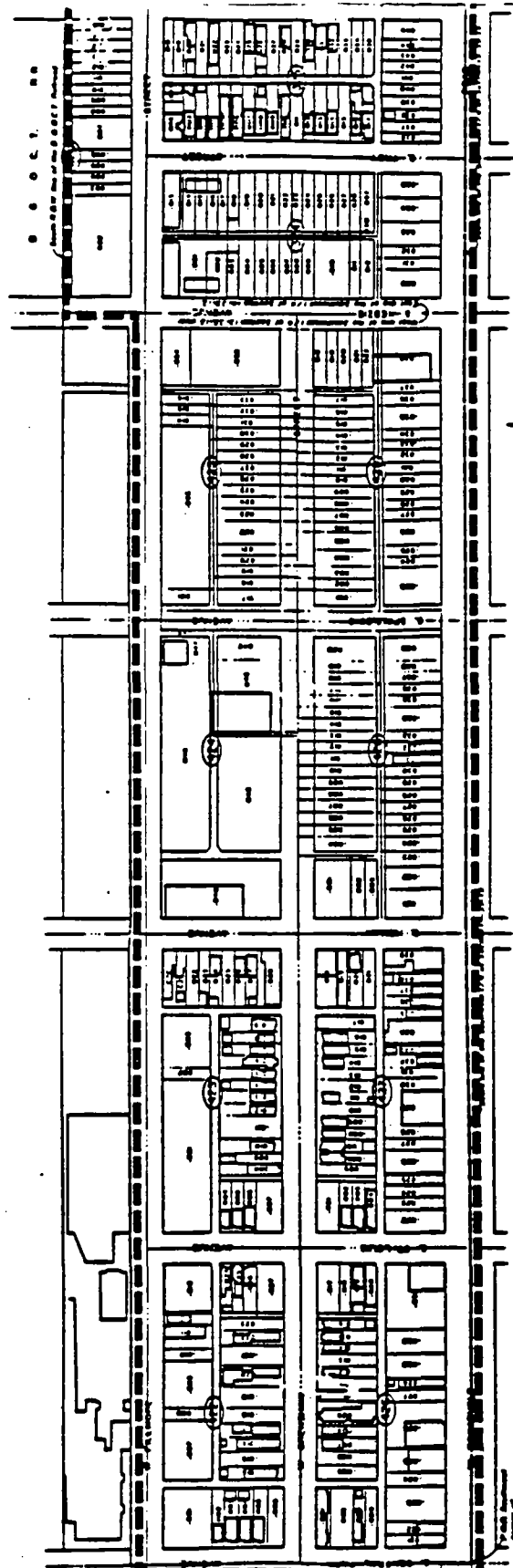
The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

(Continued on page 26427)

EXHIBIT C

Project Boundries**LEGEND**

FOR ALL — 1/8" = 1' 00" DIA.
 CITY OF CHICAGO — 2.50
 SCALE

Roosevelt-Homan
 Commercial/Residential
 Redevelopment Plan
 City of Chicago
 Department of
 Economic Development
 July, 1990

Prepared by Loulli/Schneider
 & Associates, Inc.

----- Project Boundry

(Continued from page 26425)

Your Committee on Finance, having had under consideration an ordinance concerning the authority to adopt tax increment financing for the Roosevelt-Homan Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Bloom moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interests of the citizens of the City of Chicago, Illinois (the "Municipality"), for the Municipality to adopt tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article II of the Illinois Municipal Code, as amended (the "Act"); and

WHEREAS, The Municipality has heretofore adopted by ordinance a redevelopment plan (the "Plan") and redevelopment project (the "Project") as required by the Act, and has heretofore designated by ordinance a

redevelopment project area (the "Area") as required by the Act, and has otherwise complied with all other conditions precedent required by the Act; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Tax Increment Financing Adopted. Tax Increment allocation financing is hereby adopted to pay redevelopment project costs as defined by the Act and as set forth in the Plan and the Project within the Area as described in Exhibit A attached hereto and incorporated herein as if set out in full by this reference. The street location (as near as practicable) for the Area is described in Exhibit B attached hereto and incorporated herein as if set out in full by this reference. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein as if set out in full by this reference.

SECTION 2. Allocation of Ad Valorem Taxes. Pursuant to the Act, the ad valorem taxes, if any, arising from the levies upon taxable real property in the Area by taxing districts and tax rates determined in the manner provided in Section 11-74.4-9(c) of the Act each year the effective date of this ordinance until the Project costs and obligations issued in respect thereto have been paid, shall be divided as follows:

- a. That portion of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the lower of the current equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the Area shall be allocated to, and when collected, shall be paid by the county collector to respective affected taxing districts in the manner required by law, in the absence of the adoption of tax increment allocation financing.
- b. That portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each lot, block, tract or parcel of real property in the Area over and above the initial equalized assessed value of each property in the Area shall be allocated to, and when collected shall be paid to the municipal treasurer who shall deposit said taxes into a special fund, hereby created, and designated the "1990 Roosevelt-Homan Redevelopment Project Area Special Tax Allocation Fund" of the Municipality and such taxes be used for the purpose of paying Project costs and obligations incurred in the payment thereof.

SECTION 3. Invalidity of Any Section. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for

any reason, the invalidity or unenforceability shall not affect any of the remaining provisions of this ordinance.

SECTION 4. Superseder and Effective Date. All ordinances, resolutions, motions or orders in conflict herewith be, and the same hereby are, repealed to the extent of such conflict and this ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and approval as provided by law.

[Exhibit "C" attached to this ordinance printed on
page 26431 of this Journal.]

Exhibits "A" and "B" attached to this ordinance read as follows:

Exhibit "A".

Legal Description.

A tract of land in the east half and the west half of the southeast quarter of Section 14 and the west half of the southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principal Meridian, described as follows:

beginning at the southwest corner of said west half of the southeast quarter of Section 14; thence north 696.5 feet along the west line of said southeast quarter to the north line of Fillmore Street as dedicated; thence east 2,560 feet along the north line of Fillmore Street to the west line of Kedzie Avenue; thence north 138.96 feet to the south right-of-way line of the B. & O. C. T. Railroad, also being the north line of the east-west alley in Block 6 of the subdivision of Block 6 of Pipers Subdivision; thence east 690 feet along the south right-of-way line of the B. & O. C. T. Railroad to the center line of Albany Avenue in said Pipers Subdivision; thence south along last said center line to the center line of Roosevelt Road, being the south line of Section 13; thence west along last said center line, being the south line of Section 13 and the south line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.

Exhibit "B".

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is located on the west side of the City of Chicago and is generally described as beginning at the southeast corner of West Roosevelt Road and South Central Park Avenue, then proceeding east on West Roosevelt Road to South Albany Avenue, then proceeding north to the B. & O. C. T. Railroad tracks, then west to South Kedzie Avenue to West Fillmore Avenue, then west on West Fillmore Avenue to South Central Park, then south to the beginning point.

AMENDMENT OF LOAN AGREEMENT WITH AFRICAN
VILLAGE LIMITED PARTNERSHIP FOR
REHABILITATION OF PROPERTIES
AT 400, 418 AND 500 SOUTH
LARAMIE AVENUE.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance concerning the authority to amend the terms of a loan agreement between the City of Chicago and the African Village Limited Partnership for the rehabilitation of the properties located at 400, 418 and 500 South Laramie Avenue, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

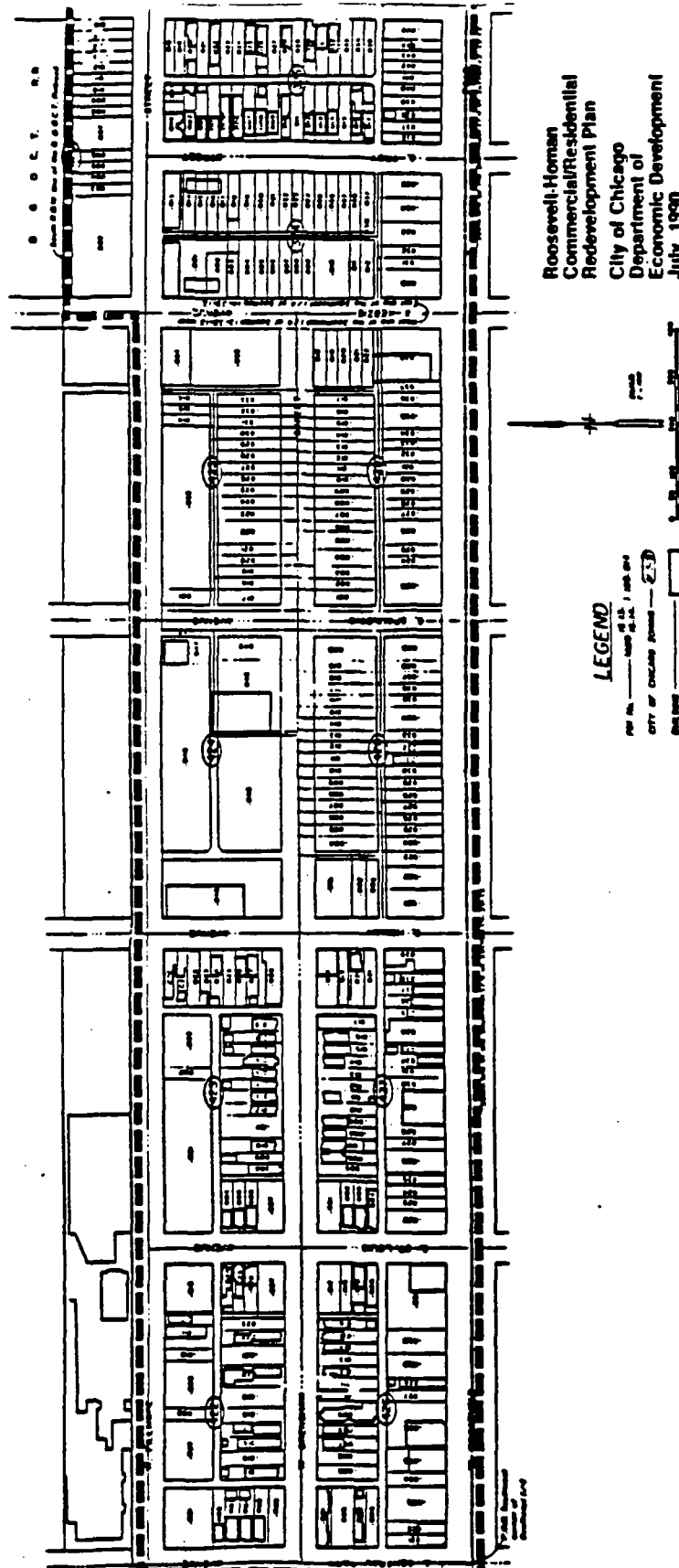
Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

(Continued on page 26432)

EXHIBIT C

Project Boundaries



Project Boundry

**Roosevelt-Homan
Commercial/Residential
Redevelopment Plan**

**City of Chicago
Department of
Economic Development
July, 1990**

**Prepared by Loulit/Schneider
& Associates, Inc.**

(Continued from page 26430)

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City Council of the City of Chicago (the "City Council") has previously authorized a Multi-Unit Rehabilitation Assistance Program ("Multi-Program") loan to African Village Partnership, an Illinois limited partnership, as partial financing for the rehabilitation of properties located at 400, 418 and 500 South Laramie Avenue, by ordinance enacted on June 27, 1990 and published at pages 17115 -- 17118 of the Journal of the Proceedings of the City Council of said date, and amended by an ordinance enacted on July 31, 1990 and published at page 19128 of the Journal of the Proceedings of the City Council of said date, and by an ordinance enacted on October 31, 1990 and published at page 22069 of the Journal of the Proceedings of the City Council of said date (the "Prior Ordinances"); and

WHEREAS, The terms of repayment erroneously stated monthly repayments instead of annual repayments; and

WHEREAS, It is also necessary to make a modification of the private funding and total project costs; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The repayment and rate language in the "City Loan" section of Exhibit A of the Prior Ordinances is hereby amended by deleting the following language in brackets:

[Years 1 -- 4, 48 consecutive monthly payments of \$28,000 representing interest only -- Interest rate: 1%.

Year 5 -- 30, 312 consecutive monthly payments of principal and interest based on a 30-year amortization in the amount of \$53,333 per month, with a final balloon payment of all outstanding principal and interest due, on the 312th month -- Interest rate: 3%; and

Repayment shall be by monthly payments of principal and interest as specified above. Payments will begin at the earlier of full disbursement of the City Loan or 10 months after the City Loan closing ("Payment Date") and continue until the end of the Term. Principal and Interest shall accrue from the Payment Date.]

substituting in its place the following language in italics:

Interest rate: 3%

Repayment: Years 1 -- 4, annual payments of \$28,000 representing principal and interest based on an interest rate of 1% for Years 1 -- 4 (deferring the additional 2% which will be capitalized and added to the principal of the loan).

Years 5 -- 30, annual payments of \$53,333 representing principal and interest based on a 30-year amortization, with a final balloon payment of all outstanding principal and accrued interest due at the end of Year 30.

Repayment shall be by annual payments of principal and interest as specified above. First payment will begin 12 months following the earlier of (a) full disbursement of the City Loan or (b) 10 months after the City Loan closing ("Payment Date") and continue until the end of the term. Principal and interest shall accrue from the Payment Date.

SECTION 2. The dollar amount for the Equity Bridge Loan is hereby amended as follows:

delete: \$982,536

substitute: \$999,401

SECTION 3. The dollar amount for Partnership Equity is hereby amended as follows:

delete: \$1,435,646

substitute: \$1,440,518

SECTION 4. The dollar amount for Total Project Costs is hereby amended as follows:

delete: \$4,710,646

substitute: \$4,715,618

SECTION 5. Unless indicated to the contrary herein, all other provisions of the Prior Ordinances shall remain in full force and effect.

SECTION 6. This ordinance shall be in full force and effect from and after its date of passage.

AUTHORIZATION FOR CORPORATION COUNSEL TO
ENTER INTO SETTLEMENT AGREEMENT REGARDING
*VIOLET BRUSZER, ADMINISTRATOR OF
THE ESTATE OF LESTER D. BRUSZER,
DECEASED V. CITY OF CHICAGO.*

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having under consideration an order authorizing the Corporation Counsel to enter into and execute a settlement order in the following case: *Violet Bruszer, Administrator of the Estate of Lester D. Bruszer, deceased v. City of Chicago*, 89 C 7526 in the amount of \$225,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Violet Bruszer, Administrator of the Estate of Lester D. Bruszer, deceased v. City of Chicago*, 89 C 7526 in the amount of \$225,000.00.

SUBMISSION OF GRANT APPLICATION TO ILLINOIS
DEPARTMENT OF COMMERCE AND COMMUNITY
AFFAIRS BUREAU OF TOURISM FOR
PROMOTIONAL MATERIALS FOR
VARIOUS FESTIVALS AND
SPECIAL EVENTS.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a communication recommending a proposed ordinance concerning the authority to submit a grant application to the Illinois Department of Commerce and Community Affairs Bureau of Tourism for brochures promoting the City, in an amount of \$149,220, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The Illinois Department of Commerce and Community Affairs Bureau of Tourism ("D.C.C.A.") makes grants available to cities to focus on the development and increase of tourism which will improve the overall economy of cities; and

WHEREAS, To develop and improve tourism in the City of Chicago ("City") the Mayor's Office of Special Events (the "Department"), proposes to increase the exposure of the City's upcoming Gospel, Blues, Neighborhood, Taste of Chicago, Jazz and Viva festivals and events ("Special Events"); and

WHEREAS, To accomplish this goal, the Department seeks to design and print brochures and posters and produce radio commercials to promote attendance and tourism for these Special Events (the "Project"); and

WHEREAS, To support the Project, the City is requesting grant assistance from D.C.C.A., in an amount not to exceed \$149,220; and

WHEREAS, The City will provide a local cash match in an amount not to exceed \$248,700 from the Municipal Hotel Operators Occupation Tax (the "Matching Share"); now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals, including the legislative findings, are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Mayor or the Director of the Department (the "Director") is authorized to execute and file an application with D.C.C.A. for funds in an amount not to exceed \$149,220 (the "Grant").

SECTION 3. The Mayor or the Director is further authorized to act in connection with such application, to sign and submit such assurances and certifications as are necessary in connection therewith and to provide such additional information as may be necessary, including without limitation, any representation required by D.C.C.A.

SECTION 4. The Director is authorized to execute award agreements for the Grant, to furnish such additional information and to sign and submit such assurances or other documents, including without limitation, technical amendments that do not increase the total budget for the Project, as may be required in connection with award agreements for the Grant.

SECTION 5. All Grant funds as may be awarded as a result of such application, together with the Matching Share, are hereby appropriated and authorized to, and shall be, expended for the Project.

SECTION 6. The Comptroller is authorized to disburse Grant funds in accordance with the Project.

SECTION 7. The Director is authorized to carry out the Project in accordance with federal, state and local requirements.

SECTION 8. The Mayor, the Comptroller and the Purchasing Agent, as the case may be, are authorized to execute, and the City Clerk to attest, subject to the review of the Corporation Counsel, agreements and amendments thereto pertaining to the Project, all in accordance with applicable federal, state and local requirements.

SECTION 9. This ordinance shall be in full force and effect on and from the date of its passage.

EXECUTION OF CITY/STATE PROJECT AGREEMENT
FOR EMERGENCY REPAIRS TO ROOSEVELT
ROAD VIADUCT.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance concerning the authority to enter into and execute a City/State Project Agreement for emergency repairs on the Roosevelt Road Viaduct, in the amount of \$340,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Mayor is authorized to execute, the City Clerk to attest to and the Commissioner of Public Works to approve, subject to the review of the Corporation Counsel as to form and legality, a project agreement with the State of Illinois providing for the improvement of the Roosevelt Road Viaduct from Wabash Avenue to the bridge over the South Branch of the Chicago River, said agreement to be substantially in the following form:

[City/State Project Agreement immediately follows
Section 3 of this ordinance.]

SECTION 2. The City Clerk is hereby directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 3. This ordinance shall be in force and effect from and after its passage.

City/State Project Agreement attached to this ordinance reads as follows:

City/State Project Agreement.

Improvement Of The Roosevelt Road Viaduct (F.A.P. 525)

From Wabash Avenue To The Bridge Over

The North Branch Of The Chicago River.

City Section No.: _____

State Job No.: _____

D.P.W. Job No.: _____

This Agreement, entered into this _____ day of _____, 19____, by and between the State of Illinois, acting through its Department of Transportation, hereinafter called the "State", and the City of Chicago, acting through its Department of Public Works, hereinafter called the "City".

Witnesseth:

Whereas, The State and the City, in the interest of the safe and efficient movement of vehicular and pedestrian traffic, find it necessary to proceed with the improvement of the Roosevelt Road Viaduct from Wabash Avenue to the bridge over the South Branch of the Chicago River, hereinafter referred to as the "Project" and described in numbered paragraph 9 of this Agreement; and

Whereas, On June 30, 1988, the City and the State entered into a Letter of Understanding to implement this improvement; and

Whereas, The Department of Transportation of the State of Illinois, under Chapter 121, Article 4-409 of the Illinois Revised Statutes, as currently in effect, may enter into a written contract with any other highway authority for the jurisdiction, maintenance, administration, engineering or improvement of any highway or portion thereof; and

Whereas, It has been determined that a joint City/State Project Agreement is required in order that the State may reimburse the City for costs incurred in connection with the Project.

The City Hereby Agrees:

1. To prepare, or cause to be prepared, all studies, surveys, plans, specifications and estimates of cost for said Project.
2. Upon authorization by the State, to perform the work associated with the Project, with City forces, and to provide and/or cause to be provided, all construction engineering/supervision, in accordance with established procedures of the City and the State.
3. To finance the work pending progressive reimbursement by the State of the costs involved (estimated at \$340,000), to appropriate such funds as are necessary therefore, and to prepare a complete and accurate breakdown of the costs of the Project.

4. To cause private utilities to be relocated at no expense to the City or the State.
5. To retain all Project records and to make them available for audit by State auditors during the Project development and construction stages, and for a period of three (3) years after final acceptance of the Project by the parties hereto.

The State Hereby Agrees:

6. To reimburse the City 100% of the costs incurred in connection with the force account construction, and construction engineering/supervision of the Project, as hereinafter provided in numbered paragraph 10, upon receipt of progressive billings supported by documentation as required by the State.
7. To review City prepared plans for approval.

The Parties Hereto Mutually Agree:

8. That, upon completion of the improvement, the City and the State will maintain or cause to be maintained, in a satisfactory manner, their respective portions of the improvement in accordance with established jurisdictional authority.
9. That said Project generally consists of the emergency repairs to the deck of the Roosevelt Road Viaduct between Wabash Avenue and the bridge over the South Branch of the Chicago River.

Viaduct roadway and sidewalk repairs will include removal of loose concrete, repairs to the underside of the structure, and the shoring of cantilevered sidewalk panels between State Street and Clark Street. All other appurtenances necessary to complete the Project in accordance with approved plans and specifications will be provided.
10. That the estimated costs of the Project covered and described by this Agreement are:

Force Account Construction
including Construction Engineering/
Supervision by City \$340,000

TOTAL: \$340,000

and that the proportional participation
for the Project will be

	State	City
Force Account Construction including Construction Engineering/ Supervision by City	\$340,000	-0-

11. That all costs for the Project shall be charged against that portion of the \$63 Million in State funds as set forth in the City/State Memorandum of Understanding dated June 13, 1984.
12. That the Commissioner of Public Works is authorized to execute revisions to this Agreement relative to budgetary items, upon approval by the State, as long as such revisions do not increase the total cost of the Project (\$340,000) as authorized by the City Council.
13. That standard State and City procedures and requirements shall apply to all phases of this Project.
14. That this Agreement and the covenants contained herein shall be null and void in the event the force account construction work is not completed by July 1, 1991.

In Witness Whereof, The City and the State have caused this Agreement to be executed by their respective officials and attested to on the date hereinafter listed.

Executed by the City of Chicago
this ____ day of _____, _____.

The City of Chicago,
a municipal corporation

Attest:

City Clerk

By: _____

Mayor

Reviewed As To Form And Legality:
(subject to proper execution)

Approved:

By: _____

Commissioner,
Department of Public Works

Assistant Corporation Counsel

Executed by the State of Illinois
this ____ day of _____, _____.

By: _____

Director of Highways,
Illinois Department of
Transportation

**AUTHORITY GRANTED FOR ISSUANCE OF FREE PERMITS
AND WAIVER OF FEE FOR CERTAIN CHARITABLE,
EDUCATIONAL AND RELIGIOUS INSTITUTIONS.**

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, to which had been referred (October 3 and November 28, 1990) sundry proposed ordinances and order transmitted therewith to authorize the issuance of free permits and a waiver of fee, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinances and order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinances and order transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances and order, as passed, read as follows (the italic heading in each case not being a part of the ordinance or order):

FREE PERMITS.

Chicago Board Of Education.

Be It Ordained by the City Council of the City Of Chicago:

SECTION 1. That the Commissioner of Buildings, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers and the Commissioner of Water are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City to the contrary, to the Chicago Board of Education, for construction of a school building on the premises known as 1841 North Springfield Avenue.

Said building shall be used exclusively for _____ and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

Congregation Ezras Israel.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Buildings, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to the Congregation Ezras Israel, for the installation of an additional elevator shaft enclosure on the premises known as 7001 North California Avenue.

Said building shall be used exclusively for religious and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

Roosevelt University.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Buildings, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to Roosevelt University, for remodeling the ground floor on the premises known as 430 South Michigan Avenue.

Said building shall be used exclusively for educational and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

Saint Joseph Hospital And Health Care Center.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the the Commissioner of Inspectional Services, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to Saint Joseph Hospital and Health Care Center, for renovating the 11 West Nursing Unit on the premises known as 2900 North Lake Shore Drive.

Said building shall be used exclusively for medical and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

*S.T.E.P., Inc.
(School For The Treatment Of Emotional
Problems In Children)*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Buildings, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to S.T.E.P., Inc. (School for the Treatment of Emotional Problems in Children), for extensive repairs to existing structure on the premises known as 6740 South South Shore Drive.

Said building shall be used exclusively for educational and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

WAIVER OF FEE.

South Shore Hospital.

Ordered, That the City Comptroller is hereby authorized and directed to waive the 1991 food purveyor license fee, charged to South Shore Hospital, 8012 South Crandon Avenue.

EXEMPTION OF VARIOUS INSTITUTIONS FROM PAYMENT
OF YEAR 1991 CITY LICENSE AND PERMIT
FEES UNDER NOT-FOR-PROFIT
STATUS.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration three (3) ordinances concerning the exemption from payment of permit and license fees for the year 1991 for the following institutions:

Alderman Bloom	University of Chicago;
Alderman Butler	University of Chicago Hospitals; and
	Rush-Presbyterian-St. Luke's Medical Center,

having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinances transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read as follows (the italic heading in each case not being a part of the ordinance):

University Of Chicago.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The University of Chicago, an Illinois corporation, not for pecuniary profit, located on the south side of Chicago, engaged in educational, medical, and related activities, shall be exempt from the payment of all City fees and charges related to the erection and maintenance of school and hospital buildings and other buildings and fuel storage facilities, including student residential buildings connected with the University of Chicago and located in the area bounded by East 50th Street on the north, Lake Michigan on the east, South 61st Street on the south, and South Cottage Grove Avenue on the west, and the Commissioner of Aviation, the Commissioner of Streets and Sanitation, the Commissioner of Public Works, the Commissioner of Inspectional Services, the Commissioner of Water, the Commissioner of Sewers, the Commissioner of Health, the Commissioner of Consumer Services and the Department of Revenue, are hereby directed to issue all necessary permits and licenses and provide other City services as hereinabove described, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary to the University of Chicago for the year 1991.

Said buildings and all appurtenances thereto shall be used exclusively for charitable and educational purposes and the work thereon shall be done in accordance with all of the appropriate provisions of the Municipal Code of the City of Chicago and departmental requirements of various departments of the City of Chicago, and said buildings and all appurtenances thereto shall be constructed and maintained so that they shall comply in all respects with the requirements of the appropriate provisions of the Municipal Code of the City of Chicago for the issuance of all permits and licenses.

SECTION 2. That the University of Chicago be entitled to refund of all City fees which it has paid and to which it is exempt pursuant to Section 1 of this ordinance.

SECTION 3. This ordinance shall be in force for a period of one (1) year but in no event beyond December 31, 1991.

University Of Chicago Hospitals.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The University of Chicago Hospitals, an Illinois corporation, not for pecuniary profit, located on the south side of Chicago, engaged in medical, and related activities, shall be exempt from the payment of all City fees and charges related to the erection and maintenance of hospital buildings and other buildings and fuel storage facilities, located in the area bounded by East 58th Street on the north, South Ellis Avenue on the east, East 59th Street on the south, and South Cottage Grove Avenue on the west, and the Commissioner of Aviation, the Commissioner of Streets and Sanitation, the Commissioner of Public Works, the Commissioner of Inspectional Services, the Commissioner of Water, the Commissioner of Sewers, the Commissioner of Health, the Commissioner of Consumer Services and the Department of Revenue, are hereby directed to issue all necessary permits and licenses and provide other City services as hereinabove described, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary to the University of Chicago Hospitals for the year 1991.

Said buildings and all appurtenances thereto shall be used exclusively for charitable and health purposes and the work thereon shall be done in accordance with all of the appropriate provisions of the Municipal Code of the City of Chicago and the departmental requirements of various departments of the City of Chicago, and said buildings and all appurtenances thereto shall be constructed and maintained so that they shall comply in all respects with the requirements of the appropriate provisions of the Municipal Code of the City of Chicago for the issuance of all permits and licenses.

SECTION 2. That the University of Chicago Hospitals be entitled to refund of all City fees it has paid and to which it is exempt pursuant to Section 1 of this ordinance.

SECTION 3. This ordinance shall be in force for a period of one (1) year but in no event beyond December 31, 1991.

Rush-Presbyterian-St. Luke's Medical Center.

WHEREAS, Rush-Presbyterian-St. Luke's Medical Center, an Illinois not-for-profit corporation, has in the past and continues to provide outstanding health care services to the citizens of Chicago; and

WHEREAS, Rush-Presbyterian-St. Luke's Medical Center is nationally renowned for its medical training facilities; and

WHEREAS, Rush-Presbyterian-St. Luke's Medical Center employs over 7,000 persons, most of whom are Chicago residents, with an annual budget in excess of \$450,000,000.00; and

WHEREAS, Rush-Presbyterian-St. Luke's Medical Center has expended over \$100,000,000.00 in the last decade in the expansion and rehabilitation of its physical facilities; and

WHEREAS, Historically, charitable, religious and educational institutions not conducted for private gain or profit have been exempt from the payment of City fees associated with, but not limited to, building permits, inspection permits, licenses, warrants for collection, water rates and certain City levies by orders and ordinances adopted by the City Council of Chicago, executive orders and pursuant to various provisions of the Municipal Code of Chicago; and

WHEREAS, Rush-Presbyterian-St. Luke's Medical Center was required to submit to the City Council individual orders for each City fee to which it is entitled to an exemption; and

WHEREAS, There is a significant costs and expenditure of time incurred by Rush-Presbyterian-St. Luke's Medical Center and the City in processing individual City Council orders exempting the payment of each City fee and the processing of refund checks when a City Council order is not approved prior to the date payment is due and Rush-Presbyterian-St. Luke's Medical Center is required to pay the City fee; and

WHEREAS, Rush-Presbyterian-St. Luke's Medical Center is uniquely located in the Medical Center District, which district was created by "an Act in relation to the establishment of the Medical Center District in the City of Chicago, and for the control and management thereof", approved June 4, 1941, as amended, Illinois Revised Statutes, Chapter 111-1/2, Section 5001, et seq. ("Act"); and

WHEREAS, The State of Illinois Medical Center Commission was created by the Act for the purpose of managing and operating the Illinois Medical Center District pursuant to the Act; and

WHEREAS, The State of Illinois Medical Center Commission passed a resolution recommending that the City Council exempt Rush-Presbyterian-St. Luke's Medical Center from the payment of City fees and levies as provided for in this ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Rush-Presbyterian-St. Luke's Medical Center, as an Illinois not-for-profit corporation engaged in medical, educational and related activities, shall be exempt for the calendar year 1991 from the payment of all City fees including, but not limited to, fees associated with building permits, inspection permits, licenses, warrants for collection, water rates, and all City levies to which it is entitled to an exemption pursuant to previously adopted City Council orders and ordinances, executive orders and provisions of the Municipal Code of Chicago, which exempt charities, religious or educational institutions not conducted for private gain or profit.

SECTION 2. That Rush-Presbyterian-St. Luke's Medical Center shall be entitled to refunds for any City imposed fees which it may inadvertently or erroneously pay and to which it is exempt pursuant to Section 1 of this ordinance without the need for an additional City Council ordinance or order.

SECTION 3. That the Commissioner of Buildings, the Commissioner of Streets and Sanitation, the Commissioner of Public Works, the Commissioner of Consumer Services, the Director of Revenue and the Commissioners or Directors of all other City departments are hereby directed to issue all necessary permits and licenses and provide other City services as described in Section 1 of this ordinance, free of charge, to Rush-Presbyterian-St. Luke's Medical Center, provided, however, that Rush-Presbyterian-St. Luke's Medical Center shall remain an Illinois not-for-profit corporation engaged in medical, educational and related activities.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

CITY COMPTROLLER AUTHORIZED AND DIRECTED TO CANCEL
WARRANTS FOR COLLECTION ISSUED AGAINST CERTAIN
CHARITABLE, EDUCATIONAL AND
RELIGIOUS INSTITUTIONS.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, to which had been referred sundry proposed orders for cancellation of specified warrants for collection issued against certain charitable, educational and religious institutions, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed substitute order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the City Comptroller is hereby authorized and directed to cancel specified warrants for collection issued against certain charitable, educational and religious institutions, as follows:

Name And Address	Warrant No. And Type Of Inspection	Amount
Austin Messiah Evangelical Lutheran Church 908 North Waller Avenue	B1-006868 (Bldg.)	\$ 31.00
Benton Community Settlement 3052 South Gratten Avenue	B1-019921 (Bldg.)	31.00
Chicago Association for Retarded Citizens 2132 West 82nd Place	R1-917805 (Drwy.)	170.00
Chicago Boys and Girls Clubs (various locations)	B1-013808 (Bldg.)	79.00
	B1-912587 (Bldg.)	57.50
	P1-905291 (Fuel Burn. Equip.)	146.00
Grant Hospital 550 West Webster Avenue	<u> </u> (Fuel Burn. Equip.)	39.00
Latin School of Chicago 59 West North Avenue	A1-900654 (Elev.)	30.00
Mount Olive Church 5743 West Chicago Avenue	D1-922935 (Sign)	84.00
	D1-922936 (Sign)	16.00
	D1-922574 (Sign)	43.00
	R1-903171 (Drwy.)	34.00

12/5/90

REPORTS OF COMMITTEES

26455

Name And Address Avenue	Warrant No. And Type Of Inspection	Amount
Mutual Aid Association of the Polish American Congress 5844 North Milwaukee	B3-002427 (Pub. Place of Assemb.)	\$ 46.00
	B3-003547 (Pub. Place of Assemb.)	46.00
Northwest Home for the Aged 6300 North California Avenue	C2-003180 (Refrig.)	502.00
Northwestern University (various locations)	A1-003174 (Elev.)	225.00
	B1-011013 (Bldg.)	287.00
	B1-011378 (Bldg.)	111.00
	B1-901492 (Bldg.)	368.00
	B1-901796 (Bldg.)	23.00
	B3-904363 (Pub. Place of Assemb.)	46.00
	D7-001733 (Sign)	80.00
	P1-001336 (Fuel Burn. Equip.)	568.00
	P1-005384 (Fuel Burn. Equip.)	576.00
Ridge Historical Society 10621 South Seeley Avenue	B3-900026 (Pub. Place of Assemb.)	34.00

Name And Address	Warrant No. And Type Of Inspection	Amount
	B3-900664 (Pub. Place of Assemb.)	\$ 34.00
Saint Mary of the Angels Church 1810 North Hermitage Avenue	C2-003274 (Refrig.)	148.00
Vivekananda Vedanta Society 5419 South Hyde Park Boulevard	P1-006318 (Fuel Burn. Equip.)	78.00
Washington and Jane Smith Home 2340 West 113th Place	F4-017974 (Mech. Vent.)	195.00

REDUCTION IN ANNUAL LICENSE FEES
FOR SPECIAL POLICE EMPLOYED
BY NOT-FOR-PROFIT
INSTITUTIONS.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration three (3) ordinances concerning the reduction in license fees for the employment of special policemen at the following locations:

Alderman Beavers	South Chicago Community Hospital;
Alderman Natarus	Northwestern Memorial Hospital; and

Alderman Hansen

Illinois Masonic Medical Center,

having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinances transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read as follows (the italic heading in each case not being a part of the ordinance):

South Chicago Community Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Chapter 173, Section 173-6 of the Municipal Code of Chicago, the following charitable institution employs twenty-four special police and shall pay a fee of \$10.00 per license for the year 1991:

South Chicago Community Hospital
2320 East 93rd Street.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

Northwestern Memorial Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Chapter 173, Section 173-6 of the Municipal Code of Chicago, the following charitable institution employs fifty special police and shall pay a fee of \$10.00 per license for the year 1991:

Northwestern Memorial Hospital
East Superior Street and North Fairbanks Court.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

Illinois Masonic Medical Center.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Chapter 173, Section 173-6 of the Municipal Code of Chicago, the following charitable institution employs forty-three special police and shall pay a fee of \$10.00 per license for the year 1991:

Illinois Masonic Medical Center
836 West Wellington Avenue.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

AUTHORITY GRANTED FOR PAYMENTS OF HOSPITAL,
MEDICAL AND NURSING SERVICES RENDERED
CERTAIN INJURED MEMBERS OF POLICE
AND FIRE DEPARTMENTS.

The Committee on Finance submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an order authorizing the payment of hospital and medical expenses of police officers and firefighters injured in the line of duty, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the City Comptroller is authorized and directed to issue vouchers, in conformity with the schedule herein set forth, to physicians, hospitals, nurses or other individuals, in settlement for hospital, medical and nursing services rendered to the injured members of the Police Department and/or the Fire Department herein named. The payment of any of these bills shall not be construed as an approval of any previous claims pending or future claims for expenses or benefits on account of any alleged injury to the individuals named. The total amount of said claims is set opposite the names of the injured members of the Police Department and/or the Fire Department, and vouchers are to be drawn in favor of the proper claimants and charged to Account No. 100.9112.937:

[Regular orders printed on pages 26461 through
26469 of this Journal.]

; and

Be It Further Ordered, That the City Comptroller is authorized and directed to issue warrants, in conformity with the schedule herein set forth, to physicians, hospitals, nurses or other individuals, in settlement for hospital, medical and nursing services rendered to the injured members of the Police Department and/or Fire Department herein named, provided such members of the Police Department and/or Fire Department shall enter into an agreement in writing with the City of Chicago to the effect that, should it appear that any of said members of the Police Department and/or Fire Department have received any sum of money from the party whose negligence caused such injury, or have instituted proceedings against such party for the recovery of damage on account of such injury or medical expenses, then in that event the City shall be reimbursed by such member of the Police Department and/or Fire Department out of any sum that such member of the Police Department and/or Fire Department has received or may hereafter receive from such third party on account of such injury or medical expenses, not to exceed the expense in accordance with Opinion No. 1422 of the Corporation Counsel of said City, dated March 19, 1926. The payment of any of these bills shall not be construed as approval of any previous claims pending or future claims for expenses or benefits on account of any alleged injury to the individuals named. The total amount of such claims, as allowed, is set opposite the names of the injured members of the Police Department and/or Fire Department, and warrants are to be drawn in favor of the proper claimants and charged to Account No. 100.9112.937:

[Third party orders printed on pages 26470
through 26471 of this Journal.]

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REPORTS OF COMMITTEES

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CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
AHERN JAMES F	POLICE OFFICER	NARCOTIC GENERAL ENFORCEMENT	7/20/88	116.45
ANDERSON JOHN T	POLICE OFFICER	TWENTIETH DISTRICT	6/02/90	1030.95
BAJENSKI LEONARD R	POLICE OFFICER	VICE CONTROL SECTION	1/22/90	1295.00
PARRINS PATRICK J	POLICE OFFICER	FIFTH DISTRICT	11/27/89	218.52
BEAZLEY JOSEPH	POLICE OFFICER	RESEARCH AND DEVELOPMENT DIVIS	5/30/90	323.75
BERTINI RONALD R	POLICE OFFICER	RECRUIT TRAINING	5/14/90	520.00
RIGGANE MARIE H	POLICE OFFICER	SEVENTH DISTRICT	2/27/90	55.00
ROKOWSKI ROMAN J	POLICE OFFICER	EIGHTH DISTRICT	11/22/89	1295.00
BONNER THOMAS J	POLICE OFFICER	SEVENTH DISTRICT	6/03/90	726.70
BOYATTO JOHN F	POLICE OFFICER	TWELFTH DISTRICT	5/25/90	580.00
BOYKIN MARGARET L	POLICE OFFICER	CENTRAL DETENTION SECTION	3/16/90	1945.95
BRABAND THOMAS A	POLICE OFFICER	SEVENTEENTH DISTRICT	3/17/89	55.00
BRIGIT MARCEL	POLICE OFFICER	SECOND DISTRICT	1/08/90	414.00
BRUGI ROBERT	POLICE OFFICER	EIGHTEENTH DISTRICT	11/29/86	226.00
BRUECK RICHARD A	POLICE OFFICER	SEVENTEENTH DISTRICT	6/16/90	205.00
BYRD CHARLENE T	POLICE OFFICER	FIFTH DISTRICT	4/04/90	456.50
CABALLERO RAYMOND	POLICE OFFICER	ELEVENTH DISTRICT	4/20/90	14.00
CALLAGHAN JOHN E	POLICE OFFICER	FIFTEENTH DISTRICT	4/17/90	178.50
CAREY JOHN D	POLICE OFFICER	TWENTIETH DISTRICT	12/19/89	110.00
CASTO STEVE	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	3/10/90	50.00
CHIDIO MICHAEL J	POLICE OFFICER	PUBLIC TRANSPORTATION M.T.S.	4/24/90	123.40
CIECHON MICHAEL J	POLICE OFFICER	TWENTY-FOURTH DISTRICT	3/15/90	85.00
COLEMAN SINEY E	POLICE OFFICER	FIFTEENTH DISTRICT	4/10/90	159.00
COLLINS LARRY D	POLICE OFFICER	FIFTH DISTRICT	4/09/90	202.75
COMITO JAMES	POLICE OFFICER	AUTOMOTIVE FOUNDS SECTION	10/16/89	50.00
CORTES MERCEDES	POLICE OFFICER	TWENTY-FIRST DISTRICT	12/21/89	50.00
COSENTINO JOSEPH J	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	1/23/90	150.00
COUGHLIN NANCY	POLICE OFFICER	TWENTIETH DISTRICT	9/04/89	11.00
CROSS SHELTON D	POLICE OFFICER	FIRST DISTRICT	1/18/90	50.00
DANIELS SAMUEL	POLICE OFFICER	FOURTH DISTRICT	1/24/90	354.00
DAVIS CLEON	POLICE OFFICER	THIRD DISTRICT	4/11/90	100.00
DICKERSON EDWIE F	POLICE OFFICER	SIXTH DISTRICT	3/03/90	502.00
DIX III LAWRENCE	POLICE OFFICER	THIRD DISTRICT	1/07/90	251.10
DOMAGALA BERNARD	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	7/14/88	271.25
DOUGLAS LORENE A	POLICE OFFICER	RECRUIT TRAINING	1/18/90	257.00
DUNLAP HENRY L	POLICE OFFICER	SEVENTH DISTRICT	3/22/90	340.00
EAGLIN PAUL R	POLICE OFFICER	THIRD DISTRICT	4/09/90	326.30
EDWARDS ELMORE	POLICE OFFICER	RECRUIT TRAINING	4/19/90	100.00
EGAN MICHAEL F	POLICE OFFICER	TENTH DISTRICT	2/15/90	50.00
EIGENBAUER ROBERT	POLICE OFFICER	TWELFTH DISTRICT	2/24/90	1002.00
ELLIOTT JAMES G	POLICE OFFICER	DETECTIVE DIV AREA 4 VIOLNT C	2/25/90	90.00
EVANS JOHN	POLICE OFFICER	PUBLIC TRANSPORTATION M.T.S.	2/21/90	290.00
FOBS JULIE	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	3/10/90	45.00
FRANCIS NEIL	POLICE OFFICER	SEVENTH DISTRICT	5/01/90	1544.70
FRANCO LINEN	POLICE OFFICER	FIRST DISTRICT	4/29/90	203.50
FRANCO LINEN	POLICE OFFICER	SECOND DISTRICT	4/29/90	205.00
FRIAS RAFAEL F	POLICE OFFICER	TWENTY-FIRST DISTRICT	4/11/90	239.90
GABLIN ROBERT J	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	4/04/90	96.75
GAFFNEY JAMES	POLICE OFFICER	FIFTH DISTRICT	4/29/90	182.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
CALAGAN	POLICE OFFICER	TWENTY-FIRST DISTRICT	4/08/90	65.00
GALLERY	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	4/22/90	159.00
GEORGE	POLICE OFFICER	FIFTEENTH DISTRICT	4/01/90	192.00
GEORGE	POLICE OFFICER	FIFTEENTH DISTRICT	2/07/90	4578.65
GIAMBALVO	POLICE OFFICER	THIRTEENTH DISTRICT	5/04/90	2602.14
GORDON	POLICE OFFICER	NINTH DISTRICT	4/14/90	317.00
GOULD	POLICE OFFICER	SECOND DISTRICT	4/21/90	197.00
GOYTIA	POLICE OFFICER	THIRTEENTH DISTRICT	4/27/90	205.50
GRAHAM	POLICE OFFICER	FOURTH DISTRICT	4/25/90	285.15
GREEN	POLICE OFFICER	RECRUIT TRAINING	4/30/90	1735.00
GUICE	POLICE OFFICER	THIRD DISTRICT	4/23/90	192.00
GUNN	POLICE OFFICER	SEVENTEENTH DISTRICT	4/15/90	227.25
HAKTS	POLICE OFFICER	FIFTH DISTRICT	4/13/90	192.22
HAYSBLIP	POLICE OFFICER	TRAFFIC COURT SECTION	10/27/89	635.00
HICKEY	POLICE OFFICER	THIRTEENTH DISTRICT	2/04/90	1211.17
HIGGS	POLICE OFFICER	SIXTEENTH DISTRICT	4/01/90	27.50
HILBRING	POLICE OFFICER	RECRUIT TRAINING	1/19/90	111.00
HILLER	POLICE OFFICER	FIFTEENTH DISTRICT	4/17/90	358.00
HOLOWINSKI	POLICE OFFICER	DETECTIVE DIV AREA 4 PROPERTY	4/15/90	971.35
HONISER	POLICE OFFICER	FIRST DISTRICT	4/25/90	188.00
HYEL	POLICE OFFICER	FIFTEENTH DISTRICT	4/29/90	286.00
JACKSON	POLICE OFFICER	EIGHTEENTH DISTRICT	2/24/90	16.50
JACQUES	POLICE OFFICER	SEVENTEENTH DISTRICT	8/07/78	284.20
JACOBSEN	POLICE OFFICER	CANINE UNIT	5/05/90	220.00
JENKINS	POLICE OFFICER	SIXTH DISTRICT	2/08/90	153.00
JOHNSON	POLICE OFFICER	FOURTH DISTRICT	5/29/90	79.00
JOHNSON	POLICE OFFICER	FOURTH DISTRICT	5/25/90	180.50
JOHNSON	POLICE OFFICER	SIXTH DISTRICT	4/02/90	757.55
JOHNSON	POLICE OFFICER	SEVENTH DISTRICT	4/19/90	174.50
JOYNER	POLICE OFFICER	SIXTEENTH DISTRICT	5/06/90	137.50
KALAS	POLICE OFFICER	RECRUIT TRAINING	5/09/90	176.00
KARCZEWSKI	POLICE OFFICER	SIXTEENTH DISTRICT	7/05/89	17.00
KENUE	POLICE OFFICER	NARCOTIC GENERAL ENFORCEMENT	11/14/89	580.00
KENNEDY	POLICE OFFICER	SIXTEENTH DISTRICT	2/08/90	67.00
KIELTYKA	POLICE OFFICER	UNKNOWN	6/07/90	137.00
KINNALLY	POLICE OFFICER	FOURTH DISTRICT	4/26/90	901.00
KIRK	POLICE OFFICER	FIFTEENTH DISTRICT	11/19/89	77.00
KITOVER	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	5/07/90	374.00
KLERHO	POLICE OFFICER	TWENTY-FOURTH DISTRICT	4/09/90	392.00
KLEMUNDI	POLICE OFFICER	CHARE LAW ENFORCEMENT	5/13/90	185.43
KNIGHT	POLICE OFFICER	TWENTY-FOURTH DISTRICT	10/24/89	90.00
KODAIT	POLICE OFFICER	NINTH DISTRICT	4/24/90	165.00
KOFITZ	POLICE OFFICER	UNKNOWN	4/21/90	44.55
KOWALSKI	POLICE OFFICER	TWENTY-FIFTH DISTRICT	4/29/90	231.00
KOWALSKI	POLICE OFFICER	PUBLIC TRANSPORTATION M.T.S.	4/15/90	179.00
KRAWCZYK	POLICE OFFICER	THIRTEENTH DISTRICT	5/11/90	503.00
KRUFA	POLICE OFFICER	TENTH DISTRICT	5/06/90	135.50
KUS	POLICE OFFICER	FOURTH DISTRICT	4/06/90	190.00
LATHAM	POLICE OFFICER	FIFTEENTH DISTRICT	5/02/90	755.00

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REPORTS OF COMMITTEES

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CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INURED	VOUCHER TOTAL
LATOWSKI	POLICE OFFICER	NINTH DISTRICT	5/09/90	137.00
LAURENCE	POLICE OFFICER	FIFTH DISTRICT	5/15/69	367.20
LAZO	POLICE OFFICER	COMMUNICATIONS OPERATIONS SECT	3/16/90	50.00
LAZZARD JR	POLICE OFFICER	TWENTY-FIFTH DISTRICT	5/01/90	162.00
LEAHY	POLICE OFFICER	NINETEENTH DISTRICT	5/17/90	179.00
LERACZ	POLICE OFFICER	DETECTIVE DIV AREA 2 VIOLENT C	5/05/90	184.05
LIEBERMAN	POLICE OFFICER	TWENTY-FIRST DISTRICT	3/07/90	93.00
LINDLEY	POLICE OFFICER	SIXTH DISTRICT	5/30/90	182.00
LINNANE	POLICE OFFICER	RECRUIT TRAINING	5/04/90	75.00
LUCAS	POLICE OFFICER	ELEVENTH DISTRICT	5/30/90	594.60
LUTZ	POLICE OFFICER	RECRUIT TRAINING	4/25/90	513.00
LYMAN	POLICE OFFICER	NINTH DISTRICT	5/29/90	516.50
MACJUN	POLICE OFFICER	THIRD DISTRICT	4/14/90	135.00
MAHON	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	9/06/89	590.00
MALES	POLICE OFFICER	ELEVENTH DISTRICT	5/06/90	388.00
MANN	POLICE OFFICER	FOURTH DISTRICT	5/27/90	408.00
MANNING	POLICE OFFICER	TWENTY-SECOND DISTRICT	5/15/90	190.00
MARGELEWSKI	POLICE OFFICER	EIGHTEENTH DISTRICT	4/13/90	75.50
MARTIN	POLICE OFFICER	PUBLIC HOUSING DIVISION-NORTH	5/28/90	122.30
MARTINEZ	POLICE OFFICER	OHARE LAW ENFORCEMENT	5/08/90	185.50
MATUKA	POLICE OFFICER	SEVENTH DISTRICT	5/22/90	272.45
MATUSZAK	POLICE OFFICER	NINTH DISTRICT	11/18/89	30.00
MCCANN	POLICE OFFICER	FIFTH DISTRICT	2/16/90	55.00
MCCARTHY	POLICE OFFICER	TWENTY-THIRD DISTRICT	2/16/90	45.00
MCCASTER	POLICE OFFICER	ELEVENTH DISTRICT	5/28/90	1159.06
MCDERMOTT	POLICE OFFICER	RECRUIT TRAINING	5/28/90	88.50
MCGURATH	POLICE OFFICER	NINTH DISTRICT	6/21/85	382.00
MCGUIRE	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	4/30/90	66.00
MCKEEVER	POLICE OFFICER	FIFTH DISTRICT	5/28/90	532.00
MCKENZIE	POLICE OFFICER	THIRD DISTRICT	5/30/90	158.00
MEADOW	POLICE OFFICER	TWENTY-THIRD DISTRICT	4/16/90	147.25
MENIOZA	POLICE OFFICER	EIGHTEENTH DISTRICT	5/03/90	106.05
MEYER	POLICE OFFICER	TENTH DISTRICT	4/24/90	717.00
MILAM-KWAK	POLICE OFFICER	PUBLIC TRANSPORTATION M.T.S.	5/12/90	349.00
MILNICE	POLICE OFFICER	DETAIL UNIT	5/29/90	130.00
MILZ	POLICE OFFICER	TWENTY-THIRD DISTRICT	4/30/90	95.00
MITCHELL	POLICE OFFICER	FIFTH DISTRICT	4/24/90	392.50
MOORE-POWELL	POLICE OFFICER	FIFTH DISTRICT	5/03/90	198.67
MORICI	POLICE OFFICER	MOUNTED UNIT	5/21/90	314.00
MORRISON	POLICE OFFICER	THIRD DISTRICT	1/10/90	85.00
MORQUEDA	POLICE OFFICER	TWENTIEH DISTRICT	5/07/90	77.49
MULLER	POLICE OFFICER	FIFTEENTH DISTRICT	4/14/90	35.00
NELLI	POLICE OFFICER	SIXTEENTH DISTRICT	5/06/90	63.25
NELSON	POLICE OFFICER	NINETEENTH DISTRICT	4/05/90	135.00
NEUFFER	POLICE OFFICER	PUBLIC TRANSPORTATION M.T.S.	5/24/90	365.75
NOMACZYK	POLICE OFFICER	TENTH DISTRICT	3/06/90	75.00
NOWAKOWSKI	POLICE OFFICER	TWENTY-THIRD DISTRICT	5/29/90	502.00
NOTONI	POLICE OFFICER	TWENTIEH DISTRICT	11/30/89	90.00
OBRIEN	POLICE OFFICER	TWENTY-FIFTH DISTRICT	4/29/90	67.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
OTONWELL	FRANCIS J	NINTH DISTRICT	4/28/90	2010.70
ONDUSKO	JANTICE	RECRUIT TRAINING	5/10/90	600.00
ORICK	CHARLES	TWELFTH DISTRICT	4/13/90	30.00
ORICK	CHARLES	TWELFTH DISTRICT	5/21/90	85.00
ORLANDO	ROBERT J	FIFTH DISTRICT	5/17/90	184.25
ORTIZ	ELJEZER V	FOURTEENTH DISTRICT	12/21/89	70.00
ORTIZ	ROBERT	EIGHTEENTH DISTRICT	4/10/90	108.00
OTERO	LUIS A	ELEVENTH DISTRICT	5/27/90	89.50
PAGNITI	FRANK	CENTRAL DETENTION SECTION	5/10/90	984.00
FENNY	MATHANIEL	RECRUIT TRAINING	1/25/90	120.00
FENTIMONE	JOSEPH	EIGHTEENTH DISTRICT	5/02/90	143.50
FERRY	KENNETH G	THIRD DISTRICT	4/11/90	702.00
PETERSON	SUSAN	FOURTEENTH DISTRICT	5/31/90	566.00
PICKENS	TERRANCE M	CENTRAL DETENTION SECTION	5/10/90	246.70
PICKERING	CHRISTINE A	SEVENTH DISTRICT	5/20/90	250.00
PIENTA	ROBERT D	ELEVENTH DISTRICT	5/03/90	1540.00
PICKSON	HOWARD	TWENTY-THIRD DISTRICT	4/08/90	82.90
PISANO	HOWARD	POLICE OFFICER	5/29/90	737.15
PIZZA	KENNETH W	POLICE OFFICER	5/09/90	92.75
FLOVANICH	JOSEPH	POLICE OFFICER	4/27/90	109.00
FORSTER	MATTHEW J	ORGANIZED CRIME DIVISION ADMIN	1/04/90	55.00
POSTLOVICH	MAVERICK	THIRD DISTRICT	5/05/90	411.90
FRUGAR	CLAUDINE	FOURTH DISTRICT	4/12/90	84.00
REIGER	JAMES	RECRUIT TRAINING	5/02/90	190.00
RENION	JESSE	THIRD DISTRICT	5/18/90	607.90
RHODES	ARNOLDO	POLICE OFFICER	5/06/90	866.84
RIGA	LEATHEIA	POLICE OFFICER	5/27/90	451.50
RIVERA	WILLIAM A	TWENTY-FIFTH DISTRICT	11/29/89	1063.49
ROBERTS	DANIEL W	SEVENTEENTH DISTRICT	7/29/89	70.00
RUGALSKI	JAMES J	SIXTEENTH DISTRICT	2/05/90	187.00
ROMAN	JERRY J	TWENTY-FIFTH DISTRICT	5/09/90	263.00
ROMARIO	WILFREDO	ELEVENTH DISTRICT	5/22/90	673.29
ROSSI	JESSIE A	FOURTEENTH DISTRICT	5/19/90	1215.00
ROTKOVICH	NICK JR	TWENTY-FIFTH DISTRICT	2/22/90	1062.50
RYAN	JOSEPH	DETECTIVE DIV AREA 2 PROPERTY	7/09/90	629.00
RYAN	JOHN J	THIRTEENTH DISTRICT	5/11/90	115.00
RYAN	RICHARD	TWENTY-FOURTH DISTRICT	1/01/90	130.00
SAENZ	FRANCIS F	FOURTEENTH DISTRICT	5/23/90	513.50
SANJERS	TRACY	RECRUIT TRAINING	5/23/89	1195.00
SARIGORI	MICHAEL	SIXTH DISTRICT	3/15/90	8703.65
SCHMITT	WILLIAM	FOURTEENTH DISTRICT	5/24/90	1780.50
SUENAVACLO	MICHAEL J	PUBLIC TRANSPORTATION M.I.S.	5/14/90	453.34
SCOTT	THOMAS G	SECOND DISTRICT	5/01/90	253.00
SEGOVIA	RUNOLFO	SEVENTEENTH DISTRICT	7/16/90	158.00
SEITLER	LAWRENCE	NINTH DISTRICT	5/26/90	107.60
SEVERINO	JOSEPH A JR	EIGHTEENTH DISTRICT	4/19/90	75.50
SEVERINO	MARK A	FOURTEENTH DISTRICT	5/21/90	64.00
SHAW	KARRELL	FOURTH DISTRICT	5/16/90	389.00
SHERLOCK	JAMES F	SEVENTH DISTRICT	5/24/90	254.50

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REPORTS OF COMMITTEES

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CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
SHORT	POLICE OFFICER	TWENTY-SECOND DISTRICT	4/26/90	236.25
SIMMONS	POLICE OFFICER	TENTH DISTRICT	2/13/90	250.60
BRWAKSKI-ROWAN	POLICE OFFICER	YOUTH DIVISION AREA FIVE	9/14/89	440.00
SLOWIK	POLICE OFFICER	FIRST DISTRICT	10/10/89	200.00
SMITH	POLICE OFFICER	UNKNOWN	5/10/90	238.00
SMITH	POLICE OFFICER	FIFTH DISTRICT	5/06/90	157.50
SMITH	POLICE OFFICER	SIXTH DISTRICT	5/17/90	3329.60
SODULEWSKI	POLICE OFFICER	DETECTIVE DIV AREA 6 VIOLENT C	2/10/90	34.25
SPARGAREN	POLICE OFFICER	ELEVENTH DISTRICT	5/06/90	556.00
SPADONI	POLICE OFFICER	FIRST DISTRICT	12/02/89	1405.00
SPOLAR	POLICE OFFICER	CANINE UNIT	12/02/89	90.00
SPURLOCK	POLICE OFFICER	THIRD DISTRICT	3/26/90	50.00
STARR	POLICE OFFICER	AUTO THEFT SECTION	1/27/90	50.00
STRATTON	POLICE OFFICER	DETECTIVE DIV AREA 6 VIOLENT C	1/18/90	90.00
STUART	POLICE OFFICER	TWENTY-FOURTH DISTRICT	5/09/90	135.00
SWATEK	POLICE OFFICER	NINTH DISTRICT	4/12/90	143.00
SWISTOWICZ	POLICE OFFICER	TENTH DISTRICT	5/18/90	252.00
TAYLOR	POLICE OFFICER	FIFTH DISTRICT	4/28/90	336.00
THEISZ	POLICE OFFICER	THIRTEENTH DISTRICT	2/19/90	168.00
THOMAS	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	3/20/90	5671.31
THOMASZEWSKI	POLICE OFFICER	SEVENTEENTH DISTRICT	11/11/89	550.00
TURANO	POLICE OFFICER	TWENTY-FIFTH DISTRICT	8/11/89	850.00
TUREK	POLICE OFFICER	RECRUIT TRAINING	5/01/90	65.00
TURNER	POLICE OFFICER	DETECTIVE DIV AREA 6 ADMINIS	5/30/90	776.65
TYLER	POLICE OFFICER	RECRUIT TRAINING	3/03/89	530.00
VALAIEZ	POLICE OFFICER	TWELFTH DISTRICT	5/16/90	199.00
VEGUILLA	POLICE OFFICER	THIRTEENTH DISTRICT	1/10/90	100.00
VENTICINQUE	POLICE OFFICER	TWENTY-THIRD DISTRICT	5/27/90	69.75
VERA	POLICE OFFICER	PUBLIC HOUSING DIVISION-NORTH	5/21/90	300.00
VOLBERTING	POLICE OFFICER	TWENTY-THIRD DISTRICT	5/29/90	285.00
WALSH	POLICE OFFICER	ELEVENTH DISTRICT	5/15/90	242.00
WATKINS	POLICE OFFICER	SECOND DISTRICT	1/08/90	34.00
WATKINS	POLICE OFFICER	TWENTY-FIRST DISTRICT	5/17/90	97.00
WATTS	POLICE OFFICER	PUBLIC HOUSING DIVISION-SOUTH	5/05/90	403.00
WEAVER	POLICE OFFICER	SEVENTH DISTRICT	10/30/89	1832.50
WEBSTER	POLICE OFFICER	FOURTH DISTRICT	5/09/90	663.50
WESTPHAL	POLICE OFFICER	TWENTY-SECOND DISTRICT	5/07/90	118.05
WILSON	POLICE OFFICER	NINTH DISTRICT	5/17/90	4341.89
WISNIEWSKI	POLICE OFFICER	NINTH DISTRICT	4/27/90	119.00
WOODSON	POLICE OFFICER	RECRUIT TRAINING	4/24/90	120.00
WOOTEN	POLICE OFFICER	POLICE DOCUMENT SERVICES SECT	1/10/90	114.20
ZBIETRALSKI	POLICE OFFICER	TWENTY-FIRST DISTRICT	5/25/90	146.70
ZELITZKY	POLICE OFFICER	TWELFTH DISTRICT	5/14/90	692.00
ABDULLAH	FIREFIGHTER	ENGINE COMPANY 78	4/25/90	172.00
ALDOHVAR	ENGINE COMPANY 43	ENGINE COMPANY 43	5/23/90	339.00
ANTULOWSKI	LIEUTENANT	ENGINE COMPANY 76	6/11/90	1265.75
BAKNECHT	PARAMEDIC	DISTRICT RELIEF 1	2/19/90	284.75
BAUTISTA	FIREFIGHTER	ENGINE COMPANY 56	6/10/90	77.25
BEDTKE	PARAMEDIC	AMBULANCE 33	2/12/90	120.70

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
BENEGAS	PARAMEDIC	EMS DISTRICT 2 HEADQUARTERS &	6/04/90	440.50
BERTINI	FIREFIGHTER	ENGINE COMPANY 44	5/19/90	143.00
BILLISH	CAPTAIN	TRUCK 49	5/31/90	256.00
BIRD	FIREFIGHTER	TRUCK 21	4/12/90	190.00
BIRNER	FIREFIGHTER	ENGINE COMPANY 38	4/17/90	23.00
BOTTANUO	LIEUTENANT	SQUAD 4	6/13/90	242.00
BOYLE	LIEUTENANT	ENGINE COMPANY 91	6/01/90	226.00
BRODERSEN	FIREFIGHTER	TRUCK 7	5/07/89	35.00
BROWN	PARAMEDIC	EMS DISTRICT 5 HEADQUARTERS & R	5/26/90	565.60
BUDNAGN	PARAMEDIC	AMBULANCE 7	5/11/90	156.25
CALLAHAN	LIEUTENANT	TRUCK 15	4/14/90	152.00
CARROLL	FIREFIGHTER	SQUAD 2	3/15/90	206.00
CARON	PARAMEDIC	AMBULANCE 13	11/18/89	94.00
CASEY	PARAMEDIC	AMBULANCE 33	5/12/90	92.70
CHEN	FIREFIGHTER	ENGINE COMPANY 112	4/28/90	239.00
CHAPMAN	PARAMEDIC	UNKNOWN	5/06/90	60.00
CLANCY	FIREFIGHTER	TRUCK 12	2/23/90	873.00
CLIFF	PARAMEDIC	AMBULANCE 3	4/23/90	225.00
COLEMAN	LIEUTENANT	TRUCK 31	9/25/83	25.00
COLWELL	PARAMEDIC	UNKNOWN	7/06/89	1105.00
CONTRERAS	PARAMEDIC	AMBULANCE 29	5/10/90	77.50
COSTANTINI	PARAMEDIC	AMBULANCE 29	5/15/90	278.91
COYNE	FIREFIGHTER	TRUCK 13	7/11/90	142.50
DECKER	ENGINEER	EMS DISTRICT 4 HEADQUARTERS &	4/25/90	2215.00
DEJESUS	PARAMEDIC	ENGINE COMPANY 109	4/02/90	55.00
DILL	FIREFIGHTER	UNKNOWN	4/05/90	75.50
DILLON	FIREFIGHTER	ENGINE COMPANY 7	3/09/90	4390.00
DILLON	POLICE OFFICER	ENGINE COMPANY 91	6/03/90	227.00
DOLGELIO	FIREFIGHTER	TRUCK 25	11/29/89	1105.25
DOLGELIO	FIREFIGHTER	TRUCK 35	6/11/90	430.45
DOLGELIO	FIREFIGHTER	ENGINE COMPANY 10	5/03/90	56.00
DOLGELIO	FIREFIGHTER	TRUCK 13	3/17/90	188.50
DOLGELIO	FIREFIGHTER	TRUCK 25	4/26/90	182.14
DOLGELIO	PARAMEDIC	AMBULANCE 22	12/05/89	115.00
DOLGELIO	PARAMEDIC	AMBULANCE 22	5/08/90	337.50
DOLGELIO	PARAMEDIC	AMBULANCE 22	6/27/90	131.50
DOLGELIO	PARAMEDIC	ENGINE COMPANY 68	5/10/90	65.00
DOLGELIO	PARAMEDIC	AMBULANCE 37	6/11/90	71.00
DOLGELIO	PARAMEDIC	AMBULANCE 37	5/27/90	420.00
DOLGELIO	PARAMEDIC	ENGINE COMPANY 22	1/07/90	153.50
DOLGELIO	PARAMEDIC	ENGINE COMPANY 93	10/13/89	1726.00
DOLGELIO	PARAMEDIC	ENGINE COMPANY 32	5/02/90	14.00
DOLGELIO	PARAMEDIC	ENGINE COMPANY 29	4/10/90	119.00
DOLGELIO	PARAMEDIC	TRUCK 33	6/04/90	210.00
DOLGELIO	PARAMEDIC	ENGINE COMPANY 127	1/26/90	385.00
DOLGELIO	PARAMEDIC	TRUCK 60	4/03/90	206.90
DOLGELIO	PARAMEDIC	ENGINE COMPANY 32	5/24/90	101.16
DOLGELIO	PARAMEDIC	TRUCK 14	5/15/90	12.00
DOLGELIO	PARAMEDIC	ENGINE COMPANY 45	6/22/89	385.00

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REPORTS OF COMMITTEES

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CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
FLYNN	FIREFIGHTER	TRUCK 49	5/31/90	278.00
FIDAK	FIREFIGHTER	TRUCK 48	7/05/90	752.00
FULEY	PARAMEDIC	ENGINE COMPANY 38	6/30/90	240.00
FURMAN	FIREFIGHTER	AMBULANCE 27	7/02/90	259.00
FOSTER	FIREFIGHTER	ENGINE COMPANY 116	6/19/90	338.00
FOX	PARAMEDIC	AMBULANCE 43	5/22/90	53.00
FRAZIER	FIREFIGHTER	ENGINE COMPANY 129	2/28/90	55.00
FREYER	FIREFIGHTER	ENGINE COMPANY 101	1/22/90	344.25
FRITZ	FIREFIGHTER	ENGINE COMPANY 123	6/06/90	74.60
GALLAGHER	FIREFIGHTER	SQUAD 2	6/26/90	474.50
GALLAGHER	FIREFIGHTER	ENGINE COMPANY 79	5/24/90	500.25
GALLAGHER	ENGINEER	DISTRICT RELIEF 6	5/08/90	177.00
GANT	PARAMEDIC	AMBULANCE 4	6/15/90	123.00
GARINER	PARAMEDIC	AMBULANCE 4	6/16/90	69.75
GARINER	PARAMEDIC	AMBULANCE 4	6/03/90	432.50
GARTT	FIREFIGHTER	SQUAD 2	6/10/90	165.25
GARTNER	FIREFIGHTER	UNKNOWN	11/12/89	20.00
GILBERTSEN	PARAMEDIC	EMS DISTRICT 6 HEADQUARTERS & R	6/29/90	268.25
GILBRIDE	PARAMEDIC	EMS DISTRICT 5 HEADQUARTERS & R	5/04/90	481.75
GILBRINE	PARAMEDIC	DISTRICT RELIEF 5	2/08/89	119.00
GILLEN	FIREFIGHTER	TRUCK 27	5/27/90	54.00
GUSB	PARAMEDIC	AMBULANCE 7	4/16/90	2736.31
HANKS	FIREFIGHTER	AMBULANCE 3	4/06/90	444.75
HANKS	PARAMEDIC	AMBULANCE 15	9/21/89	2175.00
HARPER	FIREFIGHTER	ENGINE COMPANY 76	1/16/90	1500.00
HARTSELL	CAPTAIN	DISTRICT RELIEF 1	3/21/85	12.00
HAYNES	FIREFIGHTER	TRUCK 7	5/16/90	94.00
HENRY	FIREFIGHTER	UNKNOWN	6/07/90	65.00
HUEHN	LIEUTENANT	ENGINE COMPANY 57	5/16/90	611.00
HUFF	CAPTAIN	BATTALION 7	7/05/90	312.00
HUFMANN	PARAMEDIC	EMS DISTRICT 1 HEADQUARTERS & R	4/05/90	2518.95
HUMA	FIREFIGHTER	TRUCK 13	6/10/90	316.95
HUNTINGTON	FIREFIGHTER	TRUCK 27	3/09/89	5.00
IGNACIO	PARAMEDIC	ENGINE COMPANY 54	2/09/89	35.00
JONES	FIREFIGHTER	ENGINE COMPANY 95	4/27/90	163.00
JONES	FIREFIGHTER	ENGINE COMPANY 82	7/12/90	382.00
JURAK	FIREFIGHTER	ENGINE COMPANY 32	6/17/90	1016.00
KAY	PARAMEDIC	AMBULANCE 37	1/08/90	2815.00
KINZIE	PARAMEDIC	EMS DISTRICT 1 HEADQUARTERS & R	5/18/90	1124.91
KOCH	PARAMEDIC	AMBULANCE 33	12/23/89	270.00
KOGUT	PARAMEDIC	UNKNOWN	6/16/90	139.00
KONECKI	PARAMEDIC	AMBULANCE 22	5/06/90	622.50
KOZIOWSKI	FIREFIGHTER	ENGINE COMPANY 126	5/17/90	709.00
KRAJECKI	PARAMEDIC	AMBULANCE 14	11/15/84	25.00
KUMLEGA-MARSHALL	PARAMEDIC	EMS DISTRICT 2 HEADQUARTERS & R	11/22/87	319.00
KUMGIS	CAPTAIN	TRUCK 37	12/05/87	50.00
LAWRENCE	FIREFIGHTER	ENGINE COMPANY 73	3/02/90	5260.42
LOWE	LIEUTENANT	DISTRICT HQ 6	5/08/90	544.50
MALLOY	FIREFIGHTER	ENGINE COMPANY 34	3/22/90	1535.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
MARTIN WILLIAM J	PARAMEDIC	AMBULANCE 32	3/03/90	40.00
MAY GERALD	FIREFIGHTER	AMBULANCE 17	10/10/89	66.00
MAYER JEFFERY	LIEUTENANT	ENGINE COMPANY 5	3/25/90	53.25
MCDERMICK KEVIN	FIREFIGHTER	ENGINE COMPANY 84	3/17/89	547.00
MCDERMID WAYNE	FIREFIGHTER	ENGINE COMPANY 101	7/03/90	81.60
MCDERMOTT DANIEL	FIREFIGHTER	TRUCK 21	6/03/90	327.50
MCDERMOTT MARK	FIREFIGHTER	TRUCK 28	7/01/90	25.00
MEERLEAN JOHN	FIREFIGHTER	UNKNOWN	7/17/90	443.50
MENICHIOLAS JOHN J	LIEUTENANT	ENGINE COMPANY 67	7/08/90	87.10
MENONAL ROYAN	FIREFIGHTER	TRUCK 27	3/29/90	145.75
MILLER ELSBETH	PARAMEDIC	AMBULANCE 3	5/29/90	77.50
MINAGOLA THOMAS	FIREFIGHTER	SQUAD 4	4/26/90	176.90
MURKIS RUDY	FIREFIGHTER	TRUCK 11	2/19/90	30.00
MURRISSEY DENNIS	FIREFIGHTER	TRUCK 53	2/21/90	41.00
MUGNAI JAMES	FIREFIGHTER	BATTALION 11	3/24/89	418.00
MUNGMAN JAMES	LIEUTENANT	DISTRICT RELIEF 6	3/22/90	31.00
MURPHY SHAWN	FIREFIGHTER	TRUCK 2	6/17/90	55.00
MUSOLINO JOSEPH	FIREFIGHTER	ENGINE COMPANY 103	2/07/90	323.00
NEIMS CHARLES	PARAMEDIC	UNKNOWN	7/04/90	179.00
NELSON LINDUW	FIREFIGHTER	EMS DISTRICT 1 HEADQUARTERS & R	7/06/90	314.00
NIELSEN MARK	LIEUTENANT	DISTRICT HEADQUARTERS 1	6/24/90	138.50
NIEUPSKI GERALD	PARAMEDIC	AMBULANCE 25	3/03/90	591.90
NOONAN MICHAEL	FIREFIGHTER	TRUCK 50	9/18/87	35.00
NOY LEBLIE	CAPTAIN	DISTRICT RELIEF 2	10/27/89	487.00
DATES THOMAS	LIEUTENANT	ENGINE COMPANY 11	5/06/90	137.50
ODDYLE WILLIAM J	CAPTAIN	SQUAD 1	1/02/84	1375.00
ODONNELL WILLIAM	LIEUTENANT	TRUCK 29	2/07/86	37.00
OLEARY JOHN	FIREFIGHTER	TRUCK 44	3/11/90	220.00
OSWALD DENNIS	FIREFIGHTER	ENGINE COMPANY 116	3/06/90	169.00
OTTOLE ROBERT	FIREFIGHTER	SQUAD 1	12/22/89	42.00
UMCARZ EUGENE	FIREFIGHTER	ENGINE COMPANY 77	9/20/79	254.02
FALLISTER MARK	FIREFIGHTER	UNKNOWN	6/25/90	65.00
PANEK-KRAVITZ CINDY	PARAMEDIC	EMS DISTRICT 2 HEADQUARTERS &	6/15/90	64.00
PARKER JERRY	LIEUTENANT	TRUCK 11	6/06/90	171.75
PAIZIN THOMAS C	CAPTAIN	BATTALION 16	5/21/90	60.00
PAULIK LAWRENCE	FIREFIGHTER	ENGINE COMPANY 29	6/12/90	432.00
PAYNE ARLETT	PARAMEDIC	EMS DISTRICT 3 HEADQUARTERS & R	1/29/90	236.50
PEEMES DEREK	FIREFIGHTER	ENGINE COMPANY 93	7/14/90	141.30
PEROVIC JEFF	FIREFIGHTER	ENGINE COMPANY 123	7/07/90	139.40
PETERSON RAYMOND	PARAMEDIC	AMBULANCE 46	9/14/89	2644.75
PETRASEK EDWARD J	CAPTAIN	ENGINE COMPANY 47	6/02/86	140.00
PLUTA JOHN	PARAMEDIC	AMBULANCE 35	9/04/89	6281.00
POLINO WALTER	FIREFIGHTER	TRUCK 51	7/26/89	1162.50
PONTECORE RONALD	LIEUTENANT	TRUCK 32	1/14/90	312.50
PRHASKA ROBERT	FIREFIGHTER	SQUAD 4	6/15/90	101.91
KANAZINSKAS RICHARD	FIREFIGHTER	ENGINE COMPANY 23	3/22/90	1064.00
RENDA JOSEPH	FIREFIGHTER	SQUAD 1	6/25/90	315.00
RICH JAMES	FIREFIGHTER	FIRE BOAT 37	6/18/90	163.00
RIEMER WILLIAM	ENGINEER	ENGINE COMPANY 76	9/18/89	53.00

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REPORTS OF COMMITTEES

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CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
RILEY	FIRE FIGHTER	TRUCK 28	3/05/90	250.00
ROBINSON	PARAMEDIC	UNKNOWN	6/14/90	149.20
ROCKWELL	ENGINEER	ENGINE COMPANY 22	3/30/90	455.00
RUGERS	FIRE FIGHTER	TRUCK 17	3/19/90	917.00
ROTH	FIRE FIGHTER	SQUAD 1	7/12/90	595.50
RUTKA	FIRE FIGHTER	UNKNOWN	7/25/89	309.00
RYAN	LIEUTENANT	TRUCK 16	12/16/89	805.99
SCALONE	LIEUTENANT	DISTRICT RELIEF 6	4/19/90	111.75
SCHILTRD	PARAMEDIC	AMBULANCE 32	8/03/89	70.00
SCHMIDT	PARAMEDIC	UNKNOWN	8/07/89	900.00
SCHROEDLE	FIRE FIGHTER	TRUCK 60	5/05/90	128.60
SILWAGER	PARAMEDIC	AMBULANCE 26	5/24/90	492.13
SIECK	LIEUTENANT	TRUCK 36	11/28/89	718.00
STERNER	PARAMEDIC	EMS DISTRICT 5 HEADQUARTERS & R	5/07/90	169.00
STEWART	CAPTAIN	DISTRICT HEADQUARTERS 1	2/03/85	12726.22
STUTZ	PARAMEDIC	AMBULANCE 7	7/16/89	17.00
STURM	FIRE FIGHTER	TRUCK 51	6/04/90	181.50
SULLIVAN	PARAMEDIC	AMBULANCE 47	8/13/89	60.00
SULLIVAN	FIRE FIGHTER	ENGINE COMPANY 23	3/26/90	275.00
SULLIVAN	FIRE FIGHTER	ENGINE COMPANY 59	5/15/90	392.14
SUTHERLAND	FIRE FIGHTER	TRUCK 51	6/18/90	593.95
SUTKA	PARAMEDIC	TRUCK 17	12/05/89	171.60
TAVITAS	PARAMEDIC	AMBULANCE 22	10/22/89	120.00
THELEN	FIRE FIGHTER	TRUCK 51	5/14/87	1235.00
THOMAS	FIRE FIGHTER	ENGINE COMPANY 28	6/06/90	30.00
TOMASELLO	PARAMEDIC	ENGINE COMPANY 19	12/28/89	150.00
TOMKE	PARAMEDIC	UNKNOWN	4/19/90	904.00
TOMSENH	FIRE FIGHTER	ENGINE COMPANY 26	11/09/89	105.00
VANMEETER	PARAMEDIC	UNKNOWN	5/24/90	64.00
VASQUEZ	PARAMEDIC	EMS DISTRICT 1 HEADQUARTERS & R	2/15/90	288.00
WADE	FIRE FIGHTER	TRUCK 11	4/18/90	380.00
WAGNER	FIRE FIGHTER	TRUCK 33	11/03/80	45.00
WALNER	LIEUTENANT	ENGINE COMPANY 69	6/22/90	286.92
WALL	FIRE FIGHTER	ENGINE COMPANY 93	12/14/89	110.00
WALLACE	FIRE FIGHTER	TRUCK 57	5/28/90	133.00
WELLS	FIRE FIGHTER	ENGINE COMPANY 104	4/23/90	54.00
WEST	ENGINEER	ENGINE COMPANY 129	3/15/90	55.00
WILBUR	PARAMEDIC	UNKNOWN	12/23/89	4062.00
WILFERT	PARAMEDIC	EMS DISTRICT 6 HEADQUARTERS & R	5/22/90	277.50
WILLIAMS	FIRE FIGHTER	ENGINE COMPANY 121	9/06/89	356.00
WILSON				

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

THIRD PARTY ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
BERNARD	POLICE OFFICER	SEVENTH DISTRICT	4/12/90	18.50
RIGGS	POLICE OFFICER	FIFTH DISTRICT	4/12/90	50.00
BLECKA	POLICE OFFICER	AUTO THEFT SECTION	4/25/90	35.00
BOND	POLICE OFFICER	COMMUNICATIONS OPERATIONS SECT	6/04/88	75.50
BROWNE	POLICE OFFICER	EIGHTEENTH DISTRICT	3/26/90	55.00
DONES	POLICE OFFICER	TENTH DISTRICT	12/16/89	581.50
FERNANDEZ	POLICE OFFICER	EIGHTH DISTRICT	10/03/89	50.00
FICARU	POLICE OFFICER	SEVENTEENTH DISTRICT	3/01/90	197.50
GAMBLE	POLICE OFFICER	TWELFTH DISTRICT	4/02/90	145.00
GONZALES	POLICE OFFICER	EIGHTEENTH DISTRICT	4/01/90	1214.00
GURSKI	POLICE OFFICER	TWELFTH DISTRICT	4/14/90	289.10
HASAN	POLICE OFFICER	SECOND DISTRICT	4/05/90	220.00
HENDRICKSON	POLICE OFFICER	FOURTEENTH DISTRICT	2/23/90	348.00
HEYN	POLICE OFFICER	SECOND DISTRICT	4/10/90	315.00
HICKS	POLICE OFFICER	CHARE LAW ENFORCEMENT	4/23/90	1112.32
JAGLANSKI	POLICE OFFICER	TWENTY-FOURTH DISTRICT	4/18/90	856.24
LEMKE	POLICE OFFICER	TWENTY-FIFTH DISTRICT	3/12/90	295.50
LUCAS	POLICE OFFICER	SEVENTEENTH DISTRICT	8/17/89	8.25
MALONEY	POLICE OFFICER	SEVENTH DISTRICT	2/25/90	150.00
MATLUCK	POLICE OFFICER	SIXTEENTH DISTRICT	4/20/86	90.00
MCCAFFEY	POLICE OFFICER	ELEVENTH DISTRICT	9/21/89	80.00
NELSON	POLICE OFFICER	TWENTY-FOURTH DISTRICT	5/07/90	230.00
NUGENT	POLICE OFFICER	EIGHTH DISTRICT	5/12/90	466.50
OSTROM	POLICE OFFICER	INTERSECTION CONTROL UNIT	6/05/87	1048.00
OTERO	POLICE OFFICER	ELEVENTH DISTRICT	5/29/90	73.00
FALELLA	POLICE OFFICER	NINETEENTH DISTRICT	5/25/90	702.00
FLREZ	POLICE OFFICER	ELEVENTH DISTRICT	5/29/90	343.00
RAFATA	POLICE OFFICER	TRAFFIC DIVISION ADMINISTRATION	10/18/88	99.00
RUMOWSKI	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	2/18/90	75.00
SANCHEZ	POLICE OFFICER	TWELFTH DISTRICT	1/31/89	223.00
SHEEHAN	POLICE OFFICER	TWENTIETH DISTRICT	12/14/89	49.00
SHURTER	POLICE OFFICER	FIFTH DISTRICT	5/12/90	35.00
SOTO	POLICE OFFICER	TWENTY-THIRD DISTRICT	5/31/90	657.50
TAYLOR	POLICE OFFICER	TENTH DISTRICT	12/31/83	244.14
THOMAS	POLICE OFFICER	SEVENTEENTH DISTRICT	11/11/89	120.00
WARD	POLICE OFFICER	ELEVENTH DISTRICT	5/12/90	480.00
WILEY	POLICE OFFICER	SIXTH DISTRICT	12/27/89	636.22
WILLIAMS	POLICE OFFICER	NINTH DISTRICT	1/26/90	386.00
WONSDWICZ	POLICE OFFICER	EIGHTH DISTRICT	3/19/90	135.00
ADAMS	FIREFIGHTER	ENGINE COMPANY 121	5/23/90	65.00
BLITS	POLICE OFFICER	UNKNOWN	2/14/90	614.25
CLARK	PARAMEDIC	UNKNOWN	4/17/90	275.00
HARLAND	PARAMEDIC	EMS DISTRICT 6 HEADQUARTERS & R	6/02/90	509.70
KINAHAN	LIEUTENANT	UNKNOWN	7/09/90	148.00
KUNNYO	FIREFIGHTER	ENGINE COMPANY 45	1/31/89	354.50
LINEHAN-CHISHOLM	POLICE OFFICER	AMBULANCE 41	4/04/90	40.00
MURRAY	PARAMEDIC	AMBULANCE 26	5/03/90	113.50
ONTIVEROS	LIEUTENANT	DISTRICT RELIEF 2	4/18/90	781.00
				385.00

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REPORTS OF COMMITTEES

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CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 12/05/90

THIRD PARTY ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
KORST	FIREFIGHTER	AMBULANCE 34	5/07/90	413.00
SCHMIDT	ENGINEER	ENGINE COMPANY 30	5/05/90	60.00
VASQUEZ	PARAMEDIC	UNKNOWN	2/14/90	102.00
WILBURN	PARAMEDIC	AMBULANCE 8	5/11/90	342.30

Placed On File -- APPLICATIONS FOR CITY OF CHICAGO
CHARITABLE SOLICITATION (TAG DAY) PERMITS.

The Committee on Finance submitted a report recommending that the City Council place on file two applications for City of Chicago charitable solicitation (tag day) permits to the following organizations:

Alliance of Guardian Angels

January 4 and 5, February 8 and 9, March 8 and 9, April 13 and 27, May 25 and 31, June 28 and 29, July 5 and 6, August 9 and 10, September 13 and 14, October 25 and 26, November 22 and 23, and December 20 and 22, 1991 -- citywide; and

Southwest Young Men's Christian Association

April 5 and 6, 1991 -- citywide.

On motion of Alderman Burke, the committee's recommendation was *Concurred In* and said applications were *Placed on File*.

Placed On File -- RESOLUTION CONCERNING TAX LEVY
REQUIREMENTS FOR AND CERTIFICATION AS
TO AMOUNT OF CITY'S CONTRIBUTION
TO LABORER'S AND RETIREMENT
BOARD EMPLOYEES' ANNUITY
AND BENEFIT FUND FOR
YEAR 1991.

The Committee on Finance submitted a report recommending that the City Council place on file a resolution adopted by the Laborer's and Retirement Board Employees Annuity and Benefit Fund of Chicago concerning the tax levy requirements for and certification as to the amount of the City's contribution to the fund for the year 1991.

On motion of Alderman Burke, the committee's recommendation was *Concurred In* and said communication and resolution were *Placed on File*.

Placed On File -- RESOLUTION CONCERNING TAX LEVY
REQUIREMENTS FOR AND CERTIFICATION AS
TO AMOUNT OF CITY'S CONTRIBUTION
TO POLICEMEN'S ANNUITY AND
BENEFIT FUND FOR
YEAR 1991.

The Committee on Finance submitted a report recommending that the City Council place on file a resolution adopted by the Policemen's Annuity and Benefit Fund of Chicago concerning the tax levy requirements for and certification as to the amount of the City's contribution to the fund for the year 1991.

On motion of Alderman Burke, the committee's recommendation was *Concurred In* and said communication and resolution were *Placed on File*.

COMMITTEE ON THE BUDGET AND
GOVERNMENT OPERATIONS.

TRANSFER OF FUNDS FOR YEAR 1990 AUTHORIZED
WITHIN DEPARTMENT OF LAW.

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance authorizing a transfer of funds for the year 1990 within the Department of Law, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) LEMUEL AUSTIN, JR.,
Chairman.

On motion of Alderman Austin, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer are authorized and directed to make the following transfer of funds for the year 1990. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during the year 1990 payable from such appropriations:

FROM:

Purpose	Fund	Code Department	Account	Amount
Stationery and Office Supplies	100	31-2005	0350	\$10,000
Advertising	100	31-2005	0152	\$13,000

TO:

Purpose	Fund	Code Department	Account	Amount
Books and Related Materials	100	31-2005	0348	\$10,000
Dues, Subscriptions and Memberships	100	31-2005	0166	\$13,000

SECTION 2. The sole purpose of this transfer of funds is to provide funds to meet necessary obligations within the Department of Law during the year 1990.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

TRANSFER OF FUNDS FOR YEAR 1990 AUTHORIZED
WITHIN DEPARTMENT OF CONSUMER SERVICES.

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance authorizing a transfer of funds for the year 1990 within the Department of Consumer Services, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) LEMUEL AUSTIN, JR.,
Chairman.

On motion of Alderman Austin, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer are authorized and directed to make the following transfer of funds for the year 1990. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during the year 1990 payable from such appropriations:

FROM:

Purpose	Fund	Code Department	Account	Amount
Salaries and Wages -- on Payroll	100	71-2005	0005	\$16,000

TO:

Purpose	Fund	Code Department	Account	Amount
Telephone -- Centrex Billings	100	71-2005	0190	\$16,000

SECTION 2. The sole purpose of this transfer of funds is to provide funds to meet necessary obligations within the Department of Consumer Services during the year 1990.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

TRANSFER OF FUNDS FOR YEAR 1990 AUTHORIZED
WITHIN CITY COUNCIL COMMITTEE ON
COMMITTEES, RULES AND ETHICS.

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance authorizing a transfer of funds for the year 1990 within the City Council Committee on Committees, Rules and Ethics, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) LEMUEL AUSTIN, JR.,
Chairman.

On motion of Alderman Austin, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer are hereby authorized and directed to make the following transfer of funds for the year 1990, which transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during the year 1990 payable from such appropriations:

FROM:

Purpose	Fund	Code Department	Account	Amount
For Commodities and Materials	100	15-2045	0300	\$100.00

TO:

Purpose	Fund	Code Department	Account	Amount
For Personal Services	100	15-2045	0000	\$100.00

SECTION 2. The sole purpose for this transfer of funds is to provide funds to meet necessary obligations of the Committee on Committees, Rules and Ethics during the year 1990.

SECTION 3. This ordinance shall take effect and be in force from and after its passage.

TRANSFER OF FUNDS FOR YEAR 1990 AUTHORIZED
WITHIN CITY COUNCIL COMMITTEE
ON EDUCATION.

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance authorizing a transfer of funds for the year 1990 within the City Council Committee on Education, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) LEMUEL AUSTIN, JR.,
Chairman.

On motion of Alderman Austin, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer are authorized and directed to make the following transfer of funds for the year 1990. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during the year 1990 payable from such appropriations:

FROM:

Purpose	Fund	Code Department	Account	Amount
For Contractual Services	100	15-2060	0100	\$3,000
For Travel	100	15-2060	0200	\$1,400

TO:

Purpose	Fund	Code Department	Account	Amount
For Personal Services	100	15-2060	0000	\$3,200
For Contingencies	100	15-2060	0700	\$1,200

SECTION 2. The sole purpose of this transfer of funds is to provide funds to meet necessary obligations within the City Council Committee on Education during the year 1990.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

REPROGRAMMING OF YEAR XVI COMMUNITY DEVELOPMENT
BLOCK GRANT FUNDS WITHIN DEPARTMENT OF
HOUSING'S CHICAGO HOUSING AUTHORITY/
SECURITY PROGRAM.

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a proposed ordinance authorizing the reprogramming of Year XVI Community Development Block Grant funds within the Department of Housing's C.H.A./Security Program, in the amount of \$31,350.00, and having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) LEMUEL AUSTIN, JR.,
Chairman.

On motion of Alderman Austin, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City Council of the City of Chicago passed an ordinance on December 6, 1989, which set forth the procedures for the Community Development Block Grant Program requiring that the City shall not reprogram funds in excess of \$25,000 for any object or purpose set forth in the Community Development Block Grant Ordinance or allocations from prior block grants without the approval of the City Council; and

WHEREAS, The City has allocated \$237,719 of Year XVI Community Development Block Grant funds under the C.H.A./Security Program which supports activities in the Department of Housing; and

WHEREAS, The Commissioner of the Department of Housing requests the reprogramming of \$31,350 within the Department of Housing's C.H.A./Security Program, and said reprogramming will not increase the Department's budget; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The sum of \$31,350 of Year XVI Community Development Block Grant funds is hereby reprogrammed within the existing program budget of the Department of Housing's C.H.A./Security Program (325-21-2625). The reprogramming will shift \$31,350 from a professional services account (.0140) to a salaries account (.0005) and a fringe benefits account (.0044) for staffing of additional units. \$28,500 will be shifted to the salaries account and \$2,850 will be shifted to the fringe benefits account.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

REPROGRAMMING OF YEAR XVI COMMUNITY
DEVELOPMENT BLOCK GRANT FUNDS
FROM HOUSING ABANDONMENT
PREVENTION PROGRAM TO
EMERGENCY HOUSING
ASSISTANCE PROGRAM.

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a proposed ordinance authorizing the reprogramming of Year XVI Community Development Block Grant funds from the Housing Abandonment Prevention Program to the Emergency Housing Assistance Program, in the amount of \$375,000.00, and having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) LEMUEL AUSTIN, JR.,
Chairman.

On motion of Alderman Austin, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City Council of the City of Chicago passed an ordinance on December 6, 1989, which set forth procedures for the Community Development Block Grant Program requiring that the City shall not reprogram funds in excess of \$25,000 for any object or purpose set forth in the Community Development Block Grant Ordinance or allocations from prior block grants without the approval of the City Council; and

WHEREAS, The City has allocated \$1,000,000 of Year XVI Community Development Block Grant funds to the Housing Abandonment Prevention Program and \$2,300,000 of Year XVI funds to the Emergency Housing Assistance Program; and

WHEREAS, The Commissioner of the Department of Housing requests the reprogramming of \$375,000 from the Housing Abandonment Prevention Program to the Emergency Housing Assistance Program, and said reprogramming will not increase the Department's budget; now, therefore,

Be It Ordained by the City Council of City of Chicago:

SECTION 1. The sum of \$375,000 of Year XVI Community Development Block Grant funds be reprogrammed from the Department of Housing's Housing Abandonment Prevention Program to the Department of Housing's Emergency Housing Assistance Program. The reprogramming will shift funding from the rehabilitation loans and grants account (.9103) within the Housing Abandonment Prevention Program to the rehabilitation loans and grants account (.9103) in the Emergency Housing Assistance Program in order to meet additional requests for emergency housing assistance funding.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

SUPPLEMENTAL APPROPRIATION FOR YEAR 1990 IN
CORPORATE FUND RELATING TO CHICAGO
ENERGY SAVERS PROGRAM.

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a proposed ordinance authorizing a Supplemental Appropriation and the establishment of an account for the year 1990 in the Corporate Fund, relating to the Chicago Energy Savers Program, in the amount of \$1,300,000.00, and having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) LEMUEL AUSTIN, JR.,
Chairman.

On motion of Alderman Austin, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago is a home rule unit of government as defined in Article VII, Section 6(a) of the Illinois Constitution, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, People's Gas Co. has agreed to fund the City of Chicago's Chicago Energy Savers Program at \$1,300,000 with the understanding that it will be administered by the City of Chicago; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The sum of \$1,300,000 not previously appropriated, representing the receipt of private support by the Department of Housing, from People's Gas Co., is hereby appropriated from Fund 100 -- Corporate from the Year 1990. The Annual Appropriation Ordinance for the Year 1990, as amended, is hereby further amended by inserting the words and figures in the attached Exhibit A.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Exhibit "A" attached to this ordinance reads as follows:

Exhibit "A".

Amendments To The 1990 Annual Appropriation Ordinance.

Code	Department And Item	Strike No. Amount	Insert No. Amount
	Estimates of Assets and Liabilities as of January 1, 1990, and Estimates of the amounts of such Assets and Revenue which are Appropriable for the Year 1990.		
100 -- Corporate Fund			
	Other Revenue	\$ 3,466,000	\$ 4,766,000
	Total Revenue -- Corporate Fund	\$1,636,547,000	\$1,637,847,000

Department Of Housing 21-2005

.0943

Chicago Energy Savers
Program. To be expended under
the direction of the Budget
Director.

\$ 1,300,000

COMMITTEE ON BUILDINGS.

Re-Referred -- CHICAGO POLICE DEPARTMENT AREA TWO
HEADQUARTERS TO BE RENAMED CALUMET
AREA TWO HEADQUARTERS.

The Committee on Buildings submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Buildings, having had under consideration an ordinance renaming the Chicago Police Department Area Two Headquarters as the Calumet Area Two Headquarters and which was referred to the committee (May 16, 1990) in error; at a committee meeting of November 29, 1990, it was determined that this ordinance be *Re-Referred* to the Committee on Police, Fire and Municipal Institutions.

This recommendation was concurred in by the respective members of the committee present with no dissenting vote.

Respectfully submitted,

(Signed) FRED B. ROTI,
Chairman.

On motion of Alderman Roti, the committee's recommendation was *Concurred In* and the said proposed ordinance transmitted with the foregoing committee report was *Re-Referred to the Committee on Police, Fire and Municipal Institutions* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

COMMITTEE ON COMMITTEES, RULES AND ETHICS.

AMENDMENT OF TITLE 2, CHAPTER 164 OF MUNICIPAL CODE OF CHICAGO BY REDEFINING TERM "CANDIDATE" AND MAKING VARIOUS TECHNICAL CORRECTIONS CONCERNING "CAMPAIGN FINANCING".

The Committee on Committees, Rules and Ethics submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Committees, Rules and Ethics, having held a meeting on Thursday, November 15, 1990, and having considered a proposed ordinance to amend Chapter 2-164 of the Municipal Code of the City of Chicago, having had the same under advisement, begs leave to recommend that Your Honorable Body *Pass* the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) RICHARD F. MELL,
Chairman.

On motion of Alderman Mell, the said proposed substitute ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Chapter 2-164 of the Municipal Code of Chicago is hereby amended by deleting the language in brackets and inserting the language in italics as follows:

Municipal Code Chapter 2-164 Entitled
"Campaign Financing".

2-164-010. Definitions.

Whenever used in this chapter, the following terms shall have the following meanings:

(a) "Board of Ethics" or "Board" means the Board of Ethics established by Chapter 2-156 of this code, as amended.

(b) "Candidate" means [a candidate as defined in Article 9 of the Illinois Election Code, as amended] *any person who seeks nomination for election, election to or retention in any elected office of the government of the City, whether or not such person is elected. A person seeks nomination for election, election or retention if he or she (1) takes the action necessary under the*

laws of the State of Illinois to attempt to qualify for nomination for election, election to or retention in public office, or (2) receives contributions or makes expenditures, or gives consent for any other person to receive contributions or make expenditures with a view to bringing about his or her nomination for election or election to or retention in such office. [for any elected office of the government of the City.]

(c) "City" means the City of Chicago.

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

(e) "Committee" or "political committee" means a political committee as defined in Article 9 of the Illinois Election Code, as amended.

(f) "Doing business" means doing business as defined in Chapter 2-156 of this code, as amended.

(g) "Employee" means an employee as defined in Chapter 2-156 of this code, as amended.

(h) "Expenditure" means an expenditure as defined in Article 9 of the Illinois Election Code, as amended.

(i) "Financial interest" means a financial interest as defined in Chapter 2-156 of this code, as amended.

(j) "Official" means an official as defined in Chapter 2-156 of this code.

(k) "Seeking to do business" means seeking to do business as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

2-164-020. Gifts And Favors To Candidates.

(a) No person shall give or offer to give to any candidate, or to the spouse or minor child of a candidate, and none of them shall accept (i) any

anonymous gift or contribution; or (ii) anything of value, including but not limited to a gift, favor or promise of future employment, based on an understanding, either implicit or explicit, that the candidate's votes, official actions, decisions or judgments as an elected official of the City government would be influenced thereby.

(b) Except as prohibited in subsection (a), nothing in this section shall prohibit any person from giving or receiving (i) an award presented in recognition of public service; (ii) commercially reasonable loans made in the ordinary course of the lender's business; (iii) political contributions, provided that they are reported to the extent required by law; (iv) reasonable hosting, including travel expenses, entertainment, meals or refreshments in connection[s] with public events, appearances or ceremonies related to official City business, if furnished by the sponsor of such event.

2-164-030. Anonymous And Pseudonymous Contributions.

No person shall offer or make, and no candidate, candidate's committee or person acting in behalf of either of them shall solicit or accept, any contribution that is (a) anonymously given; or (b) made or to be made other than in the name of the true donor.

2-164-040. Limitation Of Contributions To Candidates And Elected Officials.

(a) No person who has done business with the City within the preceding four reporting years or is seeking to do business with the City shall make contributions in an aggregate amount exceeding \$1,500 (i) to any candidate for City office during a single candidacy; or (ii) to an elected official of the government of the City during any reporting year of his term; or (iii) to any official or employee of the City who is seeking election to any other office. For purposes of this section, (i) candidacy in primary and general elections shall be considered separate and distinct candidacies; and (ii) all contributions to a candidate's authorized political committees shall be considered contributions to the candidate. The combined effect of these provisions is intended to permit total contributions up to but not exceeding \$3,000 in a reporting year in which a candidacy occurs. A reporting year is from July 1 to June 30. The first filing date will be July 30, 1988 and annually thereafter.

(b) For purposes of subsection (a) above, an entity and its subsidiaries, parent company or otherwise affiliated companies, and any of their employees, officers, directors and partners who make a political contribution for which they are reimbursed by the entity or its affiliates

shall be considered a single person. However, nothing in this provision shall be construed to prohibit such an employee, officer, director or partner from making a political contribution for which he is not reimbursed by a person with whom he or she is affiliated, even if that person has made the maximum contribution allowed under subsection (a).

(c) For purposes of subsection (a) above, a contribution to (i) any political fundraising committee of a candidate or elected official, or (ii) any political fundraising committee which, during the [calendar] *reporting* year in which the contribution is to be made, has itself made contributions or given financial support in excess of 50% of that committee's total receipts for the reporting year to a particular candidate, elected official, or the authorized fundraising committee of that candidate or elected official, shall be considered a contribution to that candidate or elected official.

2-164-050. Financial Disclosure By Candidates.

Every person who qualifies as a candidate shall thereby become a "reporting individual" for purposes of Chapter 2-156 of this code, and shall file a statement of financial interests, in the form prescribed by the Board of Ethics pursuant to said chapter, within five days after qualifying as a candidate. The provisions of Chapter 2-156 relating to time, place and manner of filing statements, delivering notices and receipts shall apply to statements of candidates.

2-164-060. Failure To File Financial Disclosure.

No elected official shall be allowed to take the oath of office, continue in office or receive compensation from the City unless he has filed the statement of financial interest required by Section 2-164-050 and Chapter 2-156 of this code.

2-164-070. Powers And Duties Of Board In Regard To Campaign Financing Ordinance.

In addition to the other powers and duties conferred on it by this code, the Board of Ethics shall have the following powers and duties:

(a) To initiate and to receive complaints of violations of any of the provisions of this chapter and to investigate and act upon such complaints as provided by this chapter; provided, however, that the Board shall have no authority to investigate any complaint alleging a violation of any

provision of this ordinance or alleging other misconduct by an alderman. If the Board receives a complaint alleging a violation or other misconduct by an alderman, the Board shall, within two days after receipt thereof, transmit such complaint to the standing committee of the City Council having jurisdiction over such complaints.

(b) To conduct investigations, inquiries, and hearings concerning any matter covered by this chapter, subject to the limitation expressed in the preceding subsection, and to certify its own acts and records. In the process of investigating complaints of violations of this chapter, the Board, by a majority vote, may request the issuance of a subpoena by the City Council in accordance with Illinois law. The Board may exercise appropriate discretion in determining whether to investigate and whether to act upon any particular complaint or conduct. When the Board determines that assistance is needed in conducting investigations, or when required by law, the Board shall request the assistance of other appropriate agencies.

(c) To require the cooperation of City agencies, officials, employees and other persons whose conduct is regulated by this chapter, in investigating alleged violations of this chapter. Information reasonably related to an investigation shall be made available to the Board by such persons on written request.

(d) To consult with City agencies, officials and employees on matters involving ethical conduct.

(e) To recommend such legislative action as it may deem appropriate to effectuate the policy of this chapter.

(f) To conduct research in the field of governmental ethics and to carry out such educational programs as it deems necessary to effectuate the policy and purpose of this chapter.

(g) To promulgate rules for the conduct of Board activities, including procedural rules consistent with the requirements of due process of law. Provided, however, no such rules and regulations shall become effective until 45 days after their submission to the City Council. And, provided further, no such rules and regulations shall become effective if, during said 45-day period, the City Council, by majority vote of aldermen entitled to be elected, acts to disapprove said rules and regulations.

(h) To prescribe forms for the disclosure and registration of information as provided in this chapter.

(i) To hire such staff as the City Council shall provide in the annual appropriation ordinance.

(j) To prepare and publish, from time to time but at least annually, reports summarizing the Board's activities and to present such report to the Mayor and the City Council.

(k) To render advisory opinions with respect to the provisions of this chapter based upon a real or hypothetical set of circumstances, when requested in writing by an official or employee, or by a person who is personally and directly involved. Advisory opinions shall be made available to the public, but the identity of the person requesting the opinion and of any person whose conduct is involved in the set of circumstances described in the request for opinion, shall be confidential.

2-164-080. Complaints And Investigations Under Campaign Financing Ordinance.

(a) Prior to the conclusion of an investigation, the Board shall give the person under investigation notice of the substance of the complaint and an opportunity to present such written information as the person may desire, including the names of any witnesses the person wishes to have interviewed by the Board.

(b) At the conclusion of an investigation, the Board shall prepare a written report including a summary of its investigation, a complete transcript of any proceeding including but not limited to any testimony heard by the Board, to be duly recorded by a qualified reporter, and including recommendations for such administrative or legal action as it deems appropriate. If the Board determines that the complaint is not sustained, it shall so state in its report and so notify the person investigated and any other person whom the Board has informed of the investigation. If the person investigated is an employee and the Board finds that corrective action should be taken, the Board shall send its report to the head of the department or agency in which the employee works. If the person investigated is a department head or appointed official, and the Board finds that corrective action should be taken, the Board shall send its report to the Mayor. If the person investigated is a City Council employee, and the Board finds that corrective action should be taken, the Board shall send its report to the chairman of the City Council committee or to the alderman for whom the employee works. If the person investigated is an elected official other than an alderman, the Board shall send its report to that official and to the Mayor. In all instances the Board shall also send its report to the Corporation Counsel. A person to whom the Board has transmitted a recommendation for action shall, within 30 days of receipt of the recommendation, report to the Board in writing the actions taken on the recommendation and, to the extent that the person declines to take any recommended action, provide a statement of reasons for his decision.

Nothing in this section shall preclude the Board from notifying a person, prior to or during an investigation, that a complaint against him is pending and, where appropriate, recommending to him corrective action; provided, however, that any such notification and recommendation shall be made in writing and a copy thereof shall be transmitted contemporaneously by the Board to the Corporation Counsel.

2-164-090. Confidentiality.

Complaints to the Board and investigations and recommendations thereon shall be confidential, except as necessary to carry out powers and duties of the Board or to enable another person or agency to consider and act upon the notices and recommendations of the Board; provided that, without identifying the person complained against or the specific transaction, the Board may (a) comment publicly on the disposition of its requests and recommendations and; (b) publish summary opinions to inform City personnel and the public about the interpretation or provisions of this chapter.

2-164-100. Sanctions.

Any employee found to have violated any of the provisions of this chapter, or to have furnished false or misleading information to the Board of Ethics with the intent to mislead, shall be subject to employment sanctions, including discharge, in accordance with procedures under which the employee may otherwise be disciplined. Any official who intentionally files a false or misleading statement of financial interests, or knowingly fails to file a statement within the time prescribed in this chapter, or otherwise violates any provision of this chapter, shall be subject to removal from office.

2-164-110. Judicial Penalties.

Any person found by a court to be guilty of knowingly violating any of the provisions of this chapter or of furnishing false, misleading or incomplete information to the Board of Ethics with the intent to mislead, upon conviction thereof shall be punished by a fine of no more than \$500 for any one offense.

2-164-120. Relationship To Other Laws.

The procedures and penalties provided in this chapter are supplemental and do not limit either the power of the City Council to discipline its own members or the power of any other City agency to otherwise discipline officials or employees or take appropriate administration action. Nothing in this chapter is intended to repeal or is to be construed as repealing in any way the provisions of any other law or ordinance.

2-164-130. Severability.

If any provision of this chapter or application thereof to any person or circumstance is held unconstitutional or otherwise invalid, such invalidity does not affect other provisions or applications of this chapter which can be given effect without the invalid application or provision, and to this end each such invalid provision or invalid application of the chapter is severable, unless otherwise provided by this chapter. It is hereby declared to be the legislative intent of the City Council that this chapter would have been adopted had any such unconstitutional or otherwise invalid provision or application not been included.

SECTION 2. This ordinance shall be in effect from the date of passage.

Re-Refered -- INVESTIGATION OF ALLEGED ACTS OF TORTURE
DIRECTED BY CHICAGO POLICE AREA 2
LIEUTENANT JOHN BURGE AGAINST
NON-WHITE CITIZENS
OF CHICAGO.

The Committee on Committees, Rules and Ethics submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Committees, Rules and Ethics, having held a meeting on Thursday, November 15, 1990, and having considered a proposed

resolution to investigate allegations of acts of torture allegedly directed by Lieutenant John Burge, Chicago Police Area 2, against non-white citizens of Chicago, having had the same under advisement, begs leave to recommend that Your Honorable Body *Re-Refer* the said proposed resolution to the Committee on Finance.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) RICHARD F. MELL,
Chairman.

On motion of Alderman Mell, the committee's recommendation was *Concurred In* and the said proposed resolution transmitted with the foregoing committee report was *Re-Referred to the Committee on Finance* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

COMMITTEE ON HISTORICAL LANDMARK PRESERVATION.

DESIGNATION OF WHISTLE STOP INN AS CHICAGO LANDMARK.

The Committee on Historical Landmark Preservation submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Historical Landmark Preservation, having had under consideration a communication signed by William M. McLenahan, Director of the Commission on Chicago Landmarks (referred to your committee on January 19, 1990) to designate the Whistle Stop Inn as a Chicago landmark, begs leave to recommend that Your Honorable Body *Pass* the said proposed ordinance which is transmitted herewith.

This recommendation was concurred in by all members of the committee present, with no dissenting vote.

Respectfully submitted,

(Signed) BERNARD L. STONE,
Chairman.

On motion of Alderman Stone, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Pursuant to Chapter 21, Section 21-72 of the Municipal Code of Chicago, the Commission on Chicago Landmarks has determined that the Whistle Stop Inn, located at 4200 West Irving Park Road, in Chicago, Illinois, is worthy of designation as a Chicago landmark; and

WHEREAS, The Commission has found that the Whistle Stop Inn meets certain criteria for landmark status set forth in Chapter 21-66 (1) and (7) of the Municipal Code of Chicago; and

WHEREAS, The Whistle Stop Inn has historical and cultural value to the City of Chicago as an example of the commercial architecture built in outlying areas of the city during the late nineteenth century; and

WHEREAS, The businesses that occupied the Whistle Stop Inn during its early history, including the grocery firms of Henry Nichols, David Mee, and Fred Brown, as well as the pharmacy operated by William H. Brown, typified the commercial enterprises that supported the predominantly residential character of the then-remote Irving Park neighborhood; and

WHEREAS, The Whistle Stop Inn was recently the object of the effort to recreate features of the original composition long obscured by unsympathetic remodelings, and as a result has become a distinctive and familiar visual feature along Irving Park Road; and

WHEREAS, The Commission on Chicago Landmarks has concluded that the Whistle Stop Inn is truly important to Chicago and deserves to be preserved, protected, enhanced, rehabilitated, and perpetuated, and the Commissioner of Planning of the City of Chicago, and the City Council Committee on Historical Landmark Preservation have concurred in the Commission's recommendation that the Whistle Stop Inn be designated as a Chicago landmark; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Whistle Stop Inn, located at 4200 West Irving Park Road, Chicago, Illinois, and legally described as:

the east twenty-five (25) feet of Lot 23 in Block 25 in Irving Park, being a subdivision of the southeast quarter (1/4) of Section 15, Township 40 North, Range 13 East of the Third Principal Meridian, except the south seventeen (17) feet of said premises taken or used for part of Irving Park Boulevard, all in Cook County Illinois,

P.I.N. No. 13-15-421-022,

is hereby designated in its entirety, along with the land on which it stands, as a Chicago landmark. The critical features identified for preservation are all aspects of the exterior of the structure, including its roof.

SECTION 2. The Commission on Chicago Landmarks is hereby directed to create a suitable plaque appropriately identifying said landmark, and to

affix the plaque to the property designated as a Chicago landmark in accordance with the provisions of Section 21-65 (3) of the Municipal Code of Chicago.

SECTION 3. The Commission on Chicago Landmarks is directed to comply with the provisions of Section 21-75 of the Municipal Code of Chicago.

SECTION 4. This ordinance shall take effect from and after the date of its passage.

**COMMITTEE ON HOUSING, LAND ACQUISITION,
DISPOSITION AND LEASES.**

**ACCEPTANCE OF BIDS FOR PURCHASE OF CITY-OWNED
VACANT PROPERTY AT SUNDRY LOCATIONS.**

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which were referred ordinances authorizing the acceptance of bids at the following locations:

2747 West Adams Street

3275 West Armitage Avenue

746 South California Avenue

15 -- 19 North Campbell Avenue/2447 -- 2449 West Warren Boulevard

1448 North Campbell Avenue

1751 North Campbell Avenue

1757 North Campbell Avenue

1915 North Campbell Avenue

1310 -- 1318 West Devon Avenue

3314 West Fifth Avenue

4317 South Forrestville Avenue

3608 South Halsted Street

3927 -- 3947 South Halsted Street

875 North Hermitage Avenue

4719 -- 4721 South Ingleside Avenue

701 -- 703 North Kedzie Avenue/3148 -- 3158 West Huron Street

4731 -- 4739 West Lake Street

1714 North Maplewood Avenue

3123 West Moffat Street

8801 -- 8809 South Oglesby Avenue

1104 South Sacramento Boulevard

2421 West Taylor Street

1725 North Troy Street

3522 South Wabash Avenue

3843 South Wallace Avenue

2437 West Warren Boulevard

4343 South Wells Street

4140 -- 4142 South Wentworth Avenue

7427 South Western Avenue

1124 West 31st Street

621 -- 623 East 41st Street

having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinances transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following are said ordinances as passed (the italic heading in each case not being a part of the ordinance):

2747 West Adams Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Levester and Carol Sergeant, his wife, as joint tenants, 2743 West Adams Street, Chicago, Illinois 60612, to purchase for the sum of \$3,750.00, the city-owned vacant property, as advertised, described as follows:

Lot 5 in McCally's Subdivision of Lots 2 and 3 in Block 2 of Rockwell's Addition to Chicago in the northeast quarter of Section 13, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 2747 West Adams Street, Permanent Tax No. 16-13-212-005)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$375.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

3275 West Armitage Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Ramon Flores, 3425 West Schubert Avenue, Chicago, Illinois 60647, to purchase for the sum of \$10,500.00, the city-owned vacant property, approved to advertise

pursuant to Council ordinance passed October 6, 1986, pages 34497 -- 34498 described as follows:

Lot 13 in Winkelman's Resubdivision of part of Block 2 in Simon's Subdivision of the southeast quarter of Section 35, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 3275 West Armitage Avenue, Permanent Tax No. 13-35-404-003)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,050.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

746 South California Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Eddie Dale, 750 South California Avenue, Chicago, Illinois 60612, to purchase for the sum of \$9,000.00, the city-owned vacant property, as advertised, described as follows:

Lots 6 and 7 in Fuellgraff and Preis' Subdivision of Block 9 in G. W. Clarks Subdivision of the east half of the southwest quarter of Section 13, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 746 South California Avenue, Permanent Tax Nos. 16-13-311-039 and 040)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$900.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

*15 -- 19 North Campbell Avenue/2447 -- 2449 West
Warren Boulevard.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Greater Bethlehem Missionary Baptist Church, 2400 West Warren Boulevard, Chicago, Illinois 60612, to purchase for the sum of \$13,010.00, the city-owned vacant property, as advertised, described as follows:

Lots 21 and 22 in Block 1 in L. D. Boone's Addition to Chicago, being a subdivision of southeast Block 1 of the east 33.81 acres in the south half of the southeast quarter of Section 12, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 15 -- 19 North Campbell Avenue/2447 -- 2449 West Warren Boulevard, Permanent Tax No. 16-12-428-001)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,301.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1448 North Campbell Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Rafael Susana, 1450 North Campbell Avenue, Chicago, Illinois 60622, to purchase for the sum of \$500.00, the city-owned vacant property, as advertised, described as follows:

Lot 5 in Block 6 in Winslow, Jacobson and Tallman's Subdivision of the northeast quarter of the northeast quarter of Section 1, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1448 North Campbell Avenue, Chicago Illinois)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$500.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1751 North Campbell Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Sheldon Whitman and Daniel Whitman, not as tenants in common but as joint tenants, 1310 West Howard Street, Chicago, Illinois 60626, to purchase for the sum of \$6,600.00, the city-owned vacant property, as advertised, described as follows:

Lot 97 in Oswald and Jaeger's Subdivision of Block 5 of Johnston's Subdivision of the east half of the southeast quarter of Section 36, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1751 North Campbell Avenue, Permanent Tax No. 13-36-423-004)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$660.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1757 North Campbell Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Sheldon Whitman and Daniel H. Whitman, not as tenants in common but as joint tenants, 1310 West Howard Street, Chicago, Illinois 60626, to purchase for the sum of \$6,600.00, the city-owned vacant property, as advertised, described as follows:

Lot 99 in Oswald and Jaeger's Subdivision of Block 5 of Johnston's Subdivision of the east half of the southeast quarter of Section 36, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1757 North Campbell Avenue, Permanent Tax No. 13-36-423-002)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$660.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1915 North Campbell Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Loring Nelson-Curry, 420 North Clark Street, Chicago, Illinois 60610, to purchase for the sum of \$3,500.00, the city-owned vacant property, as advertised, described as follows:

Lot 5 in J. A. Johnson and A. Anderson Resubdivision of Lot 25, and the west half of Lot 26 in Block 1 in Johnston's Subdivision of the east half of the southeast quarter of Section 36, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1915 North Campbell Avenue, Chicago, Illinois, Permanent Index No. 13-36-408-005)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$350.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1310 -- 1318 West Devon Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Mohammad Gaffar, Mohammad Usman and Mohammed Subhani, as joint tenants, 1950 West Devon Avenue, No. 306, Chicago, Illinois 60660 to purchase for the sum of \$57,777.00, the city-owned vacant property, approved to advertise, pursuant to Council ordinance passed January 18, 1989, pages 23834 -- 23835, described as follows:

Lots 19, 20 and 21 in Block 4 in A. T. Galt's Edgewater Golf Division Subdivision of the south 30 acres of the east half of the southwest quarter of Section 32, Township 41 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1310 -- 1318 West Devon Avenue, Permanent Tax No. 11-32-329-041)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$5,800.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

3314 West Fifth Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of New Mount Pilgrim Missionary Baptist Church, 3330 West Fifth Avenue, Chicago, Illinois 60624 to purchase for the sum of \$4,000.00, the city-owned vacant property, as advertised, described as follows:

Lot 60 in Kimball's Subdivision of the west half of the northeast quarter of the northeast quarter of Section 14, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 3314 West Fifth Avenue, Permanent Tax No. 16-14-210-036)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$400.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

4317 South Forrestville Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Quinnie Edwards and Majorie Edwards, his wife, as joint tenants, 4329 South Forrestville Avenue, Chicago, Illinois, 60653, to purchase for the sum of \$2,320.00, the city-owned vacant property, as advertised, described as follows:

commencing at the northwest corner of said Lot 13; thence south along the east line of Forrestville Avenue 16 feet, 9 inches more or less to a point in the center of the south wall of the houses on the north part of Lot 13 known as 4317 Forrestville Avenue; thence east along said line parallel with the north line of Lot 13, 125 feet, 3-1/2 inches more or less to an alley; thence north on the west line of alley, 16 feet, 9 inches, more or less, to the north line of Lot 13; thence west along the north line of said lot to the point of beginning in Block 1 of Cronkite & Co.'s Subdivision of the north half of the north half of the northwest quarter of the southeast quarter, east of Vincennes Road in Section 3, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 4317 South Forrestville Avenue, Permanent Tax No. 20-03-402-004)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$250.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

3608 South Halsted Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Andrew R. Christophersen, 3940 West 63rd Street, Chicago, Illinois 60629, to purchase for the sum of \$12,500.00, the city-owned vacant property, as advertised, described as follows:

Lot 4 in Block 7 in Gage & Others' Subdivision of the east half of southeast quarter of Section 32, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 3608 South Halsted Street, Permanent Tax No. 17-32-410-015)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,250.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

3927 -- 3947 South Halsted Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Marvin H. Browning, 2615 -- 2617 West 35th Street, Chicago, Illinois 60632, to purchase for the sum of \$130,010.00, the city-owned vacant property, as advertised, described as follows:

Lots 24 to 32 inclusive in subdivision of Block 4 in Superior Court Partition of the west half of the northwest quarter of Section 4, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 3927 -- 3947 South Halsted Street, Permanent Tax No. 20-04-100-004)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$13,001.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

875 North Hermitage Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Lisiecki Kazimierz, 877 North Hermitage Avenue, Chicago, Illinois 60622, to purchase for the sum of \$20,150.00, the city-owned vacant property, as advertised, described as follows:

the north half of Lot 6 (except the east 27 feet thereof) in Block 19 in Johnston's Subdivision of the east half of southeast quarter of Section 6, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 875 North Hermitage Avenue, Permanent Tax No. 17-06-430-005)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$2,015.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

4719 -- 4721 South Ingleside Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Mrs. Betty L. Cross, 7704 South Carpenter Street, Chicago, Illinois 60620, to purchase for the sum of \$9,300.99, the city-owned vacant property, as advertised, described as follows:

Lots 39 and 40 in Block 2 in Sherman T. Cooper's Drexel Boulevard Addition to Chicago in the northwest quarter of Section 11, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 4719 -- 4721 South Ingleside Avenue, Permanent Tax No. 20-11-102-003)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$940.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

*701 -- 703 North Kedzie Avenue/3148 -- 3158 West
Huron Street.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Robert L. Kruse, 1250 North LaSalle Drive, No. 510, Chicago, Illinois 60612, to purchase for the sum of \$12,224.00, the city-owned vacant property, as advertised, described as follows:

Lots 160 and 161 in the subdivision of the west half of the northwest quarter of the northwest quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 701 -- 703 North Kedzie Avenue/3148 -- 3158 West Huron Street, Permanent Tax No. 16-12-100-020)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,224.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

4731 -- 4739 West Lake Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Donald M. Farrar, 4725 West Lake Street, Chicago, Illinois 60644, to purchase for the sum of \$21,000.00, the city-owned vacant property, as advertised, described as follows:

Lots 13, 14, 15 and 16 in Block 9 in the resubdivision of Blocks 7, 8, 9 and 10 in West Chicago Land Company's Subdivision of the south half of Section 10, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 4731 -- 4739 West Lake Street, Permanent Tax Nos. 16-10-307-021, 022 and 023)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$2,100.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1714 North Maplewood Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Walter Burnett, Jr., 1746 North California Avenue, Chicago, Illinois 60647, to purchase for the sum of \$6,000.00, the city-owned vacant property, as advertised, described as follows:

Lot 31 in Hambelton's Subdivision of Block 6 in Johnston's Subdivision of the east half of the southeast quarter of Section 36, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1714 North Maplewood Avenue, Permanent Tax No. 13-36-421-028)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$600.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

3123 West Moffat Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Norman R. Oyen, 6204 West Irving Park Road, Chicago, Illinois 60634, to purchase for the sum of \$3,150.00, the city-owned vacant property, as advertised, described as follows:

Lot 25 in Block 4 in Nils F. Olson's Subdivision of all that part of the northwest quarter of the southwest quarter of Section 36, Township 40 North, Range 13, East of the Third Principal Meridian, lying west of Clarkson Avenue, in Cook County, Illinois (commonly known as 3123 West Moffat Street, Permanent Tax No. 13-36-309-011)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$315.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

8801 -- 8809 South Oglesby Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Keith A. Beecher and Audrey L. Beecher, 8954 South Phillips Avenue, Chicago, Illinois 60617, to purchase for the sum of \$7,550.00, the city-owned vacant property, as advertised, described as follows:

that part of Lots 21, 22 and 23 lying southwesterly of a straight line drawn from the northwest corner of Lot 21 to a point in the east line of Lot 25, said point being 20.0 feet north of the southeast corner of said Lot 25 in the subdivision of the west half of the southeast quarter of the northeast quarter of the northeast quarter of Section 1, Township 37 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 8801 -- 8809 South Oglesby Avenue, Permanent Tax Nos. 25-01-215-023, 024 and 025)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$755.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1104 South Sacramento Boulevard.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of James and Evelyn Crawford, as joint tenants, 1124 South Richmond Street, Chicago, Illinois 60612, to purchase for the sum of \$2,900.00, the city-owned vacant property, approved to advertise, pursuant to Council ordinance passed April 25, 1990, page 14904, described as follows:

Lot 2 in Block 1 in Walker and Armour's Addition to Chicago, being a subdivision of Blocks 7 and 8 in Piper's Subdivision of the south 45 acres of the west half of the southwest quarter of Section 13, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1104 South Sacramento Boulevard, Permanent Tax No. 16-13-327-019)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$300.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

2421 West Taylor Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of John M. Chan, 3009 South Throop Street, Chicago, Illinois 60608, to purchase for the sum of \$10,001.00, the city-owned vacant property, as advertised, described as follows:

Lot 15 in Block 2 in Rawson's Subdivision of the east half of the southeast quarter of the southeast quarter of Section 13, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 2421 West Taylor Street, Permanent Tax No. 16-13-424-020)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,000.10 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1725 North Troy Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Mark J. Gizynski, 1731 North Troy Street, Chicago, Illinois 60647, to purchase for

the sum of \$5,600.00, the city-owned vacant property, as advertised, described as follows:

Lot 33 and the south half of Lot 34 in Block 3 in the subdivision of Blocks 1 to 4 in Johnston and Cox's Subdivision of the southwest quarter of the southwest quarter of Section 36, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1725 North Troy Street, Permanent Tax No. 13-36-317-012)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$560.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

3522 South Wabash Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Willie Earl Jones, 16452 South Belleplaine Drive, Markham, Illinois 60426, to purchase for the sum of \$5,305.00, the city-owned vacant property, as advertised, described as follows:

Lot 1 in Block 4 in H. O. Stone's Subdivision of the north 15 acres of the west half of the southwest quarter of the west half of the southwest quarter of Section 34, Township 39 North, Range 14, East of the Third

Principal Meridian, in Cook County, Illinois (commonly known as 3522 South Wabash Avenue, Permanent Tax No. 17-34-300-025)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$530.50 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

3843 South Wallace Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of ADM^c, Inc., 5712 South Whipple Street, Chicago, Illinois 60629, to purchase for the sum of \$15,123.00, the city-owned vacant property, as advertised, described as follows:

Lot 32 in Block 2 in the subdivision of the south half of Block 27 in Canal Trustee's Subdivision of Section 33, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 3843 South Wallace Avenue, Permanent Tax No. 17-33-325-018)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,513.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

2437 West Warren Boulevard.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Greater Bethlehem Missionary Baptist Church, 2400 West Warren Boulevard, Chicago, Illinois 60612, to purchase for the sum of \$5,510.00, the city-owned vacant property, as advertised, described as follows:

Lot 26 in Boone's Addition to Chicago a subdivision of the east block of the east 33.81 acres of the south half of the southeast quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 2437 West Warren Boulevard, Permanent Tax No. 16-12-428-005)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$551.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said

deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

4343 South Wells Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Allen Fefferman, 1130 Melbrook Drive, Munster, Indiana 46321, to purchase for the sum of \$10,200.00, the city-owned vacant property, as advertised, described as follows:

Lots 43, 44 and 45 in Block 1 in Wallace Subdivision of the 10 chains south of and adjoining the north 5 chains of the west half of the southeast quarter of Section 4, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 4343 South Wells Street, Permanent Tax No. 20-04-409-003)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,020.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

4140 -- 4142 South Wentworth Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Danielson Food Products, Inc., an Illinois corporation, 215 West Root Street, Chicago, Illinois 60609, to purchase for the sum of \$8,100.00, the city-owned vacant property, as advertised, described as follows:

Lots 4 and 5 in Block 2 in Superior Court Subdivision of Lot 2 in Superior Court Partition of the south three-eighths of the northeast quarter of Section 4, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 4140 -- 4142 South Wentworth Avenue, Permanent Tax No. 20-04-223-040)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$810.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

7427 South Western Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Joseph LiVolsi, 7439 South Western Avenue, Chicago, Illinois 60636, to purchase

for the sum of \$6,709.00, the city-owned vacant property, as advertised, described as follows:

Lot 28 in Block 13 in Dewey Hogo's Subdivision of the west half of the northwest quarter of Section 30, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 7427 South Western Avenue, Permanent Tax No. 20-30-123-009)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$671.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

1124 West 31st Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Cam Pau Ly, 224 Linden Drive, Frankfort, Illinois 60423, to purchase for the sum of \$21,600.00, the city-owned vacant property, as advertised, described as follows:

that part of Lots 3, 4, 5, 6 and 7 in the subdivision of Lot 8 in the subdivision of Lot 5 in Block 27 in Canal Trustee's Subdivision of blocks in the south fraction of Section 29, Township 39 North, Range 14, East of the Third Principal Meridian commencing at a point on the westerly

line of South Loomis Street, 75 feet southeasterly of the northeasterly corner of Lot 7; running thence southwesterly parallel to the northwesterly line of said lots 112.92 feet; thence southeasterly parallel to the westerly line of South Loomis Street 21.21 feet to the north line of West 31st Street thence east along the north line of West 31st Street; 132.78 feet to the westerly line of South Loomis Street; thence northwesterly to the place of beginning in Cook County, Illinois (commonly known as 1124 West 31st Street, Chicago, Illinois)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$2,160.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

621 -- 623 East 41st Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby accepts the bid of Joseph Feldman, 4419 South Emerald Avenue, Chicago, Illinois 60609, to purchase for the sum of \$10,500.00, the city-owned vacant property, as advertised, described as follows:

Lots 6 and 7 in McKeevers Resubdivision of the north half of Lots 23, 24, 25 and 26 both inclusive in Dobbins Subdivision of the north half of the southeast quarter of the northeast quarter of Section 3, Township 38 North, Range 14, East of the Third Principal Meridian in Cook County,

Illinois (commonly known as 621 -- 623 East 41st Street, Permanent Tax Nos. 20-03-214-011 and 012)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. The Mayor or his proxy is authorized to execute and the City Clerk to attest a quitclaim deed conveying the property to the purchaser.

SECTION 3. The City Clerk is authorized to deliver the deposit check of \$1,050.00 submitted by said bidder to the Department of General Services, Asset Management, Real Estate Section, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 4. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 5. This ordinance shall be in effect from and after its passage.

REJECTION OF BIDS FOR PURCHASE OF CITY-OWNED
VACANT PROPERTIES AND GRANT OF AUTHORITY
TO RE-ADVERTISE SAID PROPERTIES
FOR SALE.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which were referred nine ordinances authorizing the rejection of bids at the following locations:

1457 North Campbell Avenue
413 -- 419 South Cicero Avenue
516 South Cicero Avenue
1135 North Felton Court
1149 North Felton Court

5654 North Magnolia Avenue
2525 West Maypole Avenue
6114 South Peoria Street
3714 -- 3716 West 13th Street,

having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinances transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following are said ordinances as passed (the italic heading in each case not being a part of the ordinance.):

1457 North Campbell Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Walter Burnett, Jr., 1746 North California Avenue, Chicago, Illinois 60647, to purchase for the sum of \$6,100.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder, and any and all other bids pertaining to this parcel.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

Lot 47 in Block 7 in Winslow Jacobson and Tallman's Subdivision of northeast quarter of the northeast quarter of Section 1, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1457 North Campbell Avenue, Permanent Tax No. 16-01-214-002) (Mr. Walter Burnett, Jr., withdrew and the others were too low)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

413 -- 419 South Cicero Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Suzie Baba, 8226 North Kenton Avenue, Skokie, Illinois 60076, to purchase for the sum of \$3,500.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

Lots 6, 7 and 8 in Block 2 in Congress' First Addition to Chicago, a subdivision of the southwest quarter of the southwest quarter of the northwest quarter of Section 15, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 413 -- 419 South Cicero Avenue, Permanent Tax No. 16-15-121-003)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

516 South Cicero Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Suzie Baba, 8226 North Kenton, Skokie, Illinois 60076, to purchase for the sum of \$500.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

Lot 84 in Mandell's Subdivision of Lots 14 to 19 in School Trustees' Subdivision of Section 16, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 516 South Cicero Avenue, Permanent Tax No. 16-16-221-076)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

1135 North Felton Court.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Thomas L. Vear, 1439 West Lill Avenue, Chicago, Illinois 60614, to purchase for the sum of \$4,000.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

the south half of Lot 11 in Block 4 in W. S. Johnston, Jr.'s Subdivision of the west portion of Block 4 in Johnston, Roberts & Storr's Addition to Chicago in Section 4, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1135 North Felton Court, Permanent Index No. 17-04-400-009)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

1149 North Felton Court.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Si Yoon Cho, 804 Laramie, Wilmette, Illinois 60091, to purchase for the sum of \$4,899.90, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

the south half of Lot 8 in Block 4 in Johnston, Roberts & Storr's Addition to Chicago in the west half of the southeast quarter of Section 4, Township 39 North, Range 14, lying East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 1149 North Felton Court, Permanent Index No. 17-04-400-004)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

5654 North Magnolia Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Luis R. Garza, 5656 North Magnolia Avenue, Chicago, Illinois 60660, to purchase for the sum of \$500.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

that part of Lot 23 in Block 7 of Cairnduff's Addition to Edgewater, a subdivision of part of the east half of the southwest quarter of Section 5, Township 40 North, Range 14 East of the Third Principal Meridian, described as follows: beginning at a point on the east line of said Lot 23, 44.01 feet north of the southeast corner of said Lot 23; thence south along said east line a distance of 44.0 feet to the southeast corner of Lot 23; thence west along the south line of said Lot 23, a distance of 17.3 feet to the westerly line of Lot 23; thence northwesterly along a straight line to the point of beginning, in Cook County, Illinois (commonly known as 5654 North Magnolia Avenue, Permanent Tax No. 14-05-323-015)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

2525 West Maypole Avenue.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Gerald Bailey, 1131 Saranac, Northbrook, Illinois 60062, to purchase for the sum of \$3,600.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for

the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

Lot 11 and the west 18 feet of Lot 10 in James Morgan's Subdivision of the east half of Block 2 in Morgan's Subdivision of that part of the east 33.81 acres of the southeast quarter of the southeast quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian, lying north of Washington Street, in Cook County, Illinois (commonly known as 2525 West Maypole Avenue, Permanent Tax No. 16-12-419-020)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

6114 South Peoria Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Charles Thomas, 6117 South Sangamon Street, Chicago, Illinois 60621, to purchase for the sum of \$250.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

Lot 3 in Block 1 in Kirkpatrick's Subdivision of the north part of the west half of the southeast quarter of the southeast quarter of Section 17, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 6114 South Peoria Street, Permanent Tax No. 20-17-421-026)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

3714 -- 3716 West 13th Street.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago hereby rejects the bid of Dr. C. Sugar Hampton, 1241 South Independence Boulevard, Chicago, Illinois 60623, to purchase for the sum of \$1,000.00, the city-owned vacant property.

SECTION 2. The City Clerk is authorized to refund the deposit check of the above named bidder.

SECTION 3. The City Real Estate Section, Department of General Services is authorized to re-advertise for sale the following parcel of vacant city-owned property which is no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcel is described as follows:

Lots 25 and 26 in Block 1 in Vance & Phillips' Boulevard Addition in the northwest quarter of Section 23, Township 39 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 3714 -- 3716 West 13th Street, Permanent Tax No. 16-23-104-033)

subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

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

SALE OF CITY-OWNED PROPERTY AT 2654 NORTH
PAULINA STREET TO COLUMBIA GRAPHICS
CORPORATION.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance by the Department of General Services to accept a bid under the home rule sale for the property located at 2654 North Paulina Street, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That pursuant to the powers and authority granted under Article VII of the Constitution of the State of Illinois of 1970, and the home rule powers granted thereunder the City of Chicago, a home rule unit, does hereby authorize and approve the sale of the improved parcel of real property described herein, which is owned by the City of Chicago to Columbia Graphics Corporation, 2640 North Paulina Street, Chicago, Illinois 60614.

Real Estate Number: 645

Amount: \$91,875.00

Address: 2654 North Paulina
Street

Permanent Tax Number: 14-30-403-054

Legal Description

the north 125 feet of the south 675 feet of the east 140 feet of Block 2 of the Northwestern Terra Cotta Company Resubdivision of a part of the northeast quarter of the southeast half of Section 30, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

SECTION 2. Columbia Graphics Corporation is intending to use this parcel to accommodate the expansion of their business. Upon payment to the City of Chicago of the consideration cited herein the Mayor is authorized to execute a quitclaim deed conveying said parcel of real property to Columbia Graphics Corporation. The deed shall contain provisions necessary and appropriate in order to insure that the parcel is used in connection with the existing Columbia Graphics Corporation property for the above stated use.

SECTION 3. This ordinance shall be effective upon its passage.

SALE OF CITY-OWNED VACANT PROPERTIES ON PORTIONS OF WEST WARREN BOULEVARD AND WEST WASHINGTON BOULEVARD TO REVERE ELECTRIC SUPPLY COMPANY.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance by the Department of General Services to accept under the Special Sales Project, the purchase of property located at 2514 West Warren Boulevard, 2530 West Warren Boulevard and 2543 West Washington Boulevard by Revere Electric Supply Company, and having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago ("City") holds title to the vacant parcels of land commonly known as 2514 West Warren Boulevard, 2530 West Warren Boulevard, and 2543 West Washington Boulevard; and

WHEREAS, Revere Electric Supply Company, an Illinois corporation, has proposed to acquire said parcels from the City for the construction of additional office space and off-street parking; and

WHEREAS, The City of Chicago is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970 and as such may exercise any power and perform any function pertaining to its government and affairs; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The development of additional office space and off-street parking within the City of Chicago pertains to the local government and affairs of the City.

SECTION 2. The sale of the vacant parcels of real properties described as follows to Revere Electric Supply Company, an Illinois corporation, 2501 West Washington Boulevard, Chicago, Illinois for \$1.00 is hereby approved:

Legal Description

Lot 38 in Prussing's Subdivision of the southwest block of the east 33.81 acres of the south half of the southeast quarter, division of the east half of the southeast quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 2514 West Warren Boulevard, Chicago, Illinois).

Legal Description

Lot 32 in Prussing's Subdivision of the southwest block of the east 33.81 acres of the south half of the southeast quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County Illinois (commonly known as 2530 West Warren Boulevard, Chicago, Illinois).

Legal Description

Lot 18 (except street) in Prussing's Subdivision of the southwest block of the east 33.81 acres in the south half of the southeast quarter of Section 12, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois (commonly known as 2543 West Washington Boulevard, Chicago, Illinois).

SECTION 3. The deed shall provide that failure to use the above property for the purposes of constructing an employee and visitor parking with eventual expansion for office and warehouse facilities shall permit the City to re-enter and re-take possession of the property.

SECTION 4. Said project must be initiated within one (1) year of conveyance and completed within three (3) years of conveyance, or title shall revert to the City.

SECTION 5. The Mayor or his proxy is authorized to execute a quitclaim deed conveying title to the above property to Revere Electric Supply Company, an Illinois corporation and the City Clerk is authorized to attest said deed.

SECTION 6. This ordinance shall take effect immediately upon its passage.

AUTHORIZATION TO NEGOTIATE FOR ACQUISITION OF
PROPERTY AT 7525 -- 7543 SOUTH RACINE AVENUE
FOR USE BY CHICAGO PUBLIC LIBRARY.

The Committee of Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance by the Department of Public Works authorizing acquisition of property commonly known as 7525 -- 7543 South Racine Avenue for use by the Chicago Public Library, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the said proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. It is hereby determined and declared that it is useful, desirable and necessary for the City of Chicago that the City acquire for public use for the Chicago Public Library, the property legally described on Exhibit A attached hereto and commonly known as 7525 to 7543 South Racine Avenue.

SECTION 2. The Commissioner of Public Works is authorized to negotiate with the owners of the properties for the purchase of the properties legally described in Exhibit A.

If the Commissioner and the owner are able to agree on the purchase price, the Commissioner is authorized to purchase the property in the name of and on behalf of the City of Chicago for the agreed price, subject to the approval of the City Council.

If the Commissioner is unable to agree with the owner of the property on the purchase price or, if the owner is incapable of consenting to the sale, or the owner cannot be located, then the Commissioner shall report such facts

to the Corporation Counsel. The Corporation Counsel shall thereafter institute and prosecute condemnation proceedings in the name of and on behalf of the City of Chicago for the purpose of acquiring title to the property under the City's right of eminent domain.

SECTION 3. This ordinance shall be effective from and after its passage and approval.

[Exhibit "A" attached to this ordinance printed on
pages 26545 through 26546
of this Journal.]

RENEWAL OF LEASE AGREEMENT AT 2205 WEST BELMONT
AVENUE FOR CHICAGO PUBLIC LIBRARY.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing a lease for the Chicago Public Library at 2205 West Belmont Avenue, Lease Number 10008, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

(Continued on page 26547)

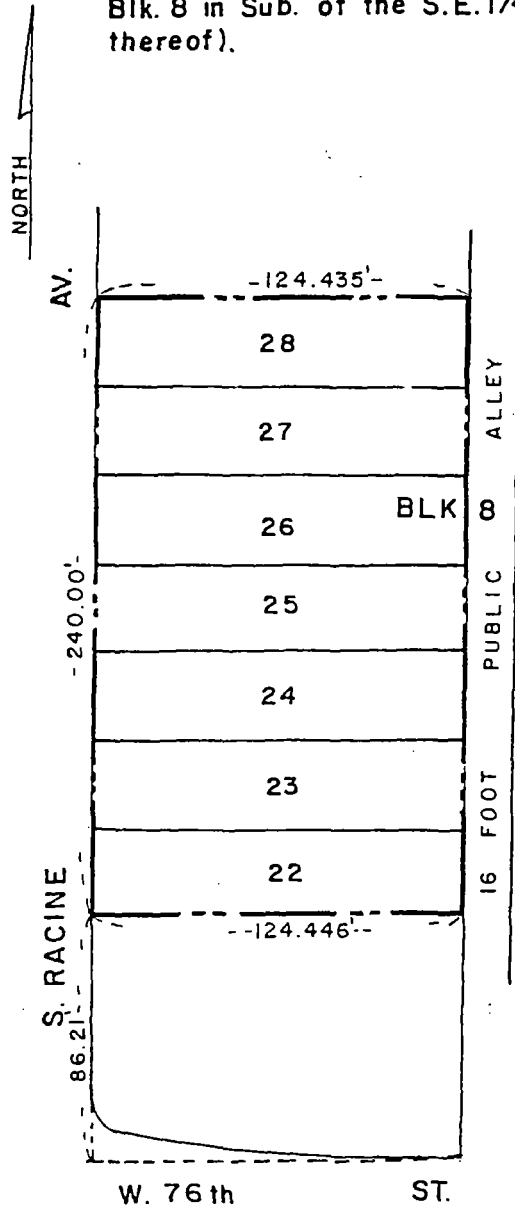
Exhibit "A".

(Page 1 of 2)

Lots 22 to 28 both inclusive in Fisher and Miller's Third Addition to West Auburn, being a subdivision of Block 8 in subdivision of the southeast quarter of Section 23, Township 38 North, Range 14, East of the Third Principal Meridian (except the north 99 feet thereof) in Cook County, Illinois (commonly known as 7525 to 7543 South Racine Avenue).

*Exhibit "A".**(Page 2 of 2)*

Fisher & Miller's 3rd Add. to West Auburn, being a Sub. of Blk. 8 in Sub. of the S.E. 1/4 of Sec. 29-38-14 (exc. N. 99 ft. thereof).



Owner: Christian Hope
M. B. Church
7559 S. Aberdeen St.
Chicago, Ill. 60620

Zoning M1-2

AREA 29,865.72 Sq. Ft.

Improvement: Vacant

PROPOSED AUBURN BRANCH LIBRARY SITE

(Continued from page 26544)

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of General Services is authorized to execute on behalf of the City of Chicago, a renewal of a lease with James Levatino, sole owner, as Lessor, for approximately 1,056 square feet of office space on the ground floor of the building located at 2205 West Belmont Avenue for use by the Chicago Public Library, as Lessee, such lease to be approved by the Commissioner of the Chicago Public Library and the President of the Chicago Public Library and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease Agreement printed on page 26553 of this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

Notification Provision.

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a

written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and in addition, to the Asset Manager, Bureau of Assets Management, Department of General Services, 174 West Randolph Street, 2nd Floor, Chicago, Illinois 60601, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy to the Lessor as follows: James Levantino, c/o F. Levantino & Son, Inc., 2158 West Barry Avenue, Chicago, Illinois 60618.

Rental Payment Provisions.

Lessee shall pay rent for said premises during the continuance of this lease at the rate of:

Six Hundred Fifty and no/100 Dollars (\$650.00) per month for the period beginning on the first day of January, 1991 and ending on the 31st day of December, 1991;

Six Hundred Sixty-nine and no/100 Dollars (\$669.00) per month for the period beginning on the first day of January, 1992 and ending on the 31st day of December, 1992;

Six Hundred Eighty-nine and no/100 Dollars (\$689.00) per month for the period beginning on the first day of January, 1993 and ending on the 31st day of December, 1993.

Rent is payable in advance on the first day of each month by the Office of the City Comptroller to James Levantino, c/o F. Levantino & Son, Inc., 2158 West Barry Avenue, Chicago, Illinois 60618.

Lessor And Lessee Responsibilities.

Lessor under this lease shall:

Install heating unit in rear of premises.

Provide additional storage space.

Provide for heat daily from 8:00 A.M. to 9:00 P.M. (Saturdays, 8:00 A.M. to 6:00 P.M.), Sundays and holidays whenever heat shall be necessary for comfortable occupancy of the demised premises. Maintain plant and equipment in good operable condition.

Provide and pay for domestic water and maintain plumbing in good operable condition.

Provide and pay for exterminator service.

Provide, pay and maintain for fire extinguishers for demised premises.

Provide and pay for janitorial service for the maintenance of the exterior and interior of the building including mechanical components. Janitorial service shall not be construed to mean cleaning, washing or sweeping of any kind, or moving of furniture or replacing of light bulbs, et cetera, but shall refer strictly to service for the maintenance of the physical plant.

Provide and maintain at all times public liability insurance of \$1,000,000 combined single limit and extended coverage casualty insurance for the building, with the City of Chicago to be named as additional insured. Said annual insurance coverage shall be renewed for each year during the term of this lease with Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date. Should any of the above described policies be cancelled before the expiration date, the Lessor shall mail to the Lessee at the address cited herein a copy of the cancellation notice within fifteen (15) days upon receipt thereof.

Comply at all times with applicable municipal, county, state and federal ordinances, laws, rules and regulations pertaining to the repair, maintenance and operation of the demised premises.

Shall furnish screens for all windows and doors and maintain same.

Pay all real estate taxes and other levies assessed against said improved real property within deadlines established by governmental taxing bodies.

Lessee under this lease shall:

Pay for electricity as metered within demised premises, including electricity for air conditioning and gas as metered for heating purposes and hot water.

Provide decorating when necessary to be determined by Lessee.

Pay for heat and hot water.

Replace any broken plate glass on first floor of said demised premises during term of lease not caused by negligence of Lessor.

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs or sweeping of any kind.

Repair any electrical wiring or fixtures that has been installed by Lessee.

Have the right to peacefully and quietly enjoy the possession of the demised premises without any encumbrance or hindrance by, from or through Lessor, its successors or assigns.

Agree that when possession is surrendered, demised premises will be restored to its original condition, normal wear and tear, fire and other casualties excluded.

Additional clauses to be included in lease:

- R-1 In the event the Lessor fails to furnish any substantial repairs or services as required by this lease or fails to remove and correct any fire or health hazards not caused by the acts of negligence of the Lessee and the failure continues twenty (20) days after Lessee has notified the Lessor by written notice of such failure, unless in the case of such failure which cannot be remedied within twenty (20) days where Lessor shall have commenced and shall be diligently pursuing all necessary action to remedy such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazard corrected and deduct the cost and expense thereof from rental herein due under this lease or immediately terminate this lease by providing the Lessor written notice by certified or registered mail at the address cited herein.
- R-2 Use of Premises. Lessee shall use and occupy the premises for the use of a library and for no other use or purpose.
- R-3 Rules and Regulations. Lessee agrees to observe the reservations to Lessor contained in Paragraph R-4 hereof and agrees, for itself, its employees and agents, to comply with the rules and regulations as shall be adopted by Lessor pursuant to Paragraph R-4 of this lease.

- R-4 Rights Reserved to Lessor. Lessor reserves the following rights, exercisable without notice and without liability to Lessee, unless otherwise specified herein, for damage or injury to property, person or business and without effecting an eviction or disturbance of Lessee's use or possession or giving rise to any claim for setoff or abatement of rent or affecting any of Lessee's obligations under this lease:
- A. To install and maintain signs on the exterior and interior of the building.
 - B. To prescribe the location and style of the suite number and location of the identification sign or lettering for the premises occupied by the Lessee.
 - C. To enter the premises at reasonable hours for reasonable purposes, including inspection and supplying janitor service or other services to be provided to Lessee hereunder.
 - D. In case of fire, invasion, insurrection, mob, riot, civil disorder, or other commotion, or threat thereof, Lessor reserves the right to reasonably limit or prevent access to the building during the continuance of the same, or otherwise take such reasonable actions or preventive measures deemed necessary by Lessor for the safety of the tenants or other occupants of the building or the protection of the building and the property in the building. Lessee agrees to cooperate in any reasonable safety program developed by Lessor.
- R-5 Cancellation Option. Lessor and Lessee have the right to terminate this lease with ninety (90) days prior written notice during the term of this lease.
- R-6 Miscellaneous.
- A. Each provision of this lease shall extend to and shall bind and inure to the benefit not only of Lessor and Lessee, but also their respective heirs, legal representatives, successors and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge, or subletting contrary to the provisions of this lease.
 - B. If any provision of this lease is deemed illegal or unenforceable by a court of competent jurisdiction, it is agreed by Lessor and Lessee that the remainder of this lease shall not be affected thereby.

C. In the event of any inconsistency between the terms of the rider and the terms of the form lease to which this rider is annexed, it is hereby agreed by and between the parties hereto, that the terms of the rider shall prevail.

R-7 No member of the Chicago Public Library, or other City board, commission or agency, official, or employee of the City shall have any personal interest, direct or indirect, in Lessor, the lease or the demised premises; nor shall any such member, official or employee participate in any decision relating to the lease which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to Lessor, or any successor in interest, to perform any commitment or obligation of the City under the lease nor shall any such person be personally liable in the event of any default or breach by the City.

Lessor shall comply with Chapter 26.2 of the Municipal Code of Chicago, "Governmental Ethics", including but not limited to, Section 26.2-12 of this chapter pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, as an inducement for the award of a contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of this chapter shall be voidable as to the City.

RENEWAL OF LEASE AGREEMENT AT 2056 NORTH DAMEN
AVENUE FOR CHICAGO PUBLIC LIBRARY.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

(Continued on page 26554)

LEASE-Short Form Lease No. 14089

1. Item (C) No. 1A

City of Chicago

This Agreement,

Made this..... day of

A. D. 19 , between James Levatino, sole owner

as Lessor.

and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor does hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: approximately 1,056 square feet of ground floor office space located at 2205 West Belmont Avenue for use by the Chicago Public Library.

To have and to hold said premises unto the Lessee for a term beginning on the 1st day of January A. D. 1991, and ending on the 31st day of December A. D. 1993. Lessee has the right to terminate this lease upon ninety (90) days prior written notice any time after execution of lease.

lease. ~~and the right to renew this lease for a further period of~~
~~on the same terms and rental by giving to the lessor, in writing, not less than 90 days before the expiration of its term or to a~~

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at James Levatino, F. Levatino & Son, Inc., 2158 W. Barry, Chgo, IL 60618 at such other place as the Lessor from time to time in writing may appoint. For Lessor to Lessee Notification Provisions See Rider Attached Hereto and Made a Part Hereof.

Hereto and Made a Part Hereof. For Rental Payment
~~Lessor shall pay rent for said premises during the continuance of the lease or the term of~~
Provisions See Rider Attached Hereto and Made a Part Hereof. Dollars per month
~~payable in advance on the first day of each calendar month by the office of the City Comptroller.~~ Assessments for water tax
 levied against said premises for all or part of the term of this lease shall be paid by the Lessor

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessor's own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee See Rider
Attached Hereto and Made a Part Hereof.

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, loss by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written.

Approved: _____ Assistant Corporation Counsel

Asset Manager

Commissioner of Chicago Public Library

President of Chicago Public Library

James Levatino, sole owner

By.....
Commissioner of General Services

(Continued from page 26552)

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing a lease for the Chicago Public Library at 2056 North Damen Avenue, Lease Number 14083, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of General Services is authorized to execute on behalf of the City of Chicago, a renewal of lease from Tom Wlodarz, as Lessor, for approximately 1,821 square feet of space for use by the Chicago Public Library, as Lessee, located at 2056 North Damen Avenue, such lease to be approved by the Commissioner of the Chicago Public Library and the President of the Chicago Public Library and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease Agreement printed on page 26560 of
this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

Notification Provisions.

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to the Supervisor of Leasing, Bureau of Assets Management, Department of General Services, 174 West Randolph Street, 2nd Floor, Chicago, Illinois 60601 or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy to the Lessor as follows: Tom Wlodarz, 2147 West Moffat Street, Chicago, Illinois 60647.

Rental Payment Provisions.

Lessee shall pay rent for said premises during the continuance of this lease at the rate of:

Nine Hundred Seventy-five and no/100 Dollars (\$975.00) per month for the period beginning on the first day of January, 1991 and ending on the 31st day of December, 1992;

Rent is payable in advance on the first day of each month by the Office of the City Comptroller to Tom Wlodarz, 2147 West Moffat Street, Chicago, Illinois 60647.

Lessor's Responsibilities.

Lessor under this lease shall:

Complete the following prior to execution of lease:

Repair or replace broken glass block windows.

Provide for heat daily from 8:00 A.M. to 9:00 P.M. (Saturdays, 8:00 A.M. to 6:00 P.M.), Sundays and holidays if necessary, whenever heat shall be necessary for comfortable occupancy of the demised premises. Maintain plant and equipment in good operable condition.

Provide for air conditioning daily from 8:00 A.M. to 9:00 P.M. (Saturdays, 8:00 A.M. to 6:00 P.M.), Sundays and holidays if necessary, whenever air conditioning shall be required for comfortable occupancy of the demised premises.

Provide and pay for domestic water and maintain plumbing in good operable condition.

Provide and pay for exterminator service whenever necessary.

Provide and pay for window washing of all windows in the demised premises, both inside and outside, on a reasonable basis.

Provide and pay for prompt removal of snow and ice from sidewalks which immediately abut said demised premises.

Provide, pay for and maintain at all times public liability insurance of \$1,000,000 combined single limit with the City to receive a certificate of insurance and naming the City as additionally insured. Said annual insurance coverage shall be renewed for each year during the term of this lease with Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date, should any of the above described policies be cancelled before the expiration date. The Lessor shall mail to the Lessee at the address cited herein a copy of the cancellation notice immediately and in no event more than fifteen (15) days after receipt thereof.

Provide and pay for janitorial service for the maintenance of the exterior and interior of the building, including mechanical components. Janitorial service shall not be construed to mean cleaning, washing or sweeping of any kind; or moving of furniture or replacing of light bulbs,

etc., but shall refer strictly to service for the maintenance of the physical plant.

Comply at all times with applicable municipal, county, state and federal ordinances, laws, rules and regulations pertaining to the repair, maintenance and operation of the demised premises.

Pay for asbestos testing or removal from demised premises if necessary.

Pay all real estate taxes and other levies assessed against said improved real property within deadlines established by the governmental taxing bodies.

Lessee's Responsibilities.

Lessee under this lease shall:

Pay for electricity as metered within demised premises, including electricity for air conditioning and gas as metered for heating purposes.

Provide decorating when necessary; decorating to be determined by Lessee.

Replace any broken plate glass on first floor of said demised premises during term of lease not caused by negligence of Lessor.

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs or sweeping of any kind.

Provide and pay for maintenance and replacement of window air conditioning units.

Provide and pay for maintenance of heat units. Lessee agrees to assume responsibility for replacement of parts up to Two Hundred Dollars (\$200.00).

Have the right to peacefully and quietly enjoy the possession of the demised premises without any encumbrance or hindrance by, from or through Lessor, its successors or assigns.

Additional clauses to be included in lease:

- R-1 In the event the Lessor fails to furnish any substantial repairs or services as required by this lease or fail to remove and correct any fire or health hazards not caused by the acts or negligence of the Lessee and the failure continues twenty (20) days after Lessee has notified the Lessor by written notice of such failure, unless in the case of such failure which cannot be remedied within twenty (20) days where Lessor shall have commenced and shall be diligently pursuing all necessary action to remedy such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazard corrected and deduct the cost and expense thereof from rental herein due under this lease or immediately terminate this lease by providing the Lessor written notice by certified or registered mail at the address cited herein.
- R-2 Use of Premises. Lessee shall use and occupy the premises for the use of a library and for no other use or purpose.
- R-3 Rules and Regulations. Lessee agrees to observe the reservations to Lessor contained in Paragraph R-5 hereof and agrees, for itself, its employees and agents, to comply with the rules and regulations as shall be adopted by Lessor pursuant to Paragraph R-4 of this lease.
- R-4 Rights Reserved to Lessor. Lessor reserves the following rights, exercisable without notice and without liability to Lessor, unless otherwise specified herein, for damage or injury to property, person or business and without effecting an eviction or disturbance of Lessee's use or possession or giving rise to any claim for setoff or abatement of rent or affecting any of Lessee's obligations under this lease:
- A. To install and maintain signs on the exterior and interior of the building.
 - B. To prescribe the location and style of the suite number and the location of the identification sign or lettering for the premises occupied by the Lessee.
 - C. To enter the premises at reasonable hours for reasonable purposes, including inspection and supplying janitor service or other services to be provided to Lessee hereunder.

- D. In case of fire, invasion, insurrection, mob, riot, civil disorder, or other commotion, or threat thereof, Lessor reserves the right to reasonably limit or prevent access to the building during the continuance of the same, or otherwise take such reasonable action or preventive measures deemed necessary by Lessor for the safety of the tenants or other occupants of the building or the protection of the building and the property of the building. Lessee agrees to cooperate in any reasonable safety program developed by Lessor.

R-5 Cancellation Option. Lessor and/or Lessee reserves the right to terminate this lease within six (6) months prior written notice during the term of this Lease.

R-6 Miscellaneous.

- A. Each provision of this lease shall extend to and shall bind and inure to the benefit not only of Lessor and Lessee, but also their respective heirs, legal representatives, successors and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge, or subletting contrary to the provisions of this lease.
- B. The word "Lessor" and "Lessee" whenever used herein shall be construed to mean Lessees, their successors and assigns (subject to the provisions of this lease relative to assignments) or any one or more of them in all cases where there is more than one Lessor or Lessee; and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other organizations, partnerships or other entities, or individuals, shall in all cases be assumed as though in each case fully expressed.
- C. If any provision of this lease is deemed illegal or unenforceable by a court of competent jurisdiction, it is agreed by Lessor and Lessee that the remainder of this lease shall not be affected thereby.
- D. In the event of any inconsistency between the terms of the rider and the terms of the form lease to which this rider is annexed, it is hereby agreed by and between the parties hereto, that the terms of the rider shall prevail.

LEASE--Short Form Lease No. 14083

Form C O N. 18

City of Chicago

This Agreement,

Made this _____ day of _____

A. D. 19____, between Tom Wlodarz (Sole Owner)_____, as Lessor,
and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor does hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: Approximately 1,821 square feet of office space located at 2056 North Damen Avenue for use by the Chicago Public Library.

To have and to hold said premises unto the Lessee for a term beginning on the 1st day of January A. D. 1991, and ending on the 31st day of December A. D. 1992. Lessee has the right to terminate this lease upon one hundred eighty (180) days prior written notice anytime after execution of lease.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at Tom Wlodarz, 2147 W. Moffat St., Chicago, IL 60647 or at such other place as the Lessor from time to time in writing may appoint. For Lessor to Lessee Notification Provisions See Rider Attached

Hereto and Made a Part Hereof.
Provisions See Rider Attached Hereto and Made a Part Hereof.
Assessments for water tax levied against said premises for all or part of the term of this lease shall be paid by the Lessor

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessor's own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee
See Rider Attached Hereto and Made a
Part Hereof.

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, less by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written. Approved as to form and legality, except as to property description and execution.

Approved:

Asset Manager,

Assistant Corporation Counsel

Real Estate ~~XXXX~~

Tom Wlodarz, Sole Owner

By:

Commissioner, Chicago Public Library

By:

Commissioner of General Services

By:

President, Chicago Public Library

RENEWAL OF LEASE AGREEMENT AT 1435 SOUTH CLINTON
STREET FOR DEPARTMENT OF HEALTH.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing a lease for the Department of Health at 1435 South Clinton Street, Lease Number 10000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of General Services is authorized to execute on behalf of the City of Chicago, a renewal of a lease from Exoho Associates Limited Partnership, as sole beneficiary of American National Bank and Trust Company of Chicago, Trust No. 102426-00, dated September 30, 1988, as Lessor, for approximately 20,800 square feet of warehouse space and 13,000 square feet of office space for a total of 33,800 square feet, located at 1435 South Clinton Street, by the Department of Health, as Lessee, such lease to be approved by the Commissioner of the Department of Health and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease Agreement printed on page 26579 of
this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

Notification Provisions.

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and in addition, to the Asset Manager, Bureau of Assets Management, Department of General Services, 174 West Randolph Street, 2nd Floor, Chicago, Illinois 60601, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy to the Lessor as follows: J.L.M. Realty, Inc., Attn: John Marks, c/o Mark IV Realty, Inc., 400 North Franklin Street, Suite 200, Chicago, Illinois 60610.

Rental Payment Provisions.

Lessee shall pay rent for said premises during the continuance of this lease at the rate of:

Eighteen Thousand Seven Hundred Fifty-nine and no/100 Dollars (\$18,759.00) per month for the period beginning on the first day of March, 1991 or date of occupation (with said monthly rental being prorated on a per diem basis if the initial term does not commence on the first day of a month) and ending on the 28th day of February, 1992;

Nineteen Thousand Ninety-seven and no/100 Dollars (\$19,097.00) per month for the period beginning on the first day of March, 1992 and ending on the 28th day of February, 1993;

Nineteen Thousand Three Hundred Seventy-eight and no/100 dollars (\$19,378.00) per month for the period beginning on the first day of March, 1993 and ending on the 28th day of February, 1994;

Nineteen Thousand Six Hundred Eighty-eight and no/100 Dollars (\$19,688.00) per month for the period beginning on the first day of March, 1994 and ending on the 28th day of February, 1995;

Fifteen Thousand Forty-one and no/100 Dollars (\$15,041.00) per month for the period beginning on the first day of March, 1995 and ending on the 28th day of February, 1998.

Rent is payable in advance on the first day of each calendar month by the Office of the City Comptroller to Exoho Associates Ltd. Partnership, c/o Mark IV Realty, Inc., 400 North Franklin Street, Chicago, Illinois 60610.

Lessor And Lessee Responsibilities.

Lessor under this lease shall:

Undertake the following repairs within sixty (60) days after lease commencement:

Lessor shall complete total build-out as specified in Exhibit A.

Install carpeting and tile where necessary, color will be chosen by Lessee from building standards.

Make bathrooms handicapped accessible.

Provide for heat including warehouse area and maintain plants and equipment in good operable condition.

Provide and maintain one (1) automatic garage door opener. Maintenance shall refer only to mechanism attached to garage door.

Provide overhead manual door at 14th Place between Columns K and I.

Provide and pay for janitorial service for the structural maintenance of the exterior and interior of building, including mechanical components except for repairs required due to neglect and/or vandalism caused by Lessee's agents, guests, or invitees. Janitorial service shall not be construed to mean cleaning, washing or sweeping of any kind, or moving of furniture or replacing of light bulbs, et cetera, but shall refer strictly to service for the maintenance of the exterior of the physical plant.

Maintain exterior of building, including maintenance of all mechanical components.

Comply at all times with applicable municipal, county, state and federal ordinances, laws, rules and regulations pertaining to the repair, maintenance and operation of the demised premises.

Pay all real estate taxes and other levies assessed against said improved real property within deadlines established by governmental taxing bodies.

Provide central air conditioning daily whenever air conditioning shall be required for comfortable occupancy of the demised premises. Maintain plant and equipment in good operable condition (office area only).

Provide and pay for hot and domestic water and maintain plumbing in good operable condition. Hot water will be provided in office area only.

Provide and pay for prompt removal of snow and ice from sidewalk and parking lot which immediately abut the demised premises.

Provide and maintain at all times public liability insurance in the amounts of \$1,000,000 combined single limit with the City to receive a certificate of insurance and naming the City of Chicago as additionally insured. Said annual insurance coverage shall be renewed for each year during the term of this lease with Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date. Should any of the above described policies be

canceled before the expiration date, the Lessor shall mail to the Lessee at the address cited herein a copy of the cancellation notice immediately and in no event more than fifteen (15) days after receipt thereof.

Lessor under this lease shall:

Pay for all electricity as metered for outlets and air conditioning, lights, et cetera, and heat in warehouse area and office area.

Have use of twenty (20) parking spaces on roof top on a non-exclusive basis.

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs, sweeping of any kind and any maintenance required by Lessee's neglect, vandalism, or improper use of premises.

Replace any broken plate glass on said demised premises during term of lease not caused by negligence of Lessor.

Provide and pay for alarm system.

Have a first right of notice for an additional fifteen thousand (15,000) square feet of warehouse space adjacent to demised premises. In the event Lessee desires to exercise option, Lessor will provide comparable warehouse space to Lessee within sixty (60) days from notice to Lessor. Rental payments (per square foot rate) and terms will be same as master lease.

Have the right to peacefully and quietly enjoy the possession of the demised premises without any encumbrance or hindrance by, from, or through Lessor, its successors or assigns so long as Lessee shall observe and perform the covenants and agreements binding on it hereunder.

Additional clauses:

- R-1 In the event Lessee elects to place another similar city agency in the leased premises, Lessee shall pay rent for the entire leased premises until such time as the replacement city agency takes occupancy of the leased premises, at which time the rent obligation shall become that of the replacement city agency. Further, any replacement city agency shall be similar to Lessee in number of employees, and invitees.

R-2 In the event the Lessor fails to furnish any substantial repairs or services as required by this lease or fails to remove and correct any fire or health hazards not caused by the acts or negligence of the Lessee and the failure continues twenty (20) days after Lessee has notified the Lessor by written notice of such failure, unless in the case of such failure which cannot be remedied within twenty (20) days where Lessor shall have commenced and shall be diligently pursuing all necessary action to remedy such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazard corrected and deduct the cost and expense thereof from rental herein due under this lease or immediately terminate this lease by providing the Lessor written notice by certified or registered mail at the address cited herein.

R-3 Use of Premises. Lessee shall use and occupy the premises for the use of a warehouse and for no other use or purpose.

R-4 Untenantability. If the premises or any part of the building shall be rendered untenantable by fire or other casualty, this lease shall thereby be terminated and Lessee shall be chargeable with rent only to the date of such fire or other casualty; in the event Lessor shall commence rebuilding within sixty (60) days, Lessee shall be excused from payment of rent for the period of rebuilding.

If the premises or any part of the building shall be damaged by fire or other casualty and if such damage does not render all or a substantial portion (herein defined as more than fifty percent (50%)) of the premises or the building untenantable, then Lessor shall proceed to repair and restore the same to its prior existing condition with reasonable promptness, subject to reasonable delays for insurance adjustments and delays caused by matters beyond Lessor's control.

R-5 Assignment of Sale by Lessor. In the event Lessor shall assign this lease and/or sell or convey the building, or its interest in the building the same shall operate to release Lessor from any future liability upon any of the covenants or conditions, expressed or implied, herein contained in favor of Lessee, and in such event Lessee agrees to look solely to the successor in interest of Lessor in and to this lease. This lease shall not be affected by such assignment or sale, and Lessee agrees to attorn to the Purchaser or Assignee.

R-6 Mutual Waiver of Subrogation Rights. Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties of this lease, or anyone claiming by, through, or under it in connection with the leased premises, and (b) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense

or required under this lease to be so insured, then the party so insured (or so required) hereby releases the other party from any liability said other party may have on account of said loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the cost thereof, (provided that in the case of increased cost, the other party shall have the right, within thirty (30) days following written notice, to pay such increased cost thereupon keeping such release and waiver in full force and effect). If the party released from liability hereunder is the Lessor, and if Lessor is an Illinois Land Trust, the term "Lessor", for the purpose of this Section R-6 only, shall include the trustee, its agent, its beneficiary or beneficiaries and their agents.

- R-7 Eminent Domain. If the building, or any part thereof which includes a substantial part of the premises, shall be taken or condemned by any competent authority for any public or quasi-public use or purpose, the term of this lease shall end upon and not before the date when the possession of the part so taken shall be required for such purpose, and without apportionment of the award to or for the benefit of Lessee. If any condemnation proceeding shall be instituted in which it is sought to take or damage any part of the building or the land, or if the grade of any street or alley adjacent to the building is changed by any competent authority, and such taking, damage or change of grade makes it necessary to make structural changes to the building to conform to the taking, damage or changed grade, Lessor shall have the right to cancel this lease upon not less than one hundred fifty (150) days notice prior to the date of cancellation designated in the notice. In either of the events above referred to, rent at the then current rate shall be apportioned as of the date of the termination. No money or other consideration shall be payable by the Lessor to the Lessee for the right of cancellation and the Lessee shall have no right to share in the condemnation award or in any judgment for damages caused by the change of grade, the Lessee being deemed hereby to have assigned to Lessor any right it would have in such award or judgment.
- R-8 Estoppel Certificate. The Lessee agrees that from time to time upon not less than fifteen (15) days prior request by Lessor, the Lessee will deliver to Lessor a statement in writing certifying (a) that this lease is unmodified and in full force and effect (or if there have been modifications, that the lease as modified is in full force and effect and identifying the modifications); (b) the dates to which the rent and

other charges have been paid; (c) that the Lessor is not in default under any provision of this lease, or, if in default, the nature thereof in detail; (d) that Lessee is in occupancy and paying rent on a current basis with no rental offsets or claims; (e) that there has been no prepayment of rent other than that provided for in the lease; and (f) that there are no actions, whether voluntary or otherwise, pending against Lessee under the bankruptcy laws of the United States or any state thereof.

- R-9 **Consent Required.** Lessees shall not, without Lessor's prior written consent, (a) assign, convey or mortgage this lease or any interest under it; (b) allow any transfer thereof or any lien upon Lessee's interest by operation of law; (c) sublet the leased premises or any part thereof; or (d) permit the use or occupancy of the leased premise or any part thereof by anyone other than Lessee. Lessor agrees that it will not unreasonably withhold its consent to any assignment or sublease, provided that if Lessee requests Lessor's consent to an assignment of the lease or to a sublease of all or a substantial portion of leased premises Lessor may, in lieu of granting such consent or reasonably withholding the same, terminate this lease, effective on the effective date of said assignment or on the commencement date specified in the sublease, as the case may be, to which Lessor's consent was requested. No such termination shall be effective unless consented to in writing by any first mortgagee. No permitted assignment or subletting shall relieve Lessee or Lessee's covenants and agreements hereunder and Lessee shall continue to be liable as a principal and as a guarantor or surety, to the same extent as though no assignment or subletting had been made.

- R-10 **Encumbering Title.** Lessee shall not do any act which shall in any way encumber the title of Lessor in and to the leased premises, nor shall the interest or estate of Lessor in the leased premises in any way be subject to any claim by way of lien or encumbrance, whether by operation of law or virtue of any express or implied contract by Lessee. Any claim to, or lien upon, the leased premises arising from any act or omission of Lessee shall accrue only against the leasehold estate of Lessee and shall be subject and subordinate to the paramount title and rights of Lessor in and to the leased premises.

Liens and Right to Contest. Lessee shall not permit the leased premises to become subject to any mechanics', laborers' or materialmen's lien on account of labor or material furnished to Lessee or claimed to have been furnished to Lessee in connection with work of any character performed or claimed to have been performed on the leased premises by, or at the direction or sufferance of Lessee; provided, however, that Lessee shall have the right to contest, in good faith and with reasonable diligence, the validity of any such lien or claimed lien if Lessee shall give to Lessor such security as may be deemed satisfactory to Lessor to assure payment

thereof and to prevent any sale, foreclosure, or forfeiture of the leased premises by reason of non-payment thereof; provided further, however, that on final determination of the lien or claim for lien, Lessee shall immediately pay any judgment rendered, with all proper costs and charges, and shall have the lien released and any judgment satisfied.

R-11 Rights Reserved to Lessor. Without limiting any other rights reserved or available to Lessor under this lease, at law or in equity, Lessor, on behalf of itself and its agents (and its beneficiary or beneficiaries and their agents if Lessor is an Illinois Land Trust) reserves the following rights, to be exercised at Lessor's election:

- A) To change the street address of the leased premises;
- B) To inspect the leased premises and to make repairs, additions or alterations to the leased premises;
- C) To show the leased premises to prospective purchasers, mortgagees, or other persons having a legitimate interest in viewing the same, and, at any time within one (1) year prior to the expiration of the lease term, to persons wishing to rent the leased premises;
- D) During the last year of the lease term, to place and maintain the usual "For Rent" signs on the leased premises; and
- E) During the last thirty (30) days of the lease term, if during or prior to that time Lessee vacates the leased premises, to decorate, remodel, repair, alter or otherwise prepare the leased premises for new occupancy.

Lessor may enter upon the leased premises for any and all of the said purposes and may exercise any and all of the foregoing rights hereby reserved without being deemed guilty of an eviction or disturbance of Lessee's use or possession of the leased premises, and without being liable in any manner to Lessee.

R-12 Subordination or Superiority. The rights and interest of Lessee under this Lease shall be subject and subordinate to any first mortgage or trust deed creating a first mortgage that may be placed upon the leased premises by Lessor and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof, if the mortgagee or trustee named in said mortgages or trust deeds shall elect to subject and subordinate the rights and interest of Lessee under this lease to the lien of its mortgage or deed of trust and shall agree to recognize this

lease of Lessee in the event of foreclosure if Lessee is not in default (which agreement may, at such mortgagee's option, require attornment by Lessee). Any such mortgagee or trustee may elect to give the rights and interest of Lessee under this lease priority over the lien of its mortgage or deed of trust. In the event of either such election and upon notification by such mortgagee or trustee to Lessee to that effect, the rights and interest of Lessee under this lease shall be deemed to be subordinate to, or to have priority over, as the case may be, the lien of said mortgage or trust deed, whether this lease is dated prior to or subsequent to the date of said mortgage or trustee deed. Lessee shall execute and deliver whatever instruments may be required for such purposes and in the event Lessee fails so to do within twenty (20) days after demand in writing, Lessee does hereby make, constitute and irrevocably appoint Lessor as its attorney in fact and in its name, place, and stead so to do.

- R-13 Surrender. Upon the termination of this lease, whether by forfeiture, lapse of time or otherwise, or upon the termination of Lessee's right to possession of the leased premises, Lessee will at once surrender and deliver up the leased premises, together with all improvements thereon, to Lessor, in good condition and repair, reasonable wear and tear excepted. Said improvements shall include all plumbing, lighting, electrical, heating, cooling and ventilating fixtures and equipment and other articles of personal property used in the operation of the leased premises (as distinguished from operations incident to the business of Lessee; articles of personal property incident to Lessee's business are hereinafter referred to as "Trade Fixtures"). All additions, hardware, non-trade fixtures and improvements, temporary or permanent, in or upon the leased premises placed there by Lessee shall become Lessor's property and shall remain upon the leased premises upon such termination of this lease by lapse of time or otherwise, without compensation or allowance or credit to Lessee excluding racking, unless Lessor requests their removal in writing at or before the time of such termination of this lease. If Lessor so requests removal of said additions, hardware, non-trade fixtures and all improvements and Lessee does not make such removal at said termination of this lease, or within fifteen (15) days after such request, whichever is later, Lessor may remove the same and deliver the same to any other place of business of Lessee or warehouse the same, and Lessee shall pay the cost of such removal, delivery and warehousing to Lessor on demand.
- R-14 Removal of Lessee's Property. Upon the termination of this lease by lapse of time, Lessee may remove Lessee's fixtures; provided, however, that Lessee shall repair any injury or damage to the leased premises which may result from such removal. If Lessee does not remove Lessee's trade fixtures from the leased premises prior to the end of the term, however ended, Lessor may, at its option, remove the

same and deliver the same to any other place of business of Lessee or warehouse the same, and Lessee shall pay the cost of such removal, (including the repair of any injury or damage to the leased premises resulting from such removal), delivery and warehousing to Lessor on demand, or Lessor may treat such trade fixtures as having been conveyed to Lessor with this lease as a bill of sale, without further payment or credit by Lessor to Lessee.

- R-15 Holding Over. Any holding over by Lessee of the leased premises after the expiration of this lease shall operate and be construed to be a tenancy from month-to-month only, at the same monthly rate of rent and other charges payable hereunder for the lease term, or at the election of Lessor expressed in a written notice to Lessee, and not otherwise, such holding over shall constitute a renewal of this lease for one (1) year at one and a half (1-1/2) times the rental and upon all of the other covenants and agreements contained in this lease. If Lessee continues to hold over after a written demand by Lessor for possession at the expiration of the lease or after termination by either party of a month-to-month tenancy created pursuant to this section, or after termination of the lease or of Lessee's right to possession, Lessee shall pay monthly rental at a rate equal to double the rate of rent payable hereunder immediately prior to the expiration or other termination of the lease or Lessee's right to possession. Nothing contained in this Section R-15 shall be construed to give Lessee the right to hold over at any time and Lessor may exercise any and all remedies at law or in equity to recover possession of the leased premises.

- R-16 No member of the Department of Health, or other City board, commission or agency, official, or employee of the City shall have any personal interest, direct or indirect, in Lessor, the lease or the demised premises; nor shall any such member, official or employee participate in any decision relating to the lease which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to Lessor, or any successor in interest, to perform any commitment or obligation of the City under the lease nor shall any such person be personally liable in the event of any default or breach by the City.

Lessor shall comply with Chapter 26.2 of the Municipal Code of Chicago, "Governmental Ethics", including but not limited to, Section 26.2-12 of this chapter pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, as an inducement for the award of a contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of this chapter shall be voidable as to the City.

R-17 Miscellaneous.

- A. Each provision of this lease shall extend to and shall bind and inure to the benefit not only of Lessor and Lessee, but also their respective heirs, legal representatives, successors and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge, or subletting contrary to the provisions of this lease.
- B. All of the agreements of Lessor and Lessee with respect to the premises are contained in this lease; and no modification, waiver or amendment of this lease or any of its conditions or provisions shall be binding upon Lessor unless in writing signed by Lessor and Lessee.
- C. Time is of the essence of this lease and of each and all provisions hereof.
- D. If any provision of this lease is deemed illegal or unenforceable by a court of competent jurisdiction, it is agreed by Lessor and Lessee that the remainder of this lease shall not be affected thereby.
- E. In the event of any inconsistency between the terms of the rider and the terms of the form lease to which this rider is annexed, it is hereby agreed by and between the parties hereto, that the terms of the rider shall prevail.
- F. Lessor may, but shall not be obligated to, cure any default by Lessee (specifically including but not by way of limitation, Lessee's failure to obtain insurance, make repairs, or satisfy lien claims); and whenever Lessor so elects, all costs and expenses paid by Lessor in curing such default, including without limitation reasonable attorneys' fees, shall be so much additional rent due on the next rent date after such payment together with interest (except in the case of said attorneys' fees) at the highest rate, then, payable by Lessee in the state in which the leased premises are located or in absence of such a maximum rate at the rate of twelve percent (12%) per annum, from the date of the advance to the date of repayment by Lessee to Lessor.
- G. None of the covenants, terms or conditions of this lease, to be kept and performed by either, shall in any manner be altered, waived, modified, changed or abandoned except by a written instrument, duly signed, acknowledged and delivered by the other party.

- H. The captions of this lease are for convenience only and are not to be construed as part of this lease and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof.
- I. If any term or provision of this lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this lease shall not be affected thereby, but each term and provision of this lease shall be valid and be enforced to the fullest extent permitted by law.
- J. This lease shall be construed and enforced in accordance with the laws of the state where the leased premises are located.
- K. Lessee shall install no exterior sign without Lessor's prior written approval of detailed plans and specifications therefor.

[Exhibit "A" attached to this Rider printed on pages
26574 through 26578 of this Journal.]

EXECUTION OF LEASE AGREEMENT AT 4909 WEST DIVISION
STREET FOR DEPARTMENT OF HEALTH.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing a lease for the Department of Health at 4909 West Division Street, Lease Number 10037, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

(Continued on page 26580)

Exhibit "A"

To Rider.

(Page 1 of 5)

Tenant Improvements

For Lease By The

Chicago Department Of Health

1435 South Clinton Street

Chicago, Illinois 60607.

Landlord will provide:

Office:

1. Tile floors, all except carpet in two offices.
2. Drop ceiling with 2-foot x 4-foot fluorescent fixtures.
3. Two dedicated circuits in general office.
4. Outlets for ten desks (wall or post).
5. Heat and air conditioning.
6. Drywall walls, taped and painted.
7. Metal windows facing warehouse.

Exhibit "A"**To Rider.****(Page 2 of 5)**

8. Vestibule entrance way.
9. One men's toilet with sink.
10. Two women's toilets with two sinks.
11. Service door to warehouse.
12. Five wood doors to office/toilets.

Pre-Pack Room:

1. Duplex outlets, 10 each, 3-foot o.c., 42 inches high on two adjacent walls.
2. Walls: Marlite or equivalent.
3. Vinyl composite tile floor throughout/no floor drain.
4. 2-foot x 4-foot washable ceiling panels.
5. Fluorescent lighting.
6. Double doors to be wood with vision panels and standard dead bolt locks.
7. Sink: bar type, 24 inches x 20 inches with goose neck faucet.
8. Heat and air conditioning.
9. Metal windows facing warehouse.

X-Ray Storage Facility:

1. Drywall walls, taped and painted.
2. Electrical outlets, per code.

Exhibit "A"**To Rider.****(Page 3 of 5)**

3. Two dedicated circuits and one spare circuit per code.
4. Drop ceiling with 2-foot x 4-foot fluorescent fixtures.
5. Heat and air conditioning.
6. Service door to warehouse; wood with 2-foot x 2-foot glass opening.

Security Cage (Controlled Substances):

1. Self-closing man gate.
2. One outlet for refrigerator.

Shipping And Receiving:

1. Dock leveler.
2. Man door in overhead door.
3. Oversized extra length recessed dock.
4. Automatic overhead door opener.

Warehouse:

1. Electrical outlets, two -- 220 volt, eight -- 110 volt.
2. Shelving/racking -- \$45,000 allowance.
3. Heated to 60 degrees.

Exhibit "A"**To Rider.****(Page 4 of 5)**

4. One janitorial closet with service sink.
5. Lighting per code.
6. Walls, ceilings and columns to be cleaned and painted.
7. Electrical outlets at alternate columns.
8. Six (6) fixtures -- men's toilet.
9. Two (2) fixtures -- women's toilet.
10. Exterior walls painted.
11. Overhead door for drive-on slab.
12. 58 lf fencing around dock area.

General Notes:

1. Concrete floors to be repaired and color sealed.
2. Obsolete piping to be removed.
3. Alarm and security by tenant.
4. All electrical to be on separate tenant meter.
5. Tenant to provide chain link fence around security cage -- 100 lf.
6. Tenant to provide chain link fence for department file separation -- 165 lf.
7. Tenant to provide security cage.
8. All walls as per drawing dated 11/1/90.
9. Installation of shelving included in allowance.
10. All chain link fencing to be included in shelving allowance.

12/5/90

REPORTS OF COMMITTEES

26579

LEASE-Short Form

Form C. O. No. 1B

City of Chicago

This Agreement,

Made this..... day of.....

A. D. 1991, between Exoho Associates Limited Partnership, as sole beneficiary of American National Bank & Trust Company of Chicago, Trust No. 102426-00, dated 9/30/88, as Lessor, and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor 'g do hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: approximately 20,800 square feet of warehouse space and 13,000 square feet of office space for a total of 33,800 square feet located at 1435 South Clinton for use by the Department of Health.

To have and to hold said premises unto the Lessee for a term beginning on the 1st day of March, or date of occupation, whichever comes later. A. D. 1991, and ending on the 28th day of February, A. D. 1998. Lessee has the right to terminate this lease upon one hundred twenty (120) days prior written notice after forty-eight (48) months from date of occupation. ~~and the right to renew this lease for a further period of~~

~~on the same terms and rental, by giving to the Lessor, in either case, _____ days' written notice of its election so to do.~~

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at JLM Realty, c/o John Marks, 400 N. Franklin, Chicago, IL 60610, or at such other place as the Lessor, from time to time in writing may appoint. For Lessor to Lessee Notification Provisions See Rider Attached Hereto and Made a Part Hereof.

~~Lessee shall pay rent for said premises during the continuance of this lease at the rate of _____ Dollars per month payable in advance on the first day of each calendar month by the office of the City Comptroller.~~ Assessments for water tax levied against said premises for all or part of the term of this lease shall be paid by the Lessor.

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessor's own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee See Rider

Attached and Made a Part Hereof.

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, less by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written. Approved as to form and legality, except as to property description and execution.

Approved: _____
Asset Manager _____
Assistant Corporation Counsel _____
Real Estate _____

American National Bank & Trust Company of Chicago under Trust No. 102426-00 dated September 30, 1988

By _____
Exoho Associates Limited

Commissioner of Health _____
Commissioner of General Services _____

(Continued from page 26573)

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of General Services is authorized to execute on behalf of the City of Chicago, a lease from Westside Holistic Family Center, Inc., an Illinois not-for-profit corporation, as Lessor, for approximately 9,747 square feet of office space located on the third (3rd) floor at 4909 West Division Street, for use by the Department of Health, as Lessee, such lease to be approved by the Commissioner of the Department of Health and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease Agreement printed on page 26589 of
this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

Notification Provisions.

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to the Asset Manager, Bureau of Assets Management, Department of General Services, 174 West Randolph Street, 2nd Floor, Chicago, Illinois 60601, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy to the Lessor as follows: Ms. Millicent Lindo, Westside Holistic Family Center, 4909 West Division Street, Chicago, Illinois 60651.

Rental Payment Provisions.

Lessee shall pay rent for said premises during the continuance of this lease at the rate of:

Eight Thousand Nine Hundred Thirty-four and no/100 Dollars (\$8,934.00) per month for the period beginning on the first day of December, 1990 or date of occupation (with said monthly rental being prorated on a per diem basis if the initial term does not commence on the first day of a month) and ending on the thirtieth day of November, 1991;

Nine Thousand Two Hundred Ninety-two and no/100 Dollars (\$9,292.00) per month for the period beginning on the first day of December, 1991 and ending on the thirtieth day of November, 1992;

Nine Thousand Six Hundred Sixty-five and no/100 Dollars (\$9,665.00) per month for the period beginning on the first day of December, 1992 and ending on the thirtieth day of November, 1993;

Ten Thousand Fifty-five and no/100 Dollars (\$10,055.00) per month for the period beginning on the first day of December, 1993 and ending on the thirtieth day of November, 1994;

Ten Thousand Four Hundred Sixty-one and no/100 Dollars (\$10,461.00) per month for the period beginning on the first day of December, 1994 and ending on the thirtieth day of November, 1995.

Rent is payable in advance on the first day of each calendar month by the Office of the City Comptroller to Westside Holistic Family Center, 4909 West Division Street, Chicago, Illinois 60651.

Lessor And Lessee Responsibilities.

Lessor under this lease shall:

Undertake the following repairs after execution and before lease commencement:

Complete building renovations as stated in Exhibit A.

Paint entire premises; Lessee will pick color and type from building standard.

Provide and pay for heat daily whenever heat shall be necessary for comfortable occupancy.

Provide central air conditioning daily whenever air conditioning shall be required for comfortable occupancy of the demised premises, office area only.

Provide and pay for hot and domestic water and maintain plumbing in good operable condition.

Provide and pay for maintenance of air conditioning and heating units.

Provide and pay for window washing of the outside only of all windows in the demised premises on a reasonable basis.

Shall have washroom handicapped accessible.

Provide and maintain at all times public liability insurance of \$1,000,000 combined single limit and extended coverage casualty

insurance for the building, with the City of Chicago to be named as additional insured. Said annual insurance coverage shall be renewed for each year during the term of this lease with Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date. Should any of the above described policies be canceled before the expiration date, the Lessor shall mail to the Lessee at the address cited herein a copy of the cancellation notice within fifteen (15) days upon receipt thereof.

Provide and pay for janitorial service for the maintenance of the exterior and interior of building, including mechanical components. Janitorial service shall not be construed to mean cleaning, washing or sweeping of any kind, or moving of furniture, replacing of light bulbs, et cetera, but shall refer strictly to service for the maintenance of the physical plant.

Comply at all times with applicable municipal, county, state and federal ordinances, laws, rules and regulations pertaining to the repair, maintenance and operation of the demised premises.

Pay all real estate taxes and other levies assessed against said improved real property within deadlines established by governmental taxing bodies.

Provide a security alarm system.

Provide and pay for exterminator service whenever necessary.

Provide and pay for prompt removal of snow and ice from sidewalks which immediately abut said demised premises.

Provide and maintain sprinkler system.

Provide and maintain smoke detectors.

Provide off-street parking in building parking lot on a first come first serve basis.

Lessee under this lease shall:

Pay for electricity as metered for outlets only.

Have access to adjacent parking lot for parking of vehicles.

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs or sweeping of any kind.

Pay for and maintain security alarm system.

Have the right to peacefully and quietly enjoy the possession of the demised premises without any encumbrance or hindrance by, from, or through Lessor, its successors or assigns so long as Lessee shall observe and perform the covenants and agreements binding on it hereunder.

Additional clauses to be included in lease:

- R-1 In the event Lessee elects to place another City agency in the leased premises, Lessee shall pay rent for the entire leased premises until such time as the replacement City agency takes occupancy of the leased premises, at which time the rent obligation shall become that of the replacement City agency. Further, any replacement City agency shall be similar to Lessee in number of employees.
- R-2 The rights of the Lessee under this lease shall be and are subject and subordinate at all times to the lien of any mortgage or mortgages now or hereafter in force against the building or the underlying leasehold estate, if any, and to all advances made or hereafter to be made upon the security thereof, and Lessee shall execute such further instruments subordinating this lease to the lien or liens or such mortgage or mortgages as shall be requested by Lessor.
- R-3 In the event the Lessor should fail to furnish any substantial repairs or services as required by this Lease or fail to remove and correct any fire or health hazards not caused by the acts or negligence of the Lessee and the failure continues ten (10) days after Lessee has notified the Lessor by written notice of such failure, unless in the case of such failure which cannot be remedied within ten (10) days where Lessor shall have commenced and shall be diligently pursuing all necessary action to remedy such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazard corrected and Lessor shall pay for the cost and expense of same upon the presentation of invoices and for said repairs upon demand and Lessor's failure to do so shall constitute a default herein.
- R-4 Use of Premises. Lessee or replacement City agency shall use and occupy the premises for office use and for no other use or purpose.
- R-5 Untenantability. If the premises or any part of the building shall be damaged by fire or other casualty and if such damage does not render all or a substantial portion (herein defined as more than fifty percent (50%)) of the premises or the building untenable, then Lessor shall proceed to repair and restore the same to its prior existing condition with reasonable promptness subject to reasonable delays

for insurance adjustments and delays caused by matters beyond Lessor's control. If Lessee is unable to occupy premises during time of repair, Lessee shall be excused from payment of rent for such period of time.

- R-6 Assignment of Sale by Lessor. In the event Lessor shall assign this lease and/or sell or convey the building, or its interest in the building the same shall operate to release Lessor from any future liability upon any of the covenants or conditions, expressed or implied, herein contained in favor of Lessee, and in such event Lessee agrees to look solely to the successor in interest of Lessor in and to this lease. This lease shall not be affected by such assignment or sale, and Lessee agrees to attorn to the purchaser or assignee.

R-7 Miscellaneous.

- A. Each provision of this lease shall extend to and shall bind and inure to the benefit not only of Lessor and Lessee, but also their respective heirs, legal representatives, successors and assigns, but this provision shall not operate to permit any transfer, assignment, mortgage, encumbrance, lien, charge, or subletting contrary to the provisions of this lease.
- B. All of the agreements of Lessor and Lessee with respect to the premises are contained in this lease; and no modification, waiver or amendment of this lease or any of its conditions or provisions shall be binding upon Lessor unless in writing signed by Lessor and Lessee.
- C. Time is of the essence of this lease and of each and all provisions hereof.
- D. If any provision of this lease is deemed illegal or unenforceable by a court of competent jurisdiction, it is agreed by Lessor and Lessee that the remainder of this lease shall not be affected thereby.
- E. In the event of any inconsistency between the terms of this rider and the lease form to which it is attached, it is hereby agreed by and between the parties hereto, that the terms of this rider shall prevail.
- F. No member of the Department of Health, or other City board, commission or agency, official, or employee of the City shall have any personal interest, direct or indirect, in Lessor, the lease or the demised premises; nor shall any such member, official or employee participate in any decision relating to the

lease which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to Lessor, or any successor in interest, to perform any commitment or obligation of the City under the lease nor shall any such person be personally liable in the event of any default or breach by the City.

Lessor shall comply with Chapter 26.2 of the Municipal Code of Chicago, "Governmental Ethics", including but not limited to, Section 26.2-12 of this chapter pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, as an inducement for the award of a contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of this chapter shall be voidable as to the City.

[Exhibit "A" to this Rider printed on pages 26587
through 26588 of this Journal.]

RENEWAL OF LEASE AGREEMENT AT 1971 WEST 111TH
STREET FOR DEPARTMENT OF HEALTH.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing a lease for the Department of Health at 1971 West 111th Street, Lease Number 10009, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

(Continued on page 26590)

Exhibit "A"

To Rider.

(Page 1 of 2)

4909 West Division Street

Building Renovations.

Entire third (3rd) floor; excluding Suite 307:

Remove walls, doors and sinks as indicated; add walls, doors and sinks as indicated in attached floor plan.

Dental area will have plumbing, electrical and air lines installed.

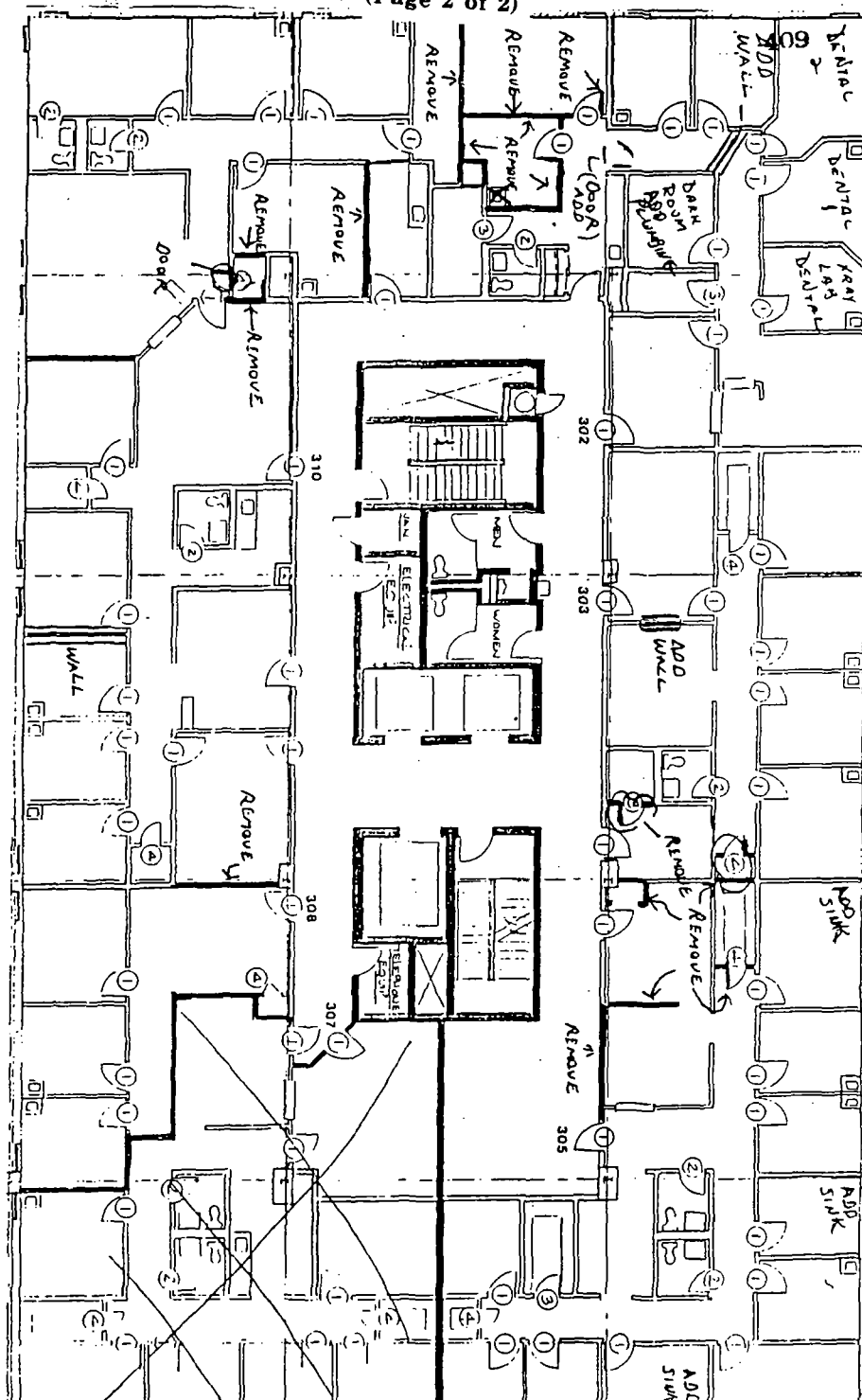
Electrical -- separate circuits will be provided in laboratory, and for computers in various areas.

Replace carpeting and/or floor tile as needed.

Exhibit "A"

To Rider.

(Page 2 of 2)



LEASE-Short Form Lease NO. 10037

Form C. O. No. 1B

City of Chicago

This Agreement, Made this..... day of.....

A. D. 19, between..... Westside Holistic Family Center Inc., an Illinois not for profit Corporation....., as Lessor,
and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor does hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: approximately 9,747 square feet of office space located on the third (3rd) floor at 4909 W. Division Street for use by the Department of Health.

To have and to hold said premises unto the Lessee for a term beginning on the..... 1st..... day of..... December..... or date of occupation.....
A. D. 19 90 and ending on the..... 30th..... day of..... November..... A. D. 19 95. Lessee has the right to terminate this lease..... upon one hundred eighty (180) days prior written notice anytime after occupation of space.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at Westside Holistic Family Center, Attn: Millicent Lindo, 4909 W. Division St., Chicago, IL 60651 or at such other place as the Lessor from time to time in writing may appoint. For Lessor to Lessee Notification Provisions See Rider Attached Hereto and Made a Part Hereof.

For Rental Payment
Provisions See Rider Attached Hereto and Made a Part Hereof.
Assessments for water tax levied against said premises for all or part of the term of this lease shall be paid by the..... Lessor's.....

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessor's own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee See

Rider Attached Hereto and Made a Part Hereof.

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, loss by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises or remove prior to the termination of this lease, provided such removal of additions and improvements does not cause damage to the premises.

~~In case said premises shall be rendered uninhabitable by fire or other casualty during said term, Lessee may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty; and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.~~

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written. Approved as to form and legality, except as to property description and execution.

Approved: _____
Asset Manager, _____
Real Estate Agent

By: _____
Westside Holistic Family Center

By: _____
Commissioner of General Services

By: _____
Commissioner, Department of Health

(Continued from page 26586)

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of General Services is authorized to execute on behalf of the City of Chicago, a renewal of a lease with Laurie B. Peterson, as sole beneficiary under Beverly Bank Trust, Trust No. 8-4250, dated March 30, 1973, as Lessor, for approximately 3,795 square feet of office space located at 1971 West 111th Street, for use by the Department of Health, as Lessee, such lease to be approved by the Commissioner of Health and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease Agreement printed on page 26595 of
this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

Notification Provisions.

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to the Asset Manager, Real Estate, Department of General Services, 320 North Clark Street, Suite 505, Chicago, Illinois 60610, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy to the Lessor as follows: Richard Carlin, Beverly Hills Realty, 1911 West 103rd Street, Chicago, Illinois 60643.

Rental Payment Provisions.

Lessee shall pay rent for said premises during the continuance of this lease at the rate of:

One Thousand Nine Hundred and no/100 Dollars (\$1,900.00) per month for the period beginning on the first day of January, 1990 and ending on the thirty-first day of December, 1990;

One Thousand Nine Hundred Ninety-five and no/100 Dollars (\$1,995.00) per month for the period beginning on the first day of January, 1991 and ending on the thirty-first day of December, 1991;

Two Thousand Ninety-four and no/100 Dollars (\$2,094.00) per month for the period beginning on the first day of January, 1992 and ending on the thirty-first day of December, 1992;

Two Thousand One Hundred Ninety-eight and no/100 Dollars (\$2,198.00) per month for the period beginning on the first day of January, 1993 and ending on the thirty-first day of December, 1993;

Two Thousand Three Hundred Seven and no/100 Dollars (\$2,307.00) per month for the period beginning on the first day of January, 1994 and ending on the thirty-first day of December, 1994.

Rent is payable in advance on the first day of each calendar month by the Office of the City Comptroller to Richard H. Carlin, Beverly Hills Realty Company, 1971 West 111th Street, Chicago, Illinois 60643.

Lessor And Lessee Responsibilities.

Lessor under this lease shall:

Install storm doors on front doors.

Replace carpeting that is 10 to 12 years old.

Paint premises during term of lease.

Provide and pay for heat, maintain plant and equipment in good operable condition.

Provide and pay for hot and domestic water and maintain plumbing in good operable condition.

Provide and pay for janitorial service for the maintenance of the exterior and interior of the building including maintenance of all mechanical components. Janitorial service shall not be construed to mean cleaning, washing or sweeping of any kind, or moving of furniture, replacing of light bulbs, etc., but shall refer strictly to service for the maintenance of the physical plant.

Maintain exterior and interior of building, including maintenance of all mechanical components.

Comply with the provisions of the Municipal Building Code in the repair and maintenance of said premises.

Provide and pay for prompt removal of snow and ice from sidewalks and parking lot which immediately abut the demised premises.

Pay real estate taxes and other tax levies assessed against said premises within deadlines established by governmental taxing bodies.

Provide and maintain at all times public liability insurance in the amount of \$1,000,000 combined single limit with the City of Chicago to

receive a certificate of insurance and naming the City of Chicago as additionally insured. Said annual insurance coverage shall be renewed for each year during the term of this lease with Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date, should any of the above described policies be cancelled before the expiration date. The Lessor shall mail to the Lessee at the address cited herein a copy of the cancellation notice immediately and in no event more than fifteen (15) days after receipt thereof.

Lessee under this lease shall:

Pay for electricity as metered for outlets and air conditioning.

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs or sweeping of any kind.

Replace any broken plate glass on first floor of said demised premises during term of lease not caused by negligence of Lessor.

Additional clauses to be included in lease:

In the event the Lessor should fail to furnish any substantial alterations, repairs or services as required by this lease or fails to remove and correct any fire or health hazards not caused by the acts of negligence of the Lessee, and the failure continues ten (10) days after Lessee has notified the Lessor by written notice of any such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazards corrected and deduct the cost and expense thereof from rental herein due under this lease or immediately terminate this lease by providing the Lessor written notice by certified or registered mail at the address cited herein.

In the event of any substantial breach of the covenants, terms and conditions contained herein by the Lessor, Lessee shall have the right to terminate this lease upon ten (10) days notice by certified or registered mail, to Lessor at the address cited herein. Failure or neglect of Lessee to act upon a breach of one or more of the covenants, terms and conditions of this lease shall not constitute or be construed as a waiver of subsequent breach by the Lessor of any right created thereby.

No member of the Department of Health, or other City board, commission or agency, official, or employee of the City shall have any personal interest, direct or indirect, in Lessor, the lease or the demised

premises; nor shall any such member, official or employee participate in any decision relating to the lease which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to Lessor, or any successor in interest, to perform any commitment or obligation of the City under the lease nor shall any such person be personally liable in the event of any default or breach by the City.

Lessor shall comply with Chapter 26.2 of the Municipal Code of Chicago, "Governmental Ethics", including but not limited to, Section 26.2-12 of this chapter pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, as an inducement for the award of a contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of this chapter shall be voidable as to the City.

RENEWAL OF LEASE AGREEMENT WITH CHICAGO TRANSIT
AUTHORITY FOR BUS TURNAROUND ON PORTIONS
OF NORTH PULASKI ROAD AND WEST
PETERSON AVENUE.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing a lease with the Chicago Transit Authority for a bus turnaround at North Pulaski Road and West Peterson Avenue, Lease Number 20026, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed ordinance transmitted herewith.

(Continued on page 26596)

12/5/90

REPORTS OF COMMITTEES

26595

LEASE-Short Form Lease No. 10009

Form C O N. 18

City of Chicago

This Agreement, Made this _____ day of _____

A. D. 19 _____, between Laurie B. Peterson, as sole beneficiary under Beverly Bank Trust, Trust No. 8-4250, dated March 30, 1973 _____, as Lessor, and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor does hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: The entire building which consists of approximately 3,795 square feet of office space located at 1971 West 111th Street for use as the Beverly Morgan Park Mental Health Center for the Department of Health.

To have and to hold said premises unto the Lessee for a term beginning on the 1st day of January A. D. 19 90, and ending on the 31st day of December A. D. 1994. Lessee has the right to terminate this lease upon thirty (30) days prior written notice.

~~and the right to renew this lease for a further period of _____ on the same terms and rental by giving to the Lessor _____ in either case _____ written notice of its election so to do.~~

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at Beverly Hills Realty, 1911 W. 103rd St., Chgo, IL 60643 or at such other place as the Lessor from time to time in writing may appoint. For Lessor to Lessee Notification Provisions See Rider Attached Hereto and Made a Part Hereof.

~~Lessee shall pay rent for said premises during the term of this lease at the rate of _____ Dollars per month, payable in advance on the first day of each calendar month by the office of the City Comptroller.~~ Assessments for water tax levied against said premises for all or part of the term of this lease shall be paid by the Lessee

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessor's own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee

See Rider Attached Hereto and Made a Part Hereof.

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, loss by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written. Approved as to form and legality, except as to property description and execution.

Laurie B. Peterson
Assistant Corporation Counsel

Approved:

Asset Manager

Laurie B. Peterson, as sole beneficiary

Beverly Bank Trust, Trust No. 8-4250
dated March 30, 1973

Commissioner of Health

Commissioner of General Services

(Continued from page 26594)

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Gutierrez, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of General Services is authorized to execute on behalf of the City of Chicago, a renewal of lease between the City of Chicago, as Lessor, and the Chicago Transit Authority, a municipal corporation, as Lessee, for the premises known and described as follows:

beginning at the southeast corner of North Pulaski Road and West Peterson Avenue; thence east 100 feet; thence south on a line parallel with and 100 feet east of the east line of North Pulaski Road, 100 feet; thence southwesterly on a straight line to a point in the east line of North Pulaski Road, 150 feet south of the place of beginning; thence north along the east line of North Pulaski Road, 150 feet to the place of beginning; in the southwest quarter of Section 2, Township 40 North, Range 13, East of the Third Principal Meridian,

such lease to be approved by the Commissioner of General Services, and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease Agreement printed on page 26600 of
this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

- Fifth: In every instance where it shall be necessary or desirable for the Lessee to serve any notice or demand upon the Lessor, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to the Asset Manager, Bureau of Assets Management, Department of General Services, 174 West Randolph Street, 2nd Floor, Chicago, Illinois 60601, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.
- Sixth: Any notice from Lessor to Lessee under or in regard to this lease may be served by mailing a copy to the Lessee as follows: Chicago Transit Authority, Merchandise Mart Plaza, P.O. Box 3555, Chicago, Illinois 60654.
- Seventh: It is understood and agreed that the demised premises are to be solely used by the Lessee for bus terminal purposes only and Lessor hereby grants permission to Lessee to maintain as at present installed all improvements and paving necessary for such use.
- Eighth: Lessee shall not place any permanent structure upon said property without prior written consent of Lessor.
- Ninth: It is understood and agreed that this lease may be terminated by Lessor at any time before the expiration of its term by giving to Lessee sixty (60) days notice in writing.

- Tenth: Lessee agrees to indemnify and hold City harmless against all liabilities, judgments, cost, damages and expenses which may accrue against, be charged to or recovered from City by reason or on account of damage to the property of City or injury to or death of any person, arising from Lessee's use of occupation of and operations at said premises including acts of its agents, contractors and subcontractors. Any final judgments rendered against City for any cause for which Lessee is liable hereunder shall be conclusive against Lessee as to liability and amount.
- Eleventh: Lessee shall not (a) assign or convey this lease or any interest under it; (b) allow any transfer hereof or any lien upon Lessee's interest by operation of law; (c) sublet the premises or any part thereof; (d) permit the use or occupancy of the premises or any part thereof, by anyone other than Lessee and for those purposes specified in proceeding paragraph, without, in each and every case obtaining the prior written approval of the Lessor.
- Twelfth: Lessee shall not use said premises for any commercial profit making, fund raising or political activity.
- Thirteenth: Lessee shall comply at all times with the provisions of the Municipal Code in the use of said premises.
- Fourteenth: Lessee shall pay any and all leasehold or use taxes on premises, if levied within deadlines established by governmental taxing bodies.
- Fifteenth: All improvements made on the demised premises shall revert back to the Lessor at the term of this lease.
- Sixteenth: In the event of breach of the covenants, terms and conditions contained herein by Lessor, Lessor shall have the right to terminate this lease immediately upon giving written notice by certified or registered mail to Lessee at address cited herein. Failure or neglect of Lessor to act upon breach of one or more of the covenants, terms and conditions of this lease shall not constitute or be construed as a waiver of subsequent breach by the Lessee of any right created thereby.
- Seventeenth: No member of the Department of General Services, or other City board, commission or agency, official, or employee of the City shall have any personal interest, direct or indirect, in Lessor, the lease or the demised

premises; nor shall any such member, official or employee participate in any decision relating to the lease which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to Lessor, or any successor in interest, to perform any commitment or obligation of the City under the lease nor shall any such person be personally liable in the event of any default or breach by the City.

Lessor shall comply with Chapter 26.2 of the Municipal Code of Chicago, "Governmental Ethics", including but not limited to, Section 26.2-12 of this chapter pursuant to which no payment, gratuity or offer of employment shall be made in connection with any City contract, as an inducement for the award of a contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of this chapter shall be voidable as to the City.

Re-Referred -- ACCEPTANCE OF BID FOR PURCHASE
OF CITY-OWNED VACANT PROPERTY AT
2415 WEST HARRISON STREET.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing the acceptance of a bid at 2415 West Harrison Street, having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the proposed ordinance transmitted herewith.

(Continued on page 26601)

(Continued from page 26599)

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Butler, the said proposed ordinance transmitted with the foregoing committee report was *Re-Referred to the Committee on Housing, Land Acquisition, Disposition and Leases* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Re-Referred -- ACCEPTANCE OF BID FOR PURCHASE
OF CITY-OWNED VACANT PROPERTY AT
2425 WEST HARRISON STREET.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing the acceptance of a bid at 2425 West Harrison Street, having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Butler, the said proposed ordinance transmitted with the foregoing committee report was *Re-Referred to the Committee on Housing, Land Acquisition, Disposition and Leases* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Re-Referred -- ACCEPTANCE OF BID FOR PURCHASE OF
CITY-OWNED VACANT PROPERTY AT 2633 -- 2639
WEST ROOSEVELT ROAD.

The Committee on Housing, Land Acquisition, Disposition and Leases submitted the following report:

CHICAGO, December 4, 1990.

To the President and Members of the City Council:

Your Committee on Housing, Land Acquisition, Disposition and Leases, to which was referred an ordinance authorizing the acceptance of a bid at 2633 -- 2639 West Roosevelt Road, having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) LUIS V. GUTIERREZ,
Chairman.

On motion of Alderman Soliz, the said proposed ordinance transmitted with the foregoing committee report was *Re-Referred to the Committee on Housing, Land Acquisition, Disposition and Leases* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

COMMITTEE ON LOCAL TRANSPORTATION.

ERECTION OF BUS PASSENGER SHELTERS AT SPECIFIED LOCATIONS.

The Committee on Local Transportation submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Local Transportation, having had under consideration two proposed orders (which were referred on October 31, 1990) to erect bus passenger shelters at specified locations, begs leave to recommend that Your Honorable Body *Pass* the said proposed orders which are transmitted herewith.

This recommendation was concurred in unanimously by members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

On motion of Alderman Huels, the said proposed orders transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said orders, as passed, read as follows (the italic heading in each case not being part of the order):

West Argyle Street And North Pulaski Road.

Ordered, That the City of Chicago is hereby authorized and directed to erect a bus shelter for the public use on the northwest corner of West Argyle Street and North Pulaski Road for southbound passengers.

North Lawndale Avenue And West Foster Avenue.

Ordered, That the City of Chicago is hereby authorized and directed to erect a bus shelter on the northeast corner of North Lawndale Avenue and West Foster Avenue (westbound on West Foster Avenue).

ESTABLISHMENT OF TAXICAB STAND NUMBER 605 ON
PORTION OF NORTH WACKER DRIVE.

The Committee on Local Transportation submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Local Transportation, having had under consideration a proposed ordinance (which was referred October 31, 1990) to establish Taxicab Stand No. 605 on North Wacker Drive, along the east curb, from a point 102 feet south of the south building line of West Randolph Street, to a point 58 feet south thereof, 3 vehicles, begs leave to recommend that Your Honorable Body *Pass* the said proposed ordinance which is transmitted herewith.

This recommendation was concurred in unanimously by the members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

On motion of Alderman Huels, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-412 of the Municipal Code of Chicago there is hereby established a taxicab stand, to be known by the designated number, for the number of vehicles stated, at the following location:

Stand No. 605

On North Wacker Drive, along the east curb, from a point 102 feet south of the south building line of West Randolph Street, to a point 58 feet south thereof, 3 vehicles.

SECTION 2. It shall be unlawful for the operator of any vehicle other than a taxicab to stand or park such vehicle in the space occupied by said taxicab stand, except that the operator of any passenger vehicle may stop temporarily in such space for the purpose of and while actually engaged in the loading or unloading of passengers, as provided by Section 27-326 of the Municipal Code of Chicago.

SECTION 3. Any person violating the provisions of this ordinance shall be subject to the penalty provided for in Section 27-373 of the Municipal Code of Chicago, which provides that "every person convicted of a violation of any of the provisions of this chapter for which no penalty is specifically provided shall be punished by a fine of not more than Two Hundred Dollars for each offense".

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

ESTABLISHMENT OF TAXICAB STAND NUMBER 607
ON PORTION OF EAST LAKE STREET.

The Committee on Local Transportation submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Local Transportation, having had under consideration a proposed ordinance (which was referred October 31, 1990) to establish Taxicab Stand No. 607 on East Lake Street, along the south curb, from a point 66 feet east of the center lane of North Beaubien Court, to a point 156 feet east thereof, 7 vehicles, begs leave to recommend that Your Honorable Body *Pass* the said proposed ordinance which is transmitted herewith.

This recommendation was concurred in unanimously by the members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

On motion of Alderman Huels, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-412 of the Municipal Code of Chicago there is hereby established a taxicab stand, to be known by the designated number, for the number of vehicles stated, at the following location:

Stand No. 607

On East Lake Street, along the south curb, from a point 66 feet east of the center lane of North Beaubien Court, to a point 156 feet east thereof, 7 vehicles.

SECTION 2. It shall be unlawful for the operator of any vehicle other than a taxicab to stand or park such vehicle in the space occupied by said taxicab stand, except that the operator of any passenger vehicle may stop temporarily in such space for the purpose of and while actually engaged in the loading or unloading of passengers, as provided by Section 27-326 of the Municipal Code of Chicago.

SECTION 3. Any person violating the provisions of this ordinance shall be subject to the penalty provided for in Section 27-373 of the Municipal Code of Chicago, which provides that "every person convicted of a violation of any of the provisions of this chapter for which no penalty is specifically provided shall be punished by a fine of not more than Two Hundred Dollars for each offense".

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

ESTABLISHMENT OF TAXICAB STAND NUMBER 608 ON
PORTION OF NORTH DEARBORN STREET.

The Committee on Local Transportation submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Local Transportation, having had under consideration a proposed ordinance (which was referred October 31, 1990) to establish Taxicab Stand No. 608 on North Dearborn Street, along the west curb, from a point 20 feet south of the south building line of West Erie Street, to a point 66 feet south thereof, 3 vehicles, and amended in committee to read, on North Dearborn Street, along the west curb, from a point 30 feet south of West Ontario Street to approximately 60 feet south thereof, 3 vehicles, begs leave to recommend that Your Honorable Body *Pass* the said proposed ordinance, as amended, which is transmitted herewith.

This recommendation was concurred in unanimously by the members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

On motion of Alderman Huels, the said proposed ordinance, as amended, transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-412 of the Municipal Code of Chicago there is hereby established a taxicab stand, to be known by the designated number, for the number of vehicles stated at the following location:

Stand No. 608

On North Dearborn Street along the west curb, from a point 30 feet south of West Ontario Street, to approximately 60 feet south thereof, 3 vehicles.

SECTION 2. It shall be unlawful for the operator of any vehicle other than a taxicab to stand or park such vehicle in the space occupied by said taxicab stand, except that the operator of any passenger vehicle may stop temporarily in such space for the purpose of and while actually engaged in

the loading or unloading of passengers, as provided by Section 27-326 of the Municipal Code of Chicago.

SECTION 3. Any person violating the provisions of this ordinance shall be subject to the penalty provided for in Section 27-373 of the Municipal Code of Chicago, which provides that "every person convicted of a violation of any of the provisions of this chapter for which no penalty is specifically provided shall be punished by a fine of not more than Two Hundred Dollars for each offense".

SECTION 4. This ordinance shall be in full force and effect from and after its passage and due publication.

AMENDMENT OF ORDINANCE WHICH ESTABLISHED
TAXICAB STAND NUMBER 519 ON PORTION
OF NORTH KINGSBURY STREET.

The Committee on Local Transportation submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City of Chicago:

Your Committee on Local Transportation, having had under consideration a proposed ordinance (which was referred November 28, 1990) to amend Taxicab Stand No. 519 on North Kingsbury Street, west side, beginning 10 feet west of the first driveway north of West Kinzie Street extending 140 feet north thereof, 7 vehicles, is hereby amended to read on North Kingsbury Street, along the west curb, from a point 10 feet north of the first driveway, to a point 100 feet north thereof, 5 vehicles, begs leave to recommend that Your Honorable Body *Pass* the said proposed ordinance which is transmitted herewith.

This recommendation was concurred in unanimously by members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

On motion of Alderman Huels, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That an ordinance passed by the City Council on July 27, 1983, page 888 of the Journal of the Proceedings, establishing the following taxicab stand:

Stand No. 519

On North Kingsbury Street, west side, beginning 10 feet west of the first driveway north of West Kinzie Street extending 140 feet north thereof, 7 vehicles,

be and the same is hereby amended by striking out therefrom the following language:

"beginning 10 feet west of the first driveway north of West Kinzie Street extending 140 feet north thereof, 7 vehicles"

and inserting in lieu the following:

"along the west curb, from a point 10 feet north of the first driveway, to a point 100 feet north thereof, 5 vehicles".

SECTION 2. This ordinance shall be in full force and effect from and after its passage and due publication.

REPEAL OF ORDINANCE WHICH ESTABLISHED TAXICAB
STAND NUMBER 435 ON PORTION OF EAST
SUPERIOR STREET.

The Committee on Local Transportation submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Local Transportation, having had under consideration a proposed ordinance (which was referred October 31, 1990) to repeal Taxicab Stand No. 435 on East Superior Street, along the north curb, from a point 30 feet west of the west building line of North Michigan Avenue, to a point 43 feet west thereof, 2 vehicles, begs leave to recommend that Your Honorable Body Pass the said proposed ordinance which is transmitted herewith.

This recommendation was concurred in unanimously by the members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

On motion of Alderman Huels, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That an ordinance passed by the City Council on May 6, 1966, page 6734 of the Journal of Proceedings, establishing the following taxicab stand:

Stand No. 435

On East Superior Street, along the north curb, from a point 30 feet west of the west building line of North Michigan Avenue, to a point 43 feet west thereof, 2 vehicles,

be and the same is hereby repealed, and said taxicab stand is hereby abolished.

SECTION 2. This ordinance shall be in full force and effect from and after its passage and due publication.

COMMITTEE ON STREETS AND ALLEYS.

AMENDMENT OF TITLE 10, CHAPTER 8 OF MUNICIPAL
CODE OF CHICAGO BY REPEAL OF SECTION
340 CONCERNING CIRCUS AND
MENAGERIE PARADES.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (referred on November 7, 1990) repealing Section 10-8-340 of the Municipal Code of Chicago concerning circus and menagerie parades.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Section 10-8-340 of the Municipal Code of Chicago is hereby repealed.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

APPROVAL GIVEN FOR GRANTS OF PRIVILEGE IN
PUBLIC WAYS.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith (referred on October 3, 31 and November 7, 1990) for grants of privilege in public ways.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinances transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read as follows (the italic heading in each case not being a part of the ordinance):

Blackstone Hotel.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to the Blackstone Hotel, upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed ten (10) ornamental light poles on the public way. Said light poles are for decorative purposes and

enhancement or pre-existing City lighting and do not replace any City poles. One (1) pole shall be located ninety-three feet, six inches (93'6") from the curb line of South Michigan Avenue and three (3) feet from the curb line of East Balbo Avenue. One (1) pole shall be located sixty-four feet, six inches (64'6") from the curb line of South Michigan Avenue and three (3) feet from the curb line of East Balbo Avenue. One (1) pole shall be located thirty-one (31) feet from the curb line of South Michigan Avenue and three (3) feet from the curb line of East Balbo Avenue. One (1) pole shall be located sixty-one feet, six inches (61'6") from the curb line of the north-south public alley between South Michigan and South Wabash Avenues and two feet, three inches (2'3") from the curb line of East Balbo Avenue. One (1) pole shall be located thirty-four feet, six inches (34'6") from the curb line of the north-south public alley between South Michigan and South Wabash Avenues and two feet, three inches (2'3") from the curb line of East Balbo Avenue. One (1) pole shall be located four feet, six inches (4'6") from the curb line of the north-south public alley between South Michigan and South Wabash Avenues and two feet, three inches (2'3") from the curb line of East Balbo Avenue. One (1) pole shall be located sixty-three (63) feet south of the building's north property line and four feet, six inches (4'6") from curb line of South Michigan Avenue. One (1) pole shall be located forty-nine feet, six inches (49'6") from the north property line and four feet, six inches (4'6") from the curb line of South Michigan Avenue. One (1) pole shall be located thirty-four feet, six inches (34'6") from the north property line and four feet, six inches (4'6") from the curb line of South Michigan Avenue. One (1) pole shall be located eighteen feet, six inches (18'6") from the north property line and four feet, six inches (4'6") from the curb line of South Michigan Avenue. Each pole shall have a uniform height of approximately twelve (12) feet. Authority herein given and granted shall be for a period of five (5) years from and after date of passage.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Five Hundred and no/100 Dollars (\$500.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances

herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances

described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26619 of this Journal.]

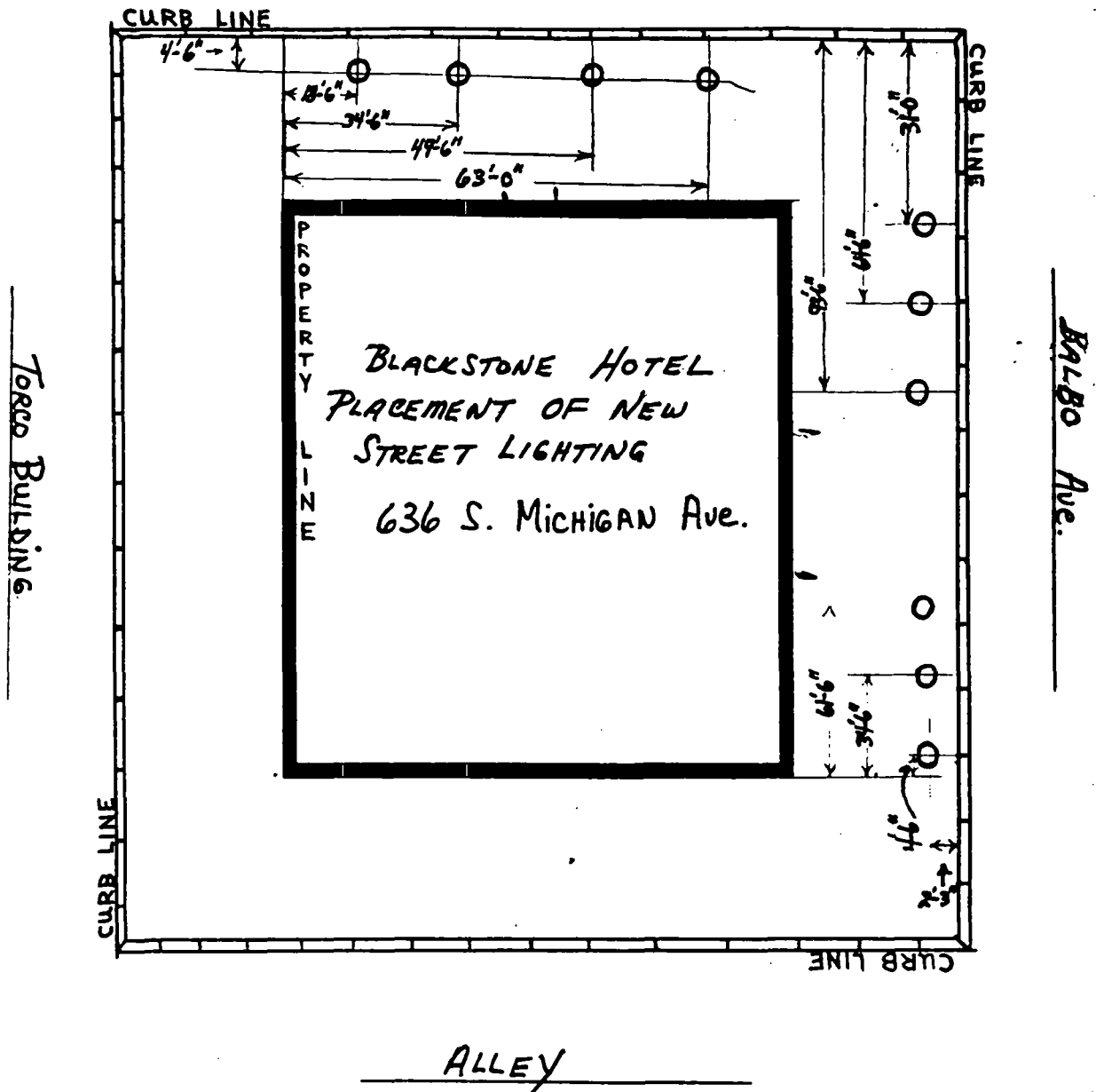
Columbia Broadcasting System, Inc.

Be It Ordained by the City Council of the City of Chicago:

(Continued on page 26620)

**[Ordinance associated with this Drawing printed on
pages 26615 through 26618 of this Journal.]**

MICHIGAN AVENUE



(Continued from page 26618)

SECTION 1. Permission and authority are hereby given and granted to Columbia Broadcasting System, Inc., upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed a coaxial cable encased in a two (2) inch conduit, running under and across East Ontario Street, at a point one hundred seventy (170) feet west of the west line of North McClurg Court, a distance of 75 feet and placed at a depth acceptable to the Bureau of Streets and Sanitation. Said cable is for the transmission of TV signals from CBS building at 630 North McClurg Court to the McClurg Court Apartments at 333 East Ontario Street. Authority herein granted for a period of five (5) years from and after September 10, 1990.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Two Hundred Twenty-four and no/100 Dollars (\$224.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of

the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the

permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed on
page 26623 of this ordinance.]

Edison Brothers Stores.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to Edison Brothers Stores, upon the terms and subject to the conditions of this ordinance to maintain and use vaulted area for storage and utilities, approximately forty (40) feet in length and twenty (20) feet in width under the sidewalk area adjacent to the premises at 131 -- 133 South State Street. Authority herein granted for a period of five (5) years from and after date of passage of this ordinance.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep

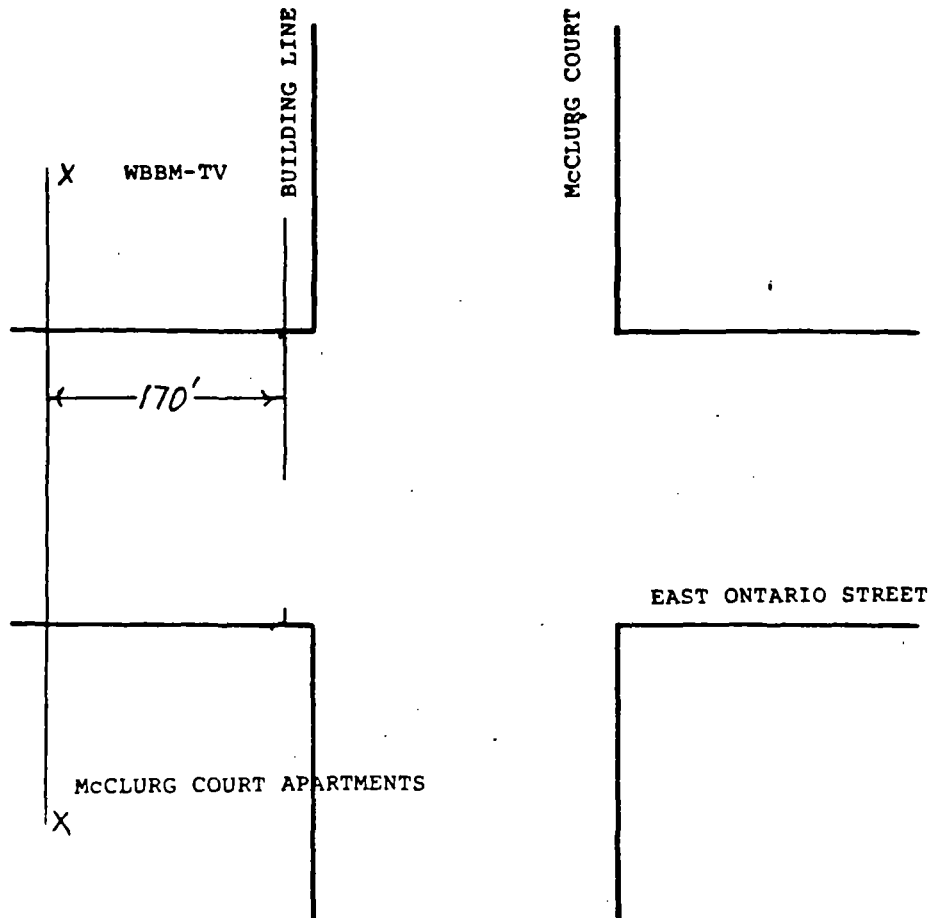
(Continued on page 26624)

12/5/90

REPORTS OF COMMITTEES

26623

[Ordinance associated with this Drawing printed on
pages 26618 through 26622 of this Journal.]



DO NOT WRITE BELOW THIS SPACE FOR OFFICE USE ONLY

Name of applicant _____

Name of corporation as per corporation book _____

Page _____

(Continued from page 26622)

that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of One Thousand Two Hundred Eighty and no/100 Dollars (\$1,280.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair,

maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26627 of this Journal.]

Mr. Joseph A. Ferro.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to Mr. Joseph A. Ferro, upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed a two (2) story fire escape over the public way adjacent to the premises located at 3601 -- 3603 South Union Avenue. Said fire escape shall be approximately fifteen (15) feet in length and four feet, two inches (4' 2") in width. Authority herein granted shall be for a period of five (5) years from and after date of passage of this ordinance.

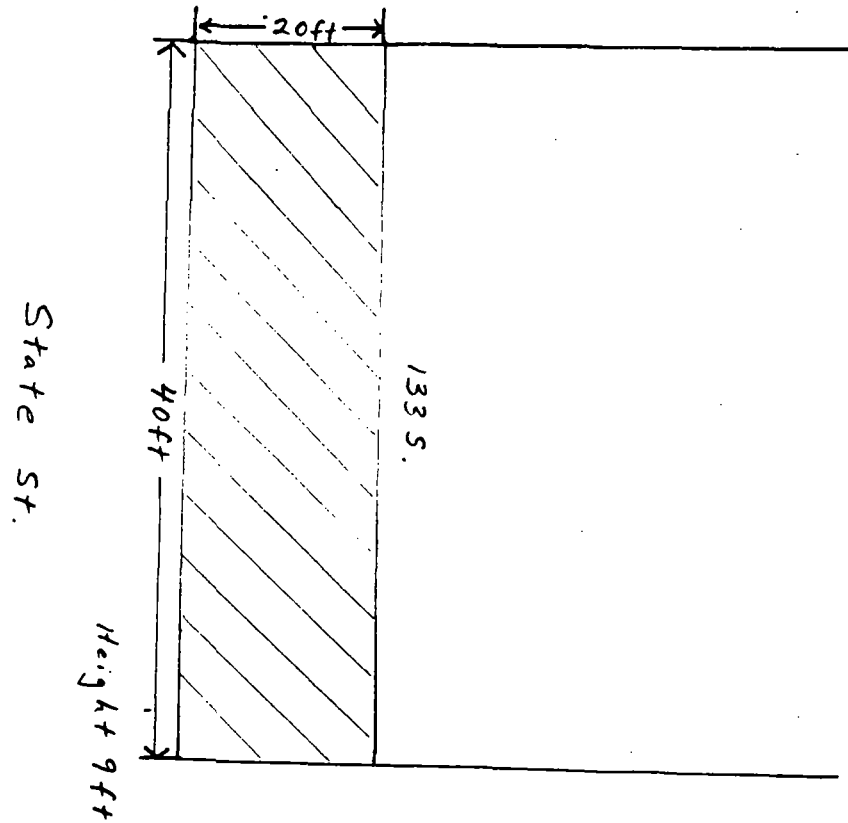
The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of One Hundred and no/100 Dollars (\$100.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

(Continued on page 26628)

[Ordinance associated with this Drawing printed on
pages 26622 through 26626 of this Journal.]

DRAWING



BUILDING MANAGER/ENGINEER: _____ PHONE: _____

(Continued from page 26626)

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances

described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

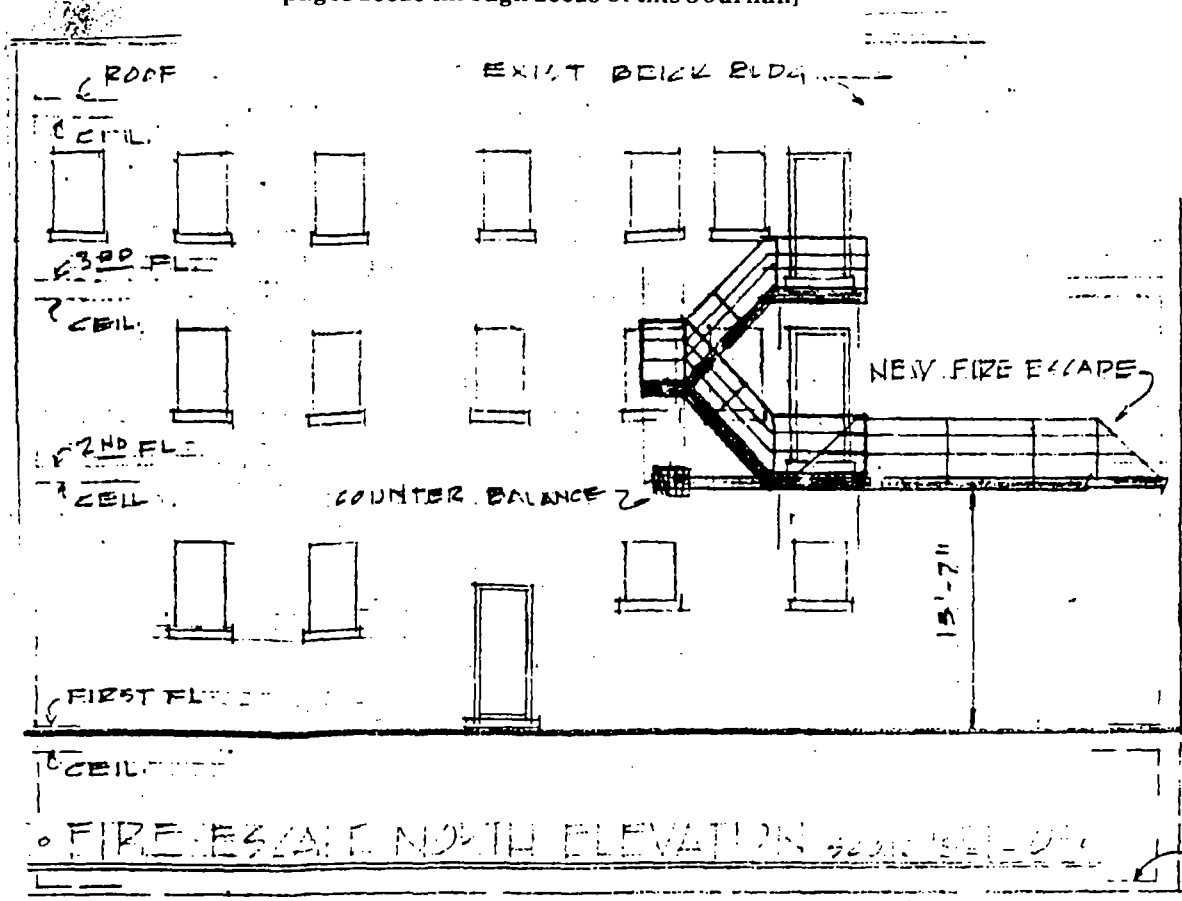
[Drawing attached to this ordinance printed
on page 26630 of this Journal.]

LaMantia Bros. Arrigo Company.

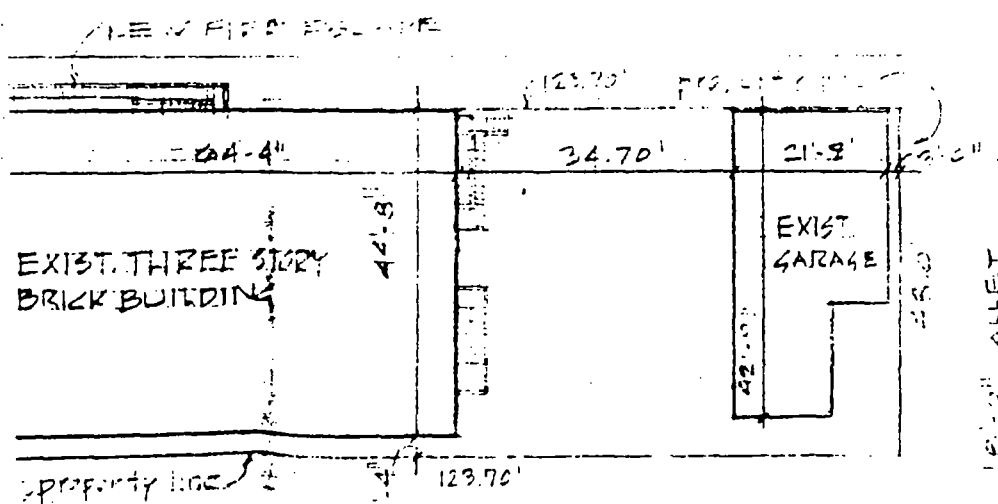
Be It Ordained by the City Council of the City of Chicago:

(Continued on page 26631)

[Ordinance associated with this Drawing printed on
pages 26626 through 26629 of this Journal.]



WEST 30TH STREET



PLOT PLAN scale 1/2" = 1'-0"

NG

THESE DRAWINGS WERE PREPARED BY OR UNDER
THE SUPERVISION OF THE UNDERSIGNED, AND
TO THE BEST OF HIS KNOWLEDGE CONFORM TO
APPLICABLE BUILDING CODES.

Edward J. Bligh

(Continued from page 26629)

SECTION 1. Permission and authority are hereby given and granted to LaMantia Bros. Arrigo Company, upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed a covered bridge or passageway over and across the forty-eight (48) foot east/west public alley north of West 15th Street at a point three hundred forty (340) feet west of west line of South Morgan Street as measured on the south line of said forty-eight (48) foot alley. Said covered bridge/passageway shall be not more than eight (8) feet in width, eight (8) feet in height and not less than fourteen (14) feet above surface of alley; for a period of five (5) years from and after October 16, 1990.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of One Hundred Fifty and no/100 Dollars (\$150.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will

have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged

to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed on
page 26634 of this ordinance.]

Rowe Building Condominium Association.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to Rowe Building Condominium Association, upon the terms and subject to the conditions of this ordinance to maintain and use vaulted area, loading dock, and fire escape, in the public way adjacent to the premises at 714 South Dearborn Street and described as follows:

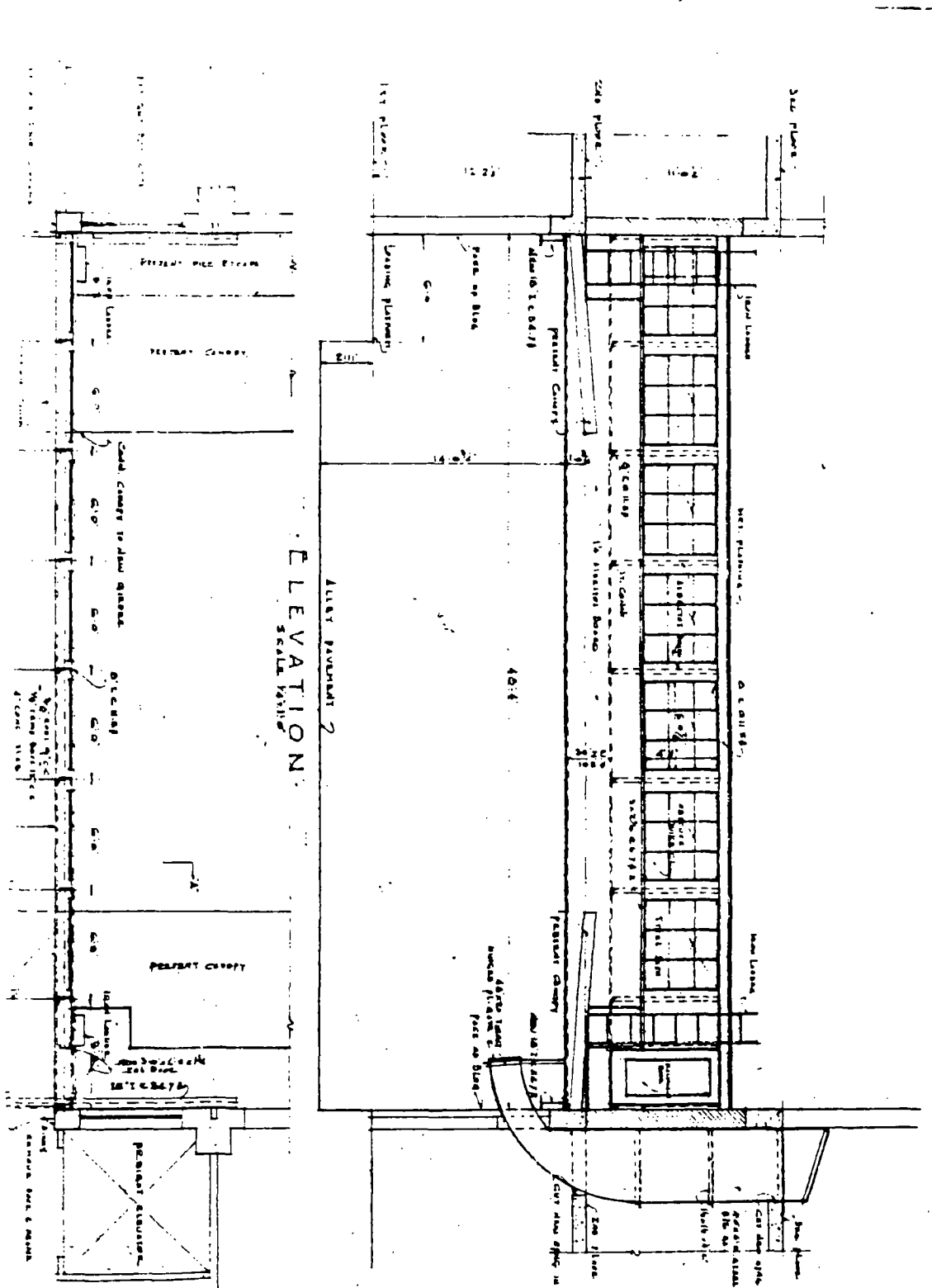
South Dearborn Street:

Vaulted area approximately fifty (50) feet in length and four (4) feet in width.

Fire escape on floors two through eight approximately fifteen (15) feet by five (5) feet.

(Continued on page 26635)

**[Ordinance associated with this Drawing printed on
pages 26629 through 26633 of this Journal.]**



(Continued from page 26633)

West Federal Street:

Vaulted area approximately forty (40) feet in length and eight (8) feet in width.

Loading dock approximately seven point five (7.5) feet in length and six (6) feet in width.

Authority herein granted for a period of five (5) years from and after date of passage of this ordinance.

The location of said privileges shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privileges shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privileges in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privileges herein granted the sum of Nine Hundred and no/100 Dollars (\$900.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privileges herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privileges herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of

the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for these privileges, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privileges. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privileges being granted by this ordinance are covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the

permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26638 of this Journal.]

RREEF U.S.A. Fund - III 69 West Washington, Inc.

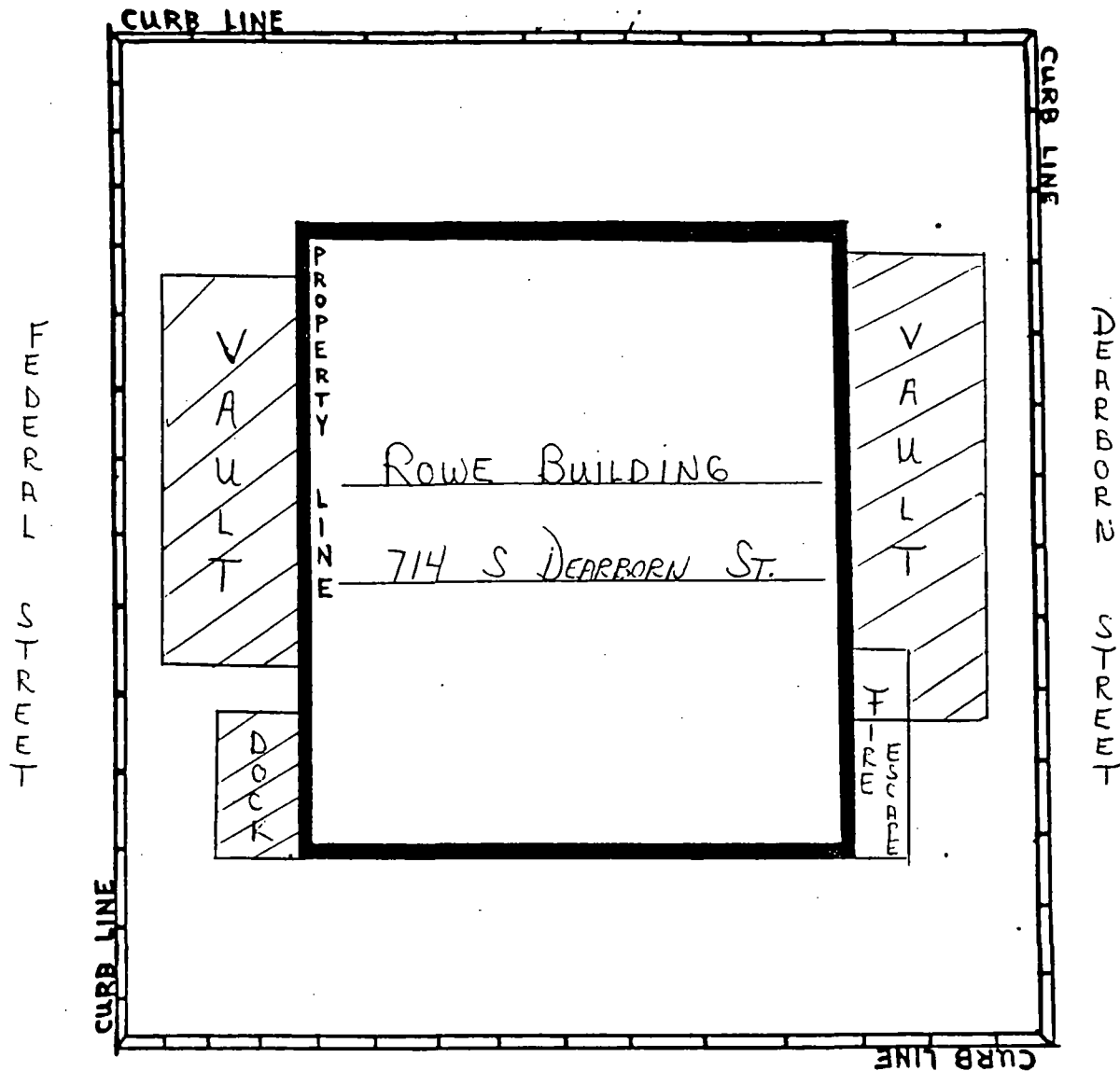
Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to RREEF U.S.A. Fund - III 69 West Washington, Inc., upon the terms and subject to the conditions of this ordinance, to maintain and use vaulted area adjacent to the premises at 69 West Washington Street. Said area is approximately two hundred thirty-seven (237) feet in length and nine point seventy-five (9.75) feet in width and used for a card shop and barber shop. Authority herein granted for a period of five (5) years from and after the date of passage of this ordinance.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation,

(Continued on page 26639)

[Ordinance associated with this Drawing printed on
pages 26633 through 26637 of this Journal.]



(Continued from page 26637)

the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Eight Thousand One Hundred Thirty-five and no/100 Dollars (\$8,135.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets

and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and

payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed on page 26642 of this Journal.]

Sears, Roebuck And Company, File Number 3.

Be It Ordained by the City Council of the City of Chicago:

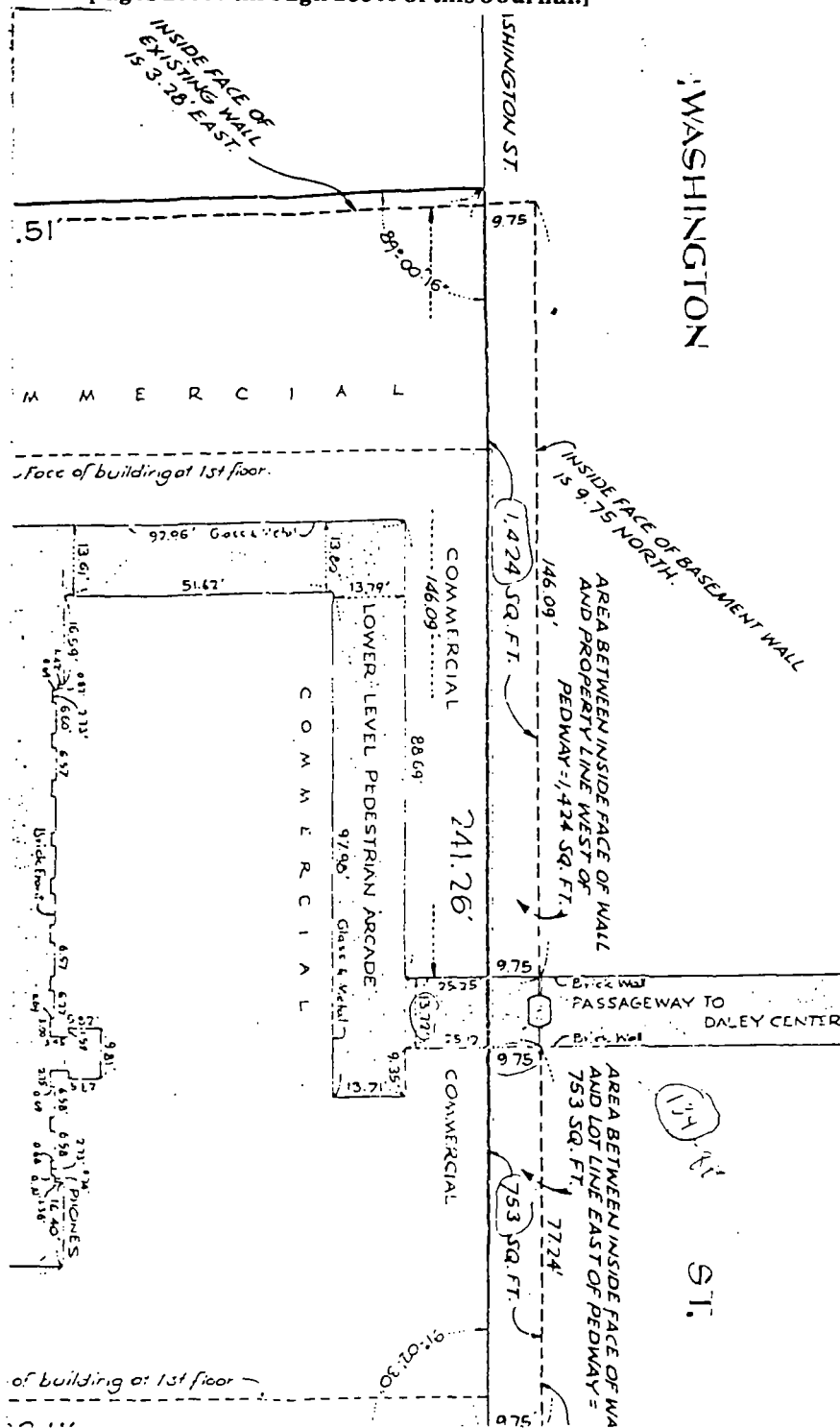
SECTION 1. Permission and authority are hereby given and granted to Sears, Roebuck and Company, File No. 3, upon the terms and subject to the conditions of this ordinance to maintain and use a hot water supply pipe line and return pipe line ten (10) inches in diameter, including prefabricated insulation; and an eight (8) inch iron pipe under and across West Cuyler Avenue approximately one hundred seventy-nine (179) feet east of the east line of North Cicero Avenue; said hot water heat supply pipe line to be used for the purpose of supplying heat from the premises at 4730 West Irving Park Road to 4035 North Cicero Avenue; said cast iron pipe to be used for fire protection purposes only at said locations. Authority herein granted for a period of five (5) years from and after May 21, 1986.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Three Hundred and no/100 Dollars (\$300.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of

(Continued on page 26643)

**[Ordinance associated with this Drawing printed on
pages 26637 through 26641 of this Journal.]**



(Continued from page 26641)

Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The

grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26645 of this Journal.]

Sears, Roebuck And Company, File Number 4.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to Sears, Roebuck and Company, File No. 4, upon the terms and subject to the conditions of this ordinance, to use a conveyor-type overhead bridge running above and diagonally across the railroad track viaduct connecting the 4th floor of the Sears Spaulding Building Annex at approximately one hundred (100) feet above the northeast corner of West Fillmore Street and South Homan Avenue with the 4th floor of the Sears Catalog Plant located five hundred twenty-five (525) feet from the northwest corner of West Fillmore Street and South Homan Avenue. Said conveyor bridge will be constructed at a height of not less than twenty-four (24) feet from the top of the rail of the railroad viaduct herein mentioned. Outside dimensions of the bridge are approximately fifteen (15) feet wide by fifteen (15) feet in height; its span diagonally across South Homan Avenue is approximately two hundred ten (210) feet; for a period of five (5) years from and after May 8, 1989.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Six Hundred and no/100 Dollars (\$600.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or

expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the

Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26649 of this Journal.]

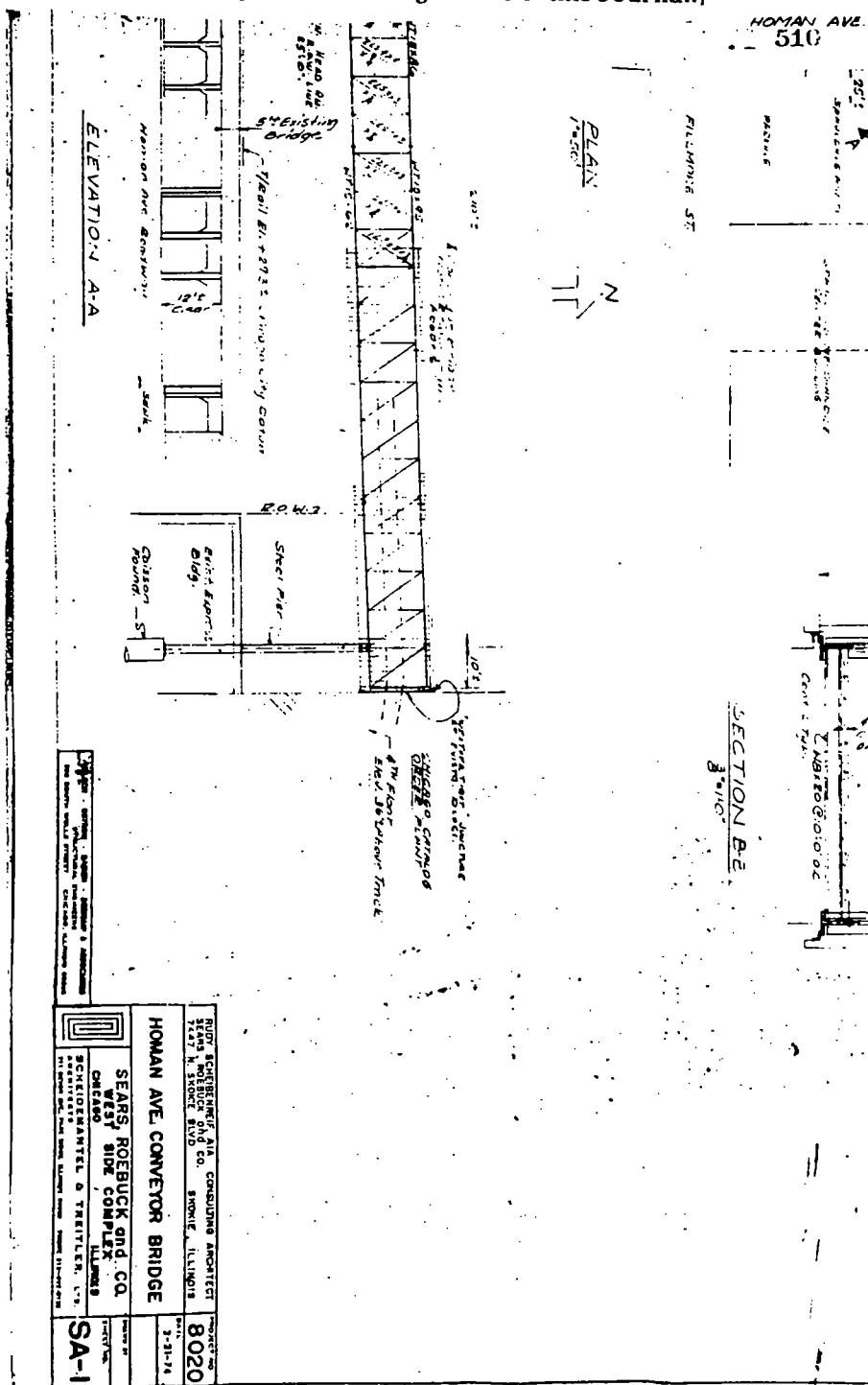
Sears, Roebuck And Company, File Number 5.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to Sears, Roebuck and Company, File No. 5, upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed, an overhead conveyor bridge twenty-five (25) in width diagonally across South Central Park Avenue, the center line of said bridge being forty-five (45) feet, seven (7) inches north of the west line of West Taylor Street, and the lowest portion of said bridge shall be not less than fourteen (14) feet above street grade at said location, and shall be used for the purpose of connecting the second floor of the existing building located on the east side of South Central Park Avenue with the corresponding floor of the building on the west side of South Central Park Avenue; for a period of five (5) years from and after April 17, 1989.

(Continued on page 26650)

**[Ordinance associated with this Drawing printed on
pages 26646 through 26648 of this Journal.]**



(Continued from page 26648)

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Three Hundred and no/100 Dollars (\$300.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains,

conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed on page
26653 of this Journal.]

Sears, Roebuck And Company, File Number 6.

Be It Ordained by the City Council of the City of Chicago:

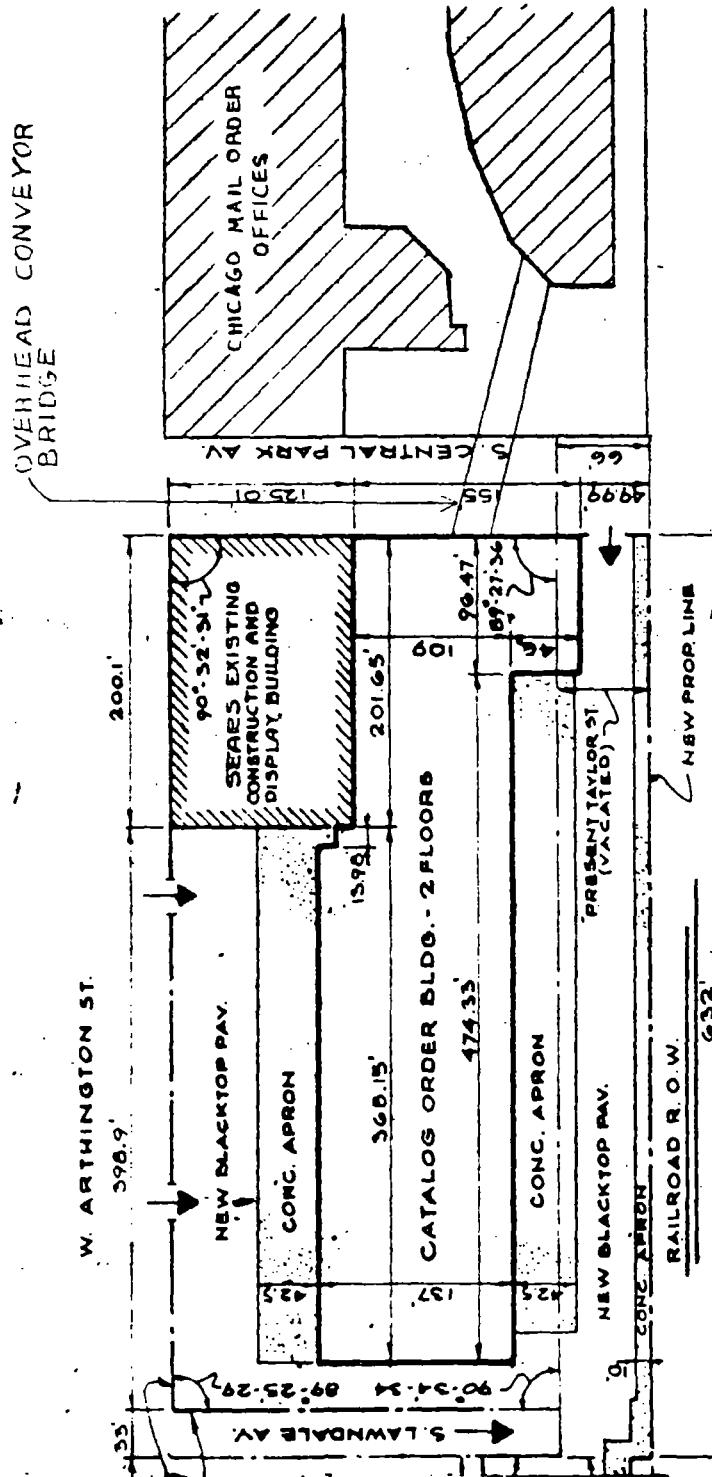
SECTION 1. Permission and authority are hereby given and granted to Sears, Roebuck and Company, File No. 6, upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed a loading platform on the south side of West Arthington Street, at a point four hundred four (404) feet west of South Homan Avenue. Said loading platform shall not exceed sixty-seven (67) feet in length, two (2) feet in width, nor four (4) feet in height; for a period of ten (10) years from and after July 15, 1984.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

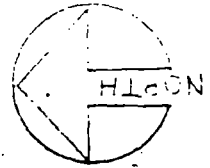
SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Two Hundred and no/100 Dollars (\$200.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances

(Continued on page 26654)

[Ordinance associated with this Drawing printed on
pages 26648 through 26652 of this Journal.]



SEARS ROEBUCK AND CO.	
OVERHEAD CONVEYOR BRIDGE	
CHICAGO - ILLINOIS	
S. CENTRAL PARK AVE.	
DATE	3-25-74



(Continued from page 26652)

herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the

Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

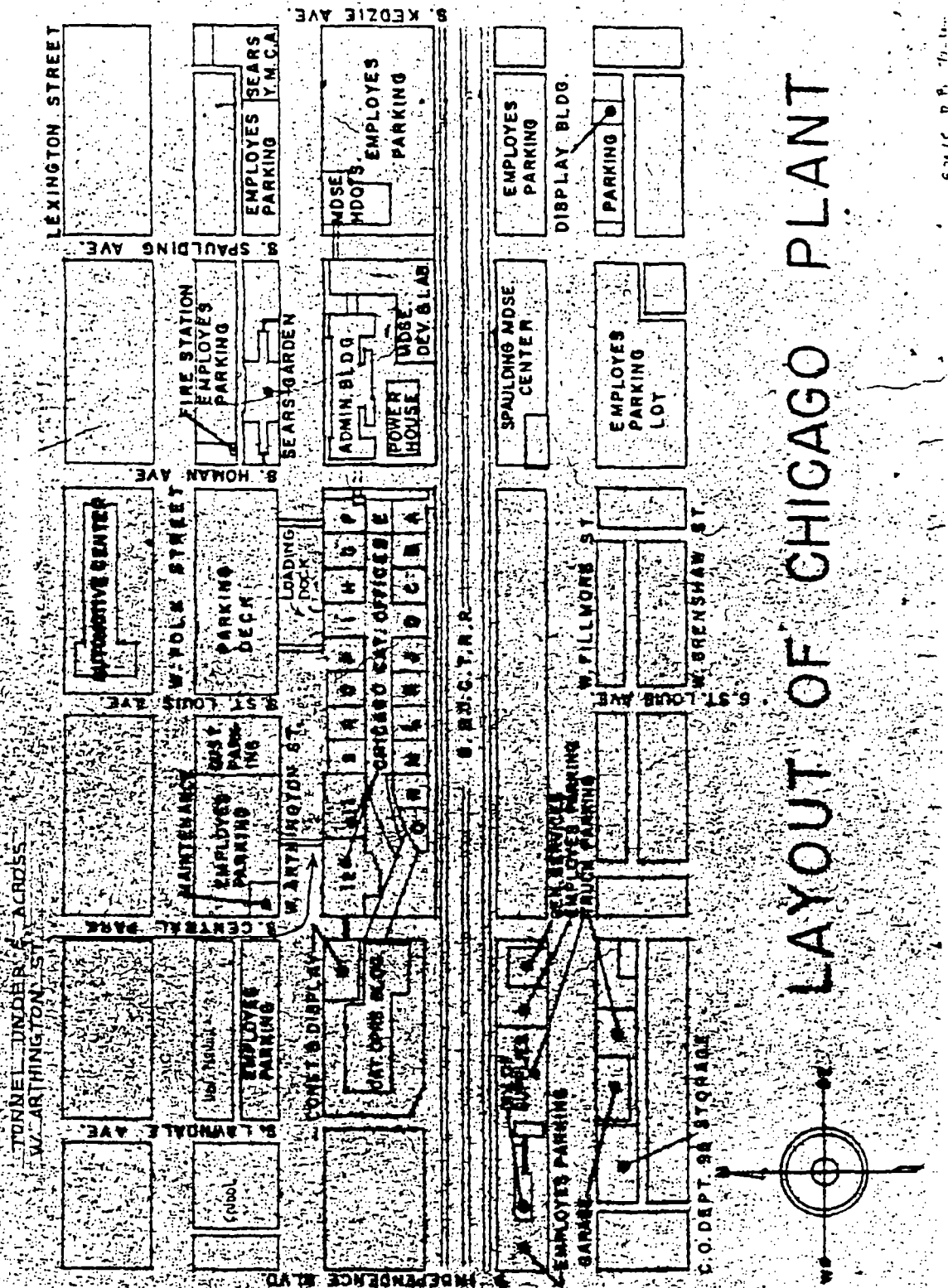
[Drawing attached to this ordinance printed
on page 26656 of this Journal.]

Sears, Roebuck And Company, File Number 7.

Be It Ordained by the City Council of the City of Chicago:

(Continued on page 26657)

[Ordinance associated with this Drawing printed on
pages 26652 through 26655 of this Journal.]



(Continued from page 26655)

SECTION 1. Permission and authority are hereby given and granted to Sears, Roebuck and Company, File No. 7, upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed a tunnel not exceeding four (4) feet in width nor five (5) feet in depth, under and across West Arthington Street at a point two hundred ninety-one (291) feet east of the east line of South Central Park Avenue. Authority herein granted for a period of five (5) years from and after July 15, 1989.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Three Hundred and no/100 Dollars (\$300.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said

structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26660 of this Journal.]

Ms. Anderia Smith.

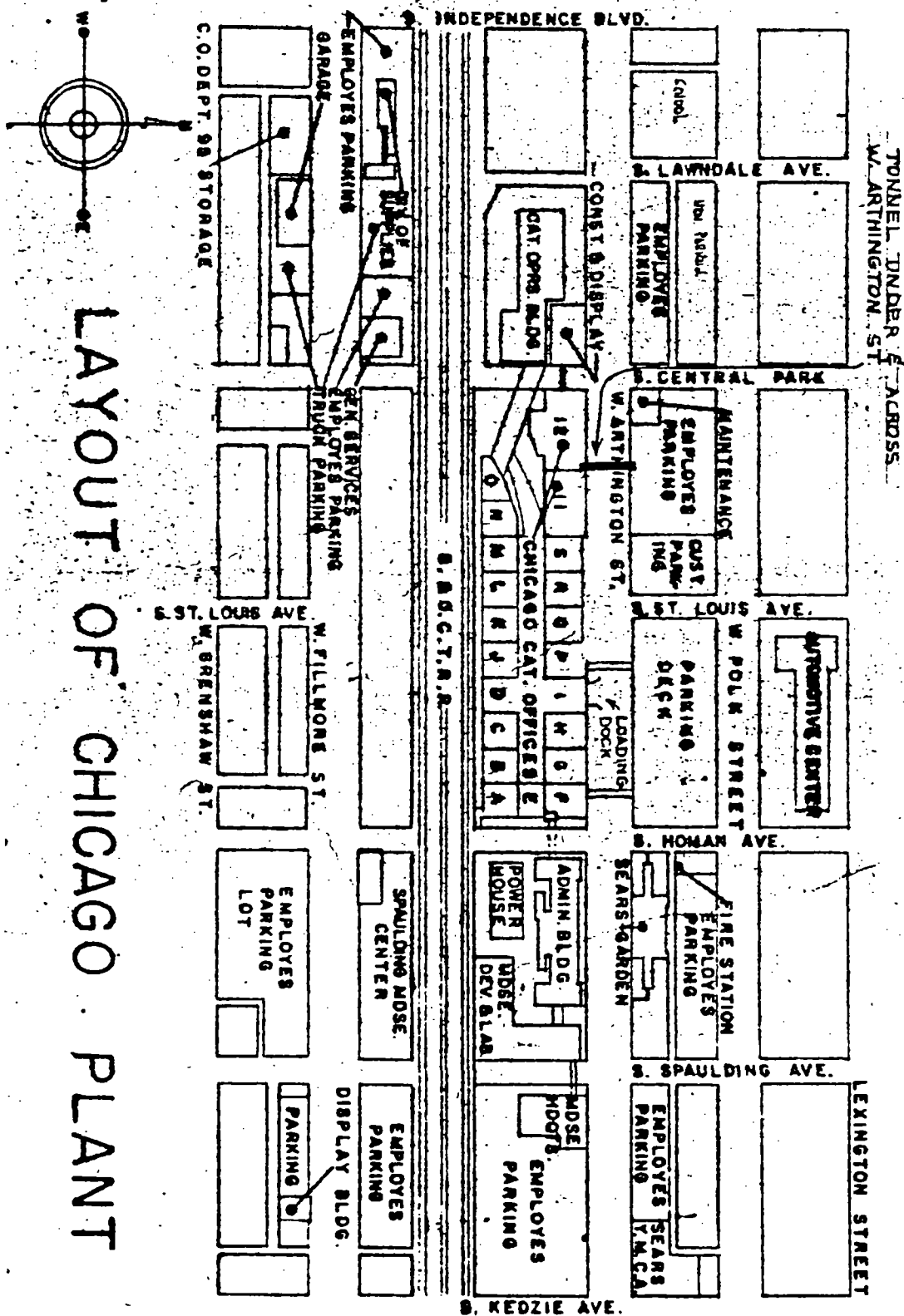
Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to Anderia Smith, upon the terms and subject to the conditions of this ordinance, to use and maintain a portion of the public right-of-way in West School Street adjacent to the premises at 1843 West School Street. Said area is approximately twenty point five (20.5) feet in length by seven point seventy-five (7.75) feet in width. Authority herein granted for a period of five (5) years from and after date of passage of this ordinance.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

(Continued on page 26661)

**[Ordinance associated with this Drawing printed on
pages 26655 through 26659 of this Journal.]**



(Continued from page 26659)

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Three Hundred and no/100 Dollars (\$300.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the

Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

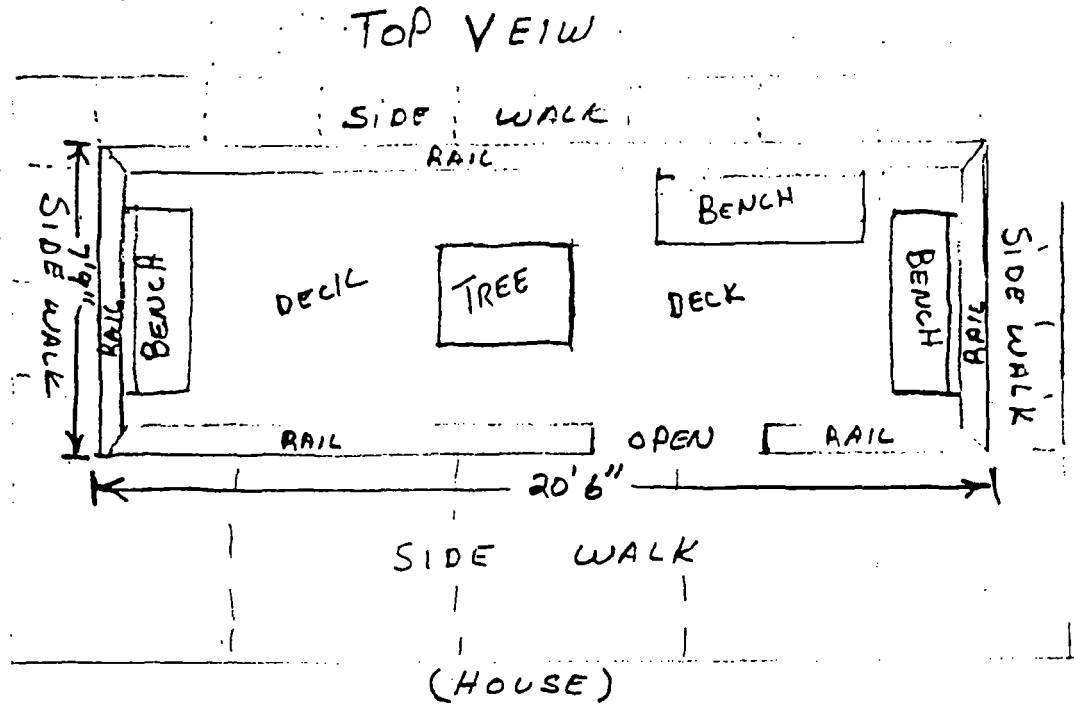
SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

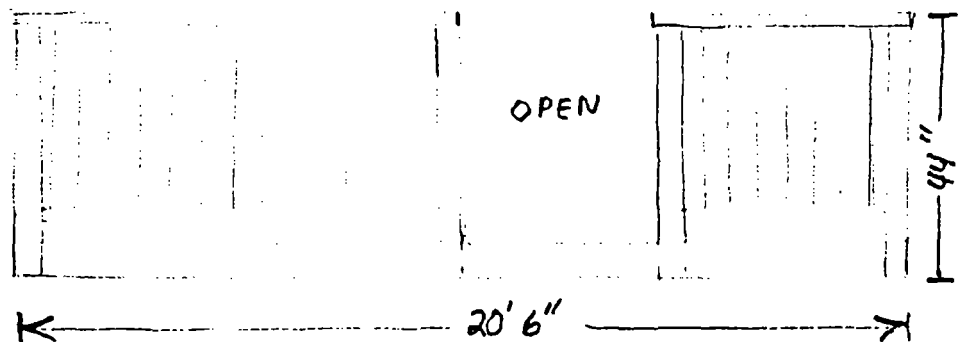
SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26663 of this Journal.]

[Ordinance associated with this Drawing printed on
pages 26659 through 26662 of this Journal.]



FRONT VIEW



Spiegel, Inc.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to Spiegel, Inc., upon the terms and subject to the conditions of this ordinance to maintain and use as now constructed a covered pedestrian bridge/passageway, eight (8) feet in height, eight (8) feet in width and not less than eighteen (18) feet above street grade, over and across West 35th Street connecting premises at 1040 and 1029 West 35th Street; for a period of five (5) years from and after September 1, 1990.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Three Hundred and no/100 Dollars (\$300.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof

to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or

thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed on page
26667 of this Journal.]

State Of Illinois.

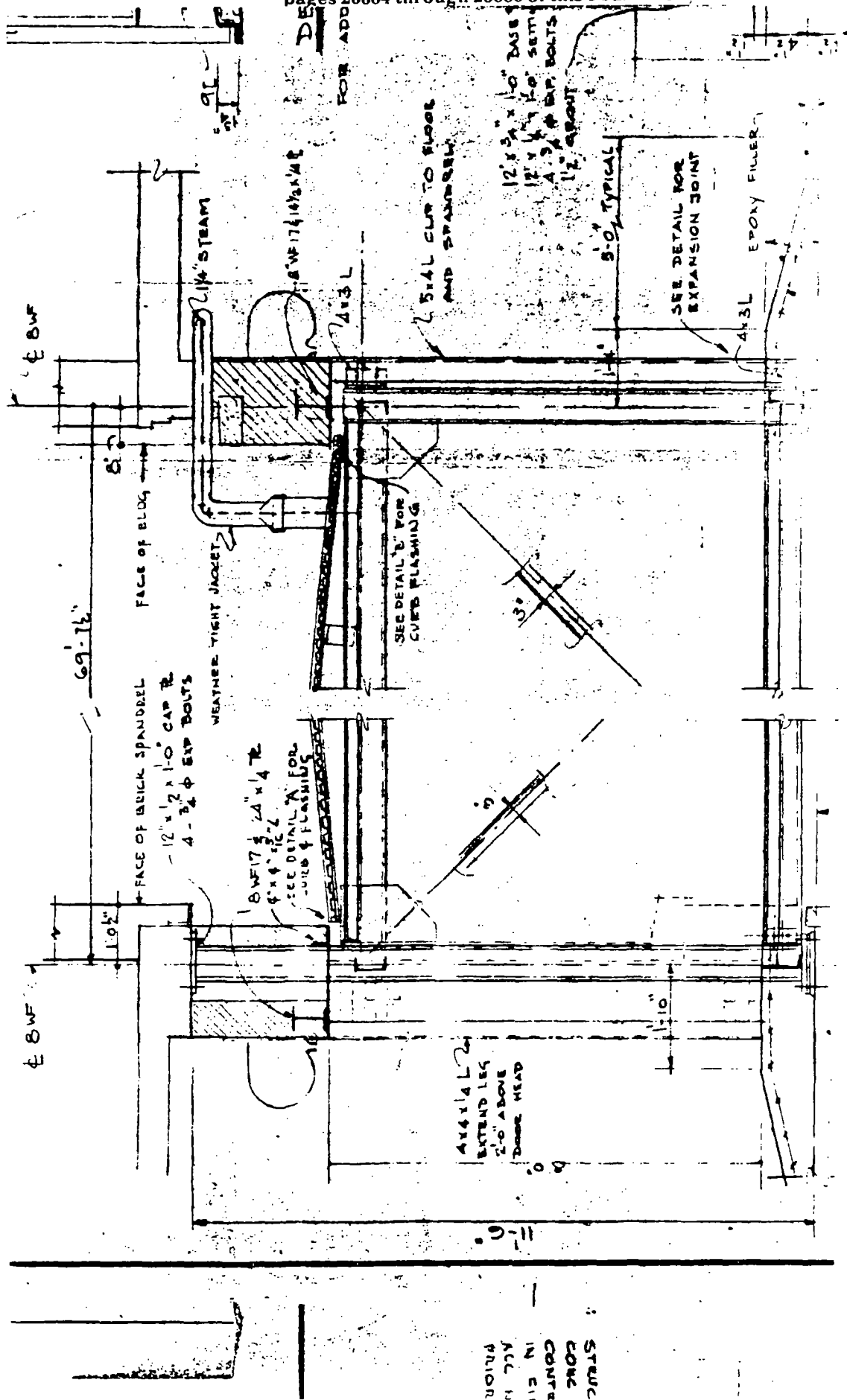
Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Permission and authority are hereby given and granted to State of Illinois, upon the terms and subject to the conditions of this ordinance to install and maintain six (6) communication conduits from 160 North LaSalle Street to 100 West Randolph Street. Authority herein granted for a period of five (5) years from and after date of passage of this ordinance.

The location of said privilege shall be as shown on print hereto attached, which by reference is made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privilege in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

(Continued on page 26668)

[Ordinance associated with this Drawing printed on pages 26664 through 26666 of this Journal.]



(Continued from page 26666)

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of no dollars.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall

be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawing attached to this ordinance printed
on page 26670 of this Journal.]

161 North Clark Limited Partnership.

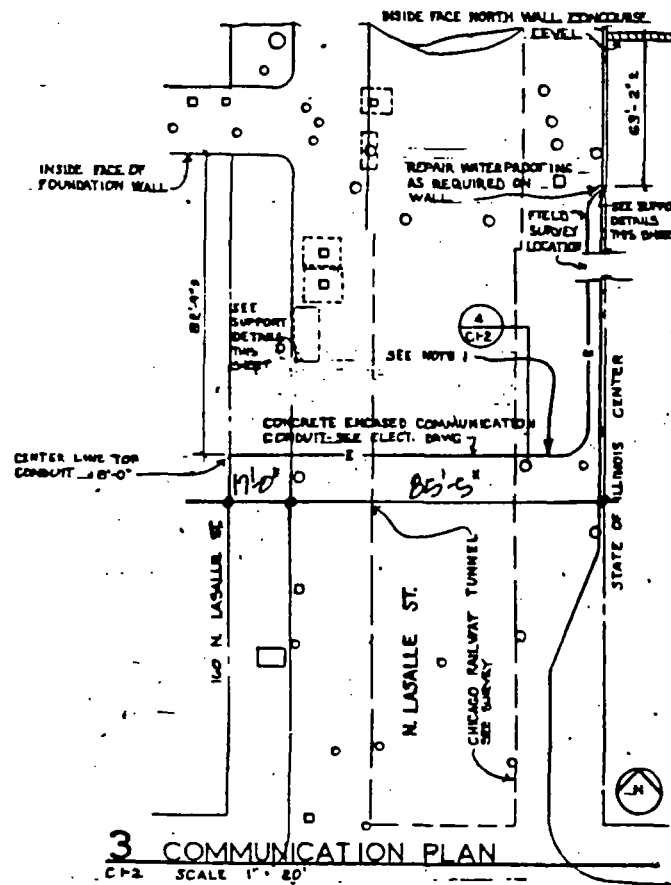
Be It Ordained by the City Council of the City of Chicago:

(Continued on page 26671)

[Ordinance associated with this Drawing printed on
pages 26666 through 26669 of this Journal.]

Holabird & Root	Holabird & Root Architects Engineers Planners 300 West Adams Street Chicago, Illinois 60606 Telephone 312 726 5960	STATE OF ILLINOIS REPLY.		Made By TPA
		Building		Date 8.15.90
		SUBJECT LA SALLE CONDUIT CROSSING		Checked By
		Job No. 17106		Sheet No. 110

CDP 250-020-032



(Continued from page 26669)

SECTION 1. Permission and authority are hereby given and granted to 161 North Clark Limited Partnership, upon the terms and subject to the conditions of this ordinance, to construct, maintain and use one (1) column enclosure on the public way adjacent to its premises located at 161 North Clark Street. Said column enclosure shall be four (4) feet in length and six (6) inches in width for a total of two (2) square feet. Authority herein given and granted for a period of five (5) years from and after date of passage.

The location of said privilege shall be as shown on prints hereto attached, which by reference are made a part of this ordinance. Said privilege shall be maintained and used in accordance with the ordinances of the City of Chicago and the directions of the Commissioner of Streets and Sanitation, the Commissioner of Inspectional Services, the Commissioner of Public Works and the Commissioner of General Services. The grantee shall keep that portion of the public way over or under said privileges in good condition and repair, safe for public travel, free from snow, ice and debris to the satisfaction of the Commissioner of Streets and Sanitation.

SECTION 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter. In case of the termination of the privilege herein granted or the grantee transfers title or vacates the premises, the grantee shall, nevertheless, remain liable to the City of Chicago for the annual compensation which shall have become due and payable under the provisions hereof, until the structures and appliances herein authorized are removed and the public way is restored as herein required. Further, renewal authority for the continued maintenance and use of the public ways as herein described shall be obtained prior to date of expiration of this ordinance.

SECTION 3. This ordinance is subject to amendment, modification or repeal, and permission and authority herein granted may be revoked by the Mayor and the Commissioner of General Services at their discretion, at any time without the consent of said grantee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the grantee, without cost or expense to the City of Chicago, shall remove the structures and appliances herein authorized and restore the public way where disturbed by said structures or appliances or by the removal thereof, to a proper condition under the supervision and to the satisfaction of the Commissioner of Streets and Sanitation and in accordance to the City Municipal Code. In the event of the failure, neglect or refusal of said grantee so to do, the City of Chicago will have the choice of either performing said work and charging the cost thereof to said grantee or determining what the cost of said work shall be and billing the grantee for said cost.

SECTION 4. The insurance company and the grantee, as provided in Section 5, will hold and save the City of Chicago harmless from any and all liability and expense, including judgments, costs and damages, for removal, relocation, alteration, repair, maintenance and restoration of the structures or appliances herein authorized and from any and all damages thereto on account of the location, construction, alteration, repair or maintenance of any public ways, bridges, subways, tunnels, vaults, sewers, water mains, conduits, pipes, poles and other utilities. For the City of Chicago to recover from the insurance company and grantee under this section, it is not necessary that the City of Chicago first make said removal, relocation, alteration, repair, maintenance or restoration. The Commissioner of Streets and Sanitation is hereby authorized to determine what cost would be involved to perform said removal, relocation, alteration, repair, maintenance or restoration. The grantee and the insurance company, upon receiving written notification from the Commissioner of Streets and Sanitation of the cost shall pay said amount. The decision of the Commissioner of Streets and Sanitation shall be final and binding. It shall be the responsibility of the grantee to furnish the City of Chicago prior to issuance of permit, for this privilege, a copy of proof of insurance (certificate of insurance) in an amount not less than \$1,000,000.00 combined single limit with said insurance covering all liability, both public liability and property damage, that may result from the granting of said privilege. The grantee must furnish the City of Chicago a certificate of insurance which names the City of Chicago as additional insured and also clearly indicates that the privilege being granted by this ordinance is covered by the insurance policy. Certificates renewing insurance must be furnished to the Department of General Services, Real Estate Division, no later than 30 days prior to expiration of policy. The aforementioned insurance coverage shall be maintained at all times by the grantee until the structures or appliances described in this ordinance are removed and the public way is restored as herein required.

SECTION 5. The permittee(s) shall also indemnify and hold harmless the City of Chicago for any personal injuries or deaths occurring out of the reconstruction, maintenance and operation of the (vaults, canopies, etc.) and arising out of and including the passive negligence of the City of Chicago.

SECTION 6. The permission and authority herein granted shall not be exercised until a permit authorizing same shall have been issued by the Commissioner of General Services and upon the faithful observance and performance of all and singular the conditions and provisions of this ordinance, and conditioned further to indemnify, keep and save harmless the City of Chicago against all liabilities, judgments, costs, damages and other expenses which may in any way come against said City in consequence of the permission given by this ordinance, or which may accrue against, be charged to or recovered from said City from or by reason or on account of any act or thing done or omitted or neglected to be done by the grantee in and about the construction, reconstruction, maintenance, use and removal of said

structures or appliances and the restoration of the public way as herein required. Said insurance coverage shall be continuing in effect until the structures or appliances herein authorized are removed and the public way is restored as herein required.

SECTION 7. The grantee will further be liable to the City of Chicago for the annual compensation for the use of the public way.

SECTION 8. This ordinance shall take effect and be in force from and after its passage; provided said grantee file a written acceptance of this ordinance with the City Clerk, provided further, that proof of indemnification on behalf of the City of Chicago, as herein requested, and payment of the first year's compensation be paid to the Department of General Services.

[Drawings attached to this ordinance printed on pages
26674 through 26675 of this Journal.]

AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE FOR BENNETT
BROTHERS, INC.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed amending ordinance transmitted herewith (referred on October 31, 1990) for Bennett Brothers, Inc.

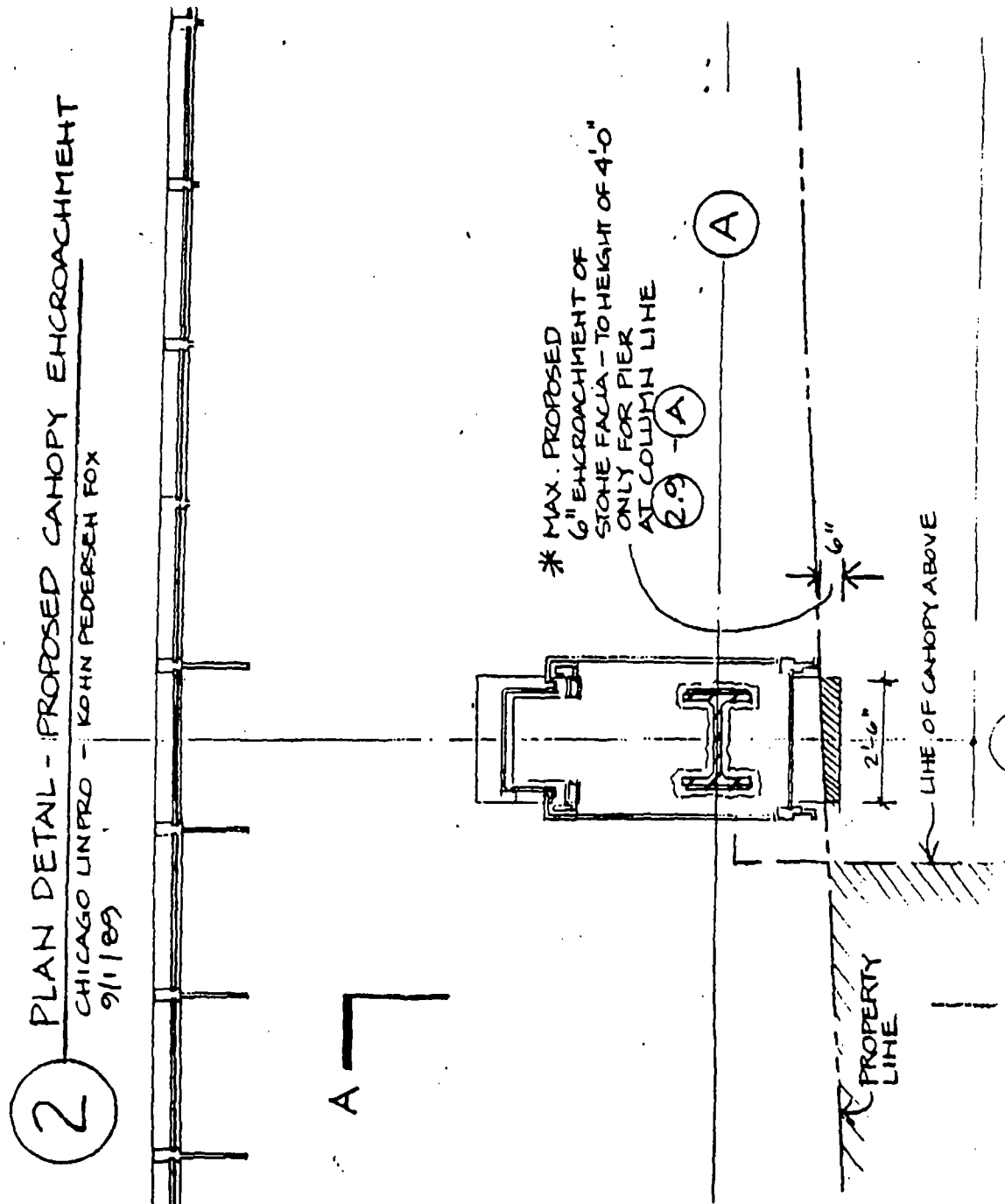
This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

(Continued on page 26676)

[Ordinance associated with these Drawings printed on
pages 26669 through 26673 of this Journal.]



(Continued from page 26673)

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on September 12, 1990, page 20557 of the Council Journal of Proceedings, granting permission to Bennett Brothers, Inc., 134 -- 144 North Wabash Avenue, upon the terms and subject to the conditions of this ordinance, be and the same is hereby amended by striking out as printed, the following in Section 2:

"Twelve Thousand Seven Hundred Eight and no/100 Dollars (\$12,708.00)"

and inserting in lieu thereof:

"Three Thousand Seven Hundred Sixty-six and no/100 Dollars (\$3,766.00).

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE FOR
MKDG/HOTEL VENTURE.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed amending ordinance transmitted herewith (referred on October 31, 1990) for MKDG/Hotel Venture.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on July 12, 1990, page 18433 of the Council Journal of Proceedings, granting permission to MKDG/Hotel Venture, upon the terms and subject to the conditions of this ordinance, be and the same is hereby amended by striking out as printed the whole of Section 1, paragraph 1 and inserting in lieu thereof:

Section 1. Permission and authority are hereby given and granted to MKDG/Hotel Venture, upon the terms and subject to the conditions of this ordinance, to maintain and use as now constructed, a fourteen (14) foot wide elevated sidewalk on the south side of East Grand Avenue from the west line of North Michigan Avenue, a distance of one hundred twenty-three (123) feet, adjoining the building located at 111 -- 121 East Grand Avenue. Said elevated sidewalk shall not exceed fourteen (14) feet in width. Authority herein granted for a period of five (5) years from and after July 12, 1990.

by striking out in Section 2, paragraph 1 the following:

"The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Thirteen Thousand Six Hundred Seventy-three and no/100 Dollars (\$13,673.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter."

and inserting in lieu thereof:

Section 2. The grantee agrees to pay to the City of Chicago as compensation for the privilege herein granted the sum of Five Thousand Three Hundred Fifty-four and no/100 Dollars (\$5,354.00) per annum, in advance, the first payment to be made as of date stated in Section 1, and each succeeding payment on the same day and month annually thereafter.

SECTION 2. This amendment shall take effect and be in force from and after its passage.

AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE FOR TISHMAN SPEYER
GATEWAY GARAGE VENTURE.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed amending ordinance transmitted herewith (referred on October 31, 1990) for Tishman Speyer Gateway Garage Venture.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on May 16, 1990, page 15867 of the Council Journal of Proceedings, granting permission to Tishman Speyer Gateway Garage Venture, upon the terms and subject to the conditions of this ordinance, to construct, and maintain thirty-eight (38) caisson bells within the public way adjacent to its premises known as 500 West Monroe Street. Said caisson bells shall extend into the public way in varying dimensions under West Monroe Street, West Canal Street, North Clinton Street and West Arcade Place for a total of four hundred sixty-eight (468) square feet. Said caisson bells will provide foundation support for the building. Authority herein granted for a period of five (5) years from and after date of passage of this ordinance, be and the same is hereby amended by striking out of Section 1, paragraph 1, as printed the following:

"Tishman Speyer Gateway Garage Venture"

and inserting in lieu thereof:

"Tishman Speyer W. Monroe Limited Partnership, an Illinois limited partnership".

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE FOR YARMOUTH GROUP
PROPERTY MANAGEMENT, INC.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys, begs leave to recommend that Your Honorable Body *Pass* the proposed amending ordinance transmitted herewith (referred on November 7, 1990) for Yarmouth Group Property Management, Inc.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on September 12, 1990, page 20890 of the Council Journal of Proceedings, granting permission to Yarmouth Group Property Management, Inc., at 33 North Dearborn Street, upon the terms and subject to the conditions of this ordinance, be and the same is hereby amended by striking out as printed, the following in Section 1:

"The Yarmouth Group Property Management, Inc., agent for St. George Chicago, Inc., sole beneficiary of American National Bank, U/T 56000"

and inserting in lieu thereof:

"Draper and Kramer, Inc., as agent for St. George Chicago, Inc."

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

APPROVAL GIVEN FOR GRANTS OF PRIVILEGE
IN PUBLIC WAYS (CANOPIES).

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys, to which were referred (October 3, 31 and November 7, 1990) proposed orders to issue permits for the construction, maintenance and use of canopies at various locations, begs leave to recommend that Your Honorable Body *Pass* the proposed orders transmitted herewith.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed orders transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said orders, as passed, read as follows (the italic heading in each case not being a part of the order):

Active Electrical Supply Co.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Active Electrical Supply Co. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Lawrence Avenue attached to the building or structure located at 4240 West Lawrence Avenue for a period of three (3) years from and after October 30, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 8 feet in length, nor 7 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Anderson, Inc.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Anderson, Inc. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in South Jefferson Street attached to the building or structure located at 1132 South Jefferson Street for a period of three (3) years from and after November 18, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 12 feet in length, nor 6 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

*Bank Of Ravenswood, Under Trust
Number 25-8422: Canopy.*

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Bank of Ravenswood, under Trust Number 25-8422 ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Diversey Avenue attached to the building or structure located

at 424 West Diversey Avenue for a period of three (3) years from and after September 19, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 12 feet in length, nor 12 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

C.B.S., Inc.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to C.B.S., Inc. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North McClurg Court attached to the building or structure located at 630 North McClurg Court for a period of three (3) years from and after October 10, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 141 feet in length, nor 8 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Sixty-six and no/100 Dollars (\$166.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Charles S. Jackson, Co., Inc. Funeral Home: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Charles S. Jackson Co., Inc. Funeral Home ("Permittee") to maintain and use one (1) canopy over the public right-of-way in South Cottage Grove Avenue attached to the building or structure located at 7350 South Cottage Grove Avenue for a period of three (3) years from and after January 1, 1989 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 13 feet in length, nor 12 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

*Chicago Title And Trust Company, Under
Trust Number 1095000: Canopies.*

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Chicago Title and Trust Company, under Trust Number 1095000 ("Permittee") to maintain and use three (3) canopies over the public right-of-way in South Wacker Drive attached to the building or structure located at 300 South Wacker Drive for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 3 at 22 feet, respectively, in length, nor 3 at 9 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Fifty and no/100 Dollars (\$150.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use,

maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Chicken, Etc.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Chicken, Etc. ("Permittee") to construct, maintain and use one (1) canopy over the public right-of-way in North Clark Street attached to the building or structure located at 2411 North Clark Street for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 23 feet in length, nor 3 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Columbus-Cabrini Medical Center: Canopies.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Columbus-Cabrini Medical Center ("Permittee") to maintain and use two (2) canopies over the public right-of-way in North Lakeview Avenue and West Deming Place attached to the building or structure located at 2520 North Lakeview Avenue and 467 West Deming Place for a period of three (3) years from and after June 3, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 1 at 24 feet and 1 at 14 feet, respectively, in length, nor 1 at 9 feet and 1 at 8 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Copperfield's, Inc.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Copperfield's, Inc. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Huron Street/North Clark Street attached to the building or structure located at 70 West Huron Street/711 North Clark Street for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 17 feet in length, nor 7 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Dominick's Finer Foods, Inc.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Dominick's Finer Foods, Inc. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North Central Avenue attached to the building or structure located at 2500 North Central Avenue

for a period of three (3) years from and after September 9, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 170 feet in length, nor 5 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Ninety-five and no/100 Dollars (\$195.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Fashion Enterprises, Inc.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Fashion Enterprises, Inc. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Belmont Avenue attached to the building or structure located at 5610 West Belmont Avenue for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 40 feet in length, nor 6 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Sixty-five and no/100 Dollars (\$65.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Foremost Liquors: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Foremost Liquors ("Permittee") to construct, maintain and use one (1) canopy over the public right-of-way in North Lincoln Avenue attached to the building or structure located at 4905 North Lincoln Avenue for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 27 feet in length, nor 5 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty-two and no/100 Dollars (\$52.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Hilton Hotels Corporation: Canopies.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Hilton Hotels Corporation ("Permittee") to maintain and use two (2) canopies over the public right-of-way in South Michigan Avenue and East 8th Street attached to the building or structure located at 720 South Michigan Avenue for a period of three (3) years from and after May 9, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 1 at 60 feet and 1 at 21 feet, respectively, in length, nor 1 at 21 feet and 1 at 15 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Two Hundred Eighteen and no/100 Dollars (\$218.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use,

maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

*Inter Track Partners (Doing Business As
The Winner's Circle): Canopy.*

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Inter Track Partners, doing business as The Winner's Circle ("Permittee") to construct, maintain and use one (1) canopy over the public right-of-way in West Jackson Boulevard attached to the building or structure located at 223 West Jackson Boulevard for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 44 feet in length, nor 4 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Sixty-nine and no/100 Dollars (\$69.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege

herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Jackie's Restaurant: Canopies.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Jackie's Restaurant ("Permittee") to maintain and use two (2) canopies over the public right-of-way in North Lincoln Avenue attached to the building or structure located at 2478 North Lincoln Avenue for a period of three (3) years from and after November 18, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 2 at 20 feet, respectively, in length, nor 6 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred and no/100 Dollars (\$100.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

JAQ, Inc. (Doing Business As Avanzare): Canopies.

Ordered. That the Commissioner of General Services is hereby authorized to issue a permit to JAQ, Inc., doing business as Avanzare ("Permittee") to construct, maintain and use five (5) canopies over the public right-of-way in East Huron Street/North St. Clair Street attached to the building or structure located at 161 East Huron Street/676 North St. Clair Street for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 4 at 27 feet and 1 at 15 feet, respectively, in length, nor 4 at 6 feet and 1 at 7 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Two Hundred Fifty-eight and no/100 Dollars (\$258.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Kiyo's, Inc.: Canopies.

Ordered. That the Commissioner of General Services is hereby authorized to issue a permit to Kiyo's, Inc. ("Permittee") to maintain and use two (2)

canopies over the public right-of-way in North Clark Street attached to the building or structure located at 2827 -- 2833 North Clark Street for a period of three (3) years from and after November 18, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 2 at 35 feet, respectively, in length, nor 2 at 3 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Twenty and no/100 Dollars (\$120.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Lake Shore Animal Hospital, Ltd.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Lake Shore Animal Hospital, Ltd. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Chicago Avenue attached to the building or structure located at 960 West Chicago Avenue for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by

the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 50 feet in length, nor 6 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Seventy-five and no/100 Dollars (\$75.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

*Mr. Angelo Hara Lampus (Doing Business As Round
The Clock Restaurant): Canopy.*

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Angelo Hara Lampus, doing business as Round The Clock Restaurant ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Madison Street attached to the building or structure located at 9 West Madison Street for a period of three (3) years from and after October 30, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 34 feet in length, nor 2 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty-nine and no/100 Dollars (\$59.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises,

the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

La Rosita Restaurant: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to La Rosita Restaurant ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Fullerton Avenue attached to the building or structure located at 3801 West Fullerton Avenue for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 12 feet in length, nor 5 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use,

maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Lawry's, The Prime Rib, Incorporated: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Lawry's, The Prime Rib, Incorporated, ("Permittee") to maintain and use one (1) canopy over the public right-of-way in East Ontario Street attached to the building or structure located at 100 East Ontario Street for a period of three (3) years from and after May 8, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 21 feet in length, nor 9 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Lincoln Park Tower Condominium Association: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Lincoln Park Tower Condominium Association, ("Permittee") to maintain and use one (1) canopy over the public right-of-way in Lincoln Park West attached to the building or structure located at 1960 Lincoln Park West for a period of three (3) years from and after October 30, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 10 feet in length, nor 6 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

*Malisoff Hotel Partnership (Doing Business As
Best Western River North Hotel): Canopies.*

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Malisoff Hotel Partnership, doing business as Best Western River North Hotel ("Permittee") to maintain and use seven (7) canopies over the public right-of-way in North LaSalle Street attached to the building or structure located at 545 North LaSalle Street for a period of three (3) years from and after October 30, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 6 at 5 feet and 1 at 8 feet, respectively, in length, nor 6 at 2 feet and 1 at 5 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Three Hundred Fifty and no/100 Dollars (\$350.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Mr. Joseph Maranto (Doing Business As Villa D'Oro): Canopy.

Ordered, That the Commissioner of General Services is hereby authorized

to issue a permit to Joseph Maranto, doing business as Villa D'Oro ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North Milwaukee Avenue attached to the building or structure located at 5531 North Milwaukee Avenue for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 43 feet in length, nor 3 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Sixty-eight and no/100 Dollars (\$68.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

McDonald's Corporation: Canopies.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to McDonald's Corporation ("Permittee") to maintain and use five (5) canopies over the public right-of-way in West Randolph Street and North Wabash Avenue attached to the building or structure located at 36 West Randolph Street, 180 West Randolph Street and 115 North Wabash Avenue for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in

charge of the Bureau of Fire Prevention. Said canopies shall not exceed 1 at 7 feet, 2 at 9 feet, 1 at 24 feet and 1 at 26 feet, respectively, in length, nor 4 at 5 feet and 1 at 7 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Two Hundred One and no/100 Dollars (\$201.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Ogilvy And Mather Building: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Ogilvy and Mather Building ("Permittee") to construct, maintain and use one (1) canopy over the public right-of-way in North St. Clair Street attached to the building or structure located at 676 North St. Clair Street for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 69 feet in length, nor 9 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Ninety-four and no/100 Dollars (\$94.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises,

the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Pepe's Mexican Restaurant: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Pepe's Mexican Restaurant ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North Central Avenue attached to the building or structure located at 3139 North Central Avenue for a period of three (3) years from and after August 28, 1989 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 10 feet in length, nor 6 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use,

maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Planned Realty Group, Inc.: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Planned Realty Group, Inc. ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North Lincoln Avenue attached to the building or structure located at 1940 North Lincoln Avenue for a period of three (3) years from and after October 30, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 6 feet in length, nor 3 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Polish American Congress -- Illinois Division: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Polish American Congress -- Illinois Division ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North Milwaukee Avenue attached to the building or structure located at 5844 North Milwaukee Avenue for a period of three (3) years from and after September 6, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 17 feet in length, nor 9 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Rago Brothers Funeral Home: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Rago Brothers Funeral Home ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Fullerton Avenue attached to the building or structure located at 5120 West Fullerton Avenue for a period of three (3) years from and after May 4, 1988 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 20 feet in length, nor 8 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Sears, Roebuck And Company, File Number 24: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Sears, Roebuck and Company, File Number 24 ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Arthington Street attached to the building or structure located at 3231 -- 3241 West Arthington Street for a period of three (3) years from

and after November 16, 1989 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 110 feet in length, nor 20 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Thirty-five and no/100 Dollars (\$135.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Sears, Roebuck And Company, File Number 25: Canopies.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Sears, Roebuck and Company, File Number 25 ("Permittee") to maintain and use two (2) canopies over the public right-of-way in West Arthington Street attached to the building or structure located at 3409 -- 3415 West Arthington Street/3535 -- 3539 West Arthington Street, for a period of three (3) years from and after July 15, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 1 at 72 feet and 1 at 67 feet, respectively, in length, nor 12 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Eighty-nine and no/100 Dollars (\$189.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Sears, Roebuck And Company, File Number 26: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Sears, Roebuck and Company, File Number 26 ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West Fillmore Street attached to the building or structure located at 3330 West Fillmore Street for a period of three (3) years from and after August 18, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 16 feet in length, nor 12 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Sears, Roebuck And Company, File Number 27: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Sears, Roebuck and Company, File Number 27 ("Permittee") to maintain and use one (1) canopy over the public right-of-way in South Spaulding Avenue attached to the building or structure located at 930 South Spaulding Avenue for a period of three (3) years from and after June 15, 1988 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 17 feet in length, nor 16 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Sears, Roebuck And Company, File Number 28: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Sears, Roebuck and Company, File Number 28 ("Permittee") to maintain and use one (1) canopy over the public right-of-way in West 62nd Street attached to the building or structure located at 2334 -- 2342 West 62nd Street for a period of three (3) years from and after March 15, 1989 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 109 feet in length, nor 8 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Thirty-four and no/100 Dollars (\$134.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Six Corners Plaza Limited Partnership: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Six Corners Plaza Limited Partnership ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North Milwaukee Avenue attached to the building or structure located at 3970 North Milwaukee Avenue for a period of three (3) years from and after October 31, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 197 feet in length, nor 3 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Two Hundred Twenty-two and no/100 Dollars (\$222.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Stein & Company Theatre District Self Park, Inc.: Canopies.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Stein & Company Theatre District Self Park, Inc. as the managing partner of Tremont Theatre Row Partnership ("Permittee") to maintain and use two (2) canopies over the public right-of-way in North Dearborn Street attached to the building or structure located at 181 North Dearborn Street for a period of three (3) years from and after October 6, 1989 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 2 at 56 feet, respectively, in length, nor 2 at 16 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of One Hundred Sixty-two and no/100 Dollars (\$162.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Stuart Handler Real Estate Co.: Canopies

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Stuart Handler Real Estate Co. ("Permittee") to maintain and use nine (9) canopies over the public right-of-way in North Sheridan Road attached to the building or structure located at 5240 North

Sheridan Road for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopies shall not exceed 4 at 14 feet, 2 at 12 feet and 3 at 8 feet, respectively, in length, nor 6 at 5 feet and 3 at 7 feet, respectively, in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Four Hundred Fifty and no/100 Dollars (\$450.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopies are removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopies, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopies without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Stylus: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Stylus ("Permittee") to construct, maintain and use one (1) canopy over the public right-of-way in North Broadway attached to the building or structure located at 3167 North Broadway for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 24 feet in length, nor 3 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Whitemont Associates Limited Partnership: Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Whitemont Associates Limited Partnership ("Permittee") to maintain and use one (1) canopy over the public right-of-way in East Delaware Place attached to the building or structure located at 105 East Delaware Place for a period of three (3) years from and after March 18, 1989 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 25 feet in length, nor 12 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

Mr. Mustafa Zubi (Doing Business As T & L Foods): Canopy.

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to Mustafa Zubi, doing business as T & L Foods ("Permittee") to maintain and use one (1) canopy over the public right-of-way in South Loomis Street attached to the building or structure located at 1000 South Loomis Street for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 35 feet in length, nor 2 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Sixty and no/100 Dollars (\$60.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

*203 Restaurant, Inc. (Doing Business As Sage's & Joey's
Restaurant & Grill): Canopy.*

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to 203 Restaurant, Inc., doing business as Sage's & Joey's Restaurant & Grill ("Permittee") to maintain and use one (1) canopy over the public right-of-way in North LaSalle Street attached to the building or structure located at 203 North LaSalle Street for a period of three (3) years from and after date of passage in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 9 feet in length, nor 5 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

*4-M Enterprises, Inc. (Doing Business As
Exchequer Pub): Canopy.*

Ordered, That the Commissioner of General Services is hereby authorized to issue a permit to 4-M Enterprises, Inc., doing business as Exchequer Pub ("Permittee") to maintain and use one (1) canopy over the public right-of-way in South Wabash Avenue attached to the building or structure located at 226 South Wabash Avenue for a period of three (3) years from and after November 18, 1990 in accordance with the ordinances of the City of Chicago and the plans and specifications filed with the Commissioner of Public Works and approved by the Commissioner of Inspectional Services and the Division Marshal in charge of the Bureau of Fire Prevention. Said canopy shall not exceed 14 feet in length, nor 6 feet in width.

The Permittee shall pay to the City of Chicago as compensation for the privilege the sum of Fifty and no/100 Dollars (\$50.00) per annum, in advance. In the event the Permittee transfers title or vacates the premises, the Permittee shall, nevertheless, remain liable to the City of Chicago for the annual compensation until the canopy is removed. The Permittee shall renew the privilege herein granted prior to the date of expiration.

The Permittee shall protect, defend, indemnify and hold harmless the City of Chicago, its officers, agents and employees, against and from any expense claim, controversy, damage, personal injury, death, liability, judgment, or litigation arising out of the construction, repair, replacement, cleaning, use, maintenance or operation of the canopy, and arising out of and including the passive negligence of the City of Chicago.

The permit shall be subject to amendment, modification or revocation by the Mayor and the Commissioner of General Services in their discretion without the consent of the Permittee. Upon termination of the privilege herein granted, by lapse of time or otherwise, the Permittee shall remove the canopy without cost to the City of Chicago.

The privilege herein granted shall not be exercised until a permit shall have been issued by the Commissioner of General Services.

VACATION OF PORTION OF PUBLIC ALLEY IN BLOCK
BOUNDED BY EAST 57TH STREET, EAST 59TH
STREET, SOUTH STONY ISLAND AVENUE
AND ILLINOIS CENTRAL GULF
RAILROAD RIGHT-OF-WAY.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith of an order passed by the City Council December 13, 1989 (Council Journal page 9665) and of an opinion dated October 12, 1990 for Vista Garage Building Corporation, vacating the remaining southerly 16-foot public alley in the area bounded by East 57th Street, East 59th Street, South Stony Island Avenue and the Illinois Central Gulf Railroad right-of-way.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City Council of the City of Chicago, after due investigation and consideration, has determined that the nature and extent of the public use and the public interest to be subserved is such as to warrant the vacation of part of public alley described in the following ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That all that part of the northeasterly-southwesterly 16-foot public alley lying westerly of the westerly line of Lots 11 and 12; lying east of the easterly right-of-way line of the Illinois Central Gulf Railroad; lying southerly of the westwardly extension of the north line of Lot 11; and lying northerly of the westwardly extension of the south line of Lot 12, all in Walker's and Daggett's Subdivision of that part lying east of the Railroad of the southeast quarter of the northeast quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian, except the north 492.5 feet thereof; said part of public alley herein vacated being further described as the southerly 101.6 feet of the northeasterly-southwesterly 16-foot public alley in the area bounded by East 57th Street, East 59th Street, the Illinois Central Gulf Railroad right-of-way and South Stony Island Avenue as colored in red and indicated by the words "To Be Vacated" on the drawing hereto attached, which drawing for greater certainty, is hereby made a part of this ordinance, be and the same is hereby vacated and closed, inasmuch as the same is no longer required for public use and the public interest will be subserved by such vacation.

SECTION 2. The City of Chicago hereby reserves for the benefit of Commonwealth Edison Company, their successors or assigns, an easement to operate, maintain, construct, replace, and renew overhead poles, wires, and associated equipment, and underground conduit, cables and associated equipment for the transmission and distribution of electric energy under, over, and along all that part of the public alley as herein vacated with the right of ingress and egress.

SECTION 3. The vacation herein provided for is made upon the express condition that within 90 days after the passage of this ordinance, Vista Garage Building Corporation shall pay or cause to be paid to the City of Chicago as compensation for the benefits which will accrue to the owner of the property abutting said part of public alley hereby vacated, the sum of Thirteen Thousand Two Hundred and no/100 Dollars (\$13,200.00), which sum in the judgment of this body will be equal to such benefits.

SECTION 4. The vacation herein provided for is made upon the express condition that within 90 days after the passage of this ordinance, Vista Garage Building Corporation shall file or cause to be filed for record in the

Office of the Recorder of Deeds of Cook County, Illinois, a certified copy of this ordinance, together with an attached drawing approved by the Superintendent of Maps.

SECTION 5. This ordinance shall take effect and be in force from and after its passage.

[Drawing attached to this ordinance printed on page
26723 of this Journal.]

SUPERINTENDENT OF MAPS DIRECTED TO APPROVE
PLAT OF DONNELLY AND TRACEY'S RESUBDIVISION
ON PORTION OF SOUTH KEDZIE AVENUE.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (referred on October 31, 1990) that the Superintendent of Maps, Ex Officio Examiner of Subdivisions, is hereby authorized and directed to approve a plat of Donnelly and Tracey's Resubdivision located on the west side of South Kedzie Avenue, 244.70 feet north of West 115th Street, having a frontage of 45.00 feet along South Kedzie Avenue and a depth of 133.00 feet, for Stephen Tracey and Brendan Donnelly.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

(Continued on page 26724)

[Ordinance associated with this Drawing printed on
pages 26720 through 26722 of this Journal.]

Walker's and Daggett's Sub of that part lying E of RR of SE 1/4 NE 1/4 of Sec 14-38-14 except the N 492 1/2 ft. thereof

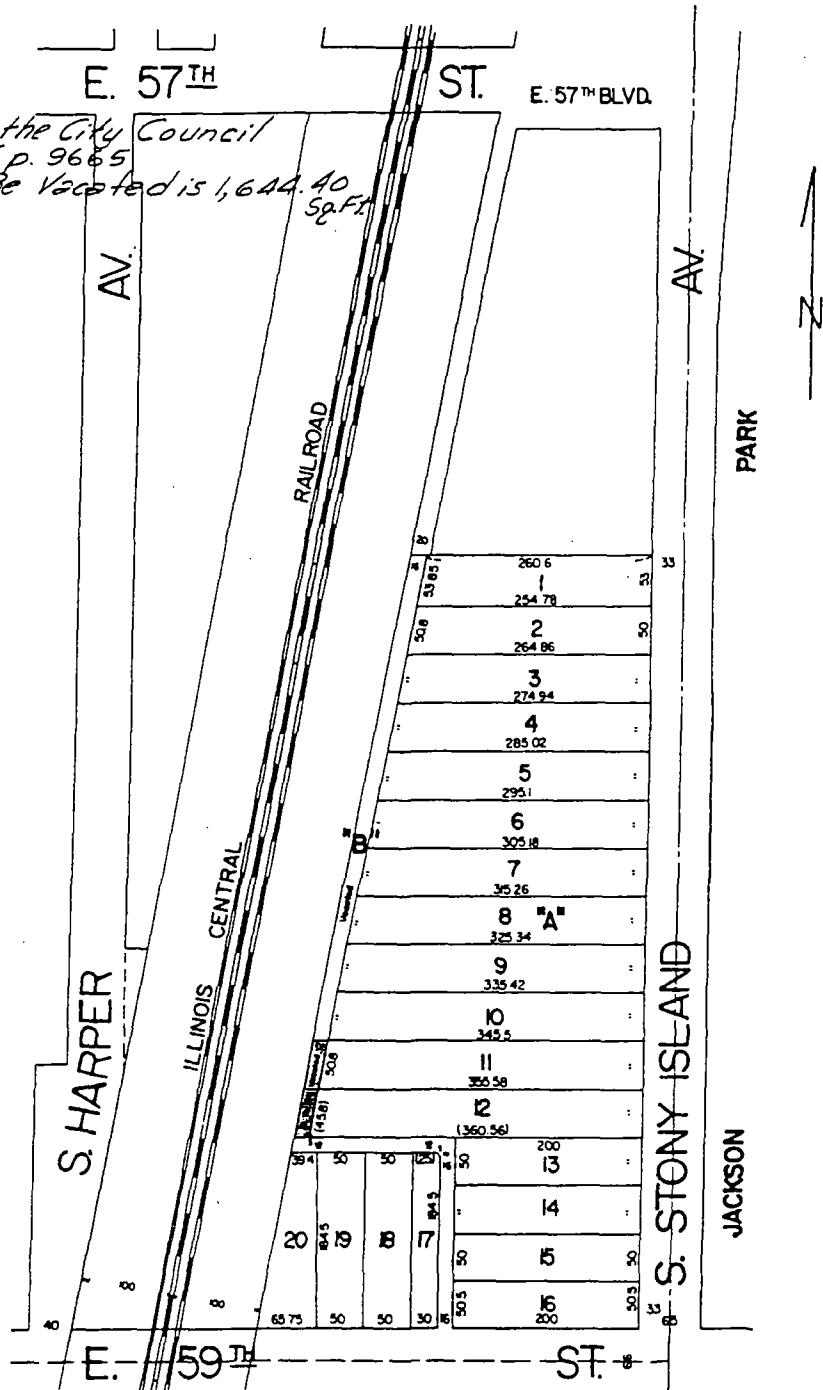
"B"

Vacated by Ordinance Passed July 9, 1958
Rec. July 22, 1958

Doc 17266987

OR No 14-5-90-1441

*Order Passed by the City Council
Dec. 13, 1989 C.J. p. 9665
Area of Alley To Be Vacated is 1,644.40
Sq. Ft.*



(Continued from page 26722)

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Superintendent of Maps, Ex Officio Examiner of Subdivisions, is hereby authorized and directed to approve a plat of Donnelly and Tracey's Resubdivision located on the west side of South Kedzie Avenue, 244.70 feet north of West 115th Street, having a frontage of 45.00 feet along South Kedzie Avenue and a depth of 133.00 feet, as shown on the attached plat when the necessary certificates are shown on said plat, for Stephen Tracey and Brendan Donnelly (No. 23-19-90-1541).

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

[Plat attached to this ordinance printed on page
26725 of this Journal.]

SUPERINTENDENT OF MAPS DIRECTED TO APPROVE PLAT
OF PONTARELLI'S LAWRENCE AVENUE RESUBDIVISION
AT SOUTHWEST CORNER OF WEST LAWRENCE
AVENUE AND NORTH MELVINA AVENUE.

The Committee on Streets and Alleys submitted the following report:

(Continued on page 26726)

12/5/90

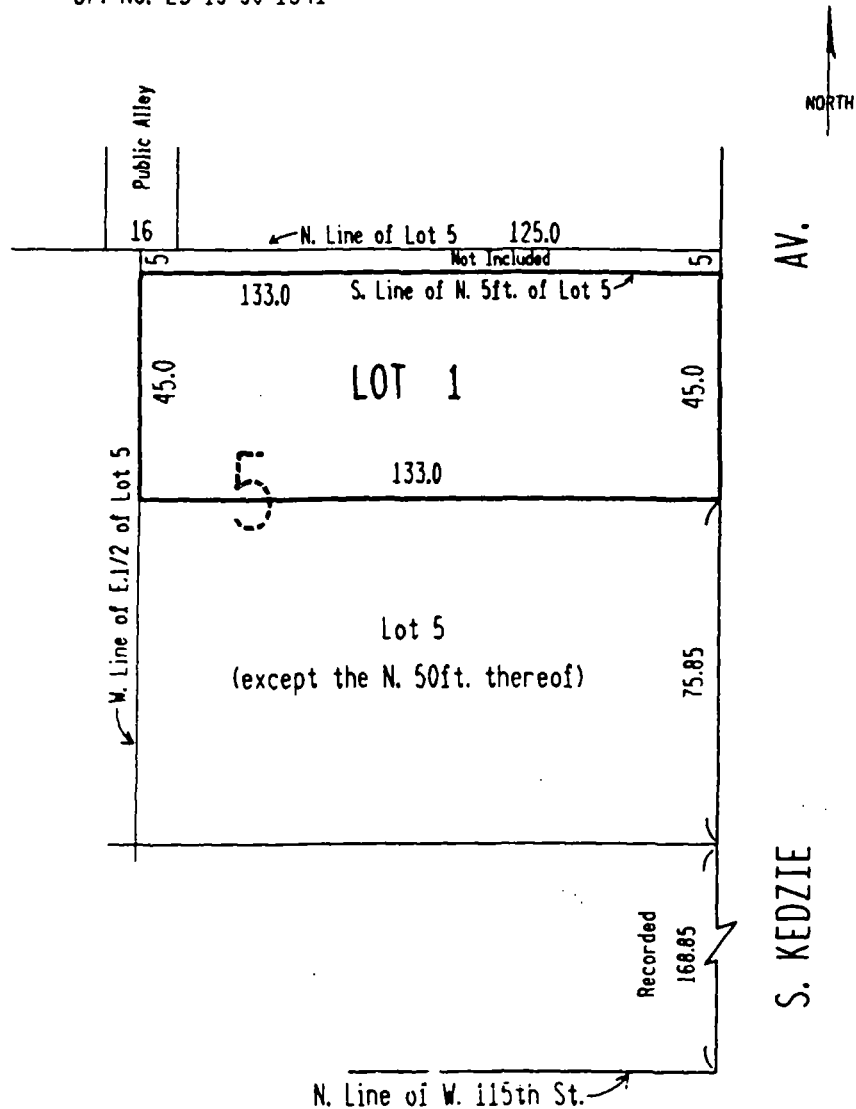
REPORTS OF COMMITTEES

26725

[Ordinance associated with this Plat printed on
pages 26722 through 26724 of this Journal.]

Proposed
DONNELLY & TRACEY'S
Resubdivision

Dr. No. 23-19-90-1541



(Continued from page 26724)

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (referred on October 31, 1990) that the Superintendent of Maps, Ex Officio Examiner of Subdivisions, is hereby authorized and directed to approve a plat of Pontarelli's Lawrence Avenue Resubdivision located at the southwest corner of West Lawrence Avenue and North Melvina Avenue, having a frontage of 283.47 feet on the south side of West Lawrence Avenue and having a frontage of 84.08 feet on North Melvina Avenue, for Parkway Bank and Trust Company, as Trustee, Trust No. 9597 (No. 17-38-90-1544).

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Superintendent of Maps, Ex Officio Examiner of Subdivisions, is hereby authorized and directed to approve a Plat of Pontarelli's Lawrence Avenue Resubdivision located at the southwest corner of West Lawrence Avenue and North Melvina Avenue and having a frontage of 283.47 feet on the south side of West Lawrence Avenue and a frontage of 84.08 feet on North Melvina Avenue, as shown on the attached plat, when the necessary certificates are shown on said plat, for Parkway Bank and Trust Company, as Trustee, Trust No. 9597 (No. 17-38-90-1544).

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

[Plat attached to this ordinance omitted for printing purposes but on file and available for public inspection in the Office of the City Clerk.]

SUPERINTENDENT OF MAPS DIRECTED TO APPROVE
PLAT OF SCALISE SUBDIVISION ON PORTION
OF SOUTH NORMAL AVENUE.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (referred on November 14, 1990) that the Superintendent of Maps, Ex Officio Examiner of Subdivisions, is hereby authorized and directed to approve a plat of Scalise Subdivision located on the west side of South Normal Avenue, having a frontage of 75.0 feet along the west side of South Normal Avenue and a depth of 125.72 feet, for Steven J. Day, Theres Day, Carmen F. Scalise and Judy A. Scalise.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Superintendent of Maps, Ex Officio Examiner of Subdivisions, is hereby authorized and directed to approve a plat of Scalise Subdivision located on the west side of South Normal Avenue, having a frontage of 75.0 feet along the west side of South Normal Avenue and a depth of 125.72 feet, as shown on the attached plat, when the necessary certificates are shown on said plat, for Steven J. Day, Theres Day, Carmen F. Scalise and Judy A. Scalise (No. 33-11-90-1532).

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

[Plat attached to this ordinance printed
on page 26729 of this Journal.]

[Ordinance associated with this Plat printed on
pages 26727 through 26728 of this Journal.]

PROPOSED SCALISE SUBDIVISION

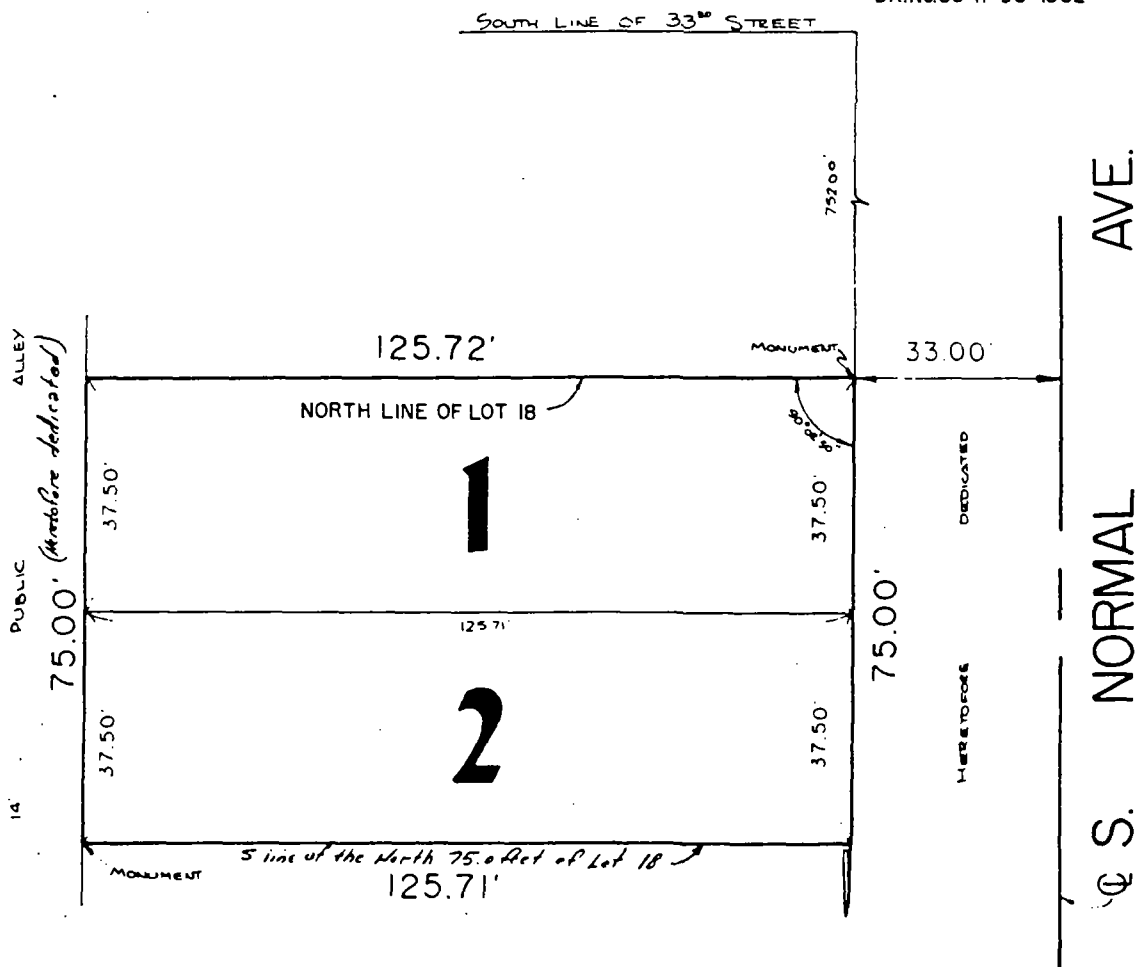
OF PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 39
NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL, IN COOK COUNTY, ILLINOIS.



W. 33RD

ST.

DR.No.33-11-90-1532



EXEMPTION OF VARIOUS BUSINESSES FROM
PHYSICAL BARRIER REQUIREMENTS
PERTAINING TO ALLEY
ACCESSIBILITY.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith (referred on October 31, November 7 and 14, 1990) that the Commissioner of Public Works is hereby authorized and directed to waive the provisions of Chapter 33, Section 33-19.1 of the Municipal Code of Chicago requiring barriers as a prerequisite to prohibit ingress and/or egress to specified parking facilities.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinances transmitted with the foregoing committee report were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following are said ordinances as passed (the italic heading in each case not being a part of the ordinance):

Mr. Leo Cios.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 33-19.1 of the Municipal Code of Chicago, the Commissioner of Public Works is hereby authorized and directed to exempt Leo Cios, 2105 Valley, Glenview, Illinois, the proprietor of the premises located at 6013 North Ridge Boulevard, from the provisions requiring barriers as a prerequisite to prohibit alley ingress and/or egress to the parking facility at the above mentioned location.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and due publication.

Howard Orloff Motors.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 33-19.1 of the Municipal Code of Chicago, the Commissioner of Public Works is hereby authorized and directed to exempt Howard Orloff Motors, 1924 North Paulina Street, from the provisions requiring barriers as a prerequisite to prohibit alley ingress and/or egress to the parking facility adjacent thereto.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and due publication.

Nancy Kapp, Inc.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 33-19.1 of the Municipal Code of Chicago, the Commissioner of Public Works is hereby authorized and directed to exempt Nancy Kapp, Inc., 2019 West North Avenue, from the provisions requiring barriers as a prerequisite to prohibit alley ingress and/or egress to the parking facility adjacent thereto.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

United Charities.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 33-19.1 of the Municipal Code of Chicago, the Commissioner of Public Works is hereby authorized and directed to exempt the United Charities, 3027 East 91st Street, from the provisions requiring barriers as a prerequisite to prohibit alley ingress and/or egress to the parking facility adjacent thereto.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

ISSUANCE OF PERMITS TO BROADACRE DEVELOPMENT
TO SET BACK CURB ADJACENT TO 505 EAST
ILLINOIS STREET.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed order transmitted herewith (referred on October 31, 1990) that the Commissioner of Public Works is hereby

authorized and directed to issue the necessary permits to Broadacre Development to set back the curb adjacent to the premises known as 505 East Illinois Street.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Broadacre Development, 401 South LaSalle Street, to set back the curb adjacent to the premises commonly known as 505 East Illinois Street, subject to the approval of plans, upon the payment of fees, without compensation, and on the condition that the adjacent property owner(s) shall assume full responsibility for maintenance and snow removal, and shall insure, save and hold harmless the City of Chicago from all liability.

ISSUANCE OF PERMITS TO LOWENBERG/FITCH PARTNERSHIP,
P. C. TO SET BACK CURB ADJACENT TO
111 WEST MAPLE STREET.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed order transmitted herewith (referred on October 31, 1990) that the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Lowenberg/Fitch Partnership, P. C. to set back the curb adjacent to the premises known as 111 West Maple Street.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Lowenberg/Fitch Partnership, P. C., 1 East Erie Street, Chicago, Illinois, to set back the curb adjacent to the premises commonly known as 111 West Maple Street, subject to the approval of plans, upon the payment of fees, and on the condition that the adjacent property owner(s) shall assume full responsibility for maintenance and snow removal, and shall insure, save and hold harmless the City of Chicago from all liability.

ISSUANCE OF PERMITS TO STACKLER PROPERTIES, INC.
TO SET BACK CURB ADJACENT TO
70 EAST WALTON STREET.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed order transmitted herewith (referred on October 31, 1990) that the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Stackler Properties, Inc. to set back the curb adjacent to the premises known as 70 East Walton Street.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Stackler Properties, Inc. to set back the curb adjacent to the premises commonly known as 70 East Walton Street, subject to the approval of plans, upon the payment of fees, without compensation, and on the condition that the adjacent property owner(s) shall assume full responsibility for maintenance and snow removal, and shall insure, save and hold harmless the City of Chicago from all liability.

ISSUANCE OF PERMITS TO INTER-CONTINENTAL HOTELS
CORPORATION TO INSTALL CONCRETE PLANTERS
ADJACENT TO 505 AND 525 NORTH
MICHIGAN AVENUE.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed order transmitted herewith (referred on October 31, 1990) that the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Inter-Continental Hotels Corporation to install concrete planters adjacent to the premises known as 505 and 525 North Michigan Avenue.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Inter-Continental Hotels Corporation to install concrete planters adjacent to the premises commonly known as 505 and 525 North Michigan Avenue, subject to the approval of plans, without fees, without compensation, and on the condition that the adjacent property owner(s) shall assume full responsibility for maintenance, and shall insure, save and hold harmless the City of Chicago from all liability.

ISSUANCE OF PERMITS TO JACOBS/RYAN ASSOCIATES TO
INSTALL SIDEWALKS, TREE CUTS, TREES, CURBS AND
WROUGHT IRON FENCE ADJACENT TO
750 NORTH RUSH STREET.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed order transmitted herewith (referred on October 31, 1990) that the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Jacobs/Ryan Associates to install sidewalks, tree cuts, trees, curbs and a wrought iron fence adjacent to the premises known as 750 North Rush Street.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Jacobs/Ryan Associates to install sidewalks, tree cuts, trees, curbs and a wrought iron fence, adjacent to the premises commonly known as 750 North Rush Street, subject to the approval of plans, upon the payment of fees, without compensation, and on the condition that the adjacent property owner(s) shall assume full

responsibility for maintenance and snow removal, and shall insure, save and hold harmless the City of Chicago from all liability.

ISSUANCE OF PERMITS TO THOMAS V. KING AND
BARBARA ANN KING TO ERECT WROUGHT
IRON FENCE ADJACENT TO 115 EAST
BELLEVUE PLACE.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed order transmitted herewith (referred on November 14, 1990) that the Commissioner of Public Works is hereby authorized and directed to issue the necessary permits to Thomas V. King and Barbara Ann King to erect a wrought iron fence on the public way adjacent to the premises known as 115 East Bellevue Place.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Commissioner of Public Works and the Commissioner of the Department of Buildings is hereby authorized and directed to issue the necessary permits to Thomas V. King and Barbara Ann King to erect a wrought iron fence on the public way adjacent to the premises commonly known as 115 East Bellevue Place, subject to the approval of plans, without fees, without compensation, and on the condition that the adjacent property owner(s) shall assume full responsibility for maintenance, and shall insure, save and hold harmless the City of Chicago from all liability.

CONSIDERATION FOR INSTALLATION OF HANDICAP RAMP
IN FRONT OF 3025 SOUTH PULASKI ROAD.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed order transmitted herewith (referred on November 7, 1990) that the Commissioner of Public Works is hereby authorized and directed to give consideration for the installation of a handicap ramp in front of the premises at 3025 South Pulaski Road.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to give consideration to the installation of a handicap ramp in front of 3025 South Pulaski Road.

DEPARTMENT OF PUBLIC WORKS TO UNDERTAKE STUDY
OF TRAFFIC AND PARKING CONGESTION
IN FORTY-THIRD WARD.

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Adopt* the proposed resolution transmitted herewith (referred on October 31, 1990) that the Department of Public Works undertake a complete study of traffic and parking in the 43rd Ward and make recommendations concerning street directions, permit parking zones, off-street parking, signage and regulations to ameliorate the congestion in the area.

This recommendation was concurred in by all members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed resolution transmitted with the foregoing committee report was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, Residents of the Lincoln Park community have expressed at a number of public meetings a growing frustration over congestion and concomitant parking problems; and

WHEREAS, No comprehensive traffic and parking study has been undertaken in the area since 1975; now, therefore,

Be It Resolved, That the Department of Public Works undertake a complete study of traffic and parking in the 43rd Ward and make recommendations concerning street directions, permit parking zones, off-street parking, signage and regulations to ameliorate the congestion in the area; and

Be It Further Resolved, That the Department make its report available to the alderman of the 43rd Ward within three months.

HONORARY DESIGNATION OF PORTION OF SOUTH
NEW ENGLAND AVENUE AS "FATHER
SURGES STREET".

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (referred on November 7, 1990) pursuant to an ordinance passed by the City Council on December 3, 1984, printed on page 11460 of the Journal of the Proceedings of said date, which authorizes the erection of honorary street name signs, the Commissioner of Public Works shall take the necessary action for standardization of South New England Avenue, between West 63rd and West 65th Streets as "Father Surges Street".

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to an ordinance passed by the City Council on December 3, 1984, printed on page 11460 of the Journal of the Proceedings of said date, which authorizes erection of honorary street-name signs, the Commissioner of Public Works shall take the necessary action for standardization of South New England Avenue between West 63rd and West 65th Streets as "Father Surges Street".

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

HONORARY DESIGNATION OF PORTION OF EAST
83RD STREET AS "WILINSKI DRIVE".

The Committee on Streets and Alleys submitted the following report:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (referred on October 31, 1990) pursuant to an ordinance passed by the City Council on December 3, 1984, printed on page 11460 of the Journal of the Proceedings of said date, which authorizes erection of honorary street name signs, the Commissioner of Public Works shall take the necessary action for standardization of East 83rd Street, from South Commercial Avenue to South Brandon Avenue to be given the name of "Wilinski Drive".

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

On motion of Alderman Levar, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to an ordinance passed by the City Council on December 3, 1984, printed on page 11460 of the Journal of the Proceedings of said date, which authorizes erection of honorary street name signs, the Commissioner of Public Works shall take the necessary action for standardization of East 83rd Street, from South Commercial Avenue to South Brandon Avenue as "Wilinski Drive".

SECTION 2. This ordinance shall take effect and be in force upon its passage and publication.

Action Deferred -- AMENDMENT OF TITLE 10, CHAPTER
28 OF MUNICIPAL CODE OF CHICAGO BY
REGULATING ADVERTISING BENCHES
ON PUBLIC WAYS.

The Committee on Streets and Alleys submitted the following report which was, on motion of Alderman Cullerton and Alderman Stone, *Deferred* and ordered published:

CHICAGO, December 3, 1990.

To the President and Members of the City Council:

Your Committee on Streets and Alleys, having had under consideration an ordinance (referred on June 7, 1990) amending Chapter 34 of the Municipal Code of Chicago to provide for the regulation of advertising benches on the public way, begs leave to recommend that Your Honorable Body pass the proposed substitute ordinance, as amended, transmitted herewith.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK J. LEVAR,
Chairman.

The following is said proposed substitute ordinance, as amended, transmitted with the foregoing committee report:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Chapter 10-28 of the Municipal Code of Chicago is hereby amended by renumbering Article XI and Section 10-26-640 as Article XII and Section 10-28-800, respectively, and by adding a new Article XI to read as follows:

Article XI.

10-28-640. For the purpose of this Article:

"Advertising Bench" means a seat for the accommodation of people which is so designed as to permit the placement of any advertisement, slogan, or message;

"Commissioner" means the Commissioner of Public Works of the City of Chicago or his designee;

"Department" means the Department of Public Works of the City of Chicago;

"Contractor" means a person who is awarded a contract for the placement and removal of advertising benches pursuant to this Article;

"Public Way" includes any public street or alley from property line to property line, any city-owned parks, and any and all sidewalks, plazas owned by the City and parkways dedicated to public use;

"Person" means any individual, corporation or other business entity, partnership, association or any other legal entity;

"Transfer" means the sale of an interest and every other method, direct or indirect, conditional or unconditional, voluntary or involuntary, of disposing of or parting with an interest in a permit, including by means of a pledge, lien, encumbrance, gift, security interest or otherwise.

10-28-650. (a) Beginning 90 days after the effective date of this Article, no person shall place or maintain any advertising bench on or over the public way except as permitted under this Article.

(b) The Commissioner may grant authority for the use of the public way for the placement of advertising benches within the City or within a defined portion of the City, in the manner provided in this Article.

(c) The authority to place advertising benches on the public way in any territory within the City shall be awarded by contract pursuant to the competitive bidding procedures set forth in Division 10 of Article 8 of the Illinois Municipal Code and Chapter 2-92 of the Municipal Code of Chicago.

(d) Before accepting bids for any such contract, the Department shall, by rule or regulation, define the territory or territories in which the authority to place advertising benches will be granted.

(e) Any person awarded a contract under this section must:

(1) Place advertising benches on the public way only as permitted by this Article.

(2) Remove, at the direction of the Department, advertising benches illegally situated on the public way within the territory, in accordance with a schedule developed by the Department and incorporated into the contract.

(3) Pay the City a monthly rental fee for each advertising bench placed or maintained on the public way by the contractor. Such fee shall be the amount that is bid in the competitive bidding process.

(f) A contract awarded pursuant to this section shall be in effect for a period of 3 years unless terminated pursuant to this chapter or pursuant to the terms of the contract. A contract may be extended by mutual agreement for a period of one year or less, but may not be so extended more than 3 times.

(g) A contract awarded pursuant to this section may contain such penalties, rewards or other inducements as the Commissioner or the Corporation Counsel considers necessary to further the purposes of this Article, and may provide for arbitration as a means for settling disputes arising under the contract. The contract may also provide that the City will in whole or in part indemnify the contractor against liability arising from the exercise of the contractor's duties pursuant to the contract.

10-28-660. (a) Applications for permits to place advertising benches at particular locations shall be made by the contractor to the Commissioner on forms provided by him for such purpose. Each application shall contain the proposed location of the advertising bench, a brief description of the size and shape of the bench and a drawing showing the exact proposed placement of the bench at the location. The application shall be reviewed by the Department to insure that the proposed location and placement are in conformity with this Article and with rules and regulations governing the placement of such benches in the public way promulgated pursuant to Section 10-28-690. Within 10 business days of receiving any application, the Commissioner shall notify the alderman of the ward in which the bench is proposed to be placed, who shall respond in writing with his specific objections, if any, within 15 days of receiving such a notice.

(b) If the Commissioner determines that the proposed location of the advertising bench is in compliance with this Article and all rules and regulations adopted pursuant thereto, he shall issue a permit to the contractor for the bench. A permit shall be valid for the duration of the contract unless the permit is terminated by the Commissioner for any violation of this Article or for any other reason specified in this Article. Permits shall be nontransferable, and any attempt to transfer such a permit shall result in the immediate expiration of the permit. The monthly fee for placing or maintaining an advertising bench on the public way shall apply from the first day of the month following the month in which the permit is issued. The fee shall be paid each month or on such other periodic basis that the Commissioner may establish by rule.

(c) Each contractor shall provide proof to the Commissioner that he has obtained liability insurance in connection with all of his advertising benches, naming the City of Chicago as additional insured. The aggregate amount of the insurance shall be an amount determined by the City

Comptroller, Office of Risk Management, to be sufficient to cover all potential liability arising from the placement of the advertising benches.

No insurance policy shall be subject to cancellation except upon 30 days prior written notice to the Commissioner. A contractor shall maintain his insurance coverage so long as he keeps any advertising bench upon a public way. The term of any such policy shall be at least for the duration of any permit for any advertising bench issued to the contractor. Upon the termination or lapse of the contractor's insurance coverage, any permit issued to him shall expire.

(d) A contractor who applies for one or more permits shall post a cash bond with the City Comptroller in an amount specified in the contract for the purpose (1) of assuring the prompt removal of any advertising bench upon expiration and nonrenewal of its permit or whenever ordered or required to remove an advertising bench pursuant to any provisions of this Code or the contract, and (2) of repairing any damage to the public way caused by the presence of any advertising bench placed by the contractor. The cost to the City of removing any such bench or making such repairs shall be deducted from the contractor's bond.

Whenever the Commissioner assesses a cost against a contractor's bond, he shall provide him at least 10 days advance notice and inform him of his right to appeal and the manner of appealing the assessment in a public hearing in accordance with rules and regulations promulgated pursuant to Section 10-28-690. A contractor shall restore any amounts properly deducted from his bond within 10 days after the deduction is made. Bonds shall remain with the Comptroller for 90 days after the contractor certifies to the Commissioner that all advertising benches maintained by the contractor have been removed following the expiration or relinquishment of the contractor's last permit. Any balance remaining shall thereafter be promptly refunded.

(e) Each advertising bench shall exhibit the permit number issued for that location in permanently painted characters of at least one inch in height with one-fourth inch stroke in a contrasting color. Any bench failing to exhibit such information in the appropriate form may be removed pursuant to this Article.

(f) Whenever any advertising bench placed lawfully upon the public way by the contractor endangers public safety or property or becomes a public nuisance, or whenever construction or a change in the configuration of the public way necessitates the removal or relocation of such bench, or whenever the condition or placement of such bench is not in compliance with this Article, the Commissioner shall order the contractor to remove or relocate the bench at the contractor's expense, or shall cause the bench to be removed at the contractor's expense after giving the contractor 10 days written notice.

10-28-670. Each advertising bench must be situated adjacent to that portion of the roadway that is reserved for use as a Chicago Transit Authority bus stop. No more than one advertising bench may be situated at any such location. Advertising benches are expressly prohibited in the following places: (a) in any alley or fire lane; (b) at any location where placement of a bench would impede the free and orderly flow of pedestrian traffic or would impede access to the public way or public transportation by disabled persons; and (c) at any location:

- (1) where the remaining width of the sidewalk would be less than 6 feet;*
- (2) within 30 inches of any curbline;*
- (3) within 50 feet of the property line of property which is zoned R5 or lower or on which a designated landmark building is located;*
- (4) within 5 feet of any loading zone, driveway, fire lane or alley;*
- (5) within 15 feet of any fire hydrant or standpipe;*
- (6) within 3 feet of any pedestrian crosswalk;*
- (7) in line with and within 20 feet of any doorway; or entranceway to any private property or in a position that would otherwise interfere with or impede exit from or entrance to private property;*
- (8) on median strips in the roadway;*
- (9) within any bus shelter;*
- (10) within 3 feet of a posted Chicago Transit Authority bus stop sign;*
- (11) within any area designated an historic district pursuant to this Code; within a public park; or within any other area designated by ordinance adopted prior to advertising for bids as an advertising bench "restricted zone".*

10-28-680. (a) Except as provided otherwise in subsection (b), no bench shall be more than 50 inches high, nor more than 30 inches in depth, nor more than 7 feet in length. The minimum weight for each bench, including the ends, legs, seatboard, bottomplate board and backrest, shall be 300 pounds. The bench's composition shall include two end legs which shall be a minimum of 24 inches high, made entirely of concrete, reinforced by steel bars throughout. The benches are further to be constructed broader without the use of nails of any sort. The bottomplate board, seatboard and backrest of every bench shall be composed of wood which is maintained in a smooth

condition, free of splinters, jagged edges, rotted wood and other loose material. The seat-board shall be composed of 2 x 4's or 2 x 6's. The backrest shall be constructed of a minimum of 1/2 inch plywood and shall have its top corners rounded. The bottomplate shall not exceed 10 inches in height or 7 feet in length.

(b) The Commissioner may permit advertising benches that do not comply with all of the requirements of subsection (a) when he finds that the design of and materials used for the benches are safe and appropriate.

(c) It shall be the duty of the contractor to maintain each bench at all times in a safe condition, with no protruding bolts, screws or other matter, with all fastening apparatuses to be recessed and not protruding beyond the surface of the bench.

(d) It shall be the duty of the contractor to maintain each bench and the area occupied by each bench in a clean and neat condition at all times.

10-28-690. The Commissioner shall have the power and the duty to adopt such orders, rules and regulations as he may deem necessary for the proper administration and enforcement of the provisions of this Code governing advertising benches upon the public way.

10-28-700. Any person who maintains any advertising bench upon the public way without a contract and permit as provided in this ordinance must remove such bench within 90 days of the effective date of this ordinance. Thereafter, all such benches shall be subject to removal pursuant to this Article.

10-28-710. (a) Any governmental or private entity or other person, other than the City of Chicago or its agencies, which seeks to place or maintain on the public way any bench which does not contain advertisements, slogans or messages, shall apply to the Commissioner for a permit for each such bench. The Commissioner shall waive all application and permit fees, and all bond, license and insurance requirements. It shall be a condition for the issuance of any such permit that the entity or other person agree to save and hold the City of Chicago harmless and indemnify the City for any loss or expense in connection with any such benches placed, including any expense to remove or repaint any benches in violation of this section or in connection with the defense of any claim against the City arising from the presence of the bench upon the public way. No bench placed pursuant to this section may contain any advertisement, slogan or message, and any bench so placed which subsequently exhibits any advertisement, slogan or message is in violation of this ordinance. Any bench installed pursuant to this subsection shall comply with the provisions of Sections 10-28-670 and 10-28-680.

(b) Nothing in this Code prohibits the City from placing a bench on the public way whenever it determines that the convenience and comfort of the public will be served by such bench.

(c) Whenever an entity or other person, including the City of Chicago, has lawfully placed benches at a particular site or location pursuant to subsection (a) or (b), no other benches shall be permitted. If the Commissioner has already issued a permit to a contractor for a location at which the entity or other person seeks to place a bench, the contractor may maintain a bench at that location only for a period of not more than 90 days after the contractor is notified of such fact by the Commissioner.

10-28-720. (a) Each contractor shall have the authority to remove illegal advertising benches only in the territory for which the contract is awarded. The contract of a contractor who fails to remove illegal advertising benches in accordance with the terms of such contract shall be subject to termination at any time by the Department.

(b) The City shall have the authority to remove any illegally situated advertising bench that is not removed by the contractor. Any advertising bench removed by the City may be reclaimed by its owner within 10 days after it is removed, upon the payment of a \$100 removal and storage fee. If the bench is not reclaimed within such 10-day period, it may be disposed of as unclaimed property. The City may assess against the contractor's bond any of the City's unreimbursed expenses of removing a bench pursuant to this subsection.

(c) Any illegally situated advertising bench removed by a contractor shall be retained by the contractor for at least 10 days. The owner of the advertising bench may reclaim the bench from the contractor within such time upon the payment to the contractor of a \$100 removal and storage fee. If the bench is not reclaimed within such 10-day period, the contractor may dispose of the bench as he sees fit.

(d) At least 10 days before an advertising bench that is illegally situated on the public way is removed pursuant to this Article, the City, or the contractor acting as agent for the City, shall affix a notice to the bench stating: (1) that the bench will be removed at the owner's expense if not removed by the owner within 10 days; and (2) the address at which the bench may be reclaimed within 10 days after it is removed, upon the payment of a \$100 storage and removal fee.

In addition, if the address or telephone number of the owner of the bench is reasonably ascertainable from the bench itself, the City, or the contractor acting as agent for the City, shall provide the above information to the owner by mail or telephone at least 10 days before the bench is removed.

However, when the City removes an illegally situated advertising bench maintained by the contractor, notice pursuant to this paragraph shall be made only by mail to the contractor at least 10 days before the bench is removed.

Notwithstanding the provisions of subsection (d), the City, or a contractor operating under the direction of the City, shall have the authority to remove or relocate an advertising bench that poses an immediate threat to the health or safety of the public, without providing notice as required by that subsection.

10-28-730. The termination of a contract awarded pursuant to this chapter shall result in the revocation of all permits issued for the placement and maintenance of advertising benches.

10-28-740. Any person who violates this Article shall be subject to a fine of not more than \$100 for each offense. Each day that any such violation continues shall be considered a separate and distinct offense.

SECTION 2. If any provision of this ordinance or application thereof to any person or circumstance is held unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end each such invalid provision or invalid application of this ordinance is severable.

SECTION 3. This ordinance shall become effective 90 days after its passage and publication.

COMMITTEE ON ZONING.

AMENDMENT OF CHICAGO ZONING ORDINANCE TO RECLASSIFY AREA SHOWN ON MAP NUMBERS 3-G, 5-G AND 5-H (ELSTON CORRIDOR).

The Committee on Zoning submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Reporting for your Committee on Zoning, for which a meeting was held on December 4, 1990, I beg leave to recommend that Your Honorable Body *Pass* the ordinance transmitted herewith to amend the Chicago Zoning Ordinance for the purpose of reclassifying a particular area.

I beg leave to recommend the passage of an ordinance which was corrected and amended in its corrected form:

Application Number MA-12, "Elston Corridor", a Planned Manufacturing District.

At this time, I am requesting that this substitute ordinance pass today, because time is of the essence on this particular matter.

Respectfully submitted,

(Signed) WILLIAM J. P. BANKS,
Chairman.

On motion of Alderman Banks, the said proposed substitute ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is the policy of the City of Chicago to foster the City's industrial base and to maintain a diversified economy; and

WHEREAS, The City of Chicago is committed to retaining existing industries and encouraging the development of modern industrial space within the City; and

WHEREAS, The 170 acres Elston Corridor has been designated by the City of Chicago as an industrial district; and

WHEREAS, The Elston Corridor has an active industrial base and expansion opportunities, excellent location advantages and industrial infrastructure; and

WHEREAS, Continued industrial investment, modernization and expansion depends on a stable and predictable industrial environment; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing and supplementing all C3-4 Commercial-Manufacturing District, M2-2 and M2-3 General Manufacturing Districts and M3-3 and M3-4 Heavy Manufacturing Districts symbols and indications as shown on Map Numbers 3-G, 5-G and 5-H in the area bounded by:

West Webster Avenue; North Dominick Street; West Dickens Avenue; North Southport Avenue; West Cortland Avenue; the center line of the North Branch of the Chicago River; North Halsted Street; the easterly right-of-way of the Chicago & Northwestern Railroad; North Lessing Street; North Peoria Street; West Chestnut Street; North Sangamon Street; the right-of-way of the Chicago & Northwestern Railroad; North Elston Avenue; West Augusta Boulevard; the alley first west of North Elston Avenue; the alley first south of West Cortez Street; the right-of-way of the Chicago & Northwestern Railroad; and North Ashland Avenue,

to the designation of a Planned Manufacturing District which is hereby established in the area above described, subject to such use and bulk regulations as are set forth in the Planned Manufacturing District as described in Section 2 hereof.

Subdistrict 1.

All areas within the total boundaries of the Planned Manufacturing

District except those areas defined as Subdistrict 2.

Subdistrict 2.

A line 357 feet north of West North Avenue as measured along the east line of North Magnolia Avenue or a line thereof if extended where no street exists; the westerly dock line of the North Branch of the Chicago River; West North Avenue; North Magnolia Avenue; a line 165.88 feet south of West North Avenue; North Throop Street; the alley next south of and parallel to West North Avenue; North Elston Avenue; a line from a point 161 feet south of West North Avenue to a point 190 feet south of West North Avenue along the east line of the alley next east of North Noble Street; the alley next east of North Noble Street; a line 92 feet south of West North Avenue; North Noble Street; West North Avenue; North Besly Court; a line from a point 125 feet north of West North Avenue along the east line of North Besly Court, to a point 215.3 feet north of West North Avenue along the west line of North Elston Avenue; North Elston Avenue; a line 300 feet south of West Concord Place; the alley next north of and parallel to West North Avenue; and North Magnolia Avenue or the line thereof if extended where no street exists.

SECTION 2. Chapter 194D of the Chicago Municipal Code, Article VII, Part B, entitled "Designated District Maps and Supplemental Land Use Regulations" be hereby amended to add the following as a new subsection:

I. Subdistrict 1.

A. Permitted Uses.

The following uses are permitted in Subdistrict 1 of the Elston Corridor Planned Manufacturing District, inclusive, provided that within 300 feet of a Residence District all business, servicing or processing shall take place within completely enclosed buildings. Within 300 feet of a Residence District, all storage, except of motor vehicles, shall be within completely enclosed buildings or may be located out-of-doors if it is effectively screened by a solid wall or fence (including solid entrance and exit gates).

- 1. Any production, processing, cleaning, servicing, testing, repair, or storage of materials, goods, products or information.*
- 2. Cartage and Express Facilities.*

3. *Contractor, construction or demolition offices, shops or yards.*
4. *Dwelling units for watchmen per Section 10.3-1 of the Chicago Zoning Ordinance.*
5. *Earth station antennas not to exceed 8 feet in diameter.*
6. *Fuel and ice sales, if located in completely enclosed buildings.*
7. *Garage and parking lots for motor vehicles.*
8. *Occupational health and safety medical clinics.*
9. *Offices, business and professional, not below the second floor.*
10. *Public utility and public service uses.*
11. *Recycling facilities, Classes I, II and III.*
12. *Retail sales rooms or areas; provided that the sales conducted therein (i) are limited to materials, goods, products or information which, in whole or in part, are manufactured or processed (including production, cleaning, servicing, testing, repair, storage, assembly, fabrication, conversion, alteration of recycling) upon the same zoning lot as such sales rooms or areas are located and (ii) do not exceed 20% of the floor area upon the zoning lot devoted to such manufacture or processing.*
13. *Signs, as regulated.*
14. *Storage, warehousing and wholesale establishments.*
15. *Storage of flammable liquids, above ground in tanks in excess of capacity limits set forth in Section 10.10-3(1)a only as provided for in Chapter 60-52 of the Chicago Zoning Ordinance, as amended, as a planned development.*
16. *Temporary buildings for construction purposes, for a period not to exceed the duration of such construction.*
17. *Accessory uses.*

B. Special Uses.

The following uses shall be special uses in Subdistrict 1 of the Elston Corridor Planned Manufacturing District:

1. *Earth station antennas exceeding 8 feet in diameter.*
2. *Extraction of sand and gravel and other raw materials.*
3. *Incinerators.*
4. *Junkyards.*
5. *Liquid waste handling facilities.*
6. *Off-site accessory parking (within 200 feet).*
7. *Radio and television broadcasting stations and offices.*
8. *Railroad and water freight terminals, railroad siding and classification yards, repair shops, and roundhouses.*
9. *Roof signs.*
10. *Sanitary landfills.*
11. *Slaughtering houses and rendering plants.*
12. *Transfer stations.*

C. Performance Standards.

The performance standards affecting Subdistrict 1 of the Elston Corridor Planned Manufacturing District are those applicable to an M3 District.

1. *Noise: as per Sections 10.5 and 10.5-3 of the Chicago Zoning Ordinance.*
2. *Vibration: as per Sections 10.6 and 10.6-3 of the Chicago Zoning Ordinance.*
3. *Smoke and Particulate Matter: as per Section 10.7 of the Chicago Zoning Ordinance.*
4. *Toxic Matter: as per Sections 10.8 and 10.8-3 of the Chicago Zoning Ordinance.*
5. *Noxious Odorous Matter: as per Sections 10.9 and 10.9-3 of the Chicago Zoning Ordinance.*

6. *Fire and Explosive Hazards: as per Sections 10.10 and 10.10-3 of the Chicago Zoning Ordinance.*
7. *Glare and Heat: as per Sections 10.11 and 10.11-3 of the Chicago Zoning Ordinance.*

D. Use And Bulk Regulations.

1. *Regulations Along Residence Boundaries: as per Section 10.13 of the Chicago Zoning Ordinance.*
2. *Signs: as per Sections 10.14 and 10.14-3 of the Chicago Zoning Ordinance.*
3. *Off-street Loading: as per Sections 10.15 and 10.15-3 of the Chicago Zoning Ordinance.*
4. *Off-street Parking: as per Sections 10.16 and 10.16-3 of the Chicago Zoning Ordinance.*
5. *Floor Area Ratio: the Floor Area Ratio shall not exceed 3.0.*

II. Subdistrict 2.

The supplementary use regulations governing Subdistrict 2 of the Elston Corridor Planned Manufacturing District are the same as those that apply to an M1-3 District.

SECTION 3. This ordinance shall be in force and effect from and after its passage and due publication.

AMENDMENT OF CHICAGO ZONING ORDINANCE TO
RECLASSIFY AREA SHOWN ON MAP NUMBERS
3-F AND 3-G (GOOSE ISLAND).

The Committee on Zoning submitted the following report:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Reporting for your Committee on Zoning, for which a meeting was held on December 4, 1990, I beg leave to recommend that Your Honorable Body *Pass* the ordinance transmitted herewith to amend the Chicago Zoning Ordinance for the purpose of reclassifying a particular area.

I beg leave to recommend the passage of an ordinance which was corrected and amended in its corrected form:

Application Number MA-11, "Goose Island", a Planned Manufacturing District.

At this time, I am requesting that this substitute ordinance pass today, because time is of the essence on this particular matter.

Respectfully submitted,

(Signed) WILLIAM J. P. BANKS,
Chairman.

On motion of Alderman Banks, the said proposed substitute ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is the policy of the City of Chicago to foster the City's industrial base and to maintain a diversified economy; and

WHEREAS, The City of Chicago is committed to retaining existing industries and encouraging the development of modern industrial park space within the City; and

WHEREAS, Goose Island has been designated by the City of Chicago as a 145 acre industrial district; and

WHEREAS, Goose Island has an active industrial base and expansion opportunities, excellent locational advantages and industrial infrastructure; and

WHEREAS, Continued industrial investment, modernization and expansion depends on a stable and predictable industrial environment; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing and supplementing all M3-4 Heavy Manufacturing District symbols and indications as shown on Map Numbers 3-F and 3-G in the area bounded by:

the center line of the North Branch Canal of the Chicago River; and the center line of the North Branch of the Chicago River,

to the designation of a Planned Manufacturing District which is hereby established in the area above described, subject to such use and bulk regulations as are set forth in the Planned Manufacturing District as described in Section 2 hereof.

SECTION 2. Chapter 194D of the Chicago Municipal Code, Article VII, Part B, entitled "Designated District Maps and Supplemental Land Use Regulations" be hereby amended to add the following as a new subsection:

A. Permitted Uses.

The following uses are permitted in the Goose Island Planned Manufacturing District, inclusive, provided that within 300 feet of a Residential District all business servicing or processing shall take place within completely enclosed buildings. Within 300 feet of a Residence District, all storage, except of motor vehicles, shall be within completely

enclosed buildings or may be located out-of-doors if it is effectively screened by a solid wall or fence (including solid entrance and exit gates).

1. *Any production, processing, cleaning, servicing, testing, repair, or storage of materials, goods, products or information.*
2. *Cartage and Express Facilities.*
3. *Contractor construction or demolition offices, shops or yards.*
4. *Dwelling units for watchmen per Section 10.3-1 of the Chicago Zoning Ordinance.*
5. *Earth station antennas not to exceed 8 feet in diameter.*
6. *Fuel and ice sales, if located in completely enclosed buildings.*
7. *Garage and parking lots for motor vehicles.*
8. *Occupational health and safety medical clinics.*
9. *Offices, business and professional, not below the second floor.*
10. *Public utility and public service uses.*
11. *Recycling facilities, Classes I, II and III.*
12. *Retail sales rooms or areas; provided that the sales conducted therein (i) are limited to materials, goods, products or information which, in whole or in part, are manufactured or processed (including production, cleaning, servicing, testing, repair, storage, assembly, fabrication, conversion, alteration or recycling) upon the same zoning lot as such sales rooms or areas are located and (ii) do not exceed 20% of the floor area upon the zoning lot devoted to such manufacture or processing.*
13. *Signs, as regulated.*
14. *Storage, warehousing and wholesale establishments.*
15. *Storage of flammable liquids above ground in tanks in excess of capacity limits set forth in Section 10.10-3(1)a only as provided for in Chapter 60-52 of the Municipal Code of Chicago, as amended, as a planned development.*
16. *Temporary buildings for construction purposes, for a period not to exceed the duration of such construction.*

17. *Accessory uses.*

B. Special Uses.

The following uses shall be special uses in the Goose Island Planned Manufacturing District:

1. *Earth station antennas exceeding 8 feet in diameter.*
2. *Extraction of sand and gravel and other raw materials.*
3. *Incinerators.*
4. *Junkyards.*
5. *Liquid waste handling facilities.*
6. *Off-site accessory parking (within 200 feet).*
7. *Radio and television broadcasting stations and offices.*
8. *Railroad and water freight terminals, railroad switching and classification yards, repair shops, and roundhouses.*
9. *Roof signs.*
10. *Sanitary landfills.*
11. *Slaughtering houses and rendering plants.*
12. *Transfer stations.*

C. Performance Standards.

The performance standards affecting Goose Island Planned Manufacturing District are those applicable to an M3 District.

1. *Noise: as per Sections 10.5 and 10.5-3 of the Chicago Zoning Ordinance.*

2. *Vibration: as per Sections 10.6 and 10.6-3 of the Chicago Zoning Ordinance.*
3. *Smoke and Particulate Matter: as per Section 10.7 of the Chicago Zoning Ordinance.*
4. *Toxic Matter: as per Sections 10.8 and 10.8-3 of the Chicago Zoning Ordinance.*
5. *Noxious Odorous Matter: as per Sections 10.9 and 10.9-3 of the Chicago Zoning Ordinance.*
6. *Fire and Explosive Hazards: as per Sections 10.10 and 10.10-3 of the Chicago Zoning Ordinance.*
7. *Glare and Heat: as per Sections 10.11 and 10.11-3 of the Chicago Zoning Ordinance.*

D. Use And Bulk Regulations.

1. *Regulations Along Residence Boundaries: as per Sections 10.13 and 10.13-3 of the Chicago Zoning Ordinance.*
2. *Signs: as per Sections 10.14 and 10.14-3 of the Chicago Zoning Ordinance.*
3. *Off-street Loading: as per Sections 10.15 and 10.15-1 of the Chicago Zoning Ordinance.*
4. *Off-street Parking: as per Sections 10.16 and 10.16-1 of the Chicago Zoning Ordinance.*
5. *Floor Area Ratio: the Floor Area Ratio shall not exceed 3.0.*

SECTION 3. This ordinance shall be in force and effect from and after its passage and due publication.

JOINT COMMITTEE.**COMMITTEE ON FINANCE.****COMMITTEE ON AVIATION.**

Action Deferred -- EXECUTION OF CARGO BUILDING SITE
LEASE WITH LUFTHANSA GERMAN AIRLINES AND
ISSUANCE OF SPECIAL FACILITY REVENUE
BONDS FOR CONSTRUCTION OF CARGO
FACILITY AT CHICAGO O'HARE
INTERNATIONAL AIRPORT.

A Joint Committee, comprised of the members of the Committee on Finance and the members of the Committee on Aviation, submitted the following report which was, on motion of Alderman Steele, Alderman Shaw and Alderman J. Evans, *Deferred* and ordered published:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

Your Joint Committee, comprised of the members of the Committee on Finance and the members of the Committee on Aviation, having under consideration a communication recommending a proposed ordinance concerning the authority to execute a Cargo Building Site Lease between the City of Chicago and Lufthansa German Airlines for approximately ten acres of land in the Southwest Cargo Area at Chicago O'Hare International Airport and to approve the issuance of Special Facility Revenue Bonds to construct the cargo facility, in an amount not to exceed \$50,000,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Committee on Finance,
Chairman.

(Signed) THOMAS W. CULLERTON,
Committee on Aviation,
Chairman.

The following is said proposed ordinance transmitted with the foregoing committee report:

WHEREAS, The City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution") having a population in excess of 25,000 and is a home rule unit under Section 6(a) of Article VII of the Constitution; and

WHEREAS, The City currently owns and operates an airport known as Chicago-O'Hare International Airport (the "Airport"); and

WHEREAS, The City, as a home rule unit and pursuant to the Constitution, is authorized and empowered to issue its revenue bonds to finance the cost of the design, construction and equipping of a new cargo facility and certain other facilities for the benefit of Deutsche Lufthansa Aktiengesellschaft, operating in the United States under the name "Lufthansa German Airlines" (the "Airline"), at the Airport; and

WHEREAS, The City is in the process of implementing a major redevelopment of the Airport and as part of such redevelopment the City now desires to provide for, among other things, the design, financing, constructing and installation of the Project by the Airline on behalf of the City; and

WHEREAS, The City Council enacted an ordinance on March 21, 1990 (the "Inducement Ordinance") authorizing the execution and delivery of an agreement between the Airline and the City providing for the issuance of the City's special facility revenue bonds for the purpose, among others, of financing costs relating to the design, construction and equipping of a new cargo facility at the Airport for the use of the Airline, certain costs associated with the relocation, construction and reconstruction of necessary and related service roads, taxiways, utilities and other appurtenances and certain other costs relating to the construction and equipping of other

facilities used by the Airline at the Airport including, without limitation, certain security systems (the "Project"); and

WHEREAS, The Airline has requested that the City issue its special facility revenue bonds for the purpose, among others, of financing the cost of the Project; and

WHEREAS, The Project (and such further improvements or other accessions to the Project as may hereafter be deemed necessary or desirable by the City and the Airline during the term of the Site Lease (as hereinafter defined) relating to such cargo facility and made subject to its provisions in order to be financed by the issuance of Bonds hereunder) are proposed to be financed by the issuance of "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project)" (the "Bonds") issued in one or more series pursuant to an Indenture of Trust in substantially the form (including certain optional provisions to be inserted therein if the Series 1990 Bonds shall bear interest at a variable rate) submitted to this meeting (the "Indenture") from the City to Independence Bank of Chicago and The First National Bank of Chicago, jointly and severally as Trustee (the "Bond Trustee"), providing security for such Bonds; and

WHEREAS, Bonds to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), Series 1990" (if the Series 1990 Bonds shall bear interest at a variable rate, the words "Variable Rate Demand" shall be inserted before the word "Series") (the "Series 1990 Bonds"), are presently proposed to be issued in an aggregate principal amount not to exceed \$50,000,000 in order to pay the presently expected costs of the Project and other costs and expenses related thereto, including the costs of issuance of the Series 1990 Bonds; and

WHEREAS, The City desires to enter into the Indenture and, in connection therewith, an Arbitrage Compliance Agreement with the Airline and the Trustee and to execute and deliver a General Tax Certificate and a Non-Arbitrage Certification, each in substantially the form submitted to this meeting (collectively, the "City Tax Documents"), relating to the Series 1990 Bonds; and

WHEREAS, The City and the Airline desire to enter into a Cargo Building Site Lease in substantially the form submitted to this meeting (the "Site Lease") for the cargo facility comprised in the Project and a Special Facility Use Agreement (Cargo Facility) in substantially the form submitted to this meeting (the "Use Agreement") in order to provide, among other things, for the payment by the Airline at certain specified times of such amounts as will be sufficient in the aggregate to enable the City to pay when due the principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Bonds; and

WHEREAS, The City and certain Underwriters (as hereinafter defined) desire to enter into a Contract of Purchase in substantially the form submitted to this meeting (the "Contract of Purchase") pursuant to which the City will sell and the Underwriters will purchase the Series 1990 Bonds; and

WHEREAS, The Airline will deliver a Letter of Representation to the City and the Underwriters in substantially the form submitted to this meeting (the "Letter of Representation") pursuant to which the Airline will make certain representations, warranties and covenants to the City and the Underwriters, and certain agreements with the Underwriters; and

WHEREAS, There has been prepared and presented to this meeting of the City Council a form of the Preliminary Official Statement of the City (the "Preliminary Official Statement") relating to the Series 1990 Bonds;

Now, Therefore, In consideration of the foregoing premises,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Findings and Determinations. The City Council hereby finds and determines:

(a) that the construction and financing of the Project as provided in this Ordinance constitute a valid public purpose within the meaning of the Constitution; and

(b) that to secure the Series 1990 Bonds, the pledge and assignment by the City under the Indenture of certain of its rights under the Use Agreement to the Trustee is necessary and proper.

SECTION 2. Definitions. In addition to the words and terms defined in the preambles to this Ordinance, the following words and terms as used in this Ordinance shall have the following meanings unless the context or use indicates another or different meaning or intent:

"City Clerk" means the City Clerk of the City or, with respect to attestation or affixing the City Seal, the Deputy City Clerk of the City.

"Official Statement" means the Official Statement of the City, together with all appendices attached thereto, relating to the Series 1990 Bonds, whether in its preliminary form (the "Preliminary Official Statement") to be distributed before the signing of the Contract of Purchase (referenced in Section 7(a) below), or in its final form after the execution and delivery of such Contract of Purchase.

"Ordinance" means this Ordinance.

"Underwriters" means Smith Barney, Harris Upham & Co., Incorporated and the other underwriters named as parties in the Contract of Purchase.

SECTION 3. Authorization of Use of Proceeds of the Series 1990 Bonds and of the Project. The costs of the Project, as provided in the Indenture (as executed), shall be and are hereby authorized to be financed by the issuance of the Series 1990 Bonds as described herein. The estimated costs of (1) the design, construction and equipping of the Project, as provided in the Indenture; (2) the payment of interest on and fees and charges of the Credit Provider (as defined in the Indenture), if any, for the Series 1990 Bonds during the period estimated to be required for the design, construction and equipping of the Project; (3) the funding of the Debt Service Reserve Requirement for the Series 1990 Bonds, as defined in the Indenture, if any; and (4) the expenses of issuing the Series 1990 Bonds, initial fees and charges of the Credit Provider, if any, for the Series 1990 Bonds and Underwriters' discount may be financed from the proceeds of the issuance of the Series 1990 Bonds. The Project is authorized to be designed, constructed and equipped according to the description and in the manner provided in Exhibits A and B attached to the Site Lease and in Exhibit A attached to the Use Agreement (as executed).

SECTION 4. Authorization, Terms and Payment of the Series 1990 Bonds.

(a) For the purpose of financing the costs of the Project there are hereby authorized to be issued by the City its Series 1990 Bonds designated as provided in the Indenture (as executed) in an aggregate principal amount not to exceed \$50,000,000. The Series 1990 Bonds may be issuable in fully registered, physical certificated form or in book-entry only form registered in the name of a nominee of the Book-Entry Depository (as defined in the Indenture); shall be issued in Authorized Denominations (as defined in the Indenture); and shall be dated and numbered as provided in the Indenture (as executed).

(b) The Series 1990 Bonds shall mature no later than May 1, 2018, and shall bear interest at the fixed or variable rate set forth in the Indenture (as executed); which rate shall not at any time be greater than 15%.

(c) The date of issuance, numbers, Stated Maturity (as defined in the Indenture), interest rate or manner of determination thereof set forth in the Indenture (as executed), the principal amount of the Series 1990 Bonds, and the aggregate purchase price for the Series 1990 Bonds shall be determined as provided in Section 7 hereof. The principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Series 1990 Bonds shall be payable as provided in the Indenture (as executed).

(d) The Series 1990 Bonds shall be subject to mandatory and optional redemption and tender for purchase, if any, before their Stated Maturity upon the terms and conditions set forth in the Indenture (as executed).

SECTION 5. The Series 1990 Bonds are Limited Obligations. The Series 1990 Bonds shall be limited obligations of the City secured solely by a pledge of certain "Special Facility Revenues" (as defined in the Indenture) derived by the City under the Use Agreement, and by other specified sources pledged or otherwise provided under the Indenture (as executed), and shall be a valid claim of the owners thereof only against the funds and other moneys held by the Trustee with respect to the Series 1990 Bonds and such Special Facility Revenues, which Special Facility Revenues shall be used to pay the principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Series 1990 Bonds, and for such other purposes expressly authorized in the Use Agreement and the Indenture (each as executed). The Series 1990 Bonds will not be general obligations of the City and will not constitute any indebtedness or a loan of credit of the City, the State of Illinois or any political subdivision of the State of Illinois, or a charge against the general credit or taxing powers of the City, the State of Illinois or any political subdivision of the State of Illinois within the meaning of any constitutional or statutory provisions of the State of Illinois, or otherwise.

SECTION 6. Assignment. As security for the due and punctual payment of the principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Series 1990 Bonds herein authorized, the City will, in the Indenture (as executed), assign and pledge to the Trustee (i) Special Facility Revenues derived by the City under the Use Agreement (as executed), (ii) certain rights and remedies of the City under the Use Agreement and the Site Lease (each as executed), and (iii) any other rights or revenues assigned or pledged under the Indenture. Such assignment and pledge is hereby found and determined to be necessary and proper to secure the Series 1990 Bonds.

SECTION 7. Approval and Execution and Delivery of the Contract of Purchase, Letter of Representation and Official Statement; Delegation of Authority; Execution and Delivery of the Series 1990 Bonds.

(a) The forms of the Contract of Purchase and Letter of Representation submitted to this meeting is hereby approved in all respects. The Mayor or the City Comptroller is hereby authorized and directed, with the concurrence of the Chairman of the Committee on Finance of the City Council, to execute and deliver a Contract of Purchase providing for the sale of the Series 1990 Bonds to the Underwriters in substantially the form of the Contract of Purchase submitted to this meeting, and to execute, solely in confirmation and acceptance thereof, a Letter of Representation in substantially the form of Letter of Representation submitted to this meeting, in each case with such changes therein and completions thereof, subject to

the limitations contained in paragraph (b) of this Section 7, as shall be deemed necessary or appropriate by the officer of the City executing the Contract of Purchase and the Letter of Representation, the execution thereof by such officer to constitute conclusive evidence of the approval of such changes and completions by the City Council. The officer of the City executing the Contract of Purchase and confirming the Letter of Representation is hereby authorized and directed to file an executed counterpart of each of such documents with the City Clerk and the Trustee on the date of the closing of the sale of the Series 1990 Bonds. The City Comptroller is hereby authorized to select a group of securities underwriters led by Smith Barney, Harris Upham & Co., Incorporated to act as Underwriters for the Series 1990 Bonds. The sale to the Underwriters of the Series 1990 Bonds pursuant to the terms and conditions of the Contract of Purchase are hereby approved.

(b) Authority is hereby delegated to the Mayor or the City Comptroller to determine the aggregate principal amount, the date of issuance, numbers, the Stated Maturity, the fixed or variable interest rate set forth in the Indenture (as executed), and the aggregate purchase price or prices of the Series 1990 Bonds; provided that (i) the aggregate principal amount, the final maturity date, and the interest rate of the Series 1990 Bonds shall not at any time exceed the limits set forth in Section 4, and (ii) the aggregate purchase price for the Series 1990 Bonds shall not be less than ninety-seven percent (97%) of the principal amount thereof to be issued.

(c) To evidence the exercise of the authority delegated to the Mayor and the City Comptroller pursuant to paragraph (b) of this Section 7, the Mayor or the City Comptroller is hereby authorized and directed to execute and file with the Trustee, on the date of the closing of the sale of the Series 1990 Bonds, a certificate setting forth the determinations made pursuant to the authority granted in such paragraph, which certificate shall constitute conclusive evidence of the proper exercise of such authority. In addition, the Mayor or the City Comptroller shall file in the Office of the City Clerk, on the date of the closing of the sale of the Series 1990 Bonds, a notification of sale of the Series 1990 Bonds setting forth (1) the aggregate principal amount of the Series 1990 Bonds, (2) the Stated Maturity of the Series 1990 Bonds, (3) the numbers of the Series 1990 Bonds, (4) the fixed or variable interest rate for the Series 1990 Bonds, (5) the aggregate purchase price at which the Series 1990 Bonds shall have been sold to the Underwriters, and (6) the total compensation paid to the Underwriters in connection with the sale of the Series 1990 Bonds. In addition, executed copies of the Preliminary Official Statement, the Indenture, the Use Agreement, the final Official Statement, the Contract of Purchase and the Letter of Representation shall be filed with such notification of sale.

(d) The form of Preliminary Official Statement of the City with respect to the Series 1990 Bonds (including certain optional information and statements to be inserted therein if the Series 1990 Bonds shall bear interest at a variable rate) submitted to this meeting is hereby approved in all

respects. The Mayor or the City Comptroller is hereby authorized and directed to execute and deliver a Preliminary Official Statement to the Underwriters in substantially the form of the Preliminary Official Statement submitted to this meeting, with such changes therein and completions thereof, as shall be deemed necessary or appropriate by the officer of the City executing the Preliminary Official Statement, the execution thereof by such officer to constitute conclusive evidence of the approval of such changes and completions by the City Council. The distribution of the Preliminary Official Statement and of the Final Official Statement, in substantially the form of the form of Preliminary Official Statement submitted to this meeting, as authorized in the following sentence, to prospective purchasers and the use thereof by the Underwriters in connection with the offering of the Series 1990 Bonds are hereby authorized. The Mayor or City Comptroller is hereby authorized, in the name and on behalf of the City, to execute and deliver to the Underwriters the Final Official Statement, in substantially the form of the form of the Preliminary Official Statement submitted to this meeting, with such changes, omissions, insertions and revisions therein as shall be deemed necessary or appropriate by the officer of the City executing the Final Official Statement, the execution or acceptance thereof by such officer to constitute conclusive evidence of the approval of such changes, omissions, insertions and revisions and of the form of Final Official Statement by the City Council. The Mayor or the City Comptroller is hereby authorized to execute and deliver any certificates contemplated by Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, relating to the issuance and sale of the 1990 Bonds.

(e) The form of the Series 1990 Bonds (including certain optional provisions to be inserted therein if the Series 1990 Bonds shall bear interest at a variable rate) in substantially the form submitted to this meeting, subject to appropriate insertions and revisions in order to comply with the provisions of the Indenture and the Contract of Purchase (each as executed) is hereby approved. Pursuant to the Indenture, the Mayor or the City Comptroller shall execute the Series 1990 Bonds on behalf of the City, by manual or facsimile signature, and the corporate seal of the City or a facsimile thereof shall be affixed, imprinted, engraved or otherwise reproduced on the Series 1990 Bonds and they shall be attested by the manual or facsimile signature of the City Clerk. Upon such execution on behalf of the City, the Series 1990 Bonds shall be delivered to the Trustee for authentication and thereupon shall be authenticated by the Trustee and shall be delivered pursuant to written order of the City authorizing and directing the delivery of the Series 1990 Bonds to or upon the order of the Underwriters.

(f) No further approval or action of the City Council shall be necessary or required for the actions, executions and deliveries contemplated and directed in this Section 7 to be effective and any such actions, executions and deliveries shall constitute the legal and validly binding actions of the City.

SECTION 8. Execution of Other Documents; Delegation of Authority.

(a) Each of the Site Lease, the Use Agreement and the Indenture, in substantially the form submitted to this meeting, is hereby authorized and approved. The Mayor or the City Comptroller is hereby authorized, for and on behalf of the City, to execute and deliver the Site Lease, the Use Agreement, the Indenture and the City Tax Documents in substantially the forms submitted to this meeting and the City Clerk is hereby authorized as appropriate to attest the same and to affix thereto the corporate seal of the City. The Site Lease, the Use Agreement, the Indenture and the City Tax Documents may contain such changes therein and revisions consistent with the purposes and intent of this Ordinance as shall be deemed necessary or appropriate by the officer of the City executing the same, the execution or acceptance thereof to constitute conclusive evidence of approval of any and all changes therein or revisions thereof by the City Council; and from and after the execution and delivery of the above-described agreements, the officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of such agreements (as executed).

(b) No further approval or action of the City Council shall be necessary or required for the actions, executions and deliveries contemplated in and directed in this Section 8 to be effective, and any such actions, executions and deliveries will constitute the legal and validly binding actions of the City.

SECTION 9. Appointment of Trustee, Book-Entry Depository and Other Agents. The appointment of Independence Bank of Chicago and The First National Bank of Chicago, both of Chicago, Illinois, jointly and severally as Trustee under the Indenture is hereby authorized, approved and confirmed. The Mayor or the City Comptroller may, in such officer's discretion specify whether, for efficient administration thereof, the Series 1990 Bonds should be registered in book-entry only form, and if so determined such officer is authorized to appoint Depository Trust Company, New York, New York or Midwest Securities Trust Company, Chicago, Illinois (or their nominee) as securities depository for the Series 1990 Bonds. The securities depository and the agreements of the City relating thereto in the standard forms of such securities depository with such changes therein and completions thereof as deemed necessary or desirable by the officer of the City executing the same are hereby approved. The Mayor or the City Comptroller is hereby authorized, for and on behalf of the City, to execute and deliver such agreements of the City relating to the securities depository, and the City Clerk is hereby authorized, as appropriate, to attest the same and to affix thereto the corporate seal of the City, and such agreements may

contain such changes therein and revisions consistent with the purposes and intent of this Ordinance as shall be deemed necessary or appropriate by the officer of the City executing the same, the execution of acceptance thereof to constitute conclusive evidence of approval of any and all changes therein or revisions thereof by the City Council. If the Series 1990 Bonds shall bear interest at a variable rate, the Mayor or the City Comptroller is authorized to appoint Smith Barney, Harris Upham & Co., Incorporated or such other of the Underwriters as such officer, in his discretion, may deem appropriate to act as remarketing agent for the Series 1990 Bonds and is further authorized to appoint First Chicago Trust Company of New York, Chemical Bank or such other depository institution located in New York City as such officer, in his discretion, may deem appropriate to act as tender agent for the Series 1990 Bonds.

SECTION 10. Credit Facility. The Mayor or the City Comptroller may, in such officer's discretion, select a Credit Facility (as defined in the Indenture) to support or secure payment of the Series 1990 Bonds, if deemed necessary or desirable by such officer for the efficient marketing of the Series 1990 Bonds, and upon any such determination, such officer is hereby authorized to select the Credit Provider (as defined in the Indenture) for the Series 1990 Bonds. The Credit Facility and the agreements of the City relating thereto in the standard forms of the Credit Provider, with such changes and completions thereof as shall be deemed necessary or desirable by the officer of the City executing the same, are hereby approved; provided that all costs of the Credit Facility shall be paid out of the proceeds of the sale of the Series 1990 Bonds or otherwise borne by the Airline. The Mayor or the City Comptroller is hereby authorized, for and on behalf of the City, to execute and deliver such agreements of the City relating to the Credit Facility, and the City Clerk is hereby authorized, as appropriate, to attest the same and to affix thereto the corporate seal of the City, and such agreements may contain such changes therein and revisions consistent with the purposes and intent of this Ordinance as shall be deemed necessary or appropriate by the officer of the City executing the same, the execution or acceptance thereof to constitute conclusive evidence of approval of any and all changes therein or revisions thereof by the City Council.

SECTION 11. Election to Apply Transition Rule; Allocation of Volume Cap.

(a) The City Comptroller is hereby authorized to designate all or any portion of the Series 1990 Bonds as bonds described in Section 1317(5)(B) of the Tax Reform Act of 1986.

(b) By the adoption of this Ordinance, the City hereby allocates to the Series 1990 Bonds and the Project volume cap authorization in accordance with Section 103(n) of the Internal Revenue Code of 1954, as amended, and Section 146 of the Internal Revenue Code of 1986, as amended, as and to the

extent such volume cap authorization is appropriate or necessary to effectuate the designation authorized in paragraph (a) of this Section 11.

SECTION 12. Performance Provisions. The Mayor, the City Comptroller and the City Clerk for and on behalf of the City shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance, the execution and delivery of the Series 1990 Bonds and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The Mayor, the City Comptroller, the City Clerk and the other officers, agents and employees of the City (including the Commissioners of the Department of Aviation and the Department of Public Works) shall be, and they are hereby, further authorized and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance or to evidence said authority, including an appropriate certificate pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, with respect to the Series 1990 Bonds, and to exercise and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the City under the Site Lease, the Use Agreement, the Indenture, the City Tax Documents, the Preliminary Official Statement, the Final Official Statement, the Contract of Purchase and the Letter of Representation and to discharge all of the obligations of the City hereunder and thereunder.

SECTION 13. Proxies. The Mayor and the City Comptroller may each designate another person to act as their respective proxy and to affix their respective signatures to the Series 1990 Bonds, whether in temporary or definitive form, and to any other instrument, agreement, certificate or document required to be signed by the Mayor or the City Comptroller pursuant to this Ordinance. In each case, the Mayor or the City Comptroller shall send to the City Council written notice of the person so designated, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor or the City Comptroller, as the case may be. A written signature of the Mayor or the City Comptroller, as the case may be, respectively executed by the person so designated, shall be attached to such notice. Each such notice, with the signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor or the City Comptroller is placed on an instrument, certificate or document at the direction of the Mayor or the City Comptroller, as the case may be, in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor or the City Comptroller in person, as the case may be.

SECTION 14. Equal Employment and Minority Business Participation. It is the policy of the City to comply with all local, state and federal laws and regulations, where applicable, regarding equal employment opportunity and

minority business participation, and the City Council of the City is desirous that the City avoid penalties and grant forfeitures resulting from noncompliance with such local, state and federal laws and regulations.

SECTION 15. Severability. It is the intention of this City Council that if any section, paragraph, clause or provision of this Ordinance shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

SECTION 16. Captions. The captions or headings of this Ordinance are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Ordinance.

SECTION 17. Conflicting Provisions Repealed. All ordinances, resolutions, and orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

SECTION 18. Publication. This Ordinance shall be made available to the public by the City Clerk, City Hall, Chicago, Illinois. Copies are to be made available in the Office of the City Clerk for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

SECTION 19. Effective Immediately. This Ordinance shall be in full force and effect from and after its adoption.

Indenture of Trust, Special Facility Use Agreement, Preliminary Official Statement, Contract of Purchase, Letter of Representation, General Tax Certificate, Non-Arbitrage Certification, Arbitrage Compliance Agreement and Cargo Building Site Lease attached to this ordinance read as follows:

City Of Chicago

To

Independence Bank Of Chicago

And

The First National Bank Of Chicago,

As Trustee.

Indenture Of Trust

Securing Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Lufthansa German Airlines Project).

Dated As Of October 1, 1990.

This Indenture of Trust is dated as of October 1, 1990, and is from the City of Chicago (the "City"), a municipal corporation and home rule unit of local government duly organized and validly existing under the laws of the State of Illinois, to Independence Bank of Chicago, a banking corporation duly organized, existing and authorized to accept and execute trusts of the character herein set out under the laws of the State of Illinois, with its principal corporate trust office located at 7936 South Cottage Grove Avenue in Chicago, Illinois, and The First National Bank of Chicago, a banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America, with its principal corporate trust office located at One First National Plaza in Chicago, Illinois (each a "Trustee" and, as further hereinafter set forth, jointly and severally, the "Trustee").

Recitals.

Whereas, The City is a home rule unit of local government, duly organized and validly existing under the laws of the State of Illinois and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution") and is authorized to own and operate commercial and general aviation facilities; and

Whereas, The City currently owns and operates an airport known as Chicago-O'Hare International Airport (as further hereinafter defined, the "Airport"); and

Whereas, The City, as a home rule unit and pursuant to the Constitution, is authorized and empowered to issue its revenue bonds to finance the costs of the design, construction, reconstruction, improvement, equipping and modernization of facilities at the Airport and is in the process of implementing a major redevelopment of the Airport; and

Whereas, Deutsche Lufthansa Aktiengesellschaft, operating in the United States under the name "Lufthansa German Airlines", a corporation organized and existing under the laws of the Federal Republic of Germany (as further hereinafter defined, the "Airline"), is a holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958, as amended, authorizing it to operate in foreign air transportation to and from the City of Chicago, and has entered into an International Terminal Use Agreement and Facilities Lease dated as of January 1, 1990, authorizing it to use certain facilities of the Airport in the transportation of passengers; and

Whereas, The City, as part of its redevelopment of the Airport, has entered into a Cargo Building Site Lease dated as of October 1, 1990 (as further hereinafter defined, the "Site Lease"), with the Airline, providing, among other things, for the design, construction and installation of certain improvements at the Airport (as further hereinafter defined, the "Project") by the Airline on behalf of the City and the lease, use and occupancy of the Project by the Airline; and

Whereas, By ordinance duly adopted by its City Council (as further hereinafter defined, the "Authorizing Ordinance"), the City has undertaken to issue and sell its Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project) in one or more Series (as further hereinafter defined, the "Bonds"), in order to provide funds to finance all or part of the costs of the Project, including without limitation costs of further improvements and other accessions to the Project (as further hereinafter defined, "Additions") and costs and expenses incidental to the Project (including such Additions) and costs and expenses incidental to the Project and to the issuance of each Series of the Bonds; and

Whereas, Pursuant to the Authorizing Ordinance, the City has entered into a Special Facility Use Agreement (Cargo Facility) dated as of [October 1], 1990 (as further hereinafter defined, the "Agreement"), with the Airline, wherein the Airline has, among other things, undertaken to pay, in addition to other moneys available for the purpose, amounts sufficient to pay the Bonds in full; and

Whereas, The City desires to secure the Bonds by a pledge of its revenues and receipts and certain of its rights under the Agreement; and

Whereas, The execution and delivery of this Indenture and the issuance and sale of the Bonds have been in all respects duly and validly authorized by the Authorizing Ordinance; and

Whereas, The Bonds and the Trustee's certificate of authentication to be endorsed thereon are all to be in substantially the forms set forth as Exhibit A attached hereto and by this reference incorporated herein, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture; and

Whereas, The project constitutes a "Special Facility Improvement", the Bonds constitute "Special Facility Revenue Bonds" and the Agreement and this Indenture, together with the other documents contemplated hereby, constitute a "Special Facility Financing Arrangements", all within the meaning of, and as defined by, the City's General Airport Revenue Bond Ordinance (as hereinafter defined); and

Whereas, The Special Facility Revenues (as hereinafter defined) provided under the Agreement have been assigned and pledged by the City to the Trustee to secure the payment of the principal of and interest and redemption premium, if any, on the Bonds as provided in the Indenture, and the Airline has agreed in the Agreement that the Special Facility Revenues will be sufficient to pay in full such principal of and interest and redemption premium, if any, on the Bonds; and

Whereas, The Special Facility Revenues will not constitute "Revenues" within the meaning of, and as defined by, and the General Airport Revenue Bond Ordinance and accordingly are free of any assignment, pledge, lien or security interest in favor of the holders and owners of the City's General Airport Revenue Bonds as hereinafter defined in this Indenture or any person other than the Trustee; and

Whereas, The execution and delivery of the Bonds and of this Indenture have been duly authorized, and all things necessary to make the Bonds, when executed by the City and authenticated by the Trustee, valid and binding legal obligations of the City and to make this Indenture a valid and binding agreement have been done;

Now, Therefore, This Indenture Of Trust Witnesseth:

That the City in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the purchasers thereof, One Dollar duly paid to the City by the Trustee at or before the execution and delivery of these presents and of other

good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment of the principal of and interest on all Bonds outstanding hereunder from time to time, according to their tenor and effect and to secure the observance and performance by the City of all the covenants expressed or implied herein and in the Bonds, does hereby pledge and assign unto the Trustee, and unto its successors and assigns forever:

Granting Clause First.

The Agreement, including all extensions and renewals of the term thereof, if any, together with all right, title and interest of the City therein (except for Unassigned Rights and the right of the Trustee to payment of its fees and expenses pursuant to Section 4.2(d) of the Agreement), including, but without limiting the generality of the foregoing, the present and continuing right to receive receipt for, collect or make claim for any of the moneys, income, revenues, issues, profits and other amounts payable or receivable thereunder, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things that the City or any other person is or may become entitled to do under the Agreement;

Granting Clause Second.

All payments to be received by the City (except as provided in the preceding paragraph) under the Agreement, together with all other Special Facility Revenues, and all moneys and earnings thereon held by the Trustee in the Special Facility Revenue Fund, the Construction Fund, the Debt Service Reserve Fund and the Bond Fund under the terms of this Indenture; and

Granting Clause Third.

Any and all other property of any nature from time to time hereafter by delivery or by writing of any kind pledged or assigned as and for additional security hereunder, by the City or by anyone on its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any time and all times and to hold and apply the same subject to the terms hereof;

To Have And To Hold, all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in said trusts and assigns forever;

But In Trust, Nevertheless, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds from time to time issued under and secured by this Indenture, without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds except as expressly provided herein with respect to different Series of the Bonds;

Upon Condition that if the City, its successors or assigns, shall well and truly cause to be paid the principal of the Bonds and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, according to the intent and meaning thereof, and shall cause the payments to be made into the Bond Fund as required under Article IV hereof or shall provide, as permitted by Article XII hereof, for the payment thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due in accordance with the terms and provisions hereof to the extent provided herein, then this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture to be and remain in full force and effect.

This Indenture Of Trust Further Witnesseth, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered, and the Special Facility Revenues hereby assigned and pledged are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners from time to time of the Bonds as follows:

Article I.

Definitions.

Section 101. Definitions.

(a) For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) All references in this Indenture to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Indenture. The words "herein", "hereof", "hereto", "hereby", and "hereunder" and other words of similar import refer to this

Indenture as a whole and not to any particular Article, Section or other subdivision.

(2) The terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular.

(3) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(4) Every "request", "order", "demand", "application", "appointment", "notice", "statement", "certificate", "consent" or similar action required to be taken hereunder by the City shall, unless the form thereof is specifically provided, be in writing signed by the Authorized City Representative.

(5) Any other terms used herein that are defined in the Agreement shall have the same meanings assigned them in the Agreement unless otherwise defined herein or unless the context otherwise requires.

(6) In the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding".

(7) At any time there are more than one Trustee hereunder, with respect to the performance of duties imposed and exercise of powers granted to the Trustee hereunder, the word "Trustee" shall refer to whichever of the several Trustees shall be responsible for each of the duties imposed upon and powers granted to the Trustee hereunder. Notwithstanding any such agreement and unless expressly otherwise provided herein, the several Trustees shall be jointly and severally liable for each of such duties and all other obligations of the Trustee hereunder and shall be jointly and severally authorized hereunder to exercise each of such powers, and the word "Trustee" shall otherwise refer to the several Trustees jointly and severally.

(b) For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

"Additions" means any further improvements or other accessions to the Project as may hereafter be deemed necessary or desirable by the City and the Airline during the term of the Site Lease and made subject to its provisions that are financed by the issuance of Bonds hereunder.

"Administrative Expenses" means all costs and expenses, whether Ordinary Expenses or Extraordinary Expenses, of, or incidental to, the administration of this Indenture, any Supplemental Indentures and the

Agreement that are payable by the Airline under the Agreement or payable out of the Administrative Fund or the Trust Estate hereunder, including without limitation fees, premiums, interest amounts and other charges of and costs and expenses incurred by the Trustee, any Co-Trustee, any of their agents and employees, of any Credit Provider (other than the Airline or any of its affiliates), or any other Person designated in any Supplemental Indenture.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and for the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Aggregate Cost" of the Project or any Additions means the sum of all Costs thereof.

"Agreement" means the Special Facility Use Agreement (Cargo Facility) of even date herewith relating to the Bonds, by and between the City and the Airline, as from time to time amended and supplemented.

"Airline" means Deutsche Lufthansa Aktiengesellschaft, operating in the United States under the name "Lufthansa German Airlines", a corporation organized under the laws of the Federal Republic of Germany, and any surviving, resulting or transferee corporation as permitted under Section 5.3 of the Agreement.

"Airport" means the airport known as Chicago-O'Hare International Airport situated in the County of Cook and the County of DuPage, State of Illinois, together with any additions thereto or enlargements thereof.

"Architect" means the architect or firm of architects selected by the Airline and approved by the City that is acting at the time as the architect for the Project.

"Authorized Airline Representative" means such person who, at the time, shall have been designated as such pursuant to the provisions of Section 3.5 of the Agreement by a written certificate furnished to the City and the Trustee containing the specimen signature of such person and signed on behalf of the Airline by its President, any Vice President, Treasurer or Assistant Treasurer. Such certificate may designate an alternate or alternates.

"Authorized City Representative" means the Comptroller of the City or such other person at the time designated to act on behalf of the City by a written certificate furnished to the Airline and the Trustee containing the

specimen signature of such person and signed on behalf of the City by its Executive Officer. Such certificate may designate an alternate or alternates.

"Authorized Denominations" means any integral multiple of \$5,000, unless otherwise specified with respect to a particular Series of Bonds in this Indenture.

"Authorizing Ordinance" means the Ordinance adopted by the City Council of the City on [Ordinance Date] authorizing the issuance of the Series 1990 Bonds, the execution and delivery by the City of and its performance of its obligations under this Indenture, the Agreement, the Site Lease and other documents required or advisable in connection with the consummation of the transactions contemplated therein, as it may be amended or supplemented by further ordinances of the Governing Body of the City from time to time.

"Bond" or "Bonds" means any one or more of the bonds authorized, authenticated and delivered under this Indenture.

"Bond Counsel" means an attorney-at-law or a firm of attorneys-at-law of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia, selected by the City and approved by the Airline, which approval shall not be unreasonably withheld.

"Bond Fund" means the fund created by Section 405 hereof.

"Bond Registrar" means the bond registrar appointed as such under Section 205 hereof, including any co-bond registrar.

"Bondholder" or "holder of Bonds" or "owner of Bonds" means the Registered Owner of any Bond.

"Book-Entry Depository" means Midwest Securities Trust Company, Chicago, Illinois, or any other depository institution designated by the City, whether as successor thereto or in replacement thereof or independently, in this Indenture to act as a depository in connection with a book-entry system for maintaining ownership of interests in the Series 1990 Bonds or any other Bonds, as the case may be.

"Business Day" means any day other than (i) a Saturday or Sunday or (ii) a day on which commercial banks in New York, New York, Chicago, Illinois, or Cologne, Germany, are authorized by law or executive order to close.

"City" means the City of Chicago, a municipal corporation and home rule unit of local government duly organized and validly existing under the laws of the State of Illinois.

"Code" means the United States Internal Revenue Code of 1986, as amended and the Internal Revenue Code of 1954, as amended, to the extent applicable to the Bonds pursuant to Section 1317(5)(B) of the Tax Reform Act of 1986 (P.L. 99-514). References to the Code and to sections of the Code shall include relevant final, temporary or proposed regulations thereunder as in effect from time to time and as applicable to the Bonds.

"Commissioner" means the Commissioner of the Department of Aviation of the City, or any successor or successors to the duties of such official.

"Commissioners" means the Commissioner and the Commissioner of the Department of Public Works of the City, or any successor or successors to the duties of one or both of such officials.

"Completion Date" of the Project or of any Additions means the date of completion thereof as that date shall be certified in accordance with Section 3.4 of the Agreement.

"Construction Fund" means the fund created by Section 301 of this Indenture.

"Construction Period" with respect to the Project or any Additions means the period between the beginning of construction thereof or the date on which the initial Series of Bonds whose proceeds are used to finance the construction thereof are first delivered to the purchasers of such Series, whichever is earlier, and the Completion Date thereof.

"Cost" or "Costs" of the Project or any Additions means individually or collectively any of the items of cost or expense described in Section 303 hereof authorized to be paid from the Construction Fund pursuant to the provisions of Section 304 hereof.

"Costs of Issuance" means any or all of the following costs and expenses: the initial or acceptance fee of the Trustee, Trustee fees and expenses incurred during the Construction Period, legal, financial and accounting fees and expenses, and printing and engraving costs incurred in connection with the authorization, sale and issuance of the Bonds, the execution and filing, if any, of the Indenture and the Agreement, and the preparation of all other documents in connection therewith, and payment of all fees, costs and expenses in connection with the preparation of the Agreement, the Site Lease, the Indenture, and the Bonds and the consummation of the transactions contemplated hereby.

"Counsel" means an attorney-at-law or a firm of attorneys-at-law (who may be an employee of or counsel to the City, the Airline or the Trustee) duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

"Credit Facility" means, [with respect to all Bonds, the Guaranty of the Airline and,] with respect to any particular Series of Bonds (or specified Stated Maturity thereof), the guaranty, irrevocable letter of credit, line of credit, bond insurance or other form of credit enhancement and/or liquidity support, if any, including any alternate or replacement Credit Facility, for such Series of Bonds specified in this Indenture with respect to such Series of Bonds.

"Credit Provider" means, with respect to any particular Series of Bonds, the provider of a Credit Facility, if any, for such Series of Bonds specified in this Indenture with respect to such Series of Bonds.

"Debt Service Reserve Fund" means the fund created by Section 408 hereof.

"Debt Service Reserve Requirement" means, at any time, for a particular Series of Bonds or the Series Account in the Debt Service Reserve Fund with respect to such Series, the balance then required to be maintained in the Debt Service Reserve Fund or in the Series Account, if any, with respect to such Series, as determined pursuant to the provisions of Sections 204 and 211 hereof.

"Default" or "default" or "event of default" means an occurrence or event specified in and defined by Section 801 hereof.

"Executive Officer" means the Mayor of the City, the Comptroller of the City, or such other person as the Mayor shall designate in writing to perform any function or duty required by any provision of this Indenture or the Agreement to be performed by the Executive Officer.

"Extraordinary Services" and "Extraordinary Expenses" means all services rendered and all expenses incurred under this Indenture other than Ordinary Services and Ordinary Expenses.

"Federal Aviation Administration" (sometimes abbreviated as "F.A.A.") means the Federal Aviation Administration created under the Federal Aviation Act of 1958, including any amendments thereto, or any successor agency thereto.

"Force majeure" means any of the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the governments of the United States or the State, or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; lightning;

earthquakes; fires; tornadoes; volcanic eruptions; storms; droughts; floods; explosions; breakage or malfunction or accident to machinery, transmission lines, pipes or canals, even if resulting from negligence; civil disturbances; or any other cause not reasonably within the control of the Airline.

"General Airport Revenue Bond Ordinance" means the 1983 Chicago-O'Hare International Airport General Airport Revenue Bond Ordinance, as adopted by the Governing Body of the City on March 31, 1983, as amended or supplemented from time to time in accordance with its terms.

"General Airport Revenue Bonds" means bonds of the City heretofore or hereafter authenticated and delivered pursuant to the General Airport Revenue Bond Ordinance.

"Governing Body" means the City Council of the City, or any successor as legislative governing body of the City.

"Governmental Obligations" means (i) any bonds or other obligations of the United States of America that as to principal and interest constitute direct obligations of the United States of America or the full and timely payment of which are unconditionally guaranteed by the United States of America, are noncallable and at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein or (ii) securities or receipts evidencing ownership interests in obligations or specified portions (such as principal or interest) of obligations described in clause (i) of this definition.

"Guaranty" means the Irrevocable and Unconditional Guaranty dated as of October 1, 1990 of the Airline of the payment of all principal of and interest on the Bonds.

"Indenture" means this instrument as originally executed as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

"Interest Payment Date" means the first (1st) day of each [April] and October, beginning with [April] 1, 1991, or, if such day is not a Business Day, then the first Business Day thereafter, unless otherwise specified with respect to a particular Series of Bonds, in this Indenture.

"Investment Securities" means any of the following obligations or securities, to the extent permitted by law, on which neither the Airline nor any of its direct or indirect subsidiaries or affiliates (within the meaning of Section 1301 hereof) is the obligor:

(i) direct obligations of the United States of America and agencies thereof, or

(ii) obligations fully guaranteed by the United States of America, or

(iii) certificates of deposit issued by, or bankers' acceptances of, or time deposits with, any bank, trust company or national banking association incorporated or doing business under the laws of the United States of America or one of the states thereof having combined capital and surplus and retained earnings of at least \$300,000,000 (including the Trustee if such conditions are met), or

(iv) commercial paper of any holding company of a bank, trust company or national banking association described in clause (iii), or

(v) bearer note deposits with, or certificates of deposit issued by, or promissory notes of, any subsidiary incorporated under the laws of Canada or any province thereof of any bank, trust company or national banking association described in clause (iii), or

(vi) commercial paper of companies having a rating assigned to such commercial paper by S. & P. or Moody's (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the United States of America) equal to the highest rating assigned by such organization, or

(vii) certificates of deposits denominated in United States Dollars issued by, or United States Dollar time deposits with, the European subsidiaries of (a) any bank, trust company or national banking association incorporated or doing business under the laws of the United States of America or one of the states thereof having combined capital and surplus and retained earnings of at least \$300,000,000 or (b) any other bank having combined capital and surplus and retained earnings of at least \$300,000,000, or

(viii) Yankee certificates of deposit or commercial paper, both denominated in United States Dollars, issued by, or bankers' acceptances denominated in United States Dollars of, any bank having combined capital and surplus and retained earnings of at least \$300,000,000 and headquartered in West Germany, Canada, France, Japan, the United Kingdom, Switzerland or the Netherlands (provided that any investment made pursuant to this clause (viii) shall be in a minimum amount of \$1,000,000), or

(ix) time deposits denominated in United States Dollars with any Canadian bank having a combined capital and surplus and retained earnings of at least \$300,000,000, or

(x) money market accounts of the Trustee or any bank whose debt obligations are rated at least P-1 or Aa by Moody's or at least A-1 or AA by S. & P., or whose holding company parent's debt obligations are rated at least A-1 or AA by S. & P. or at least P-1 or Aa by Moody's or combined capital and surplus is not less than \$30,000,000, or

(xi) repurchase agreements with any financial institution or securities dealer having combined capital and surplus and retained earnings of at least \$50,000,000 with any of the obligations of the type described in clauses (i) through (ix) above as acceptable collateral, provided that the term of any such repurchase agreement shall not exceed 90 days.

The parties hereto agree that the definition of Investment Securities may be amended from time to time on written notice from the Airline, in accordance with Section 1001.

"Leased Premises" means the Demised Premises as defined in the Site Lease, including the Project.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Airline and acceptable to the Trustee.

"Net Proceeds", when used with respect to any insurance or condemnation award, means the proceeds from such insurance or condemnation award and any interest or investment earnings thereon, after payment of all expenses (including attorneys' fees) incurred in the collection of such proceeds.

"Ordinary Services" and "Ordinary Expenses" mean those services normally rendered and those expenses, including fees of counsel, normally incurred by a trustee or paying agent under instruments similar to this Indenture.

"Outstanding" or "outstanding" or "Bonds Outstanding", in connection with the Bonds means, as of the time in question, all Bonds authenticated and delivered under this Indenture, except:

(i) Bonds theretofore cancelled or required to be cancelled under Section 210 hereof;

(ii) Bonds that are deemed to have been paid in accordance with Section 410 or Article XII hereof; and

(iii) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II hereof.

"Person" means any natural person, firm, partnership, association, corporation, trust or public body.

"Plans and Specifications" means the plans and specifications describing the Project or any Additions, as originally submitted and as amended from time to time and approved by the City, all in accordance with the Site Lease, as duly certified by an Authorized Airline Representative.

"Project" means certain improvements constituting a cargo facility at the Airport, which are more fully described in Exhibit A to the Agreement, as said Exhibit A may from time to time be amended.

"Qualified Airport Facilities" means airports and directly related storage and training facilities within the meaning of and qualifying under Section 142(a) of the Code.

"Qualified Costs of Construction" means that portion of the Aggregate Cost of the Project that comprises items constituting or included in Qualified Airport Facilities, which items will be charged to the Project's capital account for federal income tax purposes or would be so chargeable either with a proper election by the owner of the Project under the Code or but for a proper election by the owner of the Project to deduct the amount thereof, and were incurred and paid, or are to be incurred and paid, after [Initial Ordinance Date].

"Rebate Fund" means the fund created by Section 415 hereof and administered in accordance with the Tax Documents.

"Record Date" means the close of business on the fifteenth (15th) day of the month immediately preceding each Interest Payment Date, unless otherwise specified with respect to a particular Series of Bonds in this Indenture.

"Recording Officer" means the City Clerk or Deputy City Clerk of the City.

"Registered Owner" or "Owner" means the Person or Persons in whose name or names a Bond shall be registered on books of the City kept for that purpose in accordance with the terms of this Indenture.

"S. & P." means Standard & Poor's Corporation, a corporation organized and existing under the laws of the State of [], its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S. & P." shall be deemed to refer to any other nationally recognized securities rating agency designated by the Airline and acceptable to the Trustee.

"Series" means all of the Bonds authenticated and delivered on a single date on original issuance and designated as a Series pursuant to this Indenture.

"Series Account" or "Series Sub-Account" means, with respect to any Series of Bonds, the account or sub-account, as the case may be, in any Fund or account therein in which moneys applicable to such Series are deposited and from which they are disbursed pursuant to the terms of this Indenture.

"Series 1990 Bonds" means the Series of Bonds issued pursuant to Section 204 of this Indenture.

"Site Lease" means the Cargo Building Site Lease dated as of October 1, 1990, between the City, as lessor, and the Airline, as lessee, as amended.

"Special Facility Revenue Fund" means the fund created by Section 402 of this Indenture.

"Special Facility Revenues" means the amounts pledged hereunder to the payment of principal of and interest and redemption premium, if any, on the Bonds, comprising the following: (i) all amounts payable from time to time by the Airline under the Agreement, except for Unassigned Rights and all receipts of the Trustee credited under the provisions of this Indenture or the Agreement against said amounts payable (including without limitation any excess rents payable by a replacement tenant under Section 12.01(c) of the Site Lease that are available to the Trustee for payment of such principal, interest or redemption premium), and (ii) any amounts paid into the Bond Fund from the Construction Fund or the Debt Service Reserve Fund or otherwise, including income on investments.

"State" means the State of Illinois.

"Stated Maturity" means with respect to any Bond the date specified in such Bond as the fixed date on which the entire principal amount of such Bond is due and payable.

"Supervising Consultant" means the person designated by the Commissioners pursuant to paragraph 2(b) of Exhibit C to the Site Lease.

"Tax Documents" means the Arbitrage Compliance Agreement by and among the City, the Airline and the Trustee, the General Tax Certificate and the Non-Arbitrage Certification executed by the City and the Airline's Project Cost and Tax Certificate executed by the Airline, each dated as of October 1, 1990, and any similar agreement or certificate setting forth various arbitrage related representations and/or covenants with respect to any particular Series of Bonds, as each may from time to time be amended or supplemented.

"Trustee" means either Independence Bank of Chicago, Chicago, Illinois, or The First National Bank of Chicago, Chicago, Illinois, jointly and severally, any successor to either of them serving as trustee hereunder pursuant to Section 906 or Section 909 hereof, and any separate or co-trustee serving as such hereunder.

"Trust Estate" means, subject to the provisions of Section 415 hereof, the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

"Unassigned Rights" means the rights of the City to execute and deliver (subject to the provisions of the Agreement and this Indenture), or to decline to execute and deliver, supplements or amendments to the Agreement or this Indenture, the rights of the City to receive documentation and notices under the Agreement, the rights of the City under Sections 3.1(a) and 3.4(b) of the Agreement and the rights of the City to be held harmless, to be reimbursed for its expenses and to be indemnified under Sections 4.2(c), 5.4, 5.8, 5.9 and 6.4 of the Agreement, and to enforce such rights in its own name and for its own account to the extent provided in Section 6.2 of the Agreement or in its sole discretion to waive the same in particular instances under Section 6.5 of the Agreement.

Article II.

The Bonds.

Section 201. Authorization For This Indenture And The Bonds.

(a) This Indenture is adopted by virtue of and pursuant to the home rule powers of the City. The City has ascertained and hereby determines and declares that the adoption of this Indenture is necessary to meet the commercial and general aviation needs of the citizens of the City, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate such purposes of the City and to carry out its powers and is in furtherance of

the public benefit, safety and welfare of the City, and that each and every covenant or agreement contained and made herein is necessary, useful or convenient in order better to secure the Bonds issued hereunder and are contracts or agreements necessary, useful and convenient to carry out and effectuate the corporate purposes of the City.

(b) In consideration of the purchase and acceptance of Bonds issued hereunder by those who shall hold the Bonds from time to time, the provisions of this Indenture shall be a part of the contract of the City with the holders of such Bonds and shall be deemed to be and shall constitute a contract between the City, the Trustee and the holders from time to time of such Bonds.

(c) In order to provide sufficient funds for the financing of the Project and any Additions, Bonds are hereby authorized to be issued from time to time in one or more Series as hereinafter provided, without limitation as to amount, except as provided herein or as may be limited by law, for the purposes of (i) the payment, or the reimbursement for the payment of, the Costs of the Project or any Additions, as provided in Sections 303 and 304 hereof, or (ii) the funding of any Fund or account or sub-account therein created by this Indenture, including, in case of each Series of Bonds, payment of Costs of Issuance thereof.

(d) All Series of the Bonds and the interest thereon shall be equally and ratably secured by the pledge of Special Facility Revenues contained in this Indenture.

Section 202. Title, Form And Other General Terms Of Bonds.

(a) Title. The general title of the Bonds of all Series shall be "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project)". With respect to the Bonds of any particular Series, the City may incorporate in or add to the general title of such Bonds any words, letters or figures designed to distinguish that Series.

(b) Form. The Bonds and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A attached hereto, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by and more particularly set forth elsewhere in this Indenture or in an indenture supplemental hereto with respect to a particular Series of Bonds, and may have such letters, numbers or other marks of identification and such legends or endorsement placed thereon as may be required to comply with the rules of any securities exchange, or as may, consistently herewith, be determined by the Executive Officers executing such Bonds as evidenced by this execution thereof and as required or permitted by the Authorizing Ordinance. Any portion of the text of any

Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

(c) **Reproduction.** The definitive Bonds shall be printed, lithographed or engraved or produced by any combination of these methods or produced in any other manner permitted by the rules of any securities exchange or which any Series of the Bonds may be listed or any depository for maintaining ownership of any Series of Bonds through a book-entry system, all as determined by the Executive Officers executing such Bonds as evidenced by their execution thereof and as required or permitted by the Authorizing Ordinance.

(d) **Only Registered Bonds.** The Bonds shall be issuable only as fully registered bonds without coupons in Authorized Denominations and shall be numbered as determined by the Trustee unless the City shall otherwise direct.

(e) **Manner of Payment.** Except as otherwise specified in this Indenture with respect to a particular Series of Bonds, the principal of and interest on the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee; provided that the payment of interest alone with respect to the Bonds shall be made to the Registered Owner thereof:

(1) by check or draft mailed on the applicable Interest Payment Date to the Registered Owner as of the close of business on the applicable Record Date, at his address as it appears on the registration books of the City; or

(2) by wire transfer on the applicable Interest Payment Date to any Registered Owner of \$500,000 or more in aggregate principal amount of the Bonds as of the close of business on the applicable Record Date if such Registered Owner shall provide written notice to the Trustee not less than fifteen (15) days before such Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice) of such wire transfer address in the continental United States as such Registered Owner shall specify,

except, in each case, that, if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the Owners in whose names any such Bonds are registered at the close of business on the fifth (5th) Business Day next preceding the date of payment of such defaulted interest. Payment of principal shall be made only upon presentation and surrender of each Bond, as the same becomes due, at the principal corporate trust office of the Trustee.

(f) Interest on Bonds. Each Series of Bonds shall bear interest from the most recent Interest Payment Date with respect to such Series to which interest has been paid in full or duly provided for (or, if none, from the initial date such Series of Bonds shall be dated), until payment of the principal thereof shall have been made or provided for in accordance with the provisions of this Indenture, whether at Stated Maturity, upon redemption, by acceleration or otherwise. Each Bond shall bear interest on overdue principal and, to the extent permitted by law, on overdue interest at the rate borne by such Bond on the day the same became due.

Section 203. Terms Of Particular Series.

Each Series of Bonds, except the Series 1990 Bonds created by Section 204 hereof, shall be created by an indenture supplemental hereto authorized by the Governing Body of the City establishing the terms and provisions of such Series of Bonds and the form of the Bonds of such Series. The several Series of Bonds may differ from the Series 1990 Bonds and as between Series in any respect not in conflict with the provisions of this Indenture and as may be prescribed in the supplemental indenture creating such Series.

Section 204. Terms Of The Series 1990 Bonds.

(a) Following the execution of this Indenture, the City may issue an initial Series of Bonds, designated "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), Series 1990" (as hereinabove defined, the "Series 1990 Bonds"), and the aggregate principal amount thereof to be issued under this Indenture shall not exceed \$[45,000,000]. The Series 1990 Bonds shall be in the form of Exhibit A hereto with such insertions, omissions, substitutions and variations as may be determined by the Executive Officers executing the same, relying on the advice of Bond Counsel, as evidenced by their execution thereof to reflect the applicable of the Series 1990 Bonds established by this Section. Each of the Series 1990 Bonds shall bear the identifying letter "R", followed by an Arabic numeral to be assigned to each, such numbers to be assigned consecutively from "I" upwards.

(b) The Series 1990 Bonds initially shall be dated as of October 1, 1990, and each Series 1990 Bonds subsequently issued in exchange for another Series 1990 Bond or Bonds shall be dated as of the most recent Interest Payment Date or other date to which interest has been paid or duly provided for.

(c) Each Series 1990 Bond shall bear interest at the rate of [Interest Rate]% per annum from its date, or from the most recent Interest Payment Date or other date to which interest has been paid or duly provided for, until

the principal amount thereof is paid or duly provided for, beginning [April] 1, 1991, and semiannually thereafter on [April] 1 and October 1 in each year (as hereinabove defined, each an "Interest Payment Date"), calculated on the basis of a 360-day year comprising twelve 30-day months.

(d) The Series 1990 Bonds may be redeemed by the City, at the option of the Airline, on any Business Day on or after October 1, [], in whole or in part, at the redemption prices (expressed as percentages of the principal amount of the Bonds to be so redeemed) set forth in the following table plus accrued interest to the date fixed for redemption:

Period (both dates inclusive)	Redemption Price
[] through []	[102%]
[] through []	[101%]
[] and thereafter	100%,

pursuant to the applicable provisions of Article VI hereof.

(e) The proceeds from the issuance and sale of the Series 1990 Bonds, minus underwriters' discount of \$[] and original issue discount of \$[], plus accrued interest, shall be applied for the purposes set forth in this Indenture, and to such end upon receipt shall be deposited as follows:

(1) There shall be deposited \$[], representing a portion of the capitalized interest, in the Capitalized Interest Account in the Construction Fund.

(2) There shall be deposited \$[] in the Costs of Issuance Account in the Construction Fund.

(3) There shall be deposited \$[] in the Debt Service Reserve Fund in satisfaction of the Debt Service Reserve Requirement for the Series 1990 Bonds.

(4) There shall be deposited \$[], representing accrued interest on the Series 1990 Bonds, in the Interest Account in the Bond Fund.

(5) There shall be deposited \$[], representing the balance of the net proceeds of the issuance and sale of the Series 1990 Bonds, in the Construction Account in the Construction Fund.

(f) The City hereby designates Midwest Securities Trust Company, Chicago, Illinois, to act as Book-Entry Depository with respect to the Series 1990 Bonds. The City hereby authorizes and directs the Trustee to, and covenants and agrees that the City itself will, execute and deliver such agreements and instruments as shall be reasonably requested by the Book-Entry Depository as necessary or advisable in order to effectuate such book-entry system as administered by such Book-Entry Depository, the provisions of which shall in no event be inconsistent with or contradict the provisions of this Indenture.

(g) The Debt Service Reserve Requirement for the Series 1990 Bonds shall equal the least of (i) ten percent (10%) of the original aggregate principal amount of the Series 1990 Bonds, (ii) the maximum amount of interest payable on the Series 1990 Bonds on any two consecutive Interest Payment Dates, or (iii) the maximum amount permitted under the Code. Moneys on deposit in the Debt Service Reserve Fund with respect to the Debt Service Reserve Requirement for the Series 1990 Bonds shall not be available to pay the principal of or interest on any Series of Bonds other than the Series 1990 Bonds.

Section 205. Registration, Transfer And Exchange.

(a) The City shall cause books for the registration and for the transfer of the Bonds as provided in this Indenture to be kept by the Trustee, which is hereby constituted and appointed the Bond Registrar of the City. With the consent of the Airline, the Trustee may appoint any other bank, trust company or national banking association with its principal corporate trust office located in Chicago, Illinois, to act as authenticating agent or co-bond registrar under such conditions as the Trustee may prescribe. References herein to the Bond Registrar shall be deemed to include any such authenticating agent or co-bond registrar to the extent permitted by, and consistent with, the conditions prescribed by the Trustee in its appointment of any such authenticating agent or co-bond registrar.

(b) Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, the City shall cause to be executed and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds, for a like aggregate principal amount.

(c) Bond accompanied by an assignment duly executed by the Registered Owner thereof or his duly authorized attorney, in such form as shall be satisfactory to the Bond Registrar, may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of

Bonds of other Authorized Denominations. The City shall cause to be executed and the Trustee shall authenticate and deliver Bonds that the Bondholder making the exchange is entitled to receive, bearing numbers not then outstanding. The execution in accordance with Section 206 hereof by the Executive Officer and the attestation by the Recording Officer of any Bond of any Authorized Denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond. The Trustee shall not be required to transfer or exchange any Bond during the period beginning 15 days before the mailing of any notice calling such Bond or any portion thereof for redemption and ending on the redemption date.

(d) As to any Bond, the Registered Owner shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal or interest of any such Bond shall be made only to or upon the order of the Registered Owner thereof or his attorney duly authorized in writing, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(e) Exchanges and transfers shall be made without charge to the Bondholders; provided that in each case the Trustee shall require the payment by the Bondholder requesting exchange or transfer of any tax or other governmental charge required to be paid with respect thereto.

Section 206. Execution; Limited Obligation.

(a) The Bonds shall be executed on behalf of the City with the facsimile signature of its Executive Officer and attested with the facsimile signature of its Recording Officer, and shall have impressed or printed thereon a facsimile of the corporate seal of the City. Any such facsimile signature shall have the same force and effect as if said Executive Officer or said Recording Officer had manually signed each of said Bonds. If any officer, a facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

(b) The Bonds, together with interest thereon, shall be limited obligations of the City giving rise to no pecuniary liability of the City nor any charge against its general credit or taxing power, shall be payable solely from the Special Facility Revenues and other moneys pledged therefor under this Indenture, and shall be a valid claim of the respective Owners thereof only against the Special Facilities Revenue Fund, the Bond Fund, the Construction Fund, the Debt Service Reserve Fund, the Special Facility Revenues and other moneys held by the Trustee. The Bonds are not in any

respect a general obligation of the City, nor are they payable in any manner from revenues raised by taxation. The Project is not security for the Bonds, and the Bonds are not secured by any other properties or improvements at the Airport or the Revenues (as defined in the General Airport Revenue Bond Ordinance) or any other revenues derived by the City from the operation of the Airport generally.

(c) No recourse shall be had for the payment of the principal of or interest or redemption premium, if any, on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained, against any past, present or future officer, employee or agent, or member of the Governing Body of the City, or any successor to the City, as such, either directly or through the City or any successor to the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, employee or agent, or member of the Governing Body, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of any of the Bonds.

Section 207. Authentication.

No Bond shall be valid for any purpose until the certificate of authentication on such Bond shall have been duly executed by the Trustee, and such authentication shall be conclusive proof that such Bond has been duly authenticated and delivered under this Indenture and that the Owner thereof is entitled to the benefits of the trust hereby treated. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if manually signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder.

Section 208. Mutilated, Destroyed, Lost, Stolen, Or Undelivered Bonds.

(a) Upon receipt by the City and the Trustee of evidence satisfactory to both of them that any Outstanding Bond has been mutilated, destroyed, lost or stolen, and of indemnity satisfactory to both of them, the City, in its discretion, may execute and thereupon the Trustee shall authenticate and deliver a new Bond of the same maturity and of like tenor as the mutilated, destroyed, lost or stolen Bond, but bearing a number not contemporaneously outstanding. If any such Bond shall have matured, instead of issuing a replacement Bond, the City may pay the same without surrender thereof. The City and the Trustee may charge the Owner of such Bond with their reasonable fees and expenses in this connection.

(b) The City shall cooperate with the Trustee in connection with the issue of replacement Bonds, but nothing in this Section shall be construed in derogation of any rights that the City, the Airline or the Trustee may have to receive indemnification against liability, or payment or reimbursement of expenses, in connection with the issuance of a replacement Bond. In executing a new Bond as provided for in this Section 208, the City may rely conclusively on a representation of the Trustee that the Trustee is satisfied with the adequacy of the evidence presented concerning the mutilation, loss, theft or destruction of any Bond.

(c) Every substituted Bond issued pursuant to this Section 208 shall constitute an additional contractual obligation of the City (as provided in this Indenture), whether or not the Bond alleged to have been mutilated, destroyed, lost or stolen or any undelivered Bonds shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder.

(d) All Bonds shall be owned upon the express condition that the foregoing provisions are, to the extent permitted by law, exclusive with respect to the replacement or payment of mutilated, destroyed, lost, stolen or undelivered Bonds, and shall preclude any and all other rights or remedies.

Section 209. Temporary Bonds.

Pending preparation of definitive Bonds, or by agreement with the purchasers of all Bonds, the City may issue and, upon the request of the City, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary typewritten or printed Bonds in Authorized Denominations of substantially the tenor recited above. Upon request of the City, the Trustee shall authenticate definitive Bonds in Authorized Denominations in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 210. Cancellation And Disposition Of Surrendered Bonds.

(a) Upon full payment of any Outstanding Bond or whenever any Outstanding Bond shall be delivered to the Trustee for transfer or for exchange, for cancellation pursuant to this Indenture, or for replacement pursuant to Section 208 hereof, such Bond shall be promptly cancelled by the Trustee and disposed of by the Trustee in accordance with a written direction of an Authorized Airline Representative, and counterparts of a certificate evidencing such disposition shall be furnished by the Trustee to the City and the Airline.

(b) If, before the maturity of any Bond, the Airline surrenders any Bond to the Trustee for cancellation, the Trustee shall cancel such Bond.

Section 211. Issuance And Delivery Of The Bonds.

(a) Upon the execution and delivery of this Indenture, the City shall execute and deliver to the Trustee and the Trustee shall authenticate each Series of the Bonds and deliver them to the purchasers as directed by the City as hereinafter in this Section provided.

(b) Before the delivery by the Trustee of any of the Bonds under this Section 211, there shall be filed with the Trustee:

(1) A copy, duly certified by the Recording Officer, of the Authorizing Ordinance;

(2) Original executed counterparts of the Agreement and this Indenture;

(3) An original executed counterpart of the Guaranty;

(4) An opinion of Counsel to the City to the effect that (i) the City has the right and power to execute and deliver this Indenture, the Agreement and the Site Lease; (ii) this Indenture, the Agreement and the Site Lease have been duly and lawfully authorized, executed and delivered by the City, are in full force and effect and are valid and binding upon the City and enforceable in accordance with their respective terms, assuming the Agreement and the Site Lease are valid and binding upon the Airline and enforceable against the Airline in accordance with their respective terms; and (iii) the execution and delivery of, and performance by the City of its obligations under, this Indenture, the Agreement and the Site Lease do not contravene the provisions of any ordinance, statute, or regulation or, to the best knowledge of such Counsel after due inquiry, conflict with any material provision of any indenture, agreement, mortgage, deed of trust or other instruments to which the City is party or by which the City is bound; and

(5) Original executed counterparts of the initial Tax Documents.

(c) Before the delivery by the Trustee of each Series of the Bonds under this Section 211, there shall be filed with the Trustee:

(1) A written order as to the delivery of such Series, signed by an Executive Officer and stating (i) the identity of the purchasers, aggregate purchase price and date and place of delivery of such Series and (ii) that no Default has occurred and is continuing under this Indenture;

(2) A certificate to the City executed by the Independent Airport Consultant (as defined in the General Airport Revenue Bond Ordinance) certifying the matters required to be certified by the Independent Airport Consultant under Section 903 of the General Airport Revenue Bond Ordinance;

(3) A certificate of an Executive Officer setting forth:

(i) The amount, if any, of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Debt Service Reserve Account, so that the amount held in the Series Account for such Series therein shall be equal to the Debt Service Reserve Requirement for such Series;

(ii) The amount, if any, of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Capitalized Interest Account in the Construction Fund;

(iii) The amount of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Construction Account in the Construction Fund;

(iv) The amount of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Costs of Issuance Account in the Construction Fund; and

(v) The purpose or purposes for which the balance, if any, of the proceeds of the sale of such Series is to be used;

(4) A copy, duly certified by the Recording Officer, of the ordinance of the Governing Body of the City authorizing the issuance of such Series;

(5) An original executed counterpart of the contract of purchase with respect to such Series of Bonds between the City and the purchasers thereof pertaining to the sale of such Series;

(6) Original executed counterparts of any additional Tax Documents required by Bond Counsel in connection with the issuance and sale of such Series of Bonds; and

(7) Original executed counterparts of any Credit Facility and any other agreements required by the Credit Provider in connection therewith and of any other agreements with any other Persons or any other documents,

and any moneys, as are required by the provisions of this Indenture authorizing the issuance of such Series or with respect to the terms and provisions of Bonds of such Series.

(d) Before the delivery by the Trustee of each Series of the Bonds other than the Series 1990 Bonds, there shall also be filed with the Trustee:

(1) An original executed counterpart of the supplemental indenture authorizing such Series, which shall specify the following, to the extent applicable:

(i) The authorized principal amount and Series designation of such Bonds and/or any limit on the aggregate principal amount of such Series which may be authenticated and delivered under such supplemental indenture (except for Bonds authenticated and delivered upon registration and transfer of, or in exchange for, other Bonds of such Series pursuant to Section 205 hereof);

(ii) The purpose or purposes for which such Series is being issued, including a description of any Additions to be financed from the proceeds of the sale of such Series;

(iii) The dated date or dates, and the date or dates of Stated Maturity, of the Bonds of such Series, or the manner of determining such dates;

(iv) The interest rate or rates to be borne by the Bonds of such Series or the manner of determining such rate or rates and the Interest Payment Dates for such Series;

(v) The manner of dating, numbering and lettering the Bonds of such Series;

(vi) The manner in and redemption price or prices (including any premium) at which Bonds of such Series may be redeemed which shall be consistent with or supplement the provisions of Article VI and other applicable provisions of this Indenture;

(vii) The establishment of any Series Account in the Debt Service Reserve Fund and the amount of any Debt Service Reserve Requirement applicable to such Series;

(viii) The operation and other terms of any sinking, amortization, improvement or other analogous fund applicable to the Bonds of such Series, including the dates of any redemptions or other purchases of the Bonds of such Series required thereby, or the manner of determining such terms or dates;

- (ix) Provisions for the sale of the Bonds of such Series;
 - (x) The identity of any Book-Entry Depository for such Series;
 - (xi) The nature of the Credit Facility and the identity of the Credit Provider (other than the Airline) with respect to such Series of Bonds, if any;
 - (xii) Any additional covenants of the City required by the Code or other applicable law; and
 - (xiii) Any other provisions deemed advisable or necessary by the City as shall not conflict with the provisions of this Indenture; and
- (2) An opinion of Counsel to the City confirming the matters set forth in the opinion described in subsection (b)(4) above as they shall apply to such supplemental indenture.

Article III.

Construction Fund.

Section 301. Creation Of The Construction Fund And Accounts Therein.

(a) There is hereby created and ordered established with the Trustee a trust fund in the name of the City to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Construction Fund (Lufthansa German Airlines Project)" (the "Construction Fund"). The Trustee shall deposit into the Construction Fund and the accounts therein the amounts of proceeds received from the sale of Bonds set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof.

(b) Moneys in the Construction Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Construction Fund are disbursed or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Construction Fund and all accounts therein and disbursements therefrom.

Section 302. Use Of Moneys In The Construction Fund.

The moneys on deposit in the Construction Fund and the accounts therein

created shall be applied for the purposes and uses specified below:

(a) **Costs of Issuance Account.** There is hereby created and ordered established in the Construction Fund a Costs of Issuance Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Moneys held in the Costs of Issuance Account shall be disbursed to pay Costs of Issuance of the Bonds upon receipt by the Trustee of a written order signed by the Authorized City Representative, identifying generally the nature and amount of such Costs of Issuance. Any balance remaining in the Costs of Issuance Account in the Construction Fund twelve months after the date of delivery of the Bonds shall be transferred to the credit of the Construction Account in the Construction Fund, whereupon the Costs of Issuance Account shall be closed.

(b) **Capitalized Interest Account.** There is hereby created and ordered established in the Construction Fund a Capitalized Interest Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Moneys held in the Capitalized Interest Account are intended to be used for the purpose of paying interest, other than accrued interest, on the Bonds before the Completion Date and shall be disbursed, to the extent available, to pay interest, other than accrued interest, on the Bonds. At the time of the deposit of proceeds from the sale of the Bonds into the Capitalized Interest Account, the City shall deliver to the Trustee upon receipt from the Airline a written schedule of dates on which moneys in such account are required to be transferred by the Trustee for deposit in the Interest Account in the Bond Fund. On any Interest Payment Date for a Series of Bonds on which moneys are available in the Capitalized Interest Account to pay interest on such Bonds, the Trustee shall first deposit such available moneys, but only to the extent of the amount of interest then so payable, into the Interest Account of the Bond Fund before depositing any moneys from any other Fund available therefor for such purpose.

(c) **Construction Account.** There is hereby created and ordered established in the Construction Fund a Construction Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Before the Completion Date of the Project or any Additions, as the case may be, the Trustee shall also deposit moneys representing earnings on investments in the Debt Service Reserve Fund into the Construction Account pursuant to Section 501(c) hereof. Moneys held in the Construction Account shall be disbursed by the Trustee to pay any and all of the Cost of the Project as provided in this Article.

Section 303. Costs Of The Project Or Any Additions.

To the extent permitted by applicable law, for the purposes of this Indenture and Agreement, Costs of the Project or any Additions shall include any and all of the following:

(a) Payment to the Airline or the City of such amounts, if any, as shall be necessary to reimburse the Airline or the City in full for all advances and payments made by it at any time before or after the delivery of the Bonds for expenditures in connection with the preparation of the Plans and Specifications (including any preliminary study or planning of the Project or any aspect thereof) and the construction and installation of the Project or such Additions;

(b) Payment for labor, services, materials and supplies used or furnished in site improvement and in the construction and installation of the Project or such Additions (including progress payments), all as provided in the Plans and Specifications and work orders therefor, payment for the cost of the construction, acquisition and installation of utility services or other facilities, and all real and personal property deemed necessary in connection with the Project or such Additions and payment for the miscellaneous expenditures incidental to any of the foregoing items;

(c) Payment of the fees and expenses, if any, for architectural, engineering, legal, underwriting and supervisory services with respect to the Project or such Additions;

(d) To the extent not paid by a contractor for construction or installation with respect to any part of the Project or such Additions, payment of the premiums on all insurance required to be maintained during the Construction Period for the Project or such Additions;

(e) Payment of the taxes, assessments and other charges, if any, that may become payable during the Construction Period with respect to the Project or such Additions, or reimbursement thereof if paid by the Airline;

(f) Payment of expenses incurred in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the Project or such Additions; and

(g) Payment of any other items of cost and expense, including Administrative Expenses, not specified elsewhere in this Section, incident to the design, construction and equipping of the Project or such Additions and the financing thereof.

Section 304. Disbursements From The Construction Account In The Construction Fund.

(a) The City hereby authorizes and directs the Trustee to disburse the moneys in the Construction Account of the Construction Fund (or in any applicable Series Sub-Account therein) to or at the direction of the Airline for items included in the costs of the Project or such Additions other than Costs of Issuance. Each payment from the Construction Account shall be made upon receipt by the Trustee, with a copy furnished to the City, of a written order signed by the Authorized Airline Representative certifying:

- (1) The requisition number;
- (2) The name and address of each of the persons, firms or corporations to whom or to which payment is to be made from the Construction Account in the Construction Fund (or any applicable Series Sub-Account therein), which may include the Airline;
- (3) The amount to be paid;
- (4) That each obligation mentioned therein has been properly incurred and is a necessary and proper Cost of the Project of such Additions;
- (5) That each of the items of Cost for which the payment is proposed to be made is due and has not been included in any prior written order which has been paid or, if previously included, has not been satisfied to the extent presently proposed to be paid;
- (6) That after taking into account the costs proposed to be paid or reimbursed in said certificate at least 95% of all of the costs paid or reimbursed out of the Construction Fund are Qualified Costs of Construction; and
- (7) That no Event of Default under the Agreement that has not been waived has occurred and is continuing.

Such written orders shall be accompanied by copies of such relevant statements, invoices, or other supporting data as the Trustee may reasonably request.

(b) Moneys in the Construction Account of the Construction Fund (or any applicable Series Sub-Account therein) may only be applied as set forth in subsection (a) above or in Section 305 hereof.

Section 305. Other Uses Of Construction Fund Moneys.

(a) The completion of the Project or any Additions and payment or provisions made for payment of the full Aggregate Cost of the Project or such Additions shall be evidenced by the filing with the Trustee of a certificate required by the provisions of Section 3.4 of the Agreement. Moneys remaining in the Construction Account or the Capitalized Interest Account of the Construction Fund (or any applicable Series Sub-Account in either thereof, including any earnings on investments that remain in such account or sub-account) at the time such certificate with respect to the Project or any Additions is delivered to the Trustee may be used, at the direction of the Authorized Airline Representative (which shall be given as soon as practicable after the Completion Date), for any one or more of the following purposes:

(1) for the payment when due of any Cost of the Project or any Additions, as the case may be, not then due and payable as specified in the above-mentioned certificate; or

(2) for transfer to the Principal Account in the Bond Fund (or the applicable Series Sub-Account therein) and application (i) to the redemption of Bonds of the applicable Series on the earliest practicable redemption date permitted; or (ii) for the payment of principal of the Bonds of any applicable Series; or

(3) for transfer to another Series Sub-Account in the Construction Account in the Construction Fund, for application to the Costs of other Additions; or

(4) for transfer (i) to the Interest Account in the Bond Fund or (ii) to the Capitalized Interest Account in the Construction Fund (or any applicable Series Sub-Account therein) and application to the payment of interest on Bonds of any applicable Series.

(b) Upon the occurrence and continuation of an event of default hereunder (which event of default is not waived in accordance with the provisions of this Indenture), subject to Section 805 hereof, or if the Airline should prepay all amounts payable under the Agreement pursuant to Section 7.1 or Section 7.2 of the Agreement, any balance then remaining in the Construction Fund shall without further authorization be deposited in the Bond Fund by the Trustee.

(c) Notwithstanding any other provision of this Section to the contrary, before any such moneys may be used for any purpose specified in subsection (a)(2)(ii), (3) or (4) or (b) above, the Trustee shall be furnished with an opinion of Bond Counsel to the effect that such transfer will not cause or use of moneys so transferred in accordance with this Section will not cause the interest on any Bonds to become includible in gross income for federal income tax purposes.

Article IV.

Special Facility Revenues And Other Funds And Accounts.

Section 401. Sources Of Payment For Bonds.

The Bonds and all payments required of the City hereunder are not general obligations of the City but are limited obligations as described in Section 206 hereof. The Special Facility Revenues are pledged and assigned to the Trustee as security for the payment of the principal of and interest on the Bonds. The payments provided in Sections 4.2(a), (b), and (c) of the Agreement are to be remitted directly to the Trustee for the account of the City and deposited in the Special Facility Revenue Fund. In addition, the Airline in the Guaranty has guaranteed the payment of principal and interest and redemption premium, if any, on the Bonds as the same shall be due and payable hereunder and pursuant to the terms of the Bonds, and all payments under the Guaranty are to be remitted directly to the Trustee for the account of the City and deposited in the Special Facility Revenue Fund. Such payments under the Agreement and under the Guaranty, each sufficient in amount to insure the prompt payment of the principal of and interest and redemption premium, if any, on the Bonds, are pledged to the Trustee as security for such payments on the Bonds.

Section 402. Creation Of The Special Facility Revenue Fund.

(a) There is hereby created and ordered established with the Trustee a trust fund in the name of the City to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Revenue Fund (Lufthansa German Airlines Project)" (the "Special Facility Revenue Fund"). The Trustee shall deposit into the Special Facility Revenue Fund all amounts of Special Facility Revenues, whether from the Airline pursuant to Article IV of the Agreement or from any other source.

(b) Moneys in the Special Facility Revenue Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Special Facility Revenue Fund are disbursed or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Special Facility Revenue Fund and all accounts therein and disbursements therefrom.

Section 403. Payment Of Special Facility Revenues Over To Trustee.

Pursuant to the Agreement, the City has caused the Special Facility Revenues to be paid to the Trustee for deposit in the Special Facility Revenue Fund in accordance with the terms of this Indenture to effect payment of the principal of and interest on the Bonds as the same become due and to maintain the balance in the Series Account for each Series of Bonds in the Debt Service Reserve Fund at a level equal to or greater than the Debt Service Reserve Requirement for such Series of Bonds. The Trustee shall give the Airline and the City notice not less than five (5) Business Days in advance of any Interest Payment Date or any date on which a payment of principal is due under any Series of Bonds of such date and the amounts then due, but the failure of the Trustee to give such notice shall not waive or otherwise alter or delay any obligations of the City hereunder or of the Airline under the Agreement with respect to the payment of any such amounts. Nothing herein shall be construed as requiring the City to use any funds or revenues from any source other than Special Facility Revenues.

Section 404. Disbursements From The Special Facility Revenue Fund.

(a) The moneys in the Special Facility Revenue Fund shall be disbursed and applied by the Trustee as required to make deposits on the dates and in the amounts provided below:

(1) First, on each Interest Payment Date or other date upon which interest on any Series of Bonds is payable, a sum that, together with other moneys available therefor in the Capitalized Interest Account in the Construction Fund, and the Interest Account in the Bond Fund, will be sufficient to pay all interest on such Series due on such date shall be deposited in the Interest Account (and in any applicable sub-account therein) in the Bond Fund;

(2) Second, on each date on which principal of any Series of Bonds is payable, at Stated Maturity, by acceleration or otherwise, a sum that, together with other moneys available therefor in the Principal Account in the Bond Fund, will be sufficient to pay all principal of such Series due on

such date shall be deposited in the Principal Account (and in any applicable sub-account therein) in the Bond Fund;

(3) Third, on each date on which Bonds of any Series are to be redeemed, a sum that, together with other moneys available therefor in the Redemption Account in the Bond Fund, will be sufficient to pay the redemption price (including any premium) of such Bonds to be redeemed on such date shall be deposited in the Redemption Account (and in any applicable sub-account therein) in the Bond Fund;

(4) Fourth, at any time the balance in the Debt Service Reserve Fund or in any Series Account therein shall be less than the Debt Service Reserve Requirement then in effect for the applicable Series, any amount remaining available in the Special Facility Revenue Fund therefor, after the deposits required under the foregoing clauses (1), (2) and (3) have been made, shall be deposited in the Debt Service Reserve Fund or in such Series Account, but only to the extent necessary to restore the balance therein to the level of the Debt Service Reserve Requirement therefor; and

(5) Fifth, at any time the balance in the Rebate Fund shall be less than the amount of moneys then to be paid therefrom pursuant to the Tax Documents, a sum equal to the amount of such deficit shall be deposited in the Rebate Fund.

(b) If there are insufficient moneys in the Special Facility Revenue Fund to make any of the deposits required in subsection (a) above, such deposits shall be made in the priorities set forth therein as and to the extent moneys become available in the Special Facility Revenue Fund therefor.

(c) Except as provided in Sections 404(a)(5) and 903, moneys in the Special Facility Revenue Fund, together with certain other moneys deposited in the Bond Fund pursuant to Sections 305 and 409 hereof, shall be used solely for the payment of the principal of and interest and redemption premium, if any, on the Bonds or for deposit into the Debt Service Reserve Fund to be available for such purposes.

Section 405. Creation Of The Bond Fund.

(a) There is hereby created and ordered established with the Trustee a trust fund in the name of the City to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Fund (Lufthansa German Airlines Project)" (the "Bond Fund"), which shall be used to pay the principal of and interest on the Bonds.

(b) Moneys in the Bond Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Bond Fund are disbursed

or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Bond Fund and all accounts and sub-accounts therein and disbursements therefrom.

Section 406. Payments Into The Bond Fund.

There shall be deposited into the Bond Fund from time to time the following:

(a) any amounts transferred from the Special Facility Revenue Fund pursuant to the provisions of Section 404 hereof;

(b) any amounts transferred from the Construction Fund pursuant to the provisions of Section 305 hereof;

(c) any amounts transferred from the Debt Service Reserve Fund pursuant to the provisions of Section 409 hereof; and

(d) all other moneys received by the Trustee under and pursuant to the provisions of this Indenture or any of the provisions of the Agreement, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

Section 407. Use Of Moneys In The Bond Fund.

The moneys on deposit in the Bond Fund and the accounts therein created shall be applied for the purposes and uses specified below:

(a) Interest Account. There is hereby created and ordered established in the Bond Fund an Interest Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Moneys held in the Interest Account shall be disbursed by the Trustee on each Interest Payment Date or other date upon which interest on the Bonds is payable in the amount of interest then payable on all or a portion of the Bonds.

(b) Principal Amount. There is hereby created and ordered established in the Bond Fund a Principal Account. Moneys held in the Principal Account shall be disbursed by the Trustee on each date on which principal of the Bonds is payable, at Stated Maturity, by acceleration or otherwise, in the amount of the principal then payable.

(c) Redemption Account. There is hereby created and ordered established in the Bond Fund a Redemption Account. Moneys held in the Redemption Account shall be disbursed by the Trustee on each date on which Bonds of any Series are to be redeemed in the amount of the aggregate redemption price (including any premium) of Bonds then to be redeemed.

Section 408. Creation Of The Debt Service Reserve Fund.

(a) There is hereby created and ordered established with the Trustee a trust fund to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Debt Service Reserve Fund (Lufthansa German Airlines Project)" (the "Debt Service Reserve Fund"), for the purpose of paying principal of and/or interest on the Bonds when Special Facility Revenues are insufficient therefor. The Trustee shall deposit the initial amount of the Debt Service Reserve Requirement for each Series of Bonds, if any, into the Debt Service Reserve Fund (or the applicable Series Account therein) from the proceeds of the sale of such Series in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof.

(b) Moneys in the Debt Service Reserve Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Bond Fund are disbursed or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Bond Fund and all accounts therein and disbursements therefrom.

Section 409. Use And Maintenance Of Moneys In The Debt Service Reserve Fund.

(a) Moneys held with respect to any Series of Bonds in the Debt Service Reserve Fund (or the applicable Series Account therein) shall be deposited by the Trustee on any Interest Payment Date or any other date on which interest on or principal of Bonds of such Series is payable in the Interest Account or the Principal Account in the Bond Fund (or the applicable Series Sub-Account therein), in that order, to the extent available, in an amount necessary, in each case, to provide moneys in such account (or Series Sub-Account) in the Bond Fund, together with moneys already deposited therein, sufficient to pay interest on or the principal of the Bonds of such Series payable on such date.

(b) The Trustee shall promptly notify the City and the Airline of any deposit made from the Debt Service Reserve Fund into the Bond Fund pursuant to subsection (a) of this Section 409 and whether such deposit shall

have reduced the balance in the Debt Service Reserve Fund or in any Series Account to a level less than the Debt Service Reserve Requirement then in effect for the applicable Series of Bonds.

(c) The City shall maintain the balance in the Debt Service Reserve Fund or in each Series Account therein at a level equal to or greater than the Debt Service Reserve Requirement from time to time in effect for each applicable Series of Bonds, but such obligation is limited to, and dischargeable solely from, moneys from time to time available in the Special Facility Revenue Fund for deposit into the Debt Service Reserve Fund pursuant to Section 404(a)(4) hereof.

(d) Before the Completion Date of the Project or any Additions, as the case may be, any moneys held on an Interest Payment Date with respect to any Series for the credit of the Debt Service Reserve Fund or the applicable Series Account therein (after giving effect to all payments of interest on or principal of Bonds of such Series on such date) in excess of the Debt Service Reserve Requirement then in effect for such Series (including any excess derived from investment earnings) shall be deposited by the Trustee in the Construction Account in the Construction Fund (or the applicable Series Sub-Account therein). After the Completion Date of the Project or any Additions, as the case may be, any such excess moneys on such an Interest Payment Date shall be deposited by the Trustee in the Interest Account in the Bond Fund or the applicable Series Sub-Account therein.

(e) For purposes of subsections (b), (c) and (d) of this Section 409, the Trustee may, but need not, redetermine the value of obligations or other investments in the Debt Service Reserve Fund or any applicable Series Account therein on each Interest Payment Date for any Series of Bonds, and shall do so at least once each year, on the Interest Payment Date for such Series which is on or immediately before the anniversary date of the latest Stated Maturity of any Bonds of such Series. Such valuation shall be computed pursuant to the provisions of Section 502 hereof.

(f) In lieu of maintaining and depositing moneys in the Debt Service Reserve Fund or in any Series Account therein as required pursuant to subsection (c) of this Section 409, the Airline on behalf of the City may deposit with the Trustee an irrevocable letter of credit or an irrevocable surety bond policy issued by a bank or bond insurance company, as applicable, with a credit rating in one of the three highest rating categories of S. & P., or Moody's, subject to the prior written approval of the Trustee as to the provider and terms of such letter of credit or surety bond policy, which approval shall not be unreasonably withheld, and provided that the terms or provider of such letter of credit or surety bond policy shall not adversely affect any rating of the Bonds. Any such letter of credit or surety bond policy shall (1) permit the Trustee to draw amounts thereunder for deposit in the Debt Service Reserve Fund or such Series Account therein which, together with any moneys on deposit in, or available under any letter of credit or surety bond policy to fund, the Debt Service Reserve Fund or such Series

Account therein, are not less than the Debt Service Reserve Fund or such Series Account therein, are not less than the Debt Service Reserve Requirement for such Series and which may be applied for any purpose for which moneys in the Debt Service Reserve Fund or such Series Account therein may be applied, (2) have a term of at least five years, (3) be replaced by a substitute irrevocable letter of credit or irrevocable surety bond policy meeting the requirements set forth in this section or otherwise permitting a draw thereupon to fund the Debt Service Reserve Fund or such Series Account therein in an amount equal to the Debt Service Reserve Requirement for such Series before the termination of such substituted letter of credit or surety bond policy, and (4) be replaced by a substitute irrevocable letter of credit or surety bond policy meeting the requirements set forth in this section within twelve (12) months after the date on which the credit rating of the issuer of such letter of credit or surety bond policy is no longer in one of the three highest rating categories of S. & P. or Moody's. The Trustee shall draw on such letter of credit or surety bond policy (i) whenever moneys are required for the purposes for which moneys in the Debt Service Reserve Fund or such Series Account therein may be applied, and (ii) before any expiration or termination thereof; provided that no such draw need be made if (x) other moneys and/or a letter of credit or surety bond policy meeting the requirements set forth in this Section are available in the Debt Service Reserve Fund or such Series Account therein in the amount of the Debt Service Reserve Requirement for such Series, or (y) moneys are no longer required to be held on deposit in the Debt Service Reserve Fund or such Series Account therein.

(g) If the Airline elects to deposit a letter of credit or a surety bond policy in the Debt Service Reserve Fund or any Series Account therein in lieu of the moneys on deposit therein, the Trustee shall transfer such moneys in excess of the Debt Service Reserve Requirement for the applicable Series in the manner set forth in subsection (d) of this Section 409, or as otherwise instructed by an Authorized Airline Representative upon delivery to the Trustee of an opinion of Bond Counsel to the effect that such transfer will not adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes.

Section 410. Moneys Held In Trust Upon Non-Presentment Of Bonds.

If any Bond (or portion thereof) shall not be presented for payment when the principal thereof becomes due, whether at Stated Maturity, upon redemption, by acceleration or otherwise, and if moneys sufficient to pay in full the principal of and interest and redemption premium, if any, accrued on such Bond shall have been deposited in the Bond Fund, such Bond (or portion thereof) shall, on the date such principal and redemption premium, if any, is due or, if later, such moneys shall have been so deposited, cease to bear interest and shall no longer be deemed outstanding or secured by the lien of this Indenture, all liability of the City to the Owner thereof for the payment

of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond. Such moneys shall be held in a separate and segregated fund and shall not be invested. Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within two (2) years after the date on which the same shall have become due shall be paid by the Trustee to the Airline upon the written direction of an Authorized Airline Representative and thereafter Bondholders shall be entitled to look only to the Airline (and not to the City or the Trustee) for payment, and then only to the extent of the amount so repaid to the Airline, and the Airline shall not be liable for any interest thereon and shall not be regarded as a trustee of such moneys and the Trustee shall have no further responsibilities with respect to such moneys. Before being required to make any such payment to the Airline, the Trustee may, at the expense of the Airline, publish such notice as may be deemed appropriate by the Trustee listing the Bonds so payable and not presented, and stating that such moneys remain unclaimed and that after a date set forth therein any balance thereof then remaining will be paid to the Airline. The obligation of the Trustee under this section to pay any such funds to the Airline shall be subject, however, to any provisions of law applicable to the Trustee or to such funds providing other requirements for disposition of unclaimed property.

Section 411. No Lien Of Trustee For Fees, Charges And Expense.

The Trustee agrees that the City shall have no liability for any fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Airline for the payment of all fees, charges and expenses of the Trustee as provided in the Agreement and in this Indenture. Except as provided in Section 903 hereof, the Trustee shall have no lien on or security interest in the Trust Estate securing the payment of any of the foregoing.

Section 412. Moneys To Be Held In Trust.

All moneys required to be deposited with or paid to the Trustee for deposit to any Fund or account therein, other than the Rebate Fund, under any provision hereof, including without limitation Special Facility Revenues and investments thereof, all moneys held by the Trustee in any of the foregoing Funds and all moneys withdrawn from any of the foregoing Funds and held by the Trustee shall be held by the Trustee in trust, and such moneys shall, while so held, constitute part of the Trust Estate and be subject to the lien hereof for the benefit of the Bondholders.

Section 413. Repayment To The Airline.

Any amounts remaining in the Special Facility Revenue Fund, the Bond Fund and the Debt Service Reserve Fund after payment in full of the principal of and interest on the Bonds (or provision for payment thereof as provided in this Indenture), the fees, charges and expenses of the City, the Trustee and Bond Registrar, and all other amounts required to be paid under the Agreement and this Indenture shall be paid to the Airline as provided in the Agreement.

Section 414. Creation Of Additional Accounts And Sub-Accounts.

The Trustee shall, at the written request of the City and the Airline, establish such additional accounts within any of the Funds established under this Indenture, and sub-accounts within any of the accounts established under this Indenture, as shall be specified in such written request, for the purpose of identifying more precisely the sources of payments into and disbursements from such Funds, Accounts or Sub-Accounts. At any time that more than one Series of Bonds shall be Outstanding, the Trustee shall, without further request or authorization, establish Series Accounts or Series Sub-Accounts, as the case may be, for each such Series in the Construction Account, Capitalized Interest Account and Costs of Issuance Account in the Construction Fund, in the Principal Account and Interest Account (and at the time of any redemption, in the Redemption Account) in the Bond Fund, and in the Debt Service Reserve Fund for the foregoing purposes, and may eliminate any such Series Accounts or Series Sub-Accounts at any time only a single Series of Bonds remains Outstanding. The establishment or elimination of any such additional Series Accounts, Series Sub-Accounts or other accounts or sub-accounts shall not alter or modify any of the requirements of this Indenture with respect to the deposit or use of moneys in any Fund or account or sub-account therein established hereunder.

Section 415. Rebate Funds; Exclusion From Trust Estate.

There is hereby created and ordered established with the Trustee a trust fund to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Rebate Fund (Lufthansa German Airlines Project)" (the "Rebate Fund"). The foregoing provisions of Articles III and IV notwithstanding, (i) the Rebate Fund shall not be considered a part of the Trust Estate, and (ii) the Trustee shall be permitted to transfer moneys on deposit in any of the Funds or accounts therein established under Article III

or this Article IV to the Rebate Fund and administer such moneys in accordance with the provisions of the Tax Documents.

Article V.

Investment Of Moneys.

Section 501. Investment Of Moneys In Funds Other Than The Rebate Fund.

(a) Any moneys held as part of the Construction Fund, the Special Facility Revenue Fund, the Bond Fund or the Debt Service Reserve Fund shall be invested and reinvested by the Trustee, subject to the direction of the Airline in accordance with the provisions of Section 3.6 of the Agreement. In making any such investments, the Trustee may rely on directions delivered to it pursuant to Section 3.6 of the Agreement by an Authorized Airline Representative or, in the case of oral directions, by a person representing himself to be an Authorized Airline Representative, and the Trustee shall be relieved of all liability with respect to making such investments in accordance with such directions.

(b) Any Investment Securities may be purchased at the offering or market price thereof at the time of such purchase. All such investments shall mature in such amounts and at such times, or shall be readily marketable before their maturities, as the Airline may direct. The Trustee may, if so directed by the Authorized Airline Representative, make any and all such investments through its own bond department. The Trustee shall sell and reduce to cash a sufficient amount of such investments of any Fund or account therein whenever the cash balance in such Fund or account therein is insufficient to pay amounts then due therefrom.

(c) Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Fund and account therein for which they were made. The interest accruing thereon, any profit realized from such investments and any loss resulting from such investments shall be credited or charged to the Fund and account therein in which such investment is held.

(d) In addition, the Trustee shall, at the written request of the Authorized Airline Representative, sell at any time to the Airline for cash, at a price equal to the original cost thereon plus accrued interest thereon, plus any accrued discount (on a straight line basis or minus any amortized premium on the same basis), such investments on deposit in the Construction Fund as shall be specified by the Airline. The proceeds of any sale to the Airline

pursuant to the preceding sentence of investment on deposit in the Construction Fund shall be deposited into the Construction Fund.

Section 502. Valuation Of Investments.

(a) In computing the amount in any Fund or account or sub-account therein, obligations maturing within the three-year period next succeeding the date of computation shall be valued at amortized value and obligations maturing more than three years following the date of computation shall be valued at the lower of amortized value or market value. For purposes of the foregoing, an obligation shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligation.

(b) For purposes of this Section, amortized value means par, if the obligation was purchased at par, or, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of interest payments remaining on such obligation after such purchase and deducting the amount thus calculated for each interest payment date after such purchase from the purchase price in the case of an obligation purchased at a premium or adding the amount thus calculated for each interest payment date after such purchase to the purchase price in the case of an obligation purchased at a discount.

Section 503. Tax Covenants.

(a) The City covenants with all purchasers and the Owners of the Bonds from time to time outstanding that, so long as any of the Bonds remain outstanding:

(1) To the extent, pursuant to the Agreement or this Indenture, the City (and not the Airline) will direct use of or investment of Bond proceeds, it will not cause or direct moneys on deposit in any Fund or account therein, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, to be used in a manner that will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, any lawful regulations promulgated thereunder including Sections 1.103-13, 1.103-14, 1.103-15, 1.103-15AT, 1.148-OT through 1.148-9T, 1.149(d)-1T, and 1.150-OT through 1.150-1T of the Income Tax Regulations (26 C.F.R. Part 1), and Section 1.103-15AT of the Temporary Income Tax Regulations, as the same exist on this date, or may from time to time hereafter be amended, supplemented or revised. Pursuant to such

covenant, the City obligates itself to comply, as long as any Bonds remain outstanding, with the requirements of Section 148 of the Code and any regulation promulgated thereunder. The City reserves the right (subject to the provisions of Section 3.6 of the Agreement and Section 501 hereof), however, for any investment of such moneys in any of the Funds under this Indenture, other than the Rebate Fund, permitted by state law to be made, if, when and to the extent that said Section 148 or regulations promulgated thereunder or any similar or successor provisions thereto shall be repealed or relaxed or shall be held void by final judgment of a court of competent jurisdiction, but only if any investments made by virtue of such repeal, relaxation or decision would not, in the written opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

(2) It will not knowingly take any action or omit to take any action requested of it by the Trustee, the Airline or Bond Counsel which is lawful and within its power to take, and which, if taken or omitted, would cause interest on the Bonds to become includible in the gross income of the holders of the Bonds for federal income tax purposes, other than a holder who is a "substantial user" or "related person" within the meaning of such terms as defined in the Code.

(b) In furtherance of the covenants in subsection (a), the City agrees to execute any Tax Documents or amendments or supplements to the Agreement with respect to any Series of Bonds containing such representations and covenants as are deemed necessary or advisable in the opinion of Bond Counsel to insure that the City complies with the provisions of this Section.

Section 504. Limitation On Trustee's Responsibilities Respecting Arbitrage.

Notwithstanding any provision of this Indenture to the contrary, the Trustee shall not be liable or responsible for any calculations or determination that may be required in connection with or for the purpose of complying with Section 148 of the Code and any applicable Treasury regulations or any similar or successor provisions thereto, including, without limitation, the calculation of amounts required to be paid to the United States of America under such provisions of the Code and the applicable Treasury regulations, the maximum amount that may be invested in "non-purpose obligations" as defined in the Code and the fair market value of any investments made hereunder; and the sole obligation of the Trustee with respect to investments of funds hereunder shall be to invest

the moneys received by the Trustee in Investment Securities pursuant to the instructions of the Authorized Airline Representative. The Trustee shall have no responsibility for determining whether or not the investments made pursuant to the directions of the Authorized Airline Representative comply with the requirements of the Tax Documents.

Article VI.

*Redemption Of Bonds Before Maturity;
Purchase In Lieu Of Redemption.*

Section 601. Redemption Dates And Prices.

The Bonds shall be subject to redemption, before maturity in the amounts, at the times and in the manner provided in this Article VI. All payments of the redemption price (including any premium) of the Bonds shall be made on the dates hereinafter required in federal or other immediately available funds.

(a) Optional Redemption. Any Series of Bonds may be redeemed by the City, at the option of the Airline, only as permitted in this Indenture, at such times, in whole or in part, at the redemption price or prices (including any premium) set forth in this Indenture with respect to such Series, plus accrued interest to the date fixed for redemption. The Airline shall deliver to the Trustee not less than thirty (30) days before the date fixed for each such redemption a written direction by an Authorized Airline Representative stating that the Airline intends to exercise its option to prepay the payments due under the Agreement in whole or in part pursuant to Section 7.1 of the Agreement and thereby effect redemption of such Bonds.

(b) Mandatory Redemption upon Determination of Taxability. The Bonds shall be subject to mandatory redemption in whole, or as hereinafter provided in part, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium but with accrued interest thereon to the redemption date, which redemption date shall be not more than ninety (90) days following the receipt by the Airline of written notice from a Bondholder or former Bondholder or from the Trustee of a final determination of the Internal Revenue Service or a court of competent jurisdiction to the effect that the interest paid or payable on any Bond to other than a "substantial user" of the Project or a "related person" (within the meaning of Section 147(a) of the Code) is or was includable in the gross income of the owner thereof for federal income tax purposes under the Code; provided that no such determination shall be considered final unless (a) the Bondholder or former Bondholder involved in such proceeding or action (i) gives the Airline and the Trustee prompt notice of the

commencement thereof, and (ii) (if the Airline agrees to pay all expenses in connection therewith and to indemnify such Bondholder or former Bondholder against all liabilities in connection therewith), offers the Airline the opportunity to control unconditionally the defense thereof, and (b) either (i) the Airline does not agree within thirty (30) days of receipt of such offer to pay such expenses and liabilities and to control such defense, or (ii) the Airline shall exhaust or choose not to exhaust all available proceedings for the contest, review, appeal or rehearing of such decree, judgment or action that the Airline determines to be appropriate. The Bonds shall be redeemed pursuant to the first sentence of this Subsection (b) in whole unless, in the opinion of Bond Counsel, the redemption of one or more Series or other portion of the outstanding Bonds would have the result that interest payable on such Bonds remaining outstanding after such redemption would not be includable in the gross income for federal income tax purposes of other than a "substantial user" of the Project or a "related person" (within the meaning of Section 147(a) of the Code). Selection of Bonds (other than an entire Series) for such partial redemption, shall be in such manner as the Trustee shall determine in accordance with Section 605 hereof or in such other manner acceptable to the Trustee as shall be specified in a written opinion of Bond Counsel, and in such amount as Bond Counsel shall have determined is necessary to accomplish such result. After the receipt by the Trustee of notice from the Airline pursuant to Section 7.3(a) of the Agreement, the Trustee shall give notice of such redemption as provided in Section 602 hereof. Upon the giving of such notice, the Bonds called for redemption shall become due and payable on such redemption date at the redemption price, together with the accrued interest to the redemption date, and such Bonds shall be redeemed and cancelled by the Trustee on such redemption date.

(c) Mandatory Redemption upon Condemnation of Leased Premises. The Bonds shall be subject to mandatory redemption in part or in whole, as the case may be, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium, but with accrued interest thereon to the redemption date, which redemption date shall be not more than ninety (90) days following the receipt by the Airline, pursuant to Section 5.9(b) of the Agreement, of its allocable portion of the Net Proceeds of any condemnation award received on account of any condemnation or taking of all or part of the Leased Premises. The Bonds shall be redeemed pursuant to the first sentence of this subsection (c) in part in an aggregate principal amount equal to the highest aggregate of Authorized Denominations not exceeding the amount of such Net Proceeds received by the Airline or, if such Net Proceeds are sufficient therefor, in whole. Selection of Bonds (other than an entire Series) for such partial redemption shall be in such manner as the Trustee shall determine in accordance with Section 605 thereof. After the receipt by the Trustee of notice from the Airline pursuant to Section 7.3(a) of the Agreement, the Trustee shall give notice of such redemption as provided in Section 602 hereof. Upon the giving of such notice, the Bonds called for redemption shall become due and payable on such redemption date at the redemption price, together with the accrued

interest to the redemption date, and such Bonds shall be redeemed and cancelled by the Trustee on such redemption date.

Section 602. Notice Of Redemption.

Notice of the call for any redemption of Bonds or any portion thereof (which shall be in Authorized Denominations) pursuant to Section 601 hereof identifying the Bonds or portions thereof to be redeemed, specifying the redemption date, the redemption price (including any premium), the places and dates of payment, the portion of the Bond to be redeemed if less than the full principal amount thereof will be redeemed, and that from the redemption date interest will cease to accrue, shall be given by the Trustee by mailing a copy of such redemption notice by registered or certified mail not less than thirty (30) days nor more than sixty (60) days before the date fixed for redemption to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books. Any notice mailed as provided in this section shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives the notice.

Section 603. Deposit Of Funds For Redemption Price And Effect Thereof.

For the redemption of any of the Bonds, the City shall cause to be deposited in the Bond Fund, out of Special Facility Revenues, moneys sufficient to pay the redemption price (including any premium) of and interest accrued on the Bonds (or portions thereof) to be redeemed on the date set for the redemption of such Bonds (or portions thereof). Any such deposit of the redemption price of any Bonds (or portions thereof) to be redeemed shall be deemed payment by the City of the aggregate principal amount of and redemption premium, if any, on the Bonds (or portions thereof) to be so redeemed.

Section 604. Partial Redemption Of Bonds.

(a) If a Bond is of a denomination larger than the minimum authorized Denomination, all or a portion of such Bond may be redeemed, but such Bond shall be redeemed only in a principal amount equal to an Authorized Denomination.

(b) Upon surrender of any Bond for redemption in part only, the City shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Airline, a new Bond or Bonds of Authorized

Denominations in aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

Section 605. Selection Of Bonds For Redemption.

(a) If less than all the Bonds are called for redemption, the Trustee shall select the Bonds or portions thereof to be redeemed, from the Bonds outstanding not previously called for redemption, in such manner as in the Trustee's sole discretion it shall deem appropriate and fair, whether by lot or otherwise. The Trustee shall promptly notify the City and the Airline in writing of the Bonds or portions thereof selected for redemption.

(b) If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption (and to that extent only).

Article VII.

Payment; Further Assurances.

Section 701. Payment Of Principal Of And Interest And Redemption Premium On Bonds.

The City shall promptly pay or cause to be paid the principal of and the interest and redemption premium, if any, on every Bond issued hereunder according to the terms thereof, but shall be required to take such payment or cause such payment to be made only out of Special Facility Revenues. The City hereby appoints the Trustee to act as a paying agent, and designates the principal corporate trust office of the Trustee at the address for notices set forth in Section 1304 hereof as a place of payment for the Bonds, such appointment and designation to remain in effect until notice of change is filed with the Trustee.

Section 702. Performance Of Covenants; Further Assurances.

(a) The City covenants that it will faithfully perform at all times all of its covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds executed and delivered hereunder and in all

proceedings pertaining hereto. The City represents that it is duly authorized under the Constitution of the State and laws thereof to issue the Bonds and to execute this Indenture and to assign the amounts and rights hereby assigned; that such amounts and rights will not be assigned in any manner other than as contemplated by this Indenture; that all action required on its part for the issuance of the Bonds and the execution and delivery of the Agreement and this Indenture has been duly and effectively taken; and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the City according to the import thereof.

(b) The City shall fully cooperate with the Trustee and with the Owners of the Bonds to the end of fully protecting the rights and security of the Owners of any Bonds.

(c) The City represents that it now has, and covenants that it shall, to the extent permitted by law, maintain, complete and lawful authority and privilege to enter into, and perform its obligations under, this Indenture and the Agreement.

(d) Except to the extent otherwise provided in this Indenture or as otherwise required by law, the City shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders hereunder may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be reasonably required to carry out the purposes of this Indenture.

Section 703. Financing Statements.

The City agrees that it shall (1) cause the Agreement, this Indenture, and any additional security instrument filed with the Trustee as additional security for the Bonds, each amendment and supplement to any such instrument, and a memorandum, financing statement, or continuation statement with respect to such instruments, amendments, or supplements to be filed, registered and recorded and to be refiled, reregistered and rerecorded in such manner and in such places as may be required by any present or future law in order to publish notice of and to protect and perfect the lien of this Indenture and to publish notice of and to protect and perfect the security and the Owners of the Bonds and the rights of the Trustee under the Agreement and this Indenture, and (2) perform or cause to be performed from time to time any other act as required by law, and execute and file or cause to be executed and filed any and all instruments of further assurance including financing statements with respect to any of such instruments) that may be necessary for such publication and protection. The Airline, the City and the Trustee shall, when so requested by one another, execute all such instruments, memoranda, or statements necessary to maintain, protect,

perfect or preserve the interests assigned to the Trustee under this Indenture.

Article VIII.

*Default Provisions And Remedies Of Trustee
And Bondholders.*

Section 801. Defaults; Events Of Default.

The occurrence of any one or more of the events described in the following sections (a) through (d) of this Section 801 is hereby defined as and declared to be and to constitute a "default"; and each such default, after the giving of notice, if any, the passage of time, if any, or the occurrence of such other event, if any, specified in the subsection describing such default, is hereby defined as and declared to be and to constitute an "event of default":

(a) Failure to make payment of any installment of interest upon any Bond when the same shall have become due and payable;

(b) Failure to make due and punctual payment of the principal of any Bond when the same shall have become due and payable, whether at the Stated Maturity thereof, upon redemption or upon the maturity thereof by declaration;

(c) The occurrence of an "event of default" under Section 6.1(b) or (c) of the Agreement, other than an "event of default" relating to Unassigned Rights; or

(d) The occurrence of an "event of default" referred to in Section 6.1(d) of the Agreement.

Section 802. Acceleration.

(a) Upon occurrence and continuation of any event of default described in clauses (a), (b) or (c) of Section 801 the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of Bonds then outstanding the Trustee shall, by notice in writing delivered to the Airline with copies of such notice being sent to the City, and upon the occurrence and continuation of any event of default described in clause (d) of Section 801 above without notice to the Airline, declare the principal of all Bonds then outstanding and the interest accrued thereon immediately due

and payable and shall be paid on such date of declaration, and such principal and interest shall thereupon become and be immediately due and payable and shall be paid on such date of declaration, and interest thereon shall cease to accrue if payment is made on the date of such declaration.

(b) Upon any such declaration, the Trustee shall (1) declare all amounts payable under Section 4.2 of the Agreement to be immediately due and payable in accordance with Section 6.2 of the Agreement, and (2) immediately give notice of acceleration to the Bondholders in accordance with Section 904 hereof.

(c) The above provisions of this Section are subject to the condition that if, after the principal of all Bonds then outstanding shall have been so declared to be due and payable, all arrears of interest upon such Bonds, and interest on overdue installments of interest (to the extent permitted by law) at the rate borne by the Bonds, and the principal of all Bonds then outstanding that shall have become due and payable otherwise than by acceleration, and all other sums payable under this Indenture, except the principal of and interest on the Bonds that by such declaration shall have become due and payable, shall have been paid by or on behalf of the City, together with the reasonable expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred, and any and all other defaults then existing hereunder shall have been cured or waived in accordance with the provisions hereof, then and in every such case, but only if the Owners of not less than 25% in aggregate principal amount of the Bonds then outstanding shall have made the written request specified in paragraph (a) of this Section, the express prior consent of the Owners of a majority in aggregate principal amount of Bonds then outstanding, the Trustee may annul such declaration of maturity and its consequences, which annulment shall be binding upon all Bondholders; but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon. In the case of any such annulment, the Airline, the City, the Trustee and the Bondholders shall be restored to their former positions and rights under this Indenture.

Section 803. Remedies; Rights Of Bondholders.

(a) Upon the occurrence and continuation of an event of default the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Bonds then outstanding, and to enforce and compel the performance of the duties and obligations of the City as herein set forth. In addition, except as otherwise provided in the Agreement, the Trustee may, with notice to the City, exercise any and all remedies afforded the City under Article VI of the Agreement, except as limited in said Article VI, in its name or the name of the City without the necessity of joining the City.

(b) If an event of default shall have occurred and be continuing and if requested so to do by the Owners of not less than 25% in aggregate principal amount of Bonds then outstanding and indemnified as provided in Section 901 hereof, the Trustee shall be obliged to exercise such one or more of the rights and powers conferred by this Section 803 and Section 802 hereof as the Trustee being advised by Counsel shall deem most expedient in the interests of the Bondholders.

(c) No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any event of default shall impair any such right, power or remedy or shall be construed to be a waiver of any such event of default or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. No waiver of any event of default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon.

Section 804. Right Of Bondholders To Direct Proceedings.

Anything in this Indenture to the contrary notwithstanding, the Owners of not less than a majority in aggregate principal amount of Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Section 805. Application Of Moneys.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, and expenses, liabilities and advances incurred or made by, the Trustee and its Counsel, be deposited in the Bond Fund and all such moneys in the Bond Fund shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of any kind, ratably, according to the amounts due and payable on such Bonds for principal and interest, respectively, to the persons entitled thereto without any discrimination or privilege.

(b) Except upon acceleration, (1) whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine; (2) whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue; and (3) the Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date. In the event of an acceleration pursuant to Section 802 hereof, interest on the Bonds shall cease to accrue as provided in Section 802(a) or Section 802(b), as the case may be.

(c) Whenever all principal of and interest on all Bonds have been paid under the provisions of this Section 805 and all expenses, fees and charges of the Trustee have been paid, any balance remaining in the Bond Fund shall be paid the Airline as provided in Section 413 hereof.

Section 806. Remedies Vested In Trustee.

All rights of action (including the right to file proofs of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall be for the equal and ratable benefit of the Owners of the Outstanding Bonds.

Section 807. Rights And Remedies Of Bondholders.

No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified or is deemed to have, or required to take, notice pursuant to subsection (g) of Section 901 hereof, (b) such default shall have become an event of default and be continuing, (c) the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee either to proceed to exercise the powers herein granted or to institute such action, suit or proceeding in its own name, and shall have offered and, if requested, provided to the Trustee indemnity as provided in Section 901, and (d) the Trustee shall for sixty (60) days after such notice, request and offer and provision of indemnity fail or refuse to

exercise the powers herein granted, or to institute such action, suit or proceeding in its own name; and such notification, request, offer and provision of indemnity and sixty-day period are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution by the Trustee, at the direction of the Bondholders, pursuant to the provisions of this Section 807 of the powers and trusts of this Indenture (except that indemnification for the declaration of acceleration under Section 802(b) hereof shall not be so conditioned), and to any action or cause of action for the enforcement of this Indenture, or for any other remedy hereunder. No one or more Owners of the Bonds shall have any right in any manner whatsoever to enforce any right hereunder except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the Owners of all Bonds. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on his Bond at and after the maturity hereof.

Section 808. Termination Of Proceedings.

If the Trustee shall have proceeded to enforce any right under this Indenture, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 809. Waivers Of Events Of Default.

The Trustee may in its discretion waive any event of default hereunder and rescind its consequences and shall do so upon the written request of the Owners of not less than a majority in aggregate principal amount of all Bonds then outstanding; provided that there shall not be waived (a) any event of default in the payment of the principal of any outstanding Bonds when due (whether at maturity or by redemption), or (b) any event of default in the payment when due of the interest on any such Bonds, unless before such waiver and rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest and all arrears of principal when due, as the case may be, together with the reasonable expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred, shall have been paid or provided for. In the case of any such waiver and rescission, or if any proceeding taken by the Trustee on account of any such default shall have been discounted or abandoned or determined adversely,

then and in every such case the City, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver and rescission shall extend to any subsequent or other default, or impair any right consequent thereon. All waivers under this Indenture shall be in writing and copy thereof shall be delivered to the City and to the Airline.

Section 810. Opportunity Of The City And The Airline To Cure Defaults.

(a) As long as the Airline is not in default under the Agreement, after a reasonable request by the Airline, whenever the City shall fail, refuse or neglect to give any direction to the Trustee to require the Trustee to take any other action that the City required to have the Trustee take pursuant to the provisions of the Agreement or this Indenture, the Airline instead of the City may give any such direction to the Trustee or require the Trustee to take any such action. Upon receipt by the Trustee of a written notice signed by an Authorized Airline Representative stating that the Airline has made reasonable request of the City, and that the City has failed, refused or neglected to give any direction to the Trustee or to require the Trustee to take any such action, the Trustee is hereby irrevocably empowered and directed to accept such direction from the Airline as sufficient for all purposes of his Indenture. The Airline shall have the direct right to cause the Trustee to comply with any of the Trustee's obligations under his Indenture to the same extent that the City is empowered so to do.

(b) Certain actions or failures to act by the City under his Indenture may create or result in an event of default under his Indenture and the City hereby grants the Airline full authority, to the extent permitted by law, for the account of the City to perform or observe any covenant or obligation of the City alleged in a written notice to the City and the Airline from the Trustee not to have been performed or observed, in the name and stead of the City with full power to do any and all things and acts to remedy any default.

Article IX.

The Trustee.

Section 901. Acceptance Of The Trusts.

The Trustees hereby jointly and severally accept the trusts imposed upon them by this Indenture, and each of them represents and covenants that it is fully empowered under the applicable laws and regulations of the United

States of America and the State to accept said trusts, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee may execute any of the trusts or powers hereof and perform all of its duties by or through attorneys, agents or employees and shall not be responsible for the acts of the attorneys or agents appointed by it in good faith (including, without being limited to, any co-bond registrar, and any co-trustee), and shall be entitled to advice of Counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys and agents as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of Counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) Except for its certificate of authentication on the Bonds, the Trustee shall not be responsible for any recital herein or in the Bonds, or the validity, priority, recording, or re-recording, filing, or refiling of this Indenture, the Agreement or any financing statement, amendments to this Indenture or the Agreement, or continuation statements, or for the validity of the execution by the City of this Indenture, the Agreement or of any supplements hereto or thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article V hereof, including, without limitation, any loss suffered in connection with the sale of any investment pursuant to Article V hereof.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the Owner of Bonds with the same rights which it would have if it were not Trustee.

(d) The Trustee shall be protected in acting in good faith upon any notice, request, resolution, consent, certificate, affidavit, letter, telegram or other paper or document, or oral communication or direction, believed to be genuine and correct and to have been signed or sent or given by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond shall be conclusive and binding upon all future Owners of the same and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(e) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the City by its Executive Officer as sufficient evidence of the facts therein contained, and before the occurrence of a default of which the Trustee is deemed to have or required to take notice or has been notified as provided in subsection (g) of this section, or subsequent to the waiver, rescission or annulment of a default as provided in Article VIII hereof, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate signed on behalf of the City by its Executive Officer or Recording Officer to the effect that a resolution or ordinance in the form therein set forth has been adopted by the City as conclusive evidence that such resolution or ordinance has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be liable in the performance of its obligations hereunder except for its gross negligence or willful misconduct.

(g) Except for the failure to receive payments required by Section 4.2 of the Agreement, the Trustee shall not be required to take notice or be deemed to have notice of a default under Section 801(c) or Section 801(d) hereof unless an officer in the Corporate Trust Department of the Trustee shall be specifically notified in writing of such default by the Airline, the City, or the Owners of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then outstanding.

(h) The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder.

(i) The Trustee may require that a satisfactory indemnity bond be furnished by the Owners of the Bonds for the reimbursement of all expenses so that it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct in connection with any action so taken.

(j) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received and shall not be commingled with the general funds of the Trustee but need not be segregated from other funds except to the extent required by law. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(k) The Trustee, before the occurrence of an event of default specified in Section 801 of this Indenture and after the during of all events of default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and, in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture. If an event of default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances.

(l) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own gross negligent action, its own gross negligent failure to act, or its own willful misconduct, except that:

(i) This subsection shall not be construed to limit the effect of subsection (k) of this section;

(ii) The Trustee shall not be liable for any error of judgment made in good faith by an officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(iii) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in aggregate principal amount of the Bonds Outstanding relating to the time, method and place of conducting any proceeding or any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(m) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by

the terms hereof required as a condition of such action by the Trustee, deemed desirable for the purpose of establishing the right of the City to the authentication of any Bonds, the withdrawal of any cash, or as a condition to the taking of any other action by the Trustee.

Every provision of this Indenture that in any way relates to the Trustee is subject to all the foregoing paragraphs of this section.

Section 902. Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder, which shall be a banking corporation or national banking association organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers and having a corporate trust office in Chicago, Illinois, authorized to accept and exercise the trusts herein provided, having a combined capital and surplus of at least \$100,000,000 (and if there are two Trustees, the other Trustee shall have a combined capital and surplus of at least \$5,000,000 and meet all of the other requirements of this Section 902), and subject to supervision or examination by federal or state authority. If such corporation or national banking association publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for purposes of this Section 902, the combined capital and surplus of such corporation or national banking association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time either Trustee shall cease to be eligible in accordance with the provisions of this section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article, and shall immediately provide notice of such resignation by registered or certified mail to the City, the Airline, and the Owner of each Bond.

Section 903. Fees, Charges And Expenses Of Trustee.

The Trustee shall be entitled to payment and/or reimbursement from the Airline for reasonable fees for its Ordinary Services, including reimbursement for fees and expenses of any co-trustee or co-Bond registrar, rendered hereunder and all advances, Counsel fees and disbursements and other Ordinary Expenses reasonably and necessarily made or incurred by the Trustee in connection with such Ordinary Services hereunder and, if it should become necessary that the Trustee perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor from the Airline, and to reimbursement from the Airline for reasonable and necessary Extraordinary Expenses in connection therewith; provided that if such Extraordinary Services or Extraordinary Expenses are occasioned by

the gross negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement from the Airline for reasonable fees and charges of the Trustee as Bond Registrar and paying agent for the Bonds. The Trustee shall be entitled to indemnification from Airline for, and to be held harmless against, any loss, liability or expense incurred without gross negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. Upon the occurrence of an event of default and during its continuance, the Trustee shall have a first lien with right of payment before payment on account of interest on or principal of any Bond secured by this Indenture upon all moneys in its possession under any provisions hereof, for the foregoing advances, fees, costs and expenses incurred. All such amounts shall be payable as provided in Section 4.2(b) of the Agreement.

Section 904. Notice To Owners Of Bonds And City If Default Occurs.

(a) If a default occurs of which the Trustee is by subsection (g) of Section 901 hereof required to take or deemed to have notice or if notice of default be given as in said subsection (g) provided, the Trustee shall, within fifteen (15) days thereafter, give written notice thereof by registered or certified mail (unless such default is cured or waived), to each Owner of Bonds then outstanding.

(b) If a default occurs of which the Trustee is by subsection (g) of Section 901 hereof required to take or deemed to have notice or if notice of default be given as in said subsection (g) provided, the Trustee shall give the City immediate telephonic notice of such default regardless of whether such default is cured, waived or rescinded, with written confirmation of such notice to follow within three (3) Business Days thereafter.

(c) Copies of each notice given by the Trustee pursuant to paragraph (a) or paragraph (b) of this Section 904 shall be given by the Trustee concurrently to the City, which shall not in any event be obligated to take any action as a result of the receipt of such notice.

Section 905. Intervention By Trustee.

In any judicial proceeding to which the City is a party that, in the opinion of the Trustee and its Counsel, has a substantial bearing on the interests of the Owners of the Bonds, the Trustee may intervene on behalf of the Owners of the Bonds and subject to the provisions of Section 901(i), shall do so if

requested in writing by the Owners of majority in aggregate principal amount of all Bonds then outstanding.

Section 906. Successor Trustee.

Any corporation or national banking association into which either Trustee may be merged, or with which it may be consolidated, or to which it may sell, lease or transfer its corporate trust business and assets as a whole or substantially as a whole, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument on the part of any of the parties hereto.

Section 907. Resignation By The Trustee.

Either Trustee may at any time resign from the trusts hereby created by giving sixty (60) days' written notice by registered or certified mail to the City, the Airline, and the Owner of each Bond, and such resignation shall take effect at the appointment of a successor Trustee pursuant to the provisions of Section 909 hereof and acceptance by the successor Trustee of such trusts.

Section 908. Removal Of The Trustee.

Either Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Trustee, the City, and the Airline and signed by the Owners of a majority in aggregate principal amount of Bonds then outstanding.

Section 909. Appointment Of Successor Trustee.

If either Trustee hereunder shall :

- (a) resign pursuant to Section 902 or 907 hereof;
- (b) be removed pursuant to Section 908 hereof; or
- (c) be dissolved, taken under the control of any public officer or officers or of a receiver appointed by a court, or otherwise become incapable of

acting hereunder, a successor shall be appointed by the City with the written agreement of the Airline; provided that if a successor Trustee is not so appointed within thirty (30) days after notice of resignation is mailed or instrument of removal is delivered as provided under Sections 902, 907 and 908 hereof, respectively, or within ten (10) days of the City's knowledge of any of the events specified in (c) hereinabove, and there is no Trustee hereunder meeting the requirements of Section 902 hereof, then the Owners of a majority in aggregate principal amount of Bonds then outstanding, by an instrument or concurrent instruments in writing signed by or on behalf of such Owners, may designate a successor Trustee. Every such successor Trustee appointed pursuant to the provisions of this section shall be a trust company or bank in good standing, shall have a corporate trust office in Chicago, Illinois, and shall be eligible to serve as Trustee under the applicable laws of the State, having a reported capital and surplus of not less than \$100,000,000 (or \$5,000,000, if there shall already be a Trustee hereunder meeting all the other requirements under this Section 909) and willing to accept the trusteeship under the terms and conditions of this Indenture. If at any time the sole remaining Trustee shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article IX before the date specified in the notice of resignation as the date when such resignation shall take effect, the Owner of any Bond or the resigning Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Section 910. Concerning Any Successor Trustee.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City and the Airline an instrument in writing accepting such appointment hereunder, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor. Notwithstanding the foregoing sentence, (1) such predecessor shall, on the written request of the City, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder and (2) such predecessor shall upon payment of its charges deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City at the expense of the Airline.

Section 911. No Transfer Of Rights Under Agreement By Trustee; Exception.

Except as required to effect an assignment to a successor Trustee, the Trustee shall not sell or transfer its rights under the Agreement.

Section 912. Designation Of Trustee As Paying Agent.

The Trustee shall be the paying agent for the Bonds.

Section 913. Appointment Of Co-Trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Agreement, and in particular in case of the enforcement thereof on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any action that may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this section are adopted to these ends.

(b) If the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies and only to the extent that the Trustee by the laws of any jurisdiction (including particularly the State) is incapable of exercising such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

(c) Should any instrument in writing from the City be required by the separate or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the

City at the expense of the Airline; provided that if an event of default shall have occurred and be continuing, if the City does not execute any such instrument within fifteen (15) days after request therefor, the Trustee shall be empowered as an attorney-in-fact for the City to execute any such instrument in the City's name and stead. If any separate or co-trustee or a successor to either shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate or co-trustee.

(d) The Trustee shall be entitled to remove any co-trustee so appointed by the Trustee upon written notice to such co-trustee, the City and the Airline.

Section 914. Trustee Protected In Relying Upon Resolution, Etc.

The resolutions, ordinances, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 915. Dealing In Bonds.

The Trustee, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City or the Airline, and may act as depository, trustee, or agent for any committee or body of Bondholders secured hereby or other obligations of the City as freely as if it did not act in any capacity hereunder.

Article X.

Supplemental Indenture.

Section 1001. Supplemental Indentures And Amendments Not Requiring Consent Of Bondholders.

Subject to Section 1003 hereof, the City and the Trustee may without the consent of, or notice to, any of the Bondholders enter into an indenture or indentures supplemental to this Indenture as shall not be inconsistent with

the terms and provisions hereof for any one or more of the following purposes:

(a) to create, and provide the applicable terms and conditions herein with respect to, any Series of Bonds in addition to the Series 1990 Bonds;

(b) to add to the covenants and agreements of, and limitations and restrictions upon, the City in this Indenture other covenants, agreements, limitations and restrictions to be observed by the City that are not contrary to or inconsistent with this Indenture as theretofore in effect;

(c) to grant to or confer or impose upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted, conferred or imposed and that are not contrary to or inconsistent with this Indenture as theretofore in effect;

(d) to cure any ambiguity or omission in or to cure, correct or supplement any defective provision of this Indenture or otherwise to amend or supplement this Indenture in such manner as shall not impair the security hereof or adversely affect the Bondholders;

(e) to evidence the appointment of a separate Trustee or a co-trustee, authenticating agent or co-bond registrar or to evidence the succession of a new Trustee hereunder;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(g) to subject to this Indenture additional revenues, properties or collateral;

(h) to provide for a paying agent in addition to the Trustee;

(i) to change the definition of "Investment Securities" set forth in Section 101 hereof; and

(j) to make any other change that shall not be to the prejudice of the Bondholders or the Trustee.

Section 1002. Supplemental Indentures Requiring Consent Of Bondholders.

(a) Exclusive of supplemental indentures covered by Section 1001 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then outstanding shall have the right, from time to

time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the City and the Trustee of such other indenture or indentures supplemental hereto for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided that nothing in this section contained shall permit or be construed as permitting (a) an extension of the maturity date of the principal of or the interest on any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond, the rate of interest thereon or the amount of any premium payable on the redemption thereof, or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture.

(b) If at any time the City shall request the Trustee to enter into any such supplemental indenture for any of the purposes allowed by this Section, the Trustee shall, at the request of the City and upon being satisfactorily indemnified by the Airline with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be mailed in substantially the manner provided in Section 603 hereof with respect to redemption of Bonds. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period of time as shall be prescribed by the City following the mailing of such notice, the Owners of a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof. The City shall have the right to extend from time to time the period within which such consent and approval may be obtained from Bondholders. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith. The Trustee may receive an opinion of Counsel that any such supplemental indenture entered into by the City and the Trustee complies with the provisions of this Article X and is enforceable in accordance with its terms, and the Trustee may rely upon such opinion.

Section 1003. Consent To Supplemental Indentures.

(a) Anything herein to the contrary notwithstanding, a supplemental indenture under this Article X that affects any rights or obligations of the Airline shall not become effective unless and until the Airline shall have consented to the execution and delivery of such supplemental indenture.

The Airline shall be given prior written notice of the proposed execution and delivery of any supplemental indenture whether or not its rights or obligations are affected. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture together with a copy of the proposed supplemental indenture to be mailed by certified or registered mail to the Airline at least fifteen (15) days before the date of the mailing of notice of the proposed execution of such supplemental indenture as hereinbefore in Section 1002 provided. The Airline shall be deemed to have consented to the execution and delivery of any such supplemental indenture if the Trustee does not receive at its principal corporate trust office (Attention: []) a letter of protest or objection thereto signed by or on behalf of the Airline on or before 4:30 P.M., Chicago time, on the fifteenth day after the mailing of said notice and a copy of the proposed supplemental indenture.

(b) The Trustee may, but shall not be obligated to, enter into any supplemental indenture that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Article XI.

Amendment Of Agreement.

Section 1101. Amendments, Etc., To Agreement Not Requiring Consent Of Bondholders.

The City and the Airline may, with the written consent of the Trustee, but without the consent of or notice to any of the Bondholders, enter into any amendment, change or modification of the Agreement as may be required (a) by the provisions of the Agreements or this Indenture, (b) for the purpose of curing any ambiguity, formal defect or formal omission or in connection with any other change therein, provided that no such action is to the prejudice of the Trustee or the Owners of the Bonds, or (c) so as to add additional rights acquired in accordance with the provisions of the Agreement; provided that any amendment to Exhibit A to the Agreement contemplated in Section 3.1 of the Agreement shall not be deemed to be an amendment of the Agreement for any purpose of this Article XI.

Section 1102. Amendments, Etc., To Agreement Requiring Consent Of Bondholders.

Except for the amendments, changes or modifications as provided in Section 1101 hereof, neither the City nor the Airline shall enter into any

other amendment, change or modification of the Agreement without mailing of notice and the written approval or consent of both the Owners of not less than a majority in aggregate principal amount of the Bonds at the time outstanding given and procured as provided in this section; provided that nothing in this section or Section 1101 hereof shall permit or be construed as permitting (a) an extension of the time of the payment of any amounts payable under Section 4.2 of the Agreement, or (b) a reduction in the amount of any payment or in the total amount due under Section 4.2 or of the Agreement. If at any time the City and the Airline shall request the consent of the Trustee to any such proposed amendment, change or modification of the Agreement, the Trustee shall, at the request of the City and upon being satisfactorily indemnified with respect to expenses' cause notice of such proposed amendment, change or modification to be mailed in the same manner as provided by Section 602 hereof with respect to redemption of Bonds. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Bondholders. If, within sixty (60) days, or such longer period as shall be prescribed by the City, following the mailing of such notice, both the Owners of a majority in principal amount of the Bonds outstanding at the time of the execution of any such amendment, change or modification shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof or to enjoin or restrain the Airline or the City from executing the same or from taking any action pursuant to the provisions thereof, or the Trustee from consenting thereto. The City shall have the right to extend from time to time the period within which such consent and approval may be obtained from the Bondholders. Upon the execution of any such amendment, change or modification as in this section permitted and provided the Agreement shall be and be deemed to be modified, changed and amended in accordance therewith.

Section 1103. Reliance On Opinion Of Counsel.

The City and the Trustee may rely upon an opinion of Counsel to the effect that any such proposed amendment, change or modification will comply with the provisions of this Article XI and is enforceable in accordance with its terms.

Section 1104. No Consent For Assignment Of Agreement By Airline.

Nothing in this Article XI or elsewhere in this Indenture shall be construed as requiring the consent or approval of the Trustee or any of the

Bondholders to an assignment of the Agreement in whole or in part by the Airline in accordance with Section 5.6 of the Agreement.

Section 1105. Consent Of Trustee.

The Trustee may, but shall not be obligated to, consent to any amendment, change or modification of the Agreement that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Article XII.

Discharge Of Indenture.

Section 1201. Discharge Of Lien Of Indenture.

(a) If the City shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Owners of the Bonds of the principal or redemption price (including any premium) of and interest due or to become due on the Bonds at the times and in the manner stipulated therein and if the City shall pay or cause to be paid to the Trustee all sums of money due or to become due according to the provisions hereof to the extent provided herein, and if the Trustee shall be furnished with an opinion of Counsel to the effect that all conditions precedent to the satisfaction and discharge of this Indenture have been fulfilled, then these presents and the estate and rights hereby granted shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of this Indenture and execute and deliver to the City such instruments in writing as shall be requisite to cancel and discharge the lien of this Indenture, and reconvey, release, assign and deliver unto the City any and all the estate, right, title and interest in and to any and all property conveyed, assigned or pledged to the Trustee or otherwise subject to this Indenture, except for amounts required to be paid to the Airline under Section 413 hereof, which shall be so paid, and except for moneys or securities held by said Trustee for the payment of the principal of and interest on the Bonds.

(b) Any Bond shall be deemed to be paid within the meaning of this Article when payment of the principal or redemption price (including any premium) of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment, (i) moneys sufficient to

make such payment, and/or (ii) Governmental Obligations (provided that the Trustee shall have received an opinion of Bond Counsel to the effect that such deposit will not affect the tax-exempt status of the interest on any of the Bonds nor cause any of the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code) maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made and all other liabilities of the Airline under the Agreement shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Indenture, except for the purpose of any such payment from such moneys or Governmental Obligations (including earnings therefrom).

(c) No Bonds in respect of which a deposit under clause (b)(2)(ii) above has been made shall be deemed paid within the meaning of this Article unless the Trustee is satisfied, based upon a verification report prepared by a firm of independent certified public accountants, that the amounts deposited are sufficient to make all payments that might become due on the Bonds.

(d) Any moneys so deposited with the Trustee as provided in this Article may at the direction of the Airline also be invested and reinvested in Governmental Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Governmental Obligations in the hands of the Trustee pursuant to this Article that is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Special Facility Revenue Fund, as appropriate, as and when realized and collected for use and application as are other moneys deposited in that fund.

(e) Anything in Article XI hereof to the contrary notwithstanding, if moneys or Governmental Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of Bonds and the interest thereon and such Bonds and the interest thereon shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Owner of each of the Bonds affected thereby.

(f) Notwithstanding the foregoing, those provisions relating to the maturity of Bonds interest payments and dates thereof, and the dates and notice requirements for optional and mandatory redemption and the Trustee's remedies with respect thereto, and provisions relating to exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost, stolen or undelivered Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, and repayments to the Airline from any Funds pursuant to Section 413 hereof and the duties of the Trustee in connection with all of the

foregoing and the fees, expenses and indemnities of the Trustee, shall remain in effect and shall be binding upon the Trustee, the City, the Airline, and the Bondholders notwithstanding the release and discharge of the lien of this Indenture.

Article XIII.

Miscellaneous.

Section 1301. Consents, Etc., Of Bondholders.

(a) Any consent, approval, direction or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, approval, direction or other instrument or of the writing appointing any such agent, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely:

(1) The fact and date of the execution by any Person of any such instrument or writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgements within such jurisdiction that the Person signing such instrument or writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution or in any other manner satisfactory to the Trustee; and

(2) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the City maintained by the Trustee pursuant to Section 205 hereof.

(b) For all purposes of this Indenture and of the proceedings for the enforcement hereof, such Person shall be deemed to continue to be the Owner of such Bond until the Trustee shall have received notice in writing to the contrary, which notice shall be made in the manner prescribed in this Section.

(c) In determining whether the Owners of a requisite aggregate principal amount of Outstanding Bonds have concurred in any request, demand,

authorization, direction, notice, consent or waiver under the provisions of this Indenture, Bonds that are owned by the Airline or any affiliate thereof, and that are known to be so owned by an officer of the Trustee assigned to its [Corporate Trust Division], shall be disregarded and deemed not to be Outstanding hereunder for the purpose of any such determination unless all Bonds are owned by the Airline or any affiliate thereof, in which case such Bonds shall be considered Outstanding for the purpose of such determination. Notwithstanding the foregoing, Bonds so owned that have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Airline or any affiliate of the Airline.

(d) Any such consent, approval, direction or other instrument shall be binding upon the Owner of the Bond giving such consent and, anything in this Section 1301 to the contrary notwithstanding, upon any subsequent Owner of such Bond and of any Bond issued in exchange therefor or on registration of transfer thereof (whether or not such subsequent Owner thereof has notice thereof), unless such consent, approval, direction or other instrument is revoked in writing by the Owner of such Bond giving such consent or by a subsequent Owner thereof by filing with the Trustee, before the taking by the Trustee of any action on the basis of such consent, approval, direction or other instrument, such revocation. At any time after the Owners of the required percentage of Bonds shall have filed their consents to any action permitted hereby to be taken by the Owners of such percentage of Bonds, the Trustee shall make and file with the City a written statement that the Owners of such required percentage of Bonds have filed such consents. Such written statement shall be conclusive evidence that such consents have been so filed.

Section 1302. Limitation Of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied for this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Airline, and the Owners of the Bonds any legal or equitable right, remedy or claim under or in respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties hereto, the Owners of the Bonds, and the Airline as herein provided.

Section 1303. Severability.

If any provision of this Indenture shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or

jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Indenture shall not affect the remaining portions of this Indenture, or any part thereof.

Section 1304. Notices.

Except as otherwise provided herein, all notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given to the parties required hereunder to receive such notice, certificate or communication when mailed by registered or certified mail, postage prepaid, addressed as follows (provided that notices hereunder to the Trustee shall be effective when received by the Trustee):

If To The City:

City of Chicago
Office of Comptroller
Room 501, City Hall
121 North LaSalle Street
Chicago, Illinois 60602

Attention: City Comptroller

With A Copy To:

City of Chicago
Department of Aviation
20 North Clark Street
Suite 3000
Chicago, Illinois 60602

Attention: Commissioner of the
Department of Aviation

If To The Airline
Mailing Address:

Lufthansa German Airlines
John Hancock Center
Suite 3020
875 North Michigan Avenue
Chicago, Illinois 60611

Attention: Manager of
Administration and
Personnel

With A Copy To:

Lufthansa German Airlines
1640 Hempstead Turnpike
East Meadows, New York 11554

Attention: Manager of Legal Affairs
U.S.A.

It To The Trustee:

Independence Bank of Chicago
7936 South Cottage Grove Avenue
Chicago, Illinois 60619

Attention: L. Irene Jackson,

Trust Administrator

And To:

The First National Bank of Chicago
One First National Plaza
Suite []
Chicago, Illinois 606[]

Attention:

If by reason of the suspension of mail service, it shall be impracticable to give notice by mail of any event to the Owner of any Bonds, to the City or to the Airline when such notice is required to be given to any provisions of this Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of notice.

Section 1305. Holidays.

If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Indenture and no interest shall accrue for the period after such date.

Section 1306. Counterparts.

This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1307. Applicable Law.

This Indenture shall be governed exclusively by and construed in accordance with the laws of the state applicable to contracts made and to be performed in the state.

Section 1308. City's Obligation Limited.

Anything in this Indenture to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that (a) the City may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the City by the Trustee or the Airline as to the existence of any fact or state of affairs required hereunder to be noticed by the City; (b) the City shall not be under any obligation hereunder to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed either by the Trustee or the Airline; and (c) none of the provisions of this Indenture shall require the City to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless it shall first have been adequately indemnified to its satisfaction against the cost, expenses and liability which may be incurred thereby. Notwithstanding anything herein contained to the contrary, any obligation that the City may incur under this Indenture or under any instrument executed in connection herewith that shall entail the expenditure of money shall not be a general obligation of the City but shall be a limited obligation payable solely from Special Facility Revenues.

Section 1309. Immunity Of Officers, Employees, Agents And Members Of Governing Body Of City.

No recourse shall be had for the enforcement of any obligation, promise or agreement of the City contained in the Agreement, this Indenture or in any Bond issued hereunder for any claim based thereon or otherwise in respect thereof, against any officer, employee or agent, or member of the Governing Body, as such, in his individual capacity, past, present or future of the City

or of any successor thereto, either directly or through the City or any successor thereto, whether by virtue of any constitutional provision, statute or rule or law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that the Indenture, the Bonds and the Agreement are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any officer, employee or agent, or member of the Governing Body as such, past, present or future, of the City or any successor thereto, either directly or through the City or any successor thereto, under or by reason of any of the obligations, promises or agreements entered into between the City and the Airline neither contained in the Agreement or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such officer, employee or agent, or member of the Governing Body of the City is, by the execution of the Agreement and this Indenture, and as a condition of, and as part of the consideration for, the execution of the Agreement and this Indenture, expressly waived and released.

Section 1310. Captions.

The captions or headings in this Indenture are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Indenture.

In Witness Whereof, The City has caused these presents to be signed in its name and behalf by its City Comptroller and its corporate seal to be hereunto affixed and attested by its City Clerk, and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by one of its [Vice Presidents] and attested by one of its [Assistant Secretaries], all as of the first day of October, 1990.

City of Chicago

By: _____
City Comptroller

(Seal)

Attest:

City Clerk

Independence Bank of Chicago, as
Trustee

By: _____

Attest:

The First National Bank of Chicago,
as Trustee

By: _____

Attest:

Exhibit "A" attached to this Indenture reads as follows:

Exhibit "A"
Form Of Bond.

[Form Of Face Of Bond]

Registered
No. R-

Registered
\$

Interest Rate: Maturity Date: Dated Date: C.U.S.I.P.:

Registered Owner:

Principal Amount:

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bond

(Lufthansa German Airlines Project)

Series _____.

The City of Chicago (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay, from the sources and in the manner hereinafter provided, to the Registered Owner identified above or registered assigns, upon presentation and surrender of this Bond the Principal Amount identified above on the Maturity Date identified above, unless the Bond shall earlier have been called for redemption and payment of the redemption price (including any premium) shall have been duly made or provided for, and to pay the Registered Owner hereof interest thereon from the Dated Date identified above to the Maturity Date or earlier redemption of this Bond, at the Interest Rate identified above payable on [Payment Month] [Payment Day], [Year] and semiannually thereafter on each [Anniversary Month] [Payment Day] and [Payment Month] [Payment Day] (each an "Interest Payment Date") until the City's obligation with respect to the payment of such Principal Amount shall be discharged, at the principal corporate trust office in the City of Chicago, State of Illinois of the Trustee hereinafter mentioned. Principal of and interest and redemption premium, if any, on this Bond are payable in lawful money of the United States of America.

This Bond is one of a duly authorized issue of bonds by the City designated as its "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project)", (the "Bonds") issued and to be issued in one or more series pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, and certain ordinances of the City Council of the City, and executed under an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project) (the "Indenture") dated as of October 1, 1990, from the City to the Trustee, for the purpose of providing funds to finance the costs of certain improvements constituting a cargo facility at Chicago-O'Hare International Airport and further improvements and other accessions thereto for use by Deutsche Lufthansa Aktiengesellschaft, operating in the United States under the name "Lufthansa German Airlines", a corporation organized under the laws of the Federal Republic of Germany (the "Airline"), and for paying costs and expenses incidental thereto and to the issuance of the Bonds.

Payments sufficient to provide for the payment when due of the principal of and interest and redemption premium, if any, on the Bonds are required to be made directly to the Trustee for the account of the City by the Airline under the terms of a Special Facility Use Agreement dated as of October 1, 1990 (the "Agreement"), between the City and the Airline relating to the Bonds. The Bonds are all issued under and equally and ratably secured by and entitled to the security of a pledge and assignment of the revenues and receipts derived by the City pursuant to the Agreement, and all receipts of the Trustee credited under the provisions of the Indenture against such

payments, and from certain other moneys held by the Trustee under the Indenture for such purpose, and there shall be no recourse against the City or any property now or hereafter owned by it other than against said revenues and receipts. In addition, the Airline has delivered to the Trustee its Guaranty unconditionally guaranteeing the payment of principal of and interest on the Bonds and the redemption price of the Bonds in the event of a mandatory redemption under the Indenture, as the same shall be due and payable, and all payments under such Guaranty shall be remitted directly to the Trustee for the account of the City under the Indenture. The Agreement, and the obligations of the Airline, thereunder, may under certain circumstances be assigned in whole or in part by the Airline, without the necessity of obtaining the consent of either the Trustee or the Bondholders.

The Bonds shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory provision of the State of Illinois. Neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision thereof is pledged to the payment of the principal or redemption price (including any premium) of the Bonds, or the interest thereon, or other costs incident thereto. The Bonds are payable solely from the special facility revenues in the Indenture pledged to such payment and no owner or owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof nor to enforce the payment of the Bonds against any property of the City, the State of Illinois or any such political subdivision. The Project (as defined in the Indenture) is not security for the Bonds, and the Bonds are not secured by any other property or improvements at Chicago-O'Hare International Airport or the revenues derived by the City from the operation of said Airport generally.

As provided in the Indenture, Bonds may be issued from time to time pursuant thereto in one or more Series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture. The aggregate principal amount of Bonds which may be issued pursuant to the Indenture is not limited and all Bonds issued and to be issued pursuant to the Indenture are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Indenture.

This Bond is one of a series of Bonds designated "Series _____ Bonds" (the "Series Bonds"), issued in the aggregate principal amount of \$_____ pursuant to the Indenture, for the purposes authorized by the Indenture. Copies of the Indenture and the Agreement are on file at the office of the City Clerk and at the principal corporate trust offices of Independence Bank of Chicago and The First National Bank of Chicago in Chicago, Illinois, jointly and severally as trustee under the Indenture, or their successors as trustee (the "Trustee"), and reference to the Indenture and any and all supplemental indentures thereto and to the Agreement and any and all modifications and amendments thereof is made for a complete

description of the pledges and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies thereof is made for a description of the pledges and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledges, and the rights and remedies of the Registered Owners of the Bonds with respect thereto.

Reference Is Hereby Made To The Further Provisions Of This Bond Set Forth On The Reverse Hereof And Such Further Provisions Shall For All Purposes Have The Same Effect As If Set Forth Here.

It Is Hereby Certified, Recited And Declared, that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture unless and until the certificate of authentication hereon shall have been duly executed by the Trustee.

In Witness Whereof, The City of Chicago has caused this Bond to be executed in its name by the facsimile signature of its Mayor and the facsimile of its corporate seal to be printed hereon and attested by the facsimile signature of its City Clerk.

Dated: _____

City of Chicago

By: [Facsimile Signature]
Mayor

Attest:

[Facsimile Signature]_____
City Clerk

[Facsimile Seal]

[Form Of Trustee's Certificate Of Authentication]

This Bond is one of the Bonds described in the within-mentioned Indenture of Trust.

_____, as Trustee

By: _____
Authorized Signature

[Form Of Reverse Of Bond]

This Bond is transferable as provided in the Indenture, only upon the books of the City kept for that purpose at the principal corporate trust office of the Trustee, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Registered Owner or such duly authorized attorney. Upon the surrender for registration of transfer hereof, the City shall execute and the Trustee shall authenticate a new Bond or Bonds registered in the name of the transferee of the same aggregate principal amount, maturity and interest rate as the surrendered Bond. The City, the Trustee, and any agent of the City or the Trustee may treat the person in whose name this Bond is registered as the owner hereof for the purpose or receiving payment as herein and in the Indenture provided and for all other purposes, whether or not this Bond is overdue, and neither the City, the Trustee, nor any such agent shall be affected by notice to the contrary.

The Series _____ Bonds are issuable solely in the form of registered Bonds in the denomination of \$5,000, or any integral multiple thereof. Upon the payment of the charges, if any, this Bond, upon surrender at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Registered Owner or his attorney duly authorized in writing, may, at the option of the Registered Owner thereof, be exchanged for an equal aggregate principal amount of Bonds of any other authorized denominations.

Payments of interest alone on any Interest Payment Date shall be made to the Registered Owner hereof as of the close of business on the [Record Date 1] or [Record Date 2] immediately before such Interest Payment Date (each a "Record Date"), and shall be (i) paid by check or draft mailed to such Registered Owner hereof at his address as it appears on the registration books of the City maintained by the Trustee as Bond Registrar (or any co-registrar appointed pursuant to the provisions of the Indenture), or (ii) made by wire transfer to such Registered Owner upon written request indicating the applicable wire transfer address in the continental United States by such Registered Owner to the Trustee given not less than [] days before such Record Date; provided that such Registered Owner shall, as of the close of business on such Record Date, own [Wire Transfer Minimum Ownership] or more in aggregate principal amount of the Bonds. If any Interest Payment Date is not a Business Day (as defined in the Indenture), then the applicable interest payment shall be made on the first Business Day thereafter. Interest on the Bonds shall be computed on the basis of a year of 360 days comprising twelve 30-day months.

[Insert applicable redemption terms]

The Bonds are subject to optional and mandatory redemption under certain conditions, in addition to those described above, as provided in the Indenture. Notice of any such redemption must be given to the Registered Owners of the Bonds by registered or certified mail not less than thirty (30) days nor more than sixty (60) days before the redemption date. Any notice mailed as provided in the Indenture shall be conclusively presumed to have been given, whether or not Registered Owners of the Bonds receive the notice.

This Bond and all other Bonds of the issue of which it forms a part are issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and pursuant to an ordinance adopted by the City Council of the City, which ordinance authorizes the execution and delivery of the Indenture. This Bond and the issue of which it forms a part are limited obligations of the City payable solely from the amounts derived under the Agreement and pledged under the Indenture consisting of: (i) all

amounts payable from time to time by the Airline with respect to the Bonds pursuant to the Agreement (except for amounts payable with respect to Unassigned Rights as defined in the Indenture) and all receipts of the Trustee credited under the provisions of the Indenture against said amounts payable, (ii) any portion of the net proceeds of the Bonds deposited with the Trustee under the Indenture, and (iii) any amounts paid into the Bond Fund created in the Indenture from the Construction Fund created in the Indenture, including moneys attributable to Bond proceeds or the income from the temporary investment thereof.

No recourse shall be had for the payment of the principal of or interest or redemption premium, if any, on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future officer, employee or agent, or member of the City Council of the City, or any successor to the City, as such, either directly or through the City, or any successor to the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, employee or agent, or member of the City Council, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. If an event of default as defined in the Indenture occurs and is continuing, the principal of all Bonds then outstanding issued under the Indenture may be declared due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

The Indenture prescribed the manner in which it may be discharged and after which the Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except as provided in the Indenture and for the purposes of registration and exchange of Bonds and of such payment, including a provision that the Bonds shall be deemed to be paid if Governmental Obligations, as defined therein, maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay the principal of and interest on the Bonds and all necessary and proper fees, compensation and expenses of the Trustee shall have been deposited with the Trustee.

Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

[Form Of Assignment]

For Value Received, the undersigned sells, assigns and transfers unto _____ (Name and Address of Assignee) the within Bond of the City of Chicago and does hereby irrevocably constitute and appoint attorney to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The signature subscribed to this assignment must be guaranteed by a commercial bank or trust company or by a member of The New York Stock Exchange, Inc.

Notice: The signature subscribed to this assignment must correspond to the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN.COM. -- as tenants in common

TEN.ENT. -- as tenants by the entireties

JT.TEN. -- joint tenants with right of survivorship and not as tenants in common

UNIF.GIFT.MIN.ACT. --

_____ as Custodian for _____
(Cust) (Minor)

under Uniform Gifts to Minors Act of _____
(State)

Additional abbreviations may also be used though not in the above list.

Variable Rate Demand Bond Provisions

For Insertion Into The

Indenture Of Trust

Securing Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Deutsche Lufthansa Aktiengesellschaft Project).

[If the Series 1990 Bonds are to be issued as variable rate demand bonds, the following provisions need to be inserted into the Indenture. Where section numbers or defined terms already exist in the form of Indenture, the provisions below are to replace the existing provisions.]

General.

[References to payment of "principal of and interest and redemption premium, if any, on" shall be changed to "principal and purchase price upon tender, if any, and interest and redemption premium, if any, on".]

Definitions.

["Administrative Expenses" shall include fees and expenses of any Remarketing Agent or Tender Agent.]

"Bond Purchase Date" means, for any Bond of a Series of Bonds which may become Tendered Bonds, (i) each Business Day selected by the Registered Owner of such Bond pursuant to the provisions of this Indenture which permit the tender of such Bond for purchase and (ii) each Business Day upon which such Bond is required to be tendered for purchase by the Registered Owner thereof by the provisions of this Indenture.

"Bond Purchase Fund" means the Fund created by Section 417 of this Indenture.

"Conversion Date" means any date on which the Interest Rate Mode of part or all of any Series of Bonds changes.

"Credit Agreement" means, for any Credit Facility and Credit Provider, the agreement or instrument between such Credit Provider and the Airline or the City, as the case may be, which governs the rights, duties and obligations of such parties with respect to the issuance and maintenance of such Credit Facility, as such agreement or instrument may be amended or supplemented.

"Credit Facility" means, for part or all of any Series of Bonds, the guaranty, irrevocable letter of credit, line of credit bond purchase agreement, bond insurance or other form of credit enhancement or liquidity support, if any, from time to time in effect whether the original Credit Facility or any alternate or replacement Credit Facility, as each may from time to time be transferred, assigned, reissued or extended in accordance with its terms, for such Bonds specified in this Indenture with respect to such Series of Bonds. The issuance by the Credit Provider of a new form of its Credit Facility pursuant to its Credit Agreement which effects one or more of the following changes and makes no other amendments or change to such Credit Facility shall be considered for purposes of this Indenture to continue to be such Credit Facility, rather than an alternate or replacement Credit Facility; (i) an extension of the regularly scheduled expiration date; (ii) a change in the fees and expenses to be paid to such Credit Provider; (iii) changes to any of the addresses set forth therein; (iv) a change in the amount of interest, the payment of which is secured by such Credit Facility, whether by increasing or decreasing the number of days for, or the rate of interest at, which such interest is to be payable for purposes of determining such amount of interest; and (v) the addition or deletion of coverage by such Credit Facility of premium payable with respect to the Bonds for which such Credit Facility was furnished.

"Credit Facility Termination Date" means, for any Credit Facility, the date on which such Credit Facility is to expire by its terms.

"Fixed Interest Rate" means the fixed rate of interest to be applicable to part or all of any Series of Bonds following exercise by the Airline of its option to convert such Bonds to the Fixed Interest Rate Mode pursuant to the provisions of this Indenture.

"Fixed Interest Rate Mode" means the mode in which the interest rate on part or all of any Series of Bonds is determined and in effect for the remaining term of such Bonds.

"Fixed Rate Conversion Date" means, (i) for Bonds of any Series which are in a Variable Interest Rate Mode, the date, determined in accordance with

the provisions of this Indenture, upon which any Bonds of such Series begin to bear interest at a Fixed Interest Rate, and (ii) for Bonds of any Series issued in a Fixed Interest Rate Mode, the date of initial issuance thereof.

"Initial Interest Rate Period" means, for any Series of Bonds, the period from the date of initial issuance of such Bonds through and including the first Interest Rate Adjustment Date with respect to such Bonds.

"Initial Rate" means, for any Series of Bonds, the interest rate on such Bonds for the Initial Interest Rate Period for such Bonds.

"Interest Payment Date" means, for any Series of Bonds, each date on which interest on such Bonds is payable and, in the case of any Bonds of any Series in the Fixed Interest Rate Mode, shall mean the first (1st) day of each May and November, beginning with the first of such dates to occur after the issuance of such Bonds, or, if such day is not a Business Day, then the first Business Day thereafter, unless otherwise specified with respect to a particular Series of Bonds in this Indenture.

"Interest Rate Adjustment Date" means, for any Series of Bonds, each date, which shall be a Business Day, on which part or all of the Bonds of such Series will begin to bear interest at a rate announced on an Interest Rate Determination Date for such Bonds and shall be the date set forth in the provisions of this Indenture applicable to such Series and to the particular Interest Rate Mode for such Bonds.

"Interest Rate Determination Date" means, for any Series of Bonds, each date, which shall be a Business Day, on which interest on such Bonds is determined and announced by the Remarketing Agent for such Series of Bonds and shall be the date set forth in the provisions of this Indenture applicable to such Series and to the particular Interest Rate Mode for such Bonds.

"Interest Rate Mode" means, for part or all of the Bonds of any Series, as the case may be, the mode in which the Interest Rate for such Bonds is being determined, and includes the Fixed Interest Rate Mode, the Variable Interest Rate Mode and any other mode in which the Interest Rate of any Bonds shall be determined pursuant to the provisions of this Indenture.

"Mandatory Purchase Date" means any of the dates specified in this Indenture on which Bonds of any Series are subject to Mandatory Purchase.

"Mandatory Purchase" means the mandatory purchase of Bonds of any Series upon the occurrence of certain events as provided by the provisions of this Indenture applicable to such Series.

"Purchase Price" means, with respect to any Tendered Bonds, 100% of the principal amount of such Bonds, plus, in the case of Bonds in the Weekly Interest Rate Mode, accrued and unpaid interest on such Bonds.

"Remarketing Agent" means any person meeting the qualifications of Section [917] designated from time to time to act as Remarketing Agent for any Series of Bonds under Section [916].

"Tender Agent" means any person meeting the qualifications of and designated to act as Tender Agent for any Series of Bonds under Section [921].

"Tender Agency Agreement" means, for any Series of Bonds, the agreement pursuant to which the Tender Agent for such Series agrees to accept the duties of Tender Agent provided under Section [921].

"Tendered Bonds" means Bonds of any Series tendered to the Trustee or the Tender Agent, pursuant to the provisions of this Indenture permitting or requiring such tender, by the Registered Owners thereof for purchase other than by the City pursuant to provisions of the Indenture for optional or mandatory redemption.

"Undelivered Bond" means any Bond which is deemed tendered but which is not actually delivered for purchase on the applicable Bond Purchase Date.

"Unremarketed Bonds" means Bonds purchased with moneys drawn or otherwise furnished under a Credit Facility for such Bonds which are being held for the benefit of the Credit Provider of such Credit Facility pursuant to the provisions of this Indenture, the Credit Agreement for such Credit Facility or any pledge or similar agreement or instrument with respect to such Bonds entered into in connection with such Credit Facility.

"Variable Interest Rate Mode" means any Interest Rate Mode in which the rate of interest on Bonds of any Series is reset from time to time, and includes the Weekly Interest Rate Mode.

"Weekly Interest Rate Mode" means the mode in which the interest rate on part or all of the Bonds of any Series is reset on a periodic basis approximating one week as provided in the applicable provisions of this Indenture.

"Weekly Interest Rate Period" means the period of time in which part or all of the Bonds of any Series bear interest in the Weekly Interest Rate Mode as provided in the applicable provisions of this Indenture.

[Section 204.]

[Paragraph (a) shall be modified to reflect the designation of the Series 1990 Bonds as "Variable Rate Demand Series 1990", that the form of the Bond will include the optional redemption, tender for purchase and transfer

or exchange provisions in insertions to Exhibit A below consistent with the provisions herein, and that Authorized Denominations for the Series 1990 Bonds shall be integral multiples of \$100,000 until the Fixed Rate Conversion Date, and integral multiples of \$5,000 thereafter.]

(c) From the date on which the Series 1990 Bonds are issued to [December], 199[0], (the initial Interest Rate Adjustment Date), the interest rate on all of the Series 1990 Bonds shall be [Initial Interest Rate]% per annum. Thereafter, the Series 1990 Bonds shall bear interest at the Weekly Interest Rate announced by the Remarketing Agent for the Series 1990 Bonds, which shall initially be [Smith Barney, Harris Upham & Co., Incorporated] on each Interest Rate Determination Date, until the Fixed Rate Conversion Date.

(d)

(1) As long as the Series 1990 Bonds bear interest in a Weekly Interest Rate Mode, the Series 1990 Bonds are subject to optional redemption by the City, at the direction of the Airline and upon the compliance with the terms of the Credit Agreement with the Credit Provider for the Series 1990 Bonds, on any Interest Rate Adjustment Date, in whole or in part in Authorized Denominations, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued and unpaid interest to the date set for redemption.

(2) From and after the Fixed Rate Conversion Date, Series 1990 Bonds are subject to optional redemption by the City, upon the written direction of the Airline, beginning with the [third] anniversary of the Fixed Rate Conversion Date, in whole at any time or in part on any Interest Payment Date, at the applicable redemption prices (expressed as percentages of the principal amount of the Bonds to be so redeemed) set forth in the following table, plus accrued interest to the date set for redemption:

Redemption Dates (Dates Inclusive)	Redemption Price
First Interest Payment Date following the [Third] anniversary of the Fixed Rate Conversion Date to but excluding the [Seventh] anniversary of the Fixed Rate Conversion Date	[103%]
First Interest Payment Date following the [Seventh] anniversary of the Fixed Rate Conversion Date to but excluding the [Eighth] anniversary of the Fixed Rate Conversion Date	[102%]

First Interest Payment Date following the
[Eighth] anniversary of the Fixed Rate
Conversion Date to but excluding the
[Ninth] anniversary of the Fixed
Rate Conversion Date [101%]

First Interest Payment Date following the
[Ninth] anniversary of the Fixed Rate
Conversion Date to the Stated Maturity
of the Series 1990 Bonds [100%]

(f) The City hereby designates [] to act as Tender Agent for the Series 1990 Bonds. The City hereby authorizes and directs the Trustee to execute and deliver such agreements and instruments as shall be reasonably required to authorize such appointment and to evidence acceptance and assumption of the duties of Tender Agent for the Series 1990 Bonds pursuant to the provisions of Section 921 hereof.

(g) The principal of the Series 1990 Bonds shall be payable to the Registered Owners thereof upon presentation and surrender of such Bonds, when due, at the principal office of the Trustee or such other office as the Trustee may designate from time to time in writing to the Bondholder. The interest on the Series 1990 Bonds shall be paid by check or draft drawn upon the Trustee, made payable to the order of the Registered Owners thereof as of the close of business on the relevant Record Date, and mailed to the address of the Registered Owner shown on the registration books of the Trustee. Owners of \$1,000,000 or more in aggregate principal amount of the Series 1990 Bonds may submit to the Trustee not later than 15 days before the Record Date a written request that interest be payable by wire transfer to such Owner of the Bonds. Payment as aforesaid shall be made in lawful money of the United States of America. The term "Record Date", as used with respect to any Series 1990 Bonds while such Bonds are in the Weekly Interest Rate Mode, means the Business Day before an Interest Payment Date.

Section 212. Interest Rates On Bonds.

(a) While the Bonds of any Series bear interest in any Variable Interest Rate Mode, the interest rate for a particular Interest Rate Period will be the rate announced by the Remarketing Agent on the Interest Rate Determination Date, which (except under certain circumstances described below) shall also be the Interest Rate Adjustment Date. Such interest rate is effective beginning on the Interest Rate Adjustment Date for the succeeding Interest Rate Period. The interest rate announced by the Remarketing Agent on the Interest Rate Determination Date will be that rate of interest

per annum announced and confirmed in writing to the Trustee on the Interest Rate Determination Date by the Remarketing Agent to be the minimum interest rate per annum necessary, during the Interest Rate Period beginning on the Interest Rate Adjustment Date, in the judgment of the Remarketing Agent, to produce a par bid in the secondary market for the affected Bonds on the Interest Rate Determination Date.

(b) If (i) the Remarketing Agent has been removed or has resigned and no successor has been appointed, or (ii) the Remarketing Agent has failed to announce the appropriate interest rate on the Interest Rate Determination Date for whatever reason, or (iii) the appropriate interest rate cannot be determined for whatever reason, the interest rate then in effect for any affected Bonds, without adjustment, will continue for the next Interest Rate Period and the Interest Rate Mode will not be changed.

(c) The interest rate on the Bonds of any Series shall not exceed [fifteen percent (15%)] per annum.

(d) On each Interest Rate Determination Date for any Series of Bonds, the Remarketing Agent will give the Airline, the Book-Entry Depository and the Trustee notice by facsimile transmission or by telephone, confirmed in writing, of the interest rate to be borne by the affected Bonds for the following Interest Rate Period. After any Interest Rate Determination Date any Registered Owner of affected Bonds may contact the Trustee or the Remarketing Agent in order to be advised of the applicable interest rate. Not later than the Business Day following the Interest Rate Determination Date, the Trustee shall notify the City, the applicable Credit Provider, the Book-Entry Depository, and the Tender Agent of the Interest Rate. No notice of the applicable interest rate will be sent to the Registered Owners of affected Bonds. The interest rate announced by the Remarketing Agent, absent manifest error, is binding and conclusive upon the Registered Owners of the affected Bonds, the Airline, the City and the Trustee.

Section 213. Interest Rate Modes, Interest Rate Determination Date, Interest Rate Periods.

(a) Weekly Interest Rate Period.

(1) Each Interest Rate Period during a Weekly Interest Rate Mode for any Series of Bonds shall be for a period of approximately one week beginning on Wednesday and ending on the day preceding the first day of the next Interest Rate Period; provided that if any Wednesday is not a Business Day, the Interest Rate Period shall begin on the next succeeding Business Day.

(2) Each Interest Rate Determination Date shall be not later than [11:00 A.M., Chicago, Illinois time] on the Interest Rate Adjustment Date; provided that if any Interest Rate Adjustment Date is the first Business Day of a month, the Interest Rate Determination Date shall be the first Business Day before such Interest Rate Adjustment Date.

(3) The Interest Rate Adjustment Date for any Weekly Interest Rate Mode shall be the first day of each successive Interest Rate Period, as set forth in paragraph (i) above.

(b) Fixed Interest Rate Period.

(1) The Interest Rate Period for any Fixed Interest Rate Mode shall begin on the Fixed Rate Conversion Date and continue through the stated Maturity of the Bonds.

(2) Except for any Series of Bonds initially issued in a Fixed Rate Interest Mode, the Interest Rate Determination Date shall be not later than 2:00 P.M. Chicago, Illinois time on the day which is 15 calendar days before the Fixed Rate Conversion Date.

(3) The Interest Rate Adjustment Date for any Series of Bonds in a Fixed Rate Interest Mode shall be the Fixed Rate Conversion Date.

Section 214. Conversion Between Interest Rate Modes.

The Interest Rate Mode applicable to some or all Bonds of any Series may be changed, at the election of the Airline in the manner described below.

(a) Conversion To Fixed Interest Rate Mode.

(1) On any Interest Rate Adjustment Date while Bonds of any Series bear interest at a Variable Interest Rate, the Interest Rate on some or all of such Bonds may, at the direction of the Airline, be converted to the Fixed Interest Rate Mode. The date of such conversion shall be the Fixed Rate Conversion Date. After the Fixed Rate Conversion Date, the adjustable rate, purchase and tender features of such Bonds shall be permanently terminated. From and after the Fixed Rate Conversion Date, such Bonds shall bear interest at the Fixed Interest Rate determined in the manner provided herein. In order to exercise its option, the Airline shall deliver a notice to the Trustee, the Remarketing Agent and the Book-Entry Depository specifying such Conversion Date, which shall be a Business Day not less than 45 days following the date such notice is sent. On or before the 20th day before the Fixed Rate Conversion Date, the

Airline may specify that such Bonds may be secured by a different Credit Facility from the Credit Facility theretofore in effect, including bond insurance or changes to or deletions of the Credit Facility; provided that such designation shall be effective only if it does not adversely affect the ability of Bond Counsel to render the opinion described below.

(2) The Fixed Interest shall be established by the Remarketing Agent on or before the 15th day preceding the Fixed Rate Conversion Date. Upon determining the Fixed Interest Rate the Remarketing Agent shall immediately notify the Airline, the Trustee, the City and the Tender Agent of such Fixed Interest Rate, by telephone, promptly confirmed in writing.

(3) Not less than 25 days before the Fixed Rate Conversion Date stated in the notice from the Airline, the Trustee shall prepare and send notice by first class mail to each Bondholder and/or to the Book-Entry Depository by facsimile stating:

(i) that the affected Bonds are proposed to be converted to the Fixed Rate Interest Mode on the Fixed Rate Conversion Date specified in such notice;

(ii) that the adjustable rate, purchase and tender features of such Bonds will terminate on the Fixed Rate Conversion Date and that, from and after the Fixed Rate Conversion Date, the interest rate(s) on such Bonds will become fixed;

(iii) the Interest Rate Determination Date for such Bonds;

(iv) that after the Fixed Rate Conversion Date the Bondholders will no longer have the right to tender Bonds to the Tender Agent for purchase;

(v) that in connection with the Fixed Rate Conversion Date the Credit Facility will expire and will no longer secure such Bonds or that it will continue and that the security provisions thereof may be revised;

(vi) that all such Bonds shall be subject to mandatory purchase on the Fixed Rate Conversion Date, and all information required to be included in a notice of mandatory purchase pursuant to Section 919, including that any Bonds so required to be purchased which are not delivered to the Tender Agent on or before 10:30 A.M. on the Fixed Rate Conversion Date shall be deemed purchased in accordance with the provisions of Section 919;

(vii) that any bond credit ratings then applicable to such Bonds may change or be withdrawn on or after the Fixed Rate Conversion Date;

(viii) that during the Fixed Rate Period, such Bonds may be issued in denominations of \$5,000 or integral multiples thereof; and

(ix) that such Conversion may be rescinded on or before the Interest Rate Determination Rate at the option of the Airline, or thereafter if all conditions to conversion are not satisfied, or in the circumstances described in paragraph (4) of this Subsection (b).

No other notice of the foregoing shall be provided. If the Airline determines on or before the Interest Rate Determination Date to rescind the Conversion or thereafter determines in good faith at any time on or before the Fixed Rate Conversion Date that it is unable to meet the conditions set forth herein to convert such Bonds to the Fixed Interest Rate(s), the Airline will promptly so notify the Trustee and the Trustee will give prompt written notice to the Bondholders that such Bonds will not be converted to the Fixed Interest Rate on such Fixed Rate Conversion Date, but rather will be converted to the Weekly Interest Rate Mode, but such Bonds shall nevertheless be subject to mandatory purchase on such conversion date.

(4) The right of the Airline to consummate the fixed rate conversion option shall be contingent (i) upon its ability to obtain on or before the date of the notice required to be given by the Trustee to the Bondholders pursuant to (3) above, an opinion of Bond Counsel, dated as of the date of such notice, to be reaffirmed as of the Fixed Rate Conversion Date, that following the Fixed Rate Conversion Date, the Bonds continue to be the valid and binding obligations of the City and that the exercise of the conversion option will not adversely affect the excludability of the interest on the Bonds from gross income for federal income tax purposes, and (ii) upon its ability to effect, on or before the 15th day before the Fixed Rate Conversion Date, the execution of a contract of purchase relating to the Bonds between the Airline and the Remarketing Agent or other underwriter or institutional investor, providing for the simultaneous purchase of all such Bonds including all Unremarketed Bonds. The Airline's exercise of the fixed rate conversion option shall be deemed rescinded if all of the foregoing conditions are not satisfied or if the obligations incurred by the purchaser under the contract of purchase described in (ii) above are not fulfilled on the proposed Fixed Rate Conversion Date for any reason, in which event the Bonds shall remain in or be converted to the Weekly Interest Rate Mode and the Trustee shall promptly notify all Bondholders and the Credit Provider of such rescission. In the event of such rescission all such Bonds shall remain subject to mandatory purchase on the proposed Fixed Rate Conversion Date. In such event such Bonds shall be remarketed as Bonds in the Weekly Interest Rate Mode.

(5) Any Bond purchased by the Tender Agent pursuant to the terms of this Indenture from the date notice is required to be given by the Trustee to the Bondholders pursuant to paragraph (3) above to and including the proposed Fixed Rate Conversion Date shall not be remarketed unless the purchaser thereof has acknowledged receipt of a form of notice of conversion conforming to the requirements of paragraph (3) above. The Owner of each such Bond, by its purchase and acceptance of such Bond, irrevocably appoints the Tender Agent as its duly authorized attorney-in-fact for the purposes of assignment, endorsement, certification, execution or acknowledgement that such Owner is holding the Bond for the benefit of the purchaser or purchasers, registration of transfers and delivery of Bonds in the event of a mandatory purchase of such Bonds. The Tender Agent's power of attorney is coupled with an interest.

In the event of any purchase, any Undelivered Bond shall no longer evidence the debt of the City, and the holder thereof shall be entitled only to payment of the Purchase Price for the Undelivered Bond upon delivery thereof from the funds held in the Bonds Purchase Fund maintained by the Trustee.

(c) Conversion to Fixed Interest Rate Mode Final. After the Bonds have been converted to a Fixed Interest Rate Mode, no further conversions between Interest Rate Modes may be made with respect to the Bonds.

Section 215. Book-Entry System.

(a) The Trustee with the consent of the Airline, is hereby authorized to enter into a custody agreement with the Depository Trust Company as described below and establish a book-entry system for the registration of ownership of Bonds.

(b) Upon execution of the custody agreement referred to above, the Depository Trust Company ("D.T.C."), New York, New York, will act as Book-Entry Depository for the Bonds. The ownership of one fully registered Bond for each stated Maturity of Bonds, each in the aggregate principal amount of such stated Maturity, will be registered in the name of Cede & Co., as nominee for D.T.C. Based upon D.T.C.'s representations, D.T.C. is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. Based upon D.T.C.'s representations, D.T.C. was created to hold securities of its participants (the "D.T.C. Participants") and to facilitate the clearance and settlement of securities transactions among D.T.C. Participants in such securities through

a electronic book-entry changes in accounts of D.T.C. Participants, thereby eliminating the need of physical movement of securities certificates. Based upon D.T.C.'s representations, D.T.C. Participants include securities brokers and dealers, banks, trust companies that clear through or maintain a custodial relationship with a D.T.C. Participant, either directly or indirectly (the "Indirect Participants").

(c) Based upon D.T.C.'s representations, the book-entry system will operate as follows: the D.T.C. Participants shall receive a credit balance in the records of D.T.C. The ownership interest of each actual purchaser of each Bond (the "Beneficial Owner") will be recorded through the records of the D.T.C. Participant. Beneficial Owners will receive a written confirmation of their purchase providing details of the Bonds acquired. Transfers of ownership interests in the Bonds will be accomplished by book entries made by D.T.C. and, in turn, by the D.T.C. Participants who act on behalf of the Beneficial Owners. Beneficial Owners will receive certificates representing their ownership interest in the Bonds, except as specifically provided in this Indenture.

(d) So long as Cede & Co. is the Registered Owner of the Bonds, as nominee of D.T.C., references herein to the Bondholders, holders of Bonds or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds.

(e) D.T.C. may determine to discontinue providing its service with respect to the Bonds at any time by giving notice to the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, Bond certificates are required to be delivered as described in this Indenture. The Beneficial Owner, upon registration of certificates held in the Beneficial Owner's name, will become the Registered Owner of the Bonds.

(f) The Trustee, with the consent of the Airline may determine that continuation of the system of the book-entry transfers through D.T.C. (or a successor securities depository) is not in the best interests of the respective Beneficial Owners. In such event, Bond certificates will be delivered to the Registered Owners in accordance with instruction from D.T.C.

(g) The Trustee will recognize D.T.C. or its nominee as the Bondholder for all purposes, including notices and voting. Conveyance of notices and other communications by D.T.C. to D.T.C. Participants and Indirect Participants and by D.T.C. Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

(h) Principal, redemption, interest and purchase price payments on the Bonds will be made to D.T.C. or its nominee, Cede & Co., as Registered Owner of the Bonds. Upon receipt of moneys, D.T.C.'s current practice is to immediately credit the accounts of the D.T.C. Participants in accordance

with their respective holdings shown on the records of D.T.C. Payments by D.T.C. Participants and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such D.T.C. Participants or Indirect Participants and not of D.T.C., the Trustee, the Airline or the City, subject to any statutory and regulatory requirements as may be in effect from time to time.

Section 416. Credit Facility.

(a) The Credit Provider has delivered to the Trustee the Credit Facility for the Series 1990 Bonds which the Trustee hereby acknowledges is held for the equal and ratable benefit of the holders from time to time of the Series 1990 Bonds. The Credit Facility will not secure payment of any premium due and owing on optional redemption of the Series 1990 Bonds, unless the Credit Facility then in effect provides for draws thereunder to pay such premiums.

(b) As long as Bonds of any Series are in a Variable Interest Rate Mode, the Airline shall have the option from time to time to provide the Trustee with an alternate or replacement Credit Facility. Any alternate or replacement Credit Facility shall be effective on or before the Credit Facility Termination Date applicable to the Credit Facility being replaced and shall have a term ending at least fifteen (15) days after an Interest Payment Date for the Bonds secured by such Credit Facility and not sooner than one year after its date of issuance. On or before the delivery of any alternate or replacement Credit Facility to the Trustee, the Airline shall furnish to the Trustee (i) an opinion of Bond Counsel stating that delivery of such alternate or replacement Credit Facility to the Trustee is authorized under this Indenture, complies with the terms of this Indenture, and will not adversely affect the exclusion from gross income for purposes of federal income taxation of interest on the affected Bonds, (ii) written evidence from Moody's or S. & P. (if such Bonds are then rated) to the effect that such rating agency has reviewed the proposed alternate or replacement Credit Facility and that the substitution of such alternate or replacement Credit Facility for the existing Credit Facility will not, by itself, result in a reduction of such rating agency's current rating on such Bonds or result in a rating of less than A-1 from S. & P. or P-1 from Moody's, and (iii) an opinion of counsel to the Credit Provider of such alternate or replacement Credit Facility that such alternate or replacement Credit Facility has been duly executed and delivered and is the legal, valid and binding obligation of such Credit Provider enforceable in accordance with its terms and addressing such other matters which the Trustee or the Remarketing Agent may reasonably request in form and substance reasonably acceptable to the Trustee and the Remarketing Agent. Upon receipt of notice of the Airline's intent to deliver an alternate or replacement Credit Facility, the Trustee shall give notice to the affected Bondholders of such event and effect a mandatory purchase of the Bonds

pursuant to this Indenture simultaneously with acceptance of such alternate or replacement Credit Facility.

(c) If at any time there shall have been delivered to the Trustee an alternate or replacement Credit Facility, together with the other documents and opinions required by this Section 416, then the Trustee shall accept such alternate or replacement Credit Facility and promptly surrender the previously held Credit Facility to the Credit Provider thereof for cancellation. If at any time there shall cease to be any Bonds Outstanding under the Indenture secured by any Credit Facility, the Trustee shall promptly surrender the Credit Facility to the Credit Provider thereof for cancellation. The Trustee shall comply with the procedures, if any, set forth in the Credit Facility or the Credit Agreement therefor relating to the termination of such Credit Facility. The Trustee shall give written notice of such acceptance to all holders of affected Bonds, by first-class mail, postage prepaid, addressed to the last known address of each holder as shown on the bond register maintained by the Trustee, within thirty (30) days following such acceptance.

(d) The City agrees to cooperate to the extent necessary with the Airline the Credit Provider and the Trustee in their defense of the Trust Estate against the claims and demands of any person, and will do, execute, acknowledge and deliver or cause to be done, such further acts, instruments and transfers as the Trustee or the Credit Provider may reasonably require for the better granting of the Trust Estate, including without limitation, execution and delivery of any financing statements and continuation statements.

Section 417. Creation And Use Of The Bond Purchase Fund.

(a) There is hereby created and ordered established with the Trustee a fund to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Bond Fund (Compagnie Nationale Air France Project)" (the "Bond Fund") as a separate fund not pledged for the payment of any Series of the Bonds, but held solely for the purpose of paying the Purchase Price of Bonds tendered for purchase on a Bond Purchase Date.

(b) Moneys in the Bond Purchase Fund shall be derived:

first -- from funds received from or on the direction of the Remarketing Agent from its sale of Bonds;

second -- from the proceeds of a draw on or other disbursement from any Credit Facility; and

third -- from payments by the Airline.

(c) Moneys held in the Bond Purchase Fund may be invested at the direction of the Airline in Investment Securities described in clauses (i) and (ii) of the definition thereof or otherwise rated not less than the then current rating on the Bonds that would enable the Trustee to pay any and all moneys in the Bond Purchase Fund by the end of the Business Day if presented with Tendered Bonds no later than [10:30 A.M.] New York City time on such Business Day or the next Business Day if presented after [10:30 A.M.] New York City time.

[One or more of the following defaults may be added to Section 801]:

(d) Failure to pay the Purchase Price of any Bond tendered for purchase in accordance with Section 919 hereof;

(e) Receipt by the Trustee of written notice from the Credit Provider within 10 days of a drawing on the Credit Facility that the amount available to pay interest on the Bonds is not being reinstated by the Credit Provider;

(f) Receipt by the Trustee of a notice from the Credit Provider stating that an Event of Default under the Credit Agreement has occurred and is continuing and that such notice is being delivered pursuant to this Section 801(f);

(g) An [Act of Bankruptcy] of the Credit Provider or if the Credit Facility becomes unavailable to the Trustee for any reason other than a wrongful dishonor by the Credit Provider of a draft on the Credit Facility by the Trustee; provided that no such occurrence shall constitute an event of default unless the Airline, within 60 days thereafter, shall fail to provide for an alternate or replacement Credit Facility meeting the requirements of this Indenture; and provided further that the declaration of an Event of Default under this subsection and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation, or reorganization proceedings; or

(h) Wrongful dishonor by the Credit Provider of a draft on or other request for payment under the Credit Facility by the Trustee which has not been cured within five (5) Business Days.

[Section 802 is to reflect that acceleration may be subject to the consent of the Credit Provider. Such provisions are usually negotiated with the Credit Provider, and the provisions herein are typical rather than definitive.]

[Section 803.]

(d) Obligations of Trustee to Draw Under Credit Facility. Following acceleration of the Bonds and before exercising any remedy under this Indenture or the Agreement, or any other remedy available to the Trustee, the Trustee shall draw or request payment under the Credit Facility. Unless the Credit Provider has wrongfully dishonored a draft drawn by the Trustee under the Credit Facility, the Trustee shall accept the direction of the Credit Provider with respect to any other right or remedy available to the Trustee or the Bondholders under the Indenture. Notwithstanding any provision in this Indenture to the contrary, if there occurs an Event of Default described in Section 801(g), (h) or (i) any consents required of the Credit Provider before the taking of any action by the Trustee shall no longer be required, (ii) any directions which the letter of Credit Bank may give to the Trustee pursuant to this Indenture shall not be binding on the Trustee and (iii) any consent required of the Credit Provider which does not also require the consent of the Trustee shall only require the consent of the Trustee.

(e) Subject always to the provisions of paragraph (d), and without limiting the mandatory obligations of the Trustee under paragraph (d) and Section 802 (including the requirement to obtain the consent of the Credit Provider to accelerate the Bonds) upon the occurrence and during the continuance of any event of default, the Trustee shall have the power to, but unless requested in writing by the holders of at least a majority in aggregate principal amount of the Bonds then Outstanding and furnished with reasonable security and indemnity shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the Trust Estate under the Indenture by any acts which may be unlawful or in violation of the Indenture and such suits and proceedings as the Trustee may be advised by Counsel shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

[Section 805.]

(d) After the Bonds have been paid in full with a draw upon the Credit Facility, any remaining moneys shall be paid to the Credit Provider to the extent necessary to reimburse the Credit Provider pursuant to the Reimbursement Agreement.

Section 810. Trustee And City Required To Accept Actions And Directions Of Airline And The Credit Provider.

(a) Whenever after a reasonable request by the Airline or the Credit

Provider, the City shall fail to direct or to require the Trustee to take any other action which the City is required or permitted to have the Trustee take pursuant to the Agreement or the Indenture, the Airline or the Credit Provider instead of the City may so direct or require the Trustee to take any such action, and the Trustee is hereby irrevocably empowered and directed to accept such direction from the Airline or the Credit Provider as sufficient for all purposes of the Indenture. The Airline or the Credit Provider shall have the direct right to cause the Trustee to comply with its obligations under this Indenture to the same extent that the City is empowered so to do.

(b) The City and Trustee acknowledge that certain actions or failures to act by the City under the Indenture may create or result in an Event of Default under the Indenture and the City hereby agrees that the Airline or the Credit Provider may perform (but shall not be required to perform) any and all acts or take such action as may be necessary for and on behalf of the City to prevent or correct said Event of Default and the Trustee agrees that it shall take or accept such performance by the Airline or the Credit Provider as performance by the City in such event.

Section 811. Credit Facility.

(a) In the event of a declaration of acceleration under Section 802 of this Indenture, the Trustee shall draw on the Credit Facility on the same day the declaration of acceleration is made in the amount equal to the lesser of the amount available under the Credit Facility or in an amount required in order to provide for the timely payment in full of the principal and interest on the Bonds due or to become due by reason of interest on the Bonds due or to become due by reason of such acceleration and shall promptly take such actions and give such notice as may be required to pay or redeem the outstanding Bonds entitled to the benefits of such Credit Facility. By its terms a draw on the Credit Facility shall be honored no later than the Business Day after the date of the draw provided the draw is made in accordance with the time specified in the Credit Facility.

(b) Whether or not an Event of Default or a Default has occurred or is continuing, if the Trustee presents a draft under the Credit Facility for payment of principal of or interest on the Bonds but not for payment of the Purchase Price of Bonds which draft is honored by the Credit Provider and there are moneys in the Bond Fund, such moneys shall be paid to the Credit Provider for application against the obligations of the Airline under the Credit Agreement.

(c) If at any time during the term of the Credit Facility a successor Trustee shall be appointed and qualified under this Indenture and the Credit Facility is not transferable to the successor Trustee, the resigning Trustee shall request from the Credit Provider a substitute Credit Facility identical

to the prior Credit Facility but addressed to and running in favor of the successor Trustee for the benefit of the holders of the available credit. If the resigning Trustee fails to make this request, the successor Trustee shall do so before accepting its appointment. Upon issuance of the substitute Credit Facility to the successor Trustee, the prior Credit Facility shall be returned and canceled.

Section 916. Remarketing Agent.

The Airline shall appoint the Remarketing Agent for the Bonds, subject to the conditions set forth in Section 917 hereof. The Remarketing Agent shall designate to the Trustee its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the City and the Trustee.

Section 917. Qualifications Of Successor Remarketing Agent.

(a) Any Successor Remarketing Agent shall be a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$15,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture and shall be acceptable to the Credit Provider, which shall not unreasonably withhold its consent. The Remarketing Agent may resign and be discharged of the duties and obligations created by this Indenture by giving at least thirty (30) days notice to the City, the Airline, the Credit Provider, any rating agency then rating the Bonds, if any, and the Trustee. The initial Remarketing Agent may without consent of the other parties hereto, but upon thirty (30) days' notice to the City, the Airline, the Credit Provider, the Trustee, Moody's and the Tender Agent assign its rights, duties and obligations hereunder to [Smith Barney, Harris Upham & Co., Incorporated], upon which event [Smith Barney, Harris Upham & Co., Incorporated], shall become the Remarketing Agent hereunder with all rights, duties and obligations attached hereto. The Remarketing Agent may be removed by the Airline, by a certificate furnished to the City and the Trustee designating a successor Remarketing Agent, subject to the provisions of the Remarketing Agent, shall mail notice to each of the Registered Owners of the Bonds.

(b) In the event of the resignation or removal of the Remarketing Agent, the departing Remarketing Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

(c) If the Remarketing Agent shall resign, or be dissolved, or if the property or affairs of the Remarketing Agent shall be taken under the control of any state or federal court or administrative body because of

bankruptcy or insolvency, or for any other reason, and the Airline shall not have appointed its successor as Remarketing Agent, the Trustee, notwithstanding the provisions of the first paragraph of this Section 917, shall ipso facto be deemed to be the Remarketing Agent for all purposes of this Indenture until the appointment by the Airline of the successor Remarketing Agent; provided that the Trustee, in its capacity as Remarketing Agent, shall not be required to remarket Bonds.

Section 918. Adjustment Of Interest Rate.

So long as any Series of Bonds bear interest in a Variable Interest Rate Mode and before conversion to the Fixed Interest Rate Mode, on each Interest Rate Determination Date, the Remarketing Agent shall determine the Interest Rate to be borne by such Bonds for the next succeeding Interest Period in accordance with Section 213 hereof. The Remarketing Agent shall communicate this rate telephonically or by facsimile on the Interest Rate Determination Date for such Bonds, with prompt written confirmation, to the Trustee, the Book-Entry Depository and the Airline. On the Business Day after the Trustee receives the Interest Rate on such Bonds, the Trustee shall notify the City, the Credit Provider and the Book-Entry Depository of the Interest Rate. Thereafter the Remarketing Agent and the Trustee shall provide the Interest Rate upon request.

Section 919. Purchases Of Bonds.

(a) Demand Purchase Option for Bonds in the Weekly Interest Rate Mode. Any Bond in the Weekly Interest Rate Mode (other than a Unremarketed Bond) shall be purchased, on the demand of the Holder thereof, on any Business Day selected by the Holder as hereinafter provided, at the Purchase Price of par plus accrued interest, only upon irrevocable written notice to the Remarketing Agent, received at its principal corporate office on a Business Day not later than seven (7) days before the specified purchase date (provided that if the seventh (7th) day succeeding the day the notice is received is not a Business Day, the purchase date may be set in said notice as the preceding Business Day). Such written notice shall (1) state the registration number and principal amount (or portion thereof) of such Bond to be purchased; (2) state the purchase date on which such Bond shall be purchased pursuant to this Section 919(a) and (3) irrevocably request such purchase. Any Bond to be so purchased must be delivered to the Tender Agent (with an appropriate transfer of registration executed in blank in form satisfactory to the Tender Agent and, if the holder desires payment of the Purchase Price by wire transfer, the wire transfer instructions on or before [10:30 A.M.] New York City time on the Purchase Date in order to receive same day payment of the Purchase Price. Any Bond not so delivered shall nevertheless be deemed purchased as provided below. Bonds may be

required to be purchased pursuant to such notice in any Authorized Denomination, and Bonds of denominations in excess of the minimum Authorized Denomination may be so required to be purchased in part, provided, that no Bond may be so required to be purchased in part if such partial purchase would result in the principal amount of any Bond being outstanding in other than an Authorized Denomination. The Remarketing Agent shall promptly, but in no event later than [12:00 Noon] on the Business Day following the day such notice was received, provide the Trustee with facsimile notice of the receipt of the notice referred to in the preceding paragraph.

(b) **Mandatory Purchase of Bonds under Certain Circumstances.** On and before the Fixed Rate Conversion Date applicable to, Bonds of any Series which bear interest in a Variable Rate Interest Mode, all of such Bonds, other than Unremarketed Bonds, are subject to mandatory purchase on any of the following Mandatory Purchase Dates:

(1) On the fifth day before the stated Credit Facility Termination Date (other than any expiration date resulting solely from the conversion of such Bonds to a Fixed Interest Rate and any expiration date when an alternate or replacement Credit Facility has been approved pursuant to Section 416 hereof and has become effective), or if such day is not a Business Day, the next preceding Business Day;

(2) On any Conversion Date with respect to such Bonds;

(3) On the fifth Business Day following receipt by the Trustee of a notice from the Credit Provider for such Bonds that an event of default under and as defined in the Credit Agreement of such Credit Provider has occurred and directing the Trustee to give notice of the mandatory purchase of all such Bonds; or

(4) On the fifth day before the applicable Credit Facility Termination Date when an alternate or replacement Credit Facility has been provided pursuant to Section 416 hereof and has become effective, or, if such day is not a Business Day, on the next preceding Business Day.

Notice of mandatory purchase pursuant to clause (1) or (4) of this Section 919(b) shall be mailed by the Trustee, not less than fifteen (15) days before the Mandatory Purchase Date. Notice of mandatory purchase pursuant to clause (3) of this Section 919(b) shall be communicated by the Trustee on the first Business Day after receipt by the Trustee from such Credit Provider of the notice described therein. In each case notice shall be mailed or otherwise communicated to the respective Owners of the affected Bonds at their addresses as maintained on the registration books. Each notice of mandatory purchase shall state the Mandatory Purchase Date and the place of Mandatory Purchase (which shall be the principal corporate office of the

Tender Agent) and, with respect to mandatory purchases pursuant to clause (4) of this Section 919(b), that the holders may waive purchase upon filing of the instrument specified in paragraph (d) below. If the notice is given pursuant to clause (4) of this Section 919(b), the notice shall also describe the alternate or replacement Credit Facility and that the ratings assigned to the Bonds may be changed or withdrawn as a result of the substitution of the alternate or replacement Credit Facility. Each such notice or communication shall also state that on said date there will become due and payable on said Bonds the Purchase Price and that from and after the mandatory Purchase Date, in the absence of the receipt of a valid Notice of Waiver of Purchase to paragraph (c) below (in the case of clause (4) above), interest thereon shall cease to accrue to the prior holder of the Bond to be purchased, and shall require such Bonds be then surrendered and shall state that, if not so surrendered, the Bonds will be deemed purchased in accordance with paragraph (e) below.

The owner of each such Bond, by its purchase and acceptance of such Bond, irrevocably appoints the Tender Agent as its duly authorized attorney-in-fact for the purposes of assignment, endorsement, certification, execution or acknowledgment that the owner is holding such Bond for the benefit of the purchaser or purchasers, registration of transfers and delivery of Bonds in the event of a mandatory purchase of such Bonds. The Tender Agent's power of attorney is coupled with an interest.

In the event of any purchase, any Undelivered Bond shall no longer evidence the debt of the City, and the holder thereof shall be entitled only to payment of the Purchase Price for the Undelivered Bond upon delivery thereof from the funds held in the Bond Purchase Fund maintained by the Trustee.

(c) Waiver of Purchase. Any Owner may waive a purchase of a Bond on a Mandatory Purchase Date established or determined pursuant to clause (4) of Section 919(b), by delivery to the principal corporate office of the Remarketing Agent not later than the fifth day preceding such Mandatory Purchase Date, a written Notice of Waiver of Purchase of such Owner (1) directing that such Bond (or a portion thereof in any Authorized Denomination) not be purchased on such Mandatory Purchase Date, (2) agreeing not to sell such Bond before such Mandatory Purchase Date, (3) when applicable, agreeing not to exercise any tender option available to such Bond before such Mandatory Purchase Date, (4) acknowledging that such waiver is irrevocable, and (5) acknowledging that the rating assigned to the Bonds may be changed or withdrawn as a result of such change. Notwithstanding the foregoing, no waiver for any Mandatory Purchase Date occurring after the redemption date may be made with respect to any Bond that has been called for redemption.

(d) Remarketing of Unremarketed Bonds. Unremarketed Bonds may be remarketed in any Authorized Denomination at any time, provided that Bonds may only be remarketed as Bonds in the Interest Rate Mode then in

effect for such Series of Bonds and provided that Unremarketed Bonds will not be released for remarketing until the Credit Facility has been reinstated (if the Credit Facility is still in effect) with respect to such Unremarketed Bonds.

(e) Undelivered Bonds. Any Bonds with respect to which the Holder has given a notice of purchase to the Tender Agent as specified in Section 919(a) or which are required to be tendered for a purchase on a Mandatory Purchase Date to the Tender Agent that are not delivered on the Purchase Date, and for the payment of which there has been irrevocably deposited in trust in the Bond Purchase Fund an amount of money sufficient to pay the Purchase Price and any interest owing on the Purchase Date with respect to that Bond shall be deemed to have been purchased pursuant to this Section, and shall be Undelivered Bonds. In the event of a failure by a Bondholder (other than a Bondholder who has given a valid and effective Notice of Waiver of Purchase as provided herein) to tender its Bonds on or before the required date, said holder of such Undelivered Bonds shall not be entitled to any payment other than the Purchase Price and any unpaid interest due on the Purchase Date and Undelivered Bonds in the hands of such non-delivering holder shall no longer accrue interest or be entitled to the benefits of this Indenture, except for the payment of the Purchase Price and any unpaid interest due on the Purchase Date; provided, however, that the indebtedness represented by such Bonds shall not be extinguished, and the Tender Agent shall transfer, authenticate and deliver such Bonds as provided below. The Tender Agent shall give telephonic or facsimile notice to the Trustee, promptly confirmed by mail, of all Undelivered Bonds. With the respect to any Undelivered Bond, the Tender Agent, acting hereunder and pursuant to the power of attorney granted by such Bondholder herein, shall do the following:

(1) Assign and register the transfer of such Bond to the purchaser or purchasers thereof;

(2) Authenticate and deliver a new Bond or Bonds, as appropriate, to the purchaser or purchasers thereof including the Airline, if appropriate;

(3) Execute and deliver to the Trustee an acknowledgement that the holder of Undelivered Bonds holds such Undelivered Bonds for the benefit of the new purchaser or purchasers thereof, who shall be identified in such acknowledgement;

(4) Promptly notify by first class mail the holder of such Undelivered Bond that:

(i) the Tender Agent has acted pursuant to such power of attorney to transfer the Undelivered Bond and to perform the other acts set forth in this Section;

(ii) the Undelivered Bond is no longer Outstanding; and

(iii) funds equal to the applicable Purchase Price plus any unpaid interest due on the Purchase Date of such Bond are being held on behalf of such holder pending presentation of the Undelivered Bond, without interest, in the Bond Purchase Fund established for such purpose by the Trustee;

(5) Notify the Trustee for entry on the Bond Register that the Undelivered Bond is no longer Outstanding;

(6) By Noon, on any Business Day on which an Undelivered Bond is presented to the Tender Agent, requisition the Trustee for the amounts necessary to pay the Purchase Price including, as to Bonds in the Weekly Interest Rate Mode, any unpaid interest due on the Purchase Date to such holder tendering such certificate. Bonds presented on or before 10:30 A.M., New York City time on any Business Day are to be paid on or before the close of business on that day. Bonds presented after 10:30 A.M. are to be paid on the next succeeding Business Day;

(7) The Tender Agent shall pay the Purchase Price to the tendering bondholder by wire transfer if wire transfer instructions have been received or by check or draft or by such other means satisfactory to the Tender Agent and such holder.

By or before the close of business the Trustee shall pay the Purchase Price to the Tender Agent by wire transfer from money in the Bond Purchase Fund.

Prior holders of Bonds purchased or deemed purchased pursuant to this Section 919 shall not be entitled to interest thereon which accrues on and after the related Purchase Date, provided moneys are on hand in the Bond Purchase Fund to pay the Purchase Price and any unpaid interest due on the Purchase Date.

(g) Purchase of Tendered Bonds. On any Purchase Date (all times New York time):

(1) By or before [10:30 A.M.] the Remarketing Agent shall give facsimile notice to the Trustee, of the principal amount of Bonds of any Series subject to purchase on the Purchase Date which have not been remarketed by the Remarketing Agent at the time of notice.

(2) By [12:00 Noon] the Trustee, shall submit to the Credit Provider at the place specified in the Credit Facility appropriate documentation for a

drawing or drawings under the Credit Facility in the amount equal to the Purchase Price of the Bonds required to be purchased on such Purchase Date which were not remarketed by the Remarketing Agent at the time of the notice provided pursuant to paragraph (1) above.

(3) By or before [10:30 A.M.] the Remarketing Agent shall notify the Tender Agent of the names, addresses, and delivery instructions for the purchaser of remarketed Bonds and the principal denominations of such Bonds.

(4) By or before [2:30 P.M.] the Credit Provider shall pay by wire transfer in immediately available funds the amount of the drawings properly made on such date to the Trustee for deposit in the Bond Purchase Fund.

(5) By or before [11:30 A.M.] the Remarketing Agent shall pay or cause to be paid by wire transfer in immediately available funds the purchase price of remarketed Bonds to the Tender Agent for payment to the tendering Bondholder as described below. Such payment for such remarketed Bonds will be effected by a delivery versus payment transaction between the purchaser and the Tender Agent.

(6) By or before [1:30 P.M.] the Tender Agent shall wire transfer the Purchase Price of remarketed Bonds which have not been tendered to the Trustee for deposit into the Bond Purchase Fund.

(7) In the case of Bonds not being settled by book-entry through Book-Entry Depository by or before Noon, the Tender Agent shall notify the Trustee of all tendered Bonds which have been delivered to the Tender Agent for purchase on such Purchase Date.

(8) Bonds purchased by the Tender Agent with proceeds of a draft drawn under the Credit Facility and not remarketed by the Remarketing Agent shall be owned by the Airline and be held by the Trustee in pledge for the benefit of the Credit Provider. For Bonds not remarketed but which have been tendered to the Tender Agent, (i) in the case of delivery via the Book-Entry Depository, the Tender Agent shall cause to be delivered such Bonds versus payment to the Trustee (or agent of the Credit Provider) such Bonds to be held in pledge hereunder, or (ii) in the case of physical delivery, the Tender Agent shall cancel the purchased certificates and immediately advise the Trustee of such act, upon which the Trustee shall authenticate and register the Bonds, such unremarketed Bonds to be registered by the Trustee in the name of the Credit Provider or its designee as Pledgee by the close of business that day.

(9) By or before the close of business the Tender Agent shall deliver such Bonds to the purchasers in accordance with the direction of the Remarketing Agent or such purchasers.

(10) By or before the close of business the Trustee shall pay the Purchase Price to the Tender Agent by wire transfer from money in the Bond Purchase Fund.

(11) The Tender Agent shall pay the Purchase Price to the tendering Bondholder by wire transfer if wire transfer instructions have been received or by check or draft or by such other means satisfactory to the Tender Agent and such holder.

(h) Unremarketed Bonds. On the date of the remarketing of any Unremarketed Bonds:

(1) By or before [10:30 A.M.] the Remarketing Agent shall notify the Trustee of the names, addresses, and delivery instructions for the purchasers of Unremarketed Bonds and the principal denominations of such Bonds.

(2) By or before [11:30 A.M.] the Remarketing Agent shall pay or cause to be paid by wire transfer of immediately available funds the purchase price of remarketed Unremarketed Bonds to the Trustee for deposit in the Bond Purchase Fund. In the case of book-entry settlement via the Book-Entry Depository, such payment for remarketed Unremarketed Bonds will be effected by a delivery versus payment transaction between the purchaser and the Trustee.

(3) The Trustee shall wire transfer such purchase price of remarketed Unremarketed Bonds to the Credit Provider to the extent the Credit Provider has not been reimbursed for the draw on the Credit Facility used to purchase such Unremarketed Bonds. Any remaining moneys after the Credit Provider has been reimbursed in full with respect to such remarketed Unremarketed Bonds shall be paid to the Airline.

If the Unremarketed Bonds are remarketed at less than par the Airline shall wire to the Trustee by [11:00 A.M.], Chicago, Illinois time, any moneys necessary to fully reinstate the Credit Facility upon the remarketing of such Unremarketed Bonds. The Trustee shall not register remarketed Bonds to the new bondholders unless it has been notified by the Credit Provider that the Credit Facility has been reinstated as to such Bonds.

Payment of the Purchase Price for Bonds tendered for purchase or deemed tendered for mandatory purchase shall be made on the relevant Bond Purchase Date as applicable only with the funds in the Bond Purchase Fund in the order described in Section 417; provided that upon receiving direction from the Credit Provider to purchase bonds pursuant to clause (3) of Section 819(b) hereof, the Trustee shall draw upon the Credit Facility and use such proceeds to purchase Bonds.

Bonds remarketed by the Remarketing Agent shall be delivered to the purchasers thereof. In each case the Tender Agent shall authenticate the Bonds delivered to the purchasers thereof.

The Remarketing Agent may, but is not obligated to, acquire for its own account any Bonds delivered to the Tender Agent but not resold. The Remarketing Agent may sell and/or purchase any Bonds for its own account at any time.

Section 920. Remarketing And Sale Of Bonds.

(a) Except as otherwise provided in the Remarketing Agreement, and with respect to all Unremarketed Bonds and all Bonds subject to purchase on a Bond Purchase Date other than Bonds subject to Mandatory Purchase pursuant to Section 919 which are not to be remarketed unless and until, in the case of any Mandatory Purchase Date arising pursuant to Section 919(b)(1) an alternate or replacement Credit Facility has become effective, or in the case of Section 919(b)(3) the Credit Provider has reinstated the Credit Facility, the Remarketing Agent shall offer for sale and use its best efforts to sell all such Bonds at a price equal to the principal amount thereof plus accrued interest, if any, and with an interest rate determined as provided in Section 212; provided that the Unremarketed Bonds may be remarketed at prices other than par, but no Unremarketed Bond shall be remarketed unless the Credit Facility has been or, upon receipt of remarketing proceeds, will be reinstated to the amount equal to the principal amount of all outstanding Bonds (other than Bonds remaining as Unremarketed Bonds) and [] days interest at the rate of []% per annum. The Remarketing Agent shall promptly notify the Airline, the Tender Agent and the Trustee by telephone, confirmed in writing, of the remarketing of Unremarketed Bonds.

(b) The Trustee shall notify the Remarketing Agent promptly of any Event of Default and the Remarketing Agent may rely upon such notice absent manifest error in it. Any Bond purchased pursuant to Section 819 hereof during the period following notice of Conversion pursuant to Section 214 hereof or a notice of redemption pursuant to Section 602 hereof shall not be remarketed except to a purchaser who has acknowledged receipt of a form of notice of conversion or notice of redemption to the same effect as the notice to be given Bondholders pursuant to Section 214 hereof or Section 602 hereof, as the case may be.

(c) The proceeds of sale of any Bonds (other than Unremarketed Bonds) sold by the Remarketing Agent pursuant to Section 919(f) hereof shall be transferred by or at the direction of the Remarketing Agent by wire transfer in immediately available funds to the Trustee, for application in accordance with this Indenture. The proceeds of the remarketing of Unremarketed Bonds shall be transferred by or at the direction of the Remarketing Agent

to the Credit Provider in immediately available funds on the date of remarketing in the manner as shall be specified by the Bank to the Remarketing Agent.

Anything in this Indenture to the contrary notwithstanding, there shall be no remarketing of Bonds which have been tendered or deemed tendered for purchase to this Article IX if there shall have occurred and be continuing an event of default under the Indenture.

Section 921. Tender Agent.

(a) The Tender Agent shall:

(1) hold all Bonds delivered to it for purchase hereunder as agent and bailee of, and in escrow for the benefit of, the respective Bondholders who have so delivered such Bonds until moneys representing the Purchase Price of such Bonds have been delivered to or for the account of or to the order of such Bondholders;

(2) hold all moneys delivered to it hereunder for the purchase of Bonds as agent and bailee of, and in escrow for the benefit of, the person or entity which shall have so delivered such moneys, without liability for interest thereon, until the Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity or such moneys have been returned to the Trustee pursuant to Section 919(f)(5) hereof. All moneys received by the Tender Agent pursuant to this Indenture shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, shall be segregated from other funds and shall remain uninvested until applied for the purpose for which they are held by the Tender Agent.

(b) The Tender Agent may act upon any instrument or other writing believed by it in good faith to be genuine and to have been signed or presented by the proper person and shall not be liable to any person in connection with the performance of its duties hereunder, except for its own willful misconduct, negligence or bad faith. The Tender Agent's duties shall be determined only with reference to this Indenture or the Tender Agency Agreement dated as of even date herewith and applicable laws and no implied covenants or obligations shall be read into this Indenture against the Tender Agent. If in doubt as to its duties and responsibilities hereunder, the Tender Agent may consult with counsel of its choice and shall be protected in any action taken or omitted in connection with such duties and responsibilities upon the advice or opinion of such counsel, except as provided above with respect to its own willful misconduct, negligence or bad faith.

(c) The Tender Agent may at any time resign and be discharged of the duties and obligations created hereunder by giving at least 60 days written notice to the Airline, the Trustee, the Remarketing Agent, the Credit Provider, the Rating Agency then rating the Bonds and the City, specifying the date upon which such termination shall take effect. The Tender Agent may be removed at any time by the Airline by a written instrument filed with the Airline, the Trustee, the Remarketing Agent, the Credit Provider and the City. Upon the resignation or removal of the Tender Agent, the Tender Agent shall promptly pay over, deliver and assign any moneys and Bonds held by it in such capacity to its successor, or, if there is no such successor, to the Trustee.

(d) The Tender Agent consents and agrees to perform such duties and only such duties as are specifically set forth in this Indenture and the Tender Agency Agreement; provided that the Tender Agent shall use reasonable care in the custody and preservation of Bonds in its physical possession. The Tender Agent shall not be liable for loss, theft, damage or destruction of Bonds in the course of delivery, acceptance or transmission except when such Bonds are in the Tender Agent's physical possession. The Tender Agent shall not be liable for any negligence, default or insolvency of any agent or subagent of the Tender Agent. None of the provisions contained in this Indenture and the Tender Agency Agreement shall require the Tender Agent to expend or risk its own funds or otherwise incur personal financial liability in the performance of any duties or in the exercise of any rights or powers hereunder or to take any actions not specifically set forth in this Agreement unless it shall have received reasonable security or indemnity against the costs, expenses and liabilities which would be incurred by its taking of such action.

(e) The Tender Agent may, in the course of performing its duties hereunder, make reasonable use of the United States Postal Service, insured and bonded private courier services and securities and funds processing, delivery and communication services and facilities provided by the Board of Governors of the Federal Reserve System, the Book-Entry Depository, the National Securities Clearing Corporation and other clearing agencies, as defined in the Securities Exchange Act of 1934, as amended. In addition, the Tender Agent may perform any duties hereunder either directly or through agents or attorneys.

(f) The Tender Agent and its officers, directors and employees may acquire and hold, or become the pledgee of, the Bonds and otherwise deal with the Airline in the same manner and to the same extent and with like effect as though it were not the Tender Agent hereunder.

(g) If any dispute shall arise with respect to the delivery, ownership, right of possession and/or disposition of Bonds delivered to the Tender Agent hereunder or should any bona fide claim be made thereon by a third party, the Tender Agent, upon receipt of written notice of such dispute by the

Airline or by a third party, is authorized and directed to retain possession of all or any such Bonds and/or proceeds until such dispute shall have been settled either by mutual agreement of the parties involved or by final order, decree or judgment of any court in the United States.

(h) The recitals contained herein and in the Bonds shall be taken as the statements of the Airline, and the Tender Agent assumes no responsibility for their accuracy or correctness. The Tender Agent makes no representations or warranties as to the validity or sufficiency of the Bonds or the Indenture and shall not have any liability under the terms and provisions of any other agreement other than this Indenture or the Tender Agency Agreement. The Tender Agent shall not be accountable for the use or application by the Airline of the Bonds or the proceeds thereof, or for the use of application of any moneys paid over by the Tender Agent to a Bondholder in accordance with any provisions of this Indenture or the Agreement. The Tender Agent's duties hereunder are ministerial in nature and payments to the Bondholders shall only be made if and to the extent that funds are made available under this Indenture.

(i) The Tender Agent may execute any of its power or responsibilities hereunder and exercise any rights hereunder either directly or by or through its agents or attorneys. Nothing in this Indenture or the Tender Agency Agreement shall be deemed to impose upon the Tender Agent any duty to qualify to do business or to act as fiduciary or otherwise in any jurisdiction other than the State of New York.

*Special Facility Use Agreement
(Cargo Facility)*

Dated As Of October 1, 1990,

By And Between

City Of Chicago

And

Lufthansa German Airlines.

The rights of the City of Chicago and the amounts payable to the City under this Special Facility Use Agreement (except the City's Unassigned Rights as defined in the Indenture of Trust hereinafter described and amounts payable to the City in respect thereof) have been pledged and assigned to Independence Bank of Chicago and the First National Bank of Chicago, as Co-Trustees under the Indenture of Trust dated as of October 1, 1990, from the City to said Co-Trustees, securing the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project).

This Special Facility Use Agreement, dated as of October 1, 1990, between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois (the "City"), and Deutsche Lufthansa Aktiengesellschaft, operating in the United States under the name "Lufthansa German Airlines", a corporation organized and existing under the laws of the Federal Republic of Germany (the "Airline").

Witnesseth:

Whereas, The City owns and operates the Airport (defined in the Indenture hereinafter described) known as Chicago-O'Hare International Airport, and the City has the power to grant rights and privileges with respect thereto; and

Whereas, The Airline is the holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958, as amended, authorizing it to operate in foreign air transportation to and from the City of Chicago and so operates at the Airport; and

Whereas, The City is in the process of implementing a major redevelopment of the Airport; and

Whereas, In relation to such redevelopment the City and the Airline now desire to provide for the payment of the costs of certain improvements constituting a cargo facility and certain at the Airport (the "Project"), as more fully described in Exhibit A hereto, which have been provided by the City or are to be designed, constructed and installed by the Airline on behalf of the City and are to be leased, used and occupied by the Airline pursuant to the Site Lease; and

Whereas, By ordinance adopted by the governing body of the City in the exercise by the City of its powers as a home rule unit of local government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, the City has authorized and undertaken to issue its Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project) in one or more Series (the "Bonds"), under and pursuant to

the provisions of, and to be secured by, an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project) dated as of October 1, 1990 (as it may be supplemented or amended, the "Indenture") from the City to Independence Bank of Chicago and the First National Bank of Chicago as Co-Trustees (as more fully hereinafter defined, collectively the "Trustee") for the purpose of financing part or all of the costs of the Project and, if hereafter deemed necessary or desirable by the City and the Airline and as authorized by amendment of or supplement to such ordinance, further improvements and other accessions thereto ("Additions"), including without limitation costs and expenses incidental to the Project and any Additions and to the issuance of each Series of the Bonds; and

Whereas, The City and the Airline have entered into a Cargo Building Site Lease dated as of [October 1], 1990, (as it may be amended, the "Site Lease") relating to the design, construction, installation, lease, use and occupancy of the Project; and

Whereas, The Airline has agreed under this Agreement to make payments hereunder sufficient to pay when due (whether at stated maturity, upon redemption, by acceleration or otherwise) the principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Bonds; and

Whereas, The Airline has further agreed under this Agreement to make payments hereunder sufficient to pay when due the purchase price of any Bonds tendered by the holders thereof for purchase (whether optionally at the election of such holders or mandatorily) pursuant to the provisions of the Indenture permitting or requiring such tender, if any;

Now, Therefore, In consideration of the respective representations and agreements herein contained, the parties hereto agree as follows:

Article I.

Definitions.

All terms used herein that are defined in the Indenture shall have the same meanings assigned them in the Indenture unless otherwise defined herein or unless the context otherwise requires.

Article II.

Representations.

Section 2.1. Representations And Covenants By The City.

The City makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The City is a municipal corporation and home rule unit of local government, duly organized and existing under the laws of the State.

(b) The City is duly authorized and empowered by the provisions of Article VII, Section 6(a) of the 1970 Constitution of the State to enter into the transactions contemplated by this Agreement, the Site Lease and the Indenture and to carry out its obligations hereunder and thereunder, including the issuance and sale of the Bonds. By enactment of the Authorizing Ordinance of its Governing Body, the City has been duly authorized to execute and deliver this Agreement, the Site Lease, the Indenture and the Tax Documents to which it is a party, and to issue and sell the Bonds.

(c) To provide for the financing of all or a portion of the costs of the Project and, if hereafter deemed necessary or desirable by the City and the Airline and as authorized by amendment of or supplement to the Authorizing Ordinance, Additions thereto, including without limitation costs and expenses incidental to the Project and any Additions and to the issuance of each Series of the Bonds, the City intends to issue its Bonds in one or more Series on the terms and conditions specified in Article II of the Indenture.

(d) The Bonds are to be issued under and secured by the Indenture, pursuant to which certain of the City's interests in this Agreement and the Special Facility Revenues derived by the City pursuant to this Agreement (except Unassigned Rights and amounts derived by the City in respect thereof) will be pledged and assigned to the Trustee as security for payment of the principal of and interest and redemption premium, if any, on the Bonds.

(e) Neither the execution and delivery of this Agreement, the Site Lease and the Indenture, the issuance and sale of the Bonds, the consummation of the transactions contemplated hereby and thereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, the Site Lease, the Indenture or the Bonds conflicts with or results in a material breach of the terms, conditions or provisions of any restriction or any

agreement or instrument to which the City is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) The City has not assigned and will not assign any interest in this Agreement other than pursuant to the Indenture to secure the Bonds.

(g) In reliance on the representation of the Airline in Section 2.2(c) hereof, when duly executed by the authorized officers of the City and the Airline, this Agreement and the Site Lease will each constitute a valid, binding and enforceable obligation of the City, subject as to enforceability, to applicable bankruptcy, moratorium, reorganization and other similar laws affecting creditors' rights generally and to applicable principles of equity (regardless whether such enforcement is sought in a proceeding in equity or at law).

(h) To the best knowledge of the City, no person holding office with the City, either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in any contract or the performance of any work, or has represented, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for, any of the contract of purchase with respect to the Series 1990 Bonds, the Indenture, the Site Lease or this Agreement, or any other document in connection with the foregoing upon which such officer may be called upon to act or vote.

(i) The City confirms its representations and covenants in Section 503 of the Indenture and in the Tax Documents, which relate, without limiting the foregoing, to the exemption of interest on the Bonds from inclusion in the gross income of Bondholders for federal income tax purposes.

(j) The City has duly granted the Airline, the Project and the Bonds an allocation of [Equipment Bond Amount] (1) with respect to obligations described in Section 1317(5)(B) of the Tax Reform Act of 1986 (P.L. 99-514), and (2) with respect to the volume cap applicable to certain private activity bonds as described in Section 146 of the Code.

Section 2.2. Representation By The Airline.

The Airline makes the following representation as the basis for the undertakings on its part herein contained:

(a) The Airline is a corporation duly incorporated and in good standing under the laws of the Federal Republic of Germany, is the holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958, as amended, authorizing it to operate in foreign air transportation to

and from the City of Chicago, has the power to enter into this Agreement and the Site Lease and by proper action has authorized the execution and delivery of this Agreement and the Site Lease.

(b) Neither the execution and delivery of this Agreement and the Site Lease, the consummation of the transactions contemplated hereby or thereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement and the Site Lease, will result in a material breach of or will constitute a default under any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Airline is now a party or by which it or any of its property is bound, or will constitute a default under any of the foregoing, or will result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Airline prohibited under the terms of any instrument or agreement.

(c) In reliance on the representation of the City in Section 2.1(g) hereof, when executed by the authorized officers of the City and the Airline, this Agreement and the Site Lease will each constitute a valid, binding and enforceable obligation of the Airline, subject, as to enforceability, to applicable bankruptcy, moratorium, reorganization and other similar laws affecting creditors' rights generally and to applicable principles of equity (regardless whether such enforcement is sought in a proceeding in equity or at law).

(d) The Project is to be located at the Airport, wholly within the boundaries of the Demised Premises (as defined in the Site Lease), except for parts of the fuel hydrant system and certain improvements by the City common to the Demised Premises and other nearby facilities.

(e) To the best knowledge of the Airline, no person holding office with the City, either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in any contract or the performance of any work, or has represented, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for, any of the contract of purchase with respect to the Series 1990 Bonds, the Indenture, the Site Lease or this Agreement, or any other document in connection with the foregoing upon which such officer may be called upon to act or vote.

(f) The Project consists and will consist of the capital improvements described in Exhibit A attached hereto and incorporated herein by this reference and no changes shall be made in the Project except as permitted by Section 3.1 hereof.

(g) The Airline has acquired or will acquire the use of the Project or portions thereof sufficient for its purposes.

(h) The Airline confirms its representations and covenants in Articles IV and XV of the Site Lease, which relate, without limiting the foregoing, to nondiscrimination and affirmative action in its use of the Demised Premises, in the construction of the Project, or in furnishing any of its services as a foreign air carrier.

Article III.

*Acquisition And Completion Of The Project;
Issuance Of The Bonds.*

Section 3.1. Agreement To Acquire.

(a) The Airline agrees to cause the Project to be designated, constructed and installed, such design, construction and installation to be in accordance with Exhibit A attached hereto, the Site Lease and Exhibits C and D attached thereto and the Plans and Specifications. If there is any supplement or amendment to the description of the Project in accordance with Exhibit C to the Site Lease or otherwise, the Commissioner and the Airline shall amend Exhibit A to this Agreement to reflect such supplement or amendment, which supplement or amendment shall not be considered as an amendment to this Agreement for the purposes of Article XI of the Indenture.

(b) Nothing contained in this Section or in Exhibit A hereto shall (i) relieve the Airline from making the payments required to be paid pursuant to Article IV hereof, or (ii) permit the Airline to make any supplements or amendments to the description of the Project or the Plans and Specifications (including additions thereto or deletions therefrom) if such supplement or amendment would result in less than 95% of the proceeds of the Bonds being used to provide Qualified Airport Facilities.

Section 3.2. Agreement To Issue Bonds; Application Of Bond Proceeds.

(a) In order to provide for the financing of the Costs of the Project and any Additions, the City intends to sell and cause to be delivered to the purchasers thereof, against payment therefor, Bonds in an initial Series in the aggregate principal amount of [Initial Bond Amount] and, if hereafter deemed necessary or desirable by the City and the Airline and as authorized by amendment of or supplement to such ordinance, one or more additional Series of Bonds on the terms and conditions specified in the Indenture.

(b) Upon receipt of the proceeds from the sale of the Bonds (less any underwriters' discount and original issue discount), the City agrees to deposit such proceeds in the Construction Fund and the accounts and sub-accounts therein, the Debt Service Reserve Fund, the Bond Fund and any other applicable Fund, as provided in the Indenture.

Section 3.3. Disbursements From The Construction Fund.

(a) The City has authorized and directed the Trustee to disburse the moneys in the Construction Account of the Construction Fund to or at the direction of the Airline for the purpose of paying part or all of the Costs of the Project and any Additions.

(b) The Airline agrees that it will direct the Trustee to disburse moneys in the Construction Account of the Construction Fund to reimburse the City for expenditures relating to any items constituting part of the Costs of the Project and any Additions incurred by the City, whether before or after the date of issuance of any Series of Bonds.

(c) The Airline shall have the right to direct that all moneys remaining in the Construction Account of the Construction Fund (or any sub-account thereof) after the Completion Date of the Project or any Additions whose Costs are payable therefrom and after payment or provision for payment of all other items included in Costs of the Project or such Additions, all as the case may be, shall be used in accordance with Section 305 of the Indenture.

Section 3.4. Certificate Of Completion; Obligation Of Airline To Complete.

(a) The Airline agrees to notify the City and the Trustee promptly of the completion of the Project and of any Additions. Each Completion Date shall be evidenced to the Trustee and the City by a certificate signed by the Authorized Airline Representative setting forth the Cost of the Project or such Additions and stating:

(i) that construction of the Project or such Additions has been completed substantially in accordance with the Plans and Specifications applicable thereto and work orders therefor and all labor, services, materials and supplies used in such construction for which payment is due have been paid for, and the date of such completion;

(ii) that all other facilities necessary in connection with the Project or such Additions have been constructed, acquired and installed in

accordance with Plans and Specification applicable thereto and work orders therefor and all Costs incurred in connection therewith (other than Costs for which the Airline has withheld payment or for which payment is not yet due) have been paid; and

(iii) that at least 95% of the Aggregate Cost of the Project or such Additions, after taking into account amounts theretofore paid or reimbursed from the Construction Fund and amounts, if any, to be paid or reimbursed from the Construction Fund after the date of such certificate, is Qualified Costs of Construction.

Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or that may subsequently come into being. It shall be the duty of the Airline to cause such certificate to be furnished to the Trustee and the City within a reasonable time after the Project or any Additions shall have been completed.

(b) If, after taking into account the proceeds of all Bonds issued or authorized to be issued therefor, the aggregate amount of moneys in the Construction Account in the Construction Fund (or the applicable sub-account therein) available for payment of the Costs of the Project or any Additions should not be sufficient to pay the costs thereof in full, the Airline agrees to pay directly, or to deposit in the Construction Fund moneys sufficient to pay the costs of completing the Project or such Additions as may be in excess of the aggregate amount of moneys available therefor in the Construction Fund (or the applicable sub-account therein). The City does not make any warranty, either express or implied, that the moneys that will be paid into the Construction Fund and that, under the provisions of this Agreement or otherwise, will be available for payment of the Costs of the Project or such Additions, will be sufficient to pay all the costs that will be incurred in that connection. The Airline agrees that if after exhaustion of the moneys in the Construction Fund the Airline should so pay, or deposit moneys in the Construction Fund for the payment of, any portion of the said Cost of the Project or such Additions pursuant to the provisions of this Section, it shall not be entitled to any reimbursement therefor from the City or from the Trustee or from the owners of any of the Bonds, nor shall it be entitled to any diminution of the amounts payable under Section 4.2 hereof.

Section 3.5. Authorized Airline Representative.

Before or concurrently with the sale of the Bonds and from time to time thereafter the Airline shall appoint a person as an Authorized Airline Representative for the purpose of taking all actions and making all certificates required to be taken and made by the Authorized Airline Representative under the provisions of this Agreement, and shall appoint

one or more alternate Authorized Airline Representatives to take any such action or make any such certificate if the same is not taken or made by the person serving as the Authorized Airline Representative. If at any time no person is serving as the Authorized Airline Representative, the chief financial officer of the Airline in the United States shall be deemed to be the Authorized Airline Representative. Whenever under the provisions of this Agreement the approval of the Airline is required or the City is required to take some action at the request of the Airline, such approval or such request shall be made by the Authorized Airline Representative unless otherwise specified in this Agreement, and the City or the Trustee shall be authorized to act on any such approval or request and the Airline shall have no complaint against the City or the Trustee as a result of any such action taken.

Section 3.6. Investment Of Construction Fund And Bond Fund Moneys Permitted.

(a) As and to the extent provided in Section 501 of the Indenture, an Authorized Airline Representative may direct, which direction may be oral but shall be confirmed in writing, that any moneys held as a part of any of the Funds under the Indenture, other than the Rebate Fund, shall be invested or reinvested by the Trustee in Investment Securities as specified from time to time in such direction. The Airline shall not direct the Trustee to make any investments or reinvestment other than those permitted by law. In making any such investments, the Trustee may rely on directions delivered to it pursuant to this Section by an Authorized Airline Representative or, in the case of oral directions, by a person representing himself to be an Authorized Airline Representative, and the Trustee shall be relieved of all liability with respect to making such investments in accordance with such directions.

(b) The Airline is hereby granted the right to purchase for cash investments on deposit in the Construction Fund at the prices and in the manner set forth in Section 501 of the Indenture. For the purposes of this Section, any interest-bearing deposits, including certificates of deposit, issued by or on deposit with the Trustee shall be deemed to be investments and not deposits.

Section 3.7. Tax Covenants.

(a) The Airline covenants not to take any action, or omit to take any action which is lawful and within its power to take, and which, if taken or omitted, would cause interest on the Bonds to become includable in the gross income of the holders of the Bonds for federal income tax purposes, other

than a holder who is a "substantial user" or "related person" within the meaning of such terms as defined in the Code.

(b) The Airline further covenants that it will not take any action or omit to take any action with respect to the investment of the proceeds of any Series of Bonds or with respect to Special Facility Revenues (including the payments derived under Section 4.1 of this Agreement) which would result in causing Bonds of any Series to constitute "arbitrage bonds" within the meaning of such term as defined in the Code.

(c) In furtherance of the covenants in this section, the Airline will execute any Tax Documents or amendments or supplements to this Agreement with respect to any Series of Bonds containing such representations and covenants as are deemed necessary or advisable in the opinion of Bond Counsel to insure that the Airline complies with the provisions of this section.

(d) As and to the extent permitted by Section 3.6 hereof and Section 501 of the Indenture, the Airline reserves the right to direct any investment of moneys in any of the Funds under the Indenture, other than the Rebate Fund, permitted by state law, if, when and to the extent that Section 148 of the Code or regulations promulgated thereunder or any similar or successor provisions thereto shall be repealed or relaxed or shall be held void by final judgment of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation or decision would not, in the written opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

(e) The Airline agrees to notify the Trustee and the City of the occurrence of any event of which the Airline has notice that would require the Airline to prepay the amounts due hereunder in accordance with Section 7.2 hereof.

Section 3.8. Use Of Leased Premises.

It is acknowledged that the City and the Airline have entered into the Site Lease providing for the lease by the Airline of the Leased Premises (including the Airline's right to use and occupy the Project) and that the Site Lease provides for the rental payments applicable to the Leased Premises and the rights of the Airline with respect to the Leased Premises. The Airline hereby confirms to the City, its representations, warranties, agreements and covenants under the Site Lease. Nothing herein shall limit the City's exercise of any right or remedy under the Site Lease in the event of a default thereunder by the Airline.

Article IV.

Payments Under This Agreement.

Section 4.1. Issuance Of Bonds And Other Obligations.

(a) In order to provide for the financing of the Project and any Additions, including Costs and expenses incidental thereto and to the issuance of the Bonds, the City hereby agrees to cause the proceeds received from the sale of any Series of Bonds to be deposited, disbursed and applied in accordance with Article III hereof.

(b) For and in connection with the right to lease, use and occupy the Project and any Additions under the Site Lease, and without affecting or diminishing in any manner or to any extent the payments required to be made by the Airline under and pursuant to the Site Lease, the Airline agrees to make all payments when due under Section 4.2(a) hereof, which payments shall be sufficient to pay the principal of and interest and redemption premium, if any, on the Bonds.

Section 4.2. Amounts Payable.

(a) The Airline agrees to make payments to the Trustee for the account of the City in the following amounts and on the following dates:

(i) with respect to any Series of Outstanding Bonds, no later than 12:00 Noon, Chicago time, on each Interest Payment Date or other date upon which interest on such Series is payable, a sum (in funds immediately available to the Trustee) that, together with other moneys available therefor in the Capitalized Interest Account in the Construction Fund, the Interest Account in the Bond Fund, and in the Special Facility Revenue Fund, will equal the interest to be paid on such Outstanding Bonds on such date;

(ii) with respect to any Series of Outstanding Bonds, no later than 12:00 Noon, Chicago time, on each date on which principal of such Series is payable, at Stated Maturity, upon redemption, by acceleration or otherwise, a sum (in funds immediately available to the Trustee) that, together with other moneys available therefor in the Principal Account in the Bond Fund and in the Special Facility Revenue Fund, will equal the principal of and redemption premium, if any, on such outstanding Bonds that will become due and payable on such date; and

(iii) no later than 12:00 Noon, Chicago time, on the fifth (5th) Business Day after the Trustee shall have notified the City and the Airline that the balance in the Debt Service Reserve Fund (or any applicable Series Account therein) shall have become less than the Debt Service Reserve Requirement then in effect (whether for the Debt Service Reserve Fund as a whole or for such applicable Series Account therein), a sum (in funds immediately available to the Trustee) that, together with other moneys available therefor in the Debt Service Reserve Fund and the Special Facility Revenue Fund, will equal such Debt Service Reserve Requirement then in effect, provided that, if such deficiency shall arise solely as a result of a redetermination by the Trustee of the value of obligations or other investments in the Debt Service Reserve Fund (or such applicable Series Sub-Account therein) pursuant to Section 400(e) of the Indenture, the Airline shall not be required to make such payment unless, until and to the extent that such deficiency shall remain in existence on the first anniversary of such redetermination; provided that the obligation of the Airline to make any payment under clause (i) or clause (ii) above shall be reduced by the amount of any reduction under the Indenture of the amount of the corresponding payment required to be made by the City on the Bonds. If pursuant to Section 409 of the Indenture the Airline shall furnish a letter of credit or surety bond policy for deposit in the Debt Service Reserve Fund in satisfaction of all or any portion of the Debt Service Reserve Requirement, the obligation described in clause (iii) above may be satisfied by restoring the deficit in the amount available under such letter of credit or surety bond policy in lieu of a cash payment.

(b) The Airline agrees to pay to the Trustee, promptly after receipt of any statement of the Trustee therefor, until the principal of and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture: (i) an amount equal to the annual fee of the Trustee for the Ordinary Services (including reimbursement for fees and expenses of any co-trustee, authenticating agent or co-bond registrar) rendered by it and Ordinary Expenses, including legal fees and expenses, incurred by it under the Indenture, as and when the same become due, (ii) the reasonable fees, charges and expenses of the Trustee, as Bond Registrar and Paying Agent, as and when the same become due, (iii) the reasonable fees, charges and expenses of the Trustee for reasonable and necessary Extraordinary Services and Extraordinary Expenses, including legal fees and expenses, as and when the same become due (provided that if such Extraordinary Services or Extraordinary Expenses are occasioned by the neglect or misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor), (iv) the printing and engraving costs of any Bonds required by the Trustee from time to time, and (v) the amount of any indemnity to which the Trustee may from time to time be entitled pursuant to the provisions of Section 903 of the Indenture.

(c) The Airline will pay as and when the same become due, to the extent not paid from proceeds of the Bonds, to the City, the reasonable costs and expenses, including legal fees, that may be incurred by the City in connection with this Agreement or in connection with the performance of any covenants, duties or obligations under this Agreement or the Indenture, including without limitation any obligations pursuant to Article VII of the Indenture, provided that nothing contained in this Section 4.2(c) or in Section 4.2(d) or Section 5.4 hereof shall require that the Airline pay, or indemnify or reimburse the City for the payment of, legal fees or expenses paid or incurred by the City if and to the extent that such legal fees or expenses shall have resulted from the active negligence or willful misconduct of the City, nor shall any such legal fees or expenses be deemed Administrative Expenses hereunder or under the Indenture.

(d) The Airline will pay as and when the same become due, to the extent not paid from proceeds of any Series of Bonds, all other Administrative Expenses not included in subsections (b) and (c) above hereinafter arising pursuant to this Agreement or the Indenture, including without limitation the reasonable fees, charges and expenses of any Tender Agent with respect to any Bonds which may from time to time become Tendered Bonds.

(e) If for any reason moneys in the Rebate Fund on any date on which amounts are to be paid therefrom pursuant to the provisions of the Tax Documents are insufficient to pay the amounts then due, the Airline shall pay, and hereby unconditionally agrees to pay, to the Trustee for the account of the City for deposit into the Special Facility Revenue Fund, until the principal of and interest on such Series shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, in funds immediately available to the Trustee, (i) such sum as shall be necessary, together with other moneys in the Bond Fund available for the purpose, to pay the amount payable on any such date as interest on such Series as provided in the Indenture, and (ii) such sum as shall be necessary, together with other moneys in the Bond Fund available for the purpose, to pay the amount payable on any such date as principal of such Series as provided in the Indenture.

(f) If the Airline shall fail to make any of the payments required in this Article IV with respect to any Bonds, the payment so in default shall continue as an obligation of the Airline until the amount in default shall have been fully paid and the Airline will pay interest on any overdue principal and, to the extent permitted by law, on overdue interest, at the rates borne by the Bonds during such time until paid.

Section 4.3. Payments Pledged And Assigned.

It is understood and agreed that all payments required to be made by the Airline pursuant to Section 4.2 hereof (except payments to be made to the

Trustee pursuant to Section 4.2(b) hereof and payments to be made to the City pursuant to Section 4.2(c) hereof) and certain rights of the City hereunder (except its Unassigned Rights) are pledged and assigned to the Trustee by the Indenture. The Airline consents to such pledge and assignment. The City hereby directs the Airline and the Airline hereby agrees to pay or cause to be paid to the Trustee all such amounts required to be paid by or for the account of the Airline pursuant to Section 4.2 hereof (except payments to be made to the City pursuant to Section 4.2(c) hereof). Neither the Site Lease nor the Leased Premises will constitute any part of the security for the Bonds.

Section 4.4. Obligations Of Airline Hereunder Unconditional.

The obligations of the Airline to make the payments required in Section 4.2 and Section 4.6 hereof and to perform and observe the other covenants on its part contained herein shall be absolute and unconditional and shall not be subject to any defense (other than payment) or any right of set-off, counterclaim, abatement or otherwise and until such time as the principal of and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, the Airline (i) will not suspend or discontinue, or permit the suspension or discontinuance of, any payments provided for in Section 4.2 and Section 4.6 hereof, (ii) will perform and observe all of its other covenants contained in this Agreement, and (iii) will not suspend the performance of its obligations hereunder for any cause, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, failure of or a defect of title to the Leased Premises or any part thereof, eviction or constructive eviction, destruction of or damage to the Leased Premises, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State or any political subdivision of either, or any failure of the City to perform and observe any covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement. Nothing contained in this Section shall be construed to release the City from the performance of any of the covenants on its part herein contained; and if the City shall fail to perform any such covenant on its part, the Airline may institute such action against the City as the Airline may deem necessary to compel performance, provided that no such action shall (a) violate the covenants on the part of the Airline contained in the first sentence of this Section 4.4, or (b) diminish the payments and other amounts required to be paid by the Airline pursuant to Section 4.2 and Section 4.6 hereof. The Airline may, however, at its own cost and expense and in its own name or in the name of the City (provided the City is a necessary party), prosecute or defend any action or proceeding or take any other action involving third persons that the Airline deems reasonably necessary in order to secure or protect its rights hereunder; and in such event the City agrees to cooperate fully with the Airline and to take

all action necessary to effect the substitution of the Airline for the City in any such action or proceeding if the Airline shall so request.

Section 4.5. Payment And Redemption Of The Bonds From Payments Hereunder.

(a) The Bonds shall be payable from payments made by the Airline to the Trustee, as assignee of the City, under Section 4.2(a) hereof. Payments of principal of or interest or redemption premium, if any, on any Series of Bonds with moneys in the Bond Fund, the Construction Fund or the Debt Service Reserve Fund constituting proceeds from the sale of the Bonds or earnings on investments made under the provisions of the Indenture shall be deemed to be like payments with respect to the amounts due under Section 4.2(a) hereof and shall be credited against the obligation to pay amounts due under Section 4.2(a) hereof.

(b) Whenever any Bonds are redeemable in whole or in part at the option of the Airline, the Trustee, on behalf of the City, shall redeem the same upon the request of the Airline and such redemption shall constitute payment of amounts due under Section 4.2(a) hereof equal to the aggregate principal amount of and redemption premium, if any, on Bonds so redeemed and payment of amounts due under Section 7.3(b) hereof equal to the redemption price (including any premium) of such Bonds.

(c) Whenever payment or provision therefor has been made in respect of the principal of or interest or redemption premium, if any, on all or any portion of any Series of Bonds in accordance with the Indenture (whether at Stated Maturity or upon redemption or acceleration or upon provision for payment in accordance with Article XII of the Indenture), the amounts due under Sections 4.2(a) and 7.3(b) hereof shall be deemed paid to the extent such payment or provision therefor has been made and is considered to be a payment of principal of or interest or redemption premium, if any, on such Series. If Bonds of such Series are thereby deemed paid in full, the Trustee shall notify the Airline that such payment requirements have been satisfied. Subject to the foregoing, or unless the Airline is entitled to a credit under this Agreement or the Indenture, all payments shall be in full amounts required under Sections 4.2(a) and 7.3(b) hereof.

Section 4.6. Additional Payment Obligations Of The Airline; Credit Facility.

(a) In addition to the payment required to be made by the Airline pursuant to Section 4.2 hereof, the Airline agrees to pay to the Trustee, no later than [12:00 Noon], New York City time, amounts sufficient to pay the Purchase Price of any Tendered Bonds on the date such Tendered Bonds are

to be purchased pursuant to the applicable provisions of the Indenture; provided that the obligation of the Airline to make such payment hereunder with respect to the Purchase Price of Tendered Bonds shall be reduced by the amount of any moneys available for such payment from the remarketing of such Tendered Bonds. All such payments shall be made to the Trustee at its designated office in lawful money (immediately available) of the United States of America. The Airline directs the Trustee to apply such amounts to reimburse the Credit Provider for any such Series of Bonds for amounts drawn or otherwise provided under the Credit Facility for such Series to purchase such Tendered Bonds to the extent provided in the Indenture; otherwise, to apply such amounts for the purpose for which they are paid. The Airline agrees that it shall not purchase, or permit any affiliate to purchase, any Bonds being remarketed by the Remarketing Agent.

(b) From the date of the original issuance and delivery of any Series of Bonds which may be Tendered Bonds to and including the Conversion Date whereupon no Bonds of such Series may thereafter become Tendered Bonds, the Airline agrees to provide for the payment of the amounts to be paid by the Airline pursuant to Section 4.6(a) by delivery to the Trustee of a Credit Facility for such Series of Bonds satisfying the requirements therefor provided in the Indenture with respect to such Series simultaneously with the original issuance and delivery of such Series. The Airline hereby authorizes and directs the Trustee to draw or otherwise obtain moneys under any such Credit Facility in accordance with the provisions of the Indenture to the extent necessary to make payments of the Purchase Price of Bonds of any such Series when such Purchase Price is from time to time due and payable.

(c) With respect to any Series of Bonds or portion thereof for which the applicable provisions of the Indenture shall so require, the Airline agrees to deliver to the Trustee simultaneously with the original issuance and delivery of such Series a Credit Facility for such Series of Bonds satisfying the applicable requirements of the Indenture and to maintain such Credit Facility, or to provide an alternate or substitute Credit Facility for such Series of Bonds satisfying such applicable requirements at all times as long as the Indenture shall so require. Any alternate or substitute Credit Facility for any Series of Bonds shall be effective on or before the date of expiration of the prior Credit Facility for such Series, and shall have a term ending at least fifteen (15) days after an Interest Payment Date and no sooner than one year after its date of issuance. In connection with furnishing any alternate or substitute Credit Facility for any Series of Bonds, the Airline agrees to provide such opinions of Bond Counsel and Counsel to the Credit Provider of such Credit Facility and such written evidence from the Rating Agency rating the Bonds of such Series, if any, with respect to the effect of the furnishing of such alternate or substitute Credit Facility on the rating of the Bonds of such Series as shall be required pursuant to the Indenture. The Airline shall not be required to maintain or provide a Credit Facility to secure the payment of the Purchase Price of any

such Series of Bonds after such Conversion after which no Bonds of such Series may become Tendered Bonds.

Article V.

Special Covenants.

Section 5.1. No Liability Of City.

The Bonds shall be limited obligations of the City payable solely out of the Special Facility Revenues derived from this Agreement. No holder of any Bond shall have the right to compel any exercise of the taxing power of the City or the State of any political subdivision thereof to pay the Bonds or the interest thereon, and the Bonds shall not constitute an indebtedness of the City or the State or any political subdivision thereof or a loan of credit thereof within the meaning of any constitutional or statutory provision or limitation of indebtedness applicable to the City.

Section 5.2. Financial Information Of Airline.

The Airline agrees to furnish to the City and the Trustee a copy of its audited annual report setting forth its financial statements prepared in accordance with appropriate German accounting principles on a basis consistent with its audited annual report for the year ended December 31, 1989 and the report of the independent public accountants with respect thereto. Such annual report shall be furnished to the City and the Trustee as soon as it becomes publicly available, but in no event later than 270 days after the end of the Airline's fiscal year. Upon request of the City or the Trustee, the Airline will furnish copies of any other of its financial statements and reports which it makes publicly available. The Airline agrees that it will furnish all of the foregoing to the Trustee in a sufficient number of copies to permit the Trustee to distribute copies thereof to all holders of the Bonds that from time to time request such copies.

Section 5.3. Airline To Maintain Its Corporate Existence; Conditions Under Which Exceptions Permitted.

The Airline agrees that during the term of its Agreement it will maintain in good standing its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more corporations to

consolidate with or merge into it, unless the resulting, surviving or transferee corporation, as the case may be, is a solvent corporation and, concurrently with such transactions, if the Airline is not such resulting, surviving or transferee corporation, (a) irrevocably and unconditionally assumes in writing, by means of an instrument delivered to the City and the Trustee, and agrees to perform, all of the obligations of the Airline herein, and, (b) if such corporation is not organized and existing under the laws of the United States or any State or territory thereof or the District of Columbia, delivers to the City an irrevocable consent to service of process and jurisdiction substantially similar to Section 8.9 hereof.

Section 5.4. Indemnification Covenant.

(a) The Airline hereby confirms its obligations pursuant to Section 10.03 of the Site Lease and further agrees that such obligations shall extend in addition (1) to any and all liabilities, losses, damages, costs and expenses (including reasonable attorney's fees and expenses), causes of action, suits, claims, demands, judgments, awards and settlements arising out of any violation by the Airline of any agreement, warranty, covenant or condition of this Agreement or of any other document executed and delivered by the Airline pursuant to the Indenture or in connection with the issuance, payment, administration or maintenance of the Bonds and (2) to the Trustee, its agents, representatives and employees (except, in each case, to the extent caused by the active negligence or willful misconduct of the City or the Trustee or both of them, their agents, representatives or employees as determined by a final judicial proceeding).

(b) The City or the Trustee, as the case may be, shall promptly notify the Airline in writing of any claim or action brought against the City or the Trustee, as the case may be, in respect of which indemnity may be sought against the Airline pursuant to the foregoing subsection (a), setting forth the particulars of such claim or action, and the Airline will assume the defense thereof, including the employment of Counsel, and the payment of all expenses. The City or the Trustee, as the case may be, may employ separate Counsel in any such action and participate in the defense thereof, but the fees and expenses of such Counsel shall not be payable by the Airline unless (1) such employment has been specifically authorized by the Airline or (2) the City or the Trustee, as the case may be, shall have been advised by Counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Airline (in which case the Airline shall not have the right to assume the defense of such action on behalf of the City or the Trustee, as the case may be).

(c) The indemnity provided for in this Section 5.4 shall be independent of any indemnities to which the City may be entitled under the provisions of the purchase agreement with respect to any Series of Bonds and any other agreements between the City and the Airline.

Section 5.5. Redemption Of Bonds.

If the Airline is not in default in the payments under Section 4.2 and Section 4.6, hereof, the City, upon reasonable assurance from the Airline that the Airline shall make sufficient moneys available to pay the redemption price (including any premium) of any Bonds designated by the Airline for redemption, at the request at any time of the Airline and if the same are then callable, shall forthwith take all steps that may be necessary under the provisions of the Indenture to effect redemption of all or a portion of the then outstanding Bonds, as may be specified by the Airline, on the earliest redemption date on which such redemption may be made under such applicable provisions.

Section 5.6. Assignment.

This Agreement may be assigned in whole or in part by the Airline only in conjunction with a corresponding assignment of the Site Lease pursuant to Section 1.05 thereof and with the written consent of the City, subject, however, to each of the following conditions:

(a) No assignment (other than pursuant to Section 5.3 hereof with respect to the Airline) shall relieve the Airline from liability for any of its obligations hereunder, and in the event of any such assignment the Airline shall continue to remain liable for payment of the amounts specified in Section 4.2 and Section 4.6 hereof and for performance and observance of the other covenants, warranties, representations and agreements on its part herein provided to be performed and observed to the same extent as though no assignment had been made;

(b) The assignee shall assume, in writing, the obligations of the Airline hereunder to the extent of the interest assigned; and

(c) The Airline shall, at least five (5) days before any such assignment, provide the City and the Trustee with written notice thereof and promptly, but in any event no later than thirty (30) days, after any such event, furnish or cause to be furnished to the City and to the Trustee a true and complete copy of such assignment and two (2) executed counterparts of an assumption of obligations agreement.

Section 5.7. Taxes On The Special Facility Revenues.

If any taxes, assessments or other charges are levied on the City with respect to the moneys and other payments to be paid to the City under Section 4.2 hereof, which taxes create a lien thereon that is before the lien of the Trustee pursuant to the Indenture, the Airline agrees to pay the same promptly and to hold the City harmless therefrom. If the Airline shall pay any such tax, assessment or other charge, the Airline shall be subrogated to the City's right, if any, to contest the validity of the levy of such tax, assessment or other charge and shall be entitled to recovery, as compensatory damages, of an amount up to the amount of such tax, assessment or other charge so paid by the Airline plus, to the extent permitted by law, the amount of legal fees incurred in connection with such contest.

Section 5.8. Insurance; Damage Or Destruction Of The Demised Premises.

The City and the Airline confirm their agreements and covenants with respect to insurance set forth in Article VIII of the Site Lease.

Section 5.9. Condemnation.

(a) Cooperation of Parties. The City and the Airline shall cooperate in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Leased Premises.

(b) Net Proceeds. The Airline acknowledges that is required to use any proceeds of any condemnation award or other amount received by the Airline on account of or in connection with any condemnation, taking or other proceeding that deprives the Airline of the use and occupancy of all or part of the Leased Premises, to the extent such proceeds are not used to rebuild, or to acquire any comparable facility to replace, such part or all of the Leased Premises, to redeem Bonds pursuant to Section 7.2 hereof and Section 601(c) of the Indenture.

Section 5.10. Certain Reimbursements By The City.

The Airline hereby recognizes that pursuant to Section 4.01 of the Site Lease, the Airline may receive reimbursement for the Airline's cost of installing certain Common Improvements (as defined in the Site Lease), which cost is or shall be intended to be paid out of the proceeds of the sale of

Bonds. The Airline hereby covenants and agrees that, if and when the Airline receives any such reimbursement, the Airline will pay to the Trustee, as soon as practicable after receipt of such reimbursement, for optional prepayment of the amounts payable hereunder and redemption of the Bonds pursuant to Section 601(a) of the Indenture, on the earliest date on which Bonds are redeemable at a price of 100% of the principal amount thereof (and without premium), to the extent such reimbursement relates to Costs of the Project for which moneys in the Construction Account of the Construction Fund were disbursed pursuant to Section 304 of the Indenture, the excess, if any, of (a) the aggregate amount of all such reimbursements related to such Costs of the Project over (b) the aggregate amount of moneys not obtained through the issuance of Bonds which the Airline has applied, or intends to apply, to payment of such Costs of the Project. Notwithstanding the foregoing sentence, the Airline shall not be obligated to apply any such reimbursements to prepayment of amounts payable hereunder with respect to, and to the redemption of, any Series of Bonds the proceeds of which shall not have been used or be intended to be used for payment of such costs.

Article VI.

Events Of Default And Remedies.

Section 6.1. Events Of Default Defined.

The occurrence of any one or more of the events described in the following subsections (a) through (d) of this Section 6.1 shall constitute a "default" for all purposes of this Agreement; and each such default shall, after the giving of notice, if any, passage of time, if any, or occurrence of an event, if any, specified in the subsection describing such default, constitute an "event of default" for all purposes of this Agreement:

(a) If the Airline fails to pay when due any amounts required to be paid in accordance with clauses (i) and (ii) of Section 4.2(a), Section 4.6(a) and Section 7.3(b) hereof, which failure continues for a period of five (5) Business Days and results in an event of default under subparagraph (a) or subparagraph (b) of Section 801 of the Indenture; or

(b) If the Airline fails to pay when due any amounts required to be paid or to otherwise satisfy its obligations pursuant to clause (iii) of Section 4.2(a) hereof, which failure continues for a period of five (5) Business Days; or

(c) If the Airline fails to provide or maintain in effect any Credit Facility required by the Indenture for any Series of Bonds, and such failure results in an event of default under Section 801 of the Indenture; or

(d) If the Airline materially breaches any of its representations or warranties made in this Agreement or fails to observe and perform any of its covenants, conditions or agreements made on its part to be observed or performed hereunder, other than as referred to in subsections (a) and (b) of this Section, for a period of sixty (60) days after written notice specifying such breach or failure and requesting that it be remedied, given to the Airline by the Trustee or, with regard to Unassigned Rights, the City, unless (i) the Trustee or, with regard to Unassigned Rights, the City, shall agree in writing to an extension of such time before its expiration, or (ii) if the breach or failure be such that it can be corrected but not within the applicable period, corrective action is instituted by the Airline within the applicable period and is being diligently pursued; or

(e) If the Airline is dissolved or liquidated, or admits in writing its inability to meet its debts as they mature, or makes an assignment for the benefit of its creditors, or enters into an agreement of composition with its creditors, or files a voluntary petition in bankruptcy or commences any similar proceeding with respect to adjudicating or adjusting the rights of its creditors or any similar relief from its obligations before any court, governmental agency or other tribunal having jurisdiction over the bankruptcy, insolvency or reorganization of the Airline or the rights of its creditors generally (a "Bankruptcy Tribunal"); or if an order for relief under Title 11 of the United States Code, as the same may from time to time be hereafter amended, or any similar act by any other Bankruptcy Tribunal is entered, taken or issued against the Airline; or if a petition or answer or equivalent instrument proposing the entry of an order for relief against the Airline under Title 11 of the United States Code, as the same may from time to time be hereafter amended, or proposing the reorganization, arrangement, or debt readjustment of the Airline under any present or future federal bankruptcy act or any similar federal or state law in any court or under any similar law of the Federal Republic of Germany in any other Bankruptcy Tribunal is filed or a similar proceeding is commenced with respect to the Airline and such petition or answer or proceeding is not discharged or denied within ninety (90) days after such filing or the commencement of such proceeding; or if a custodian (including, without limitation, a receiver, trustee, liquidator or similar fiduciary) is appointed for all or a subsequent part of the property of the Airline, and is not discharged within ninety (90) days after such appointment; or if any such custodian takes possession of the Airline or a substantial part of its property, and such taking fails to be discharged within ninety (90) days thereafter; or if the Airline consents to or acquiesces in or takes any action in furtherance of any of the foregoing. The term "dissolution or liquidation of the Airline", as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Airline resulting from a merger or consolidation of the

Airline into or with another corporation or a dissolution or liquidation of the Airline following a transfer of all or substantially all of its assets, under the conditions permitting such actions contained in Section 5.3 hereof.

The foregoing provisions of Section 6.1(d) are subject to the following limitations: If by reason of force majeure the Airline is unable in whole or in part to carry out its agreements on its part herein contained other than the obligations on the part of the Airline contained in Article IV, Section 4.6 and Section 5.4 hereof the Airline shall not be deemed in default during the continuance of such inability. The Airline agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Airline from carrying out its agreements; provided that the settlement of strikes, lockouts and other disturbances shall be entirely within the discretion of the Airline and the Airline shall not be required to make settlement of strikes, lockouts and other disturbances by acceding to the demands of the opposing party or parties when such course is in the sole judgment of the Airline unfavorable to the Airline; and provided further that a breach of the covenants set forth in Section 3.7 hereof or of any other covenant with respect to the tax exempt status of interest on the Bonds shall not constitute an event of default subject to acceleration hereunder.

Section 6.2. Remedies On Default.

(a) Whenever any event of default referred to in Section 6.1 hereof shall have occurred and be continuing, the Trustee, as assignee of the City (other than with respect to Unassigned Rights):

(i) shall, by notice in writing to the Airline upon the occurrence and continuation of an event of default described in clause (a), clause (b), or clause (c) above and without notice to the Airline upon the occurrence and continuation of an event of default described in clause (d) above, declare all amounts payable under this Agreement to be due and payable immediately, but only if concurrently with or before such notice the unpaid principal amount of the Bonds shall have been declared to be due and payable, and upon any such declaration the same (being an amount sufficient, together with other moneys available therefor in the Special Facility Revenue Fund, the Debt Service Reserve Fund and the Bond Fund, to pay the unpaid principal of and interest and redemption premium, if any, accrued on the Bonds) shall become and shall be immediately due and payable; and

(ii) may take whatever action at law or in equity may appear necessary or desirable to collect the payments and other amounts then due and thereafter to become due hereunder or to enforce performance and

observance of any obligation, agreement or covenant of the Airline under this Agreement; provided that the Trustee, as assignee pursuant to the Indenture of certain of the City's rights hereunder, shall not have or be entitled to exercise any rights of entry, re-entry, eviction, reletting, or any similar rights with respect to the Project or the Leased Premises, all such rights generally being exercisable solely by the City pursuant to the Site Lease, except to the extent of certain rights to cure certain defaults and replace the Airline with another tenant of the Leased Premises provided in Section 12.01(c) of the Site Lease. The Airline acknowledges that rents payable by any such replacement tenant shall be applied first to satisfy its obligations under the Site Lease and only the excess, if any, shall be available for payment of its obligations hereunder with respect to payment of principal and interest on the Bonds, as provided in such Section of the site Lease. The City and the Airline agree that any such excess rents may be deemed Special Facility Revenues under the Indenture and this Agreement and, to the extent they are paid to the Trustee, shall be deposited in the Special Facility Revenue Fund and credited against the amounts payable by the Airline pursuant to Section 4.2(a) hereof.

(b) Any amounts collected pursuant to action taken under this Section shall be paid into the Special Facility Revenue Fund (unless otherwise provided in this Agreement) and applied in accordance with the provisions of the Indenture. No action taken pursuant to this Section 6.2 shall relieve the Airline from the Airline's obligations pursuant to Section 4.2 hereof.

(c) Notwithstanding the foregoing provisions of this Section 6.2, if and to the extent that any event of default referred to in Section 6.1(c) hereof shall have resulted from the failure on the part of the Airline to observe or perform any covenant, condition or agreement on its part to be observed, or performed pursuant to the provisions of this Agreement relating to the City's Unassigned Rights, the City shall be entitled in its own name and for its own account, to the exclusion of any exercise by the City of any other remedy provided for in this Agreement or now or hereafter existing at law or in equity or by statute (but without affecting or limiting any of the City's rights or remedies under the Site Lease), to institute such action against the Airline as the City may deem necessary to compel performance or observance of such covenant, condition or agreement or to recover damages for the Airline's non-performance or non-observance of the same.

Section 6.3. No Remedy Exclusive.

Except as otherwise provided in Section 6.2(c) hereof, no remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under

this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the City hereunder shall also extend to the Trustee as assignee of the City (other than with respect to Unassigned Rights), and the Trustee and the owners of the Bonds, subject to the provisions of the Indenture, shall be entitled to the benefit of the covenants and agreements herein contained.

Section 6.4. Agreement To Pay Fees And Expenses Of Counsel.

If the Airline should default under any of the provisions of this Agreement and the City or the Trustee should employ Counsel or incur other expenses for the collection of the amounts due hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Airline herein contained, the Airline agrees that will on demand therefor pay to the Trustee, the City or, if so directed by the City or Trustee, to the Counsel for the City or the Trustee, the reasonable fee of such Counsel and such other expenses so incurred by or on behalf of the City or the Trustee.

Section 6.5. No Additional Waiver Implied By One Waiver; Consents To Waivers.

If any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be effective unless in writing and signed by the party making the waiver. The City shall have no power to waive any default hereunder by the Airline, except a default with respect to Unassigned Rights (which the City may waive unilaterally), without the consent of the Trustee to such waiver. The Trustee shall have power to waive any default by the Airline hereunder, except a default with respect to Unassigned Rights, without the prior written concurrence of the City. Notwithstanding the foregoing, if after the acceleration of the maturity of the outstanding Bonds by the Trustee pursuant to Section 802 of the Indenture, all arrears of interest on the outstanding Bonds and interest on overdue installments of interest (to the extent permitted by law) at the rate of interest borne by the Bonds and the principal of all Bonds then outstanding that have become due and payable otherwise than by acceleration, and all other sums payable under the Indenture, except the principal of and the interest on such Bonds that by such acceleration shall

have become due and payable, shall have been paid, any and all other "events of default" under the Indenture shall have been cured or waived in accordance with the provision of the Indenture, there shall have been paid the reasonable fees and expenses of the Trustee and of the owners of such Bonds, including reasonable attorneys' fees paid or incurred and such event of default under the Indenture shall be waived in accordance with Section 809 of the Indenture with the consequence that such acceleration under Section 802 of the Indenture is rescinded, then the Airline's default hereunder shall be deemed to have been waived and its consequences rescinded and no further action or consent by the Trustee or the City shall be required.

Article VII.

Option And Obligations Of Airline To Prepay.

Section 7.1. Option To Prepay.

The Airline shall have, and is hereby granted, the option to prepay the amounts payable hereunder in whole at any time or in part from time to time (a) to provide for the redemption of the Bonds pursuant to the provisions of Section 601(a) of the Indenture, including any such prepayment and redemption required pursuant to Section 5.10, or (b) to provide for the defeasance of the Bonds pursuant to Article XII of the Indenture. If the Airline elects to provide for the redemption of Bonds as permitted by this Section, the Airline shall notify and instruct the Trustee in accordance with Section 7.3 hereof to redeem all or any portion of the Bonds in advance of maturity.

Section 7.2. Obligations To Prepay.

The Airline agrees that if all or any part of the Bonds are called for redemption in accordance with the Indenture (other than as described in Section 7.1 hereof) or become subject to mandatory redemption, it will prepay the amounts due and to become due hereunder in whole or in part in an amount sufficient to redeem such Bonds on the date fixed for the redemption of the Bonds pursuant to Section 601(b) or (c) or any other applicable provisions of the Indenture.

Section 7.3. Notice Of Prepayment; Amount To Be Prepaid.

(a) Unless otherwise provided in Section 7.1 or Section 7.2 hereof, following either (i) the exercise of the options granted to the Airline in Section 7.1 hereof, or (ii) the occurrence of an event described in Section 7.2 hereof giving rise to the obligation to prepay the amounts due hereunder, the Airline shall give written notice of prepayment of such amounts to the City and to the Trustee if any of the Bonds shall then be unpaid or provision for payment shall not have been made in accordance with the provisions of the Indenture. The notice shall provide for the date of the application of the prepayment to be made by the Airline hereunder to the redemption of Bonds in whole or in part pursuant to call for redemption and shall specify the redemption date. On or before 12:00 Noon, Chicago time, on [the Business Day before] the date fixed by the Trustee for redemption of the Bonds after receipt of such notice, the Airline shall deposit with the Trustee as required by Section 7.1 or Section 7.2 hereof, as appropriate, for payment into the Special Facility Revenue Fund the amount required in Section 7.3(b).

(b) The amount payable by the Airline hereunder upon either (1) the exercise of the option granted to the Airline in Section 7.1 hereof, or (2) the occurrence of events specified in Section 7.2 hereof shall be, to the extent applicable and except as otherwise provided in Article XII of the Indenture, the sum of the following:

(i) the amount of money that, when added to the moneys on deposit in the Special Facility Revenue Fund before the prepayment being made, will be sufficient to provide all moneys necessary to redeem the Bonds or portions thereof to be redeemed on the date selected for such redemption, including, without limitation, principal and all interest accrued and to accrue to said redemption date and redemption expenses; plus

(ii) if all of the Bonds are to be retired, an amount of moneys equal to the Trustee's and Bond Registrar's fees and expenses under the Indenture accrued and to accrue until the final payment and redemption of the Bonds; minus

(iii) the amount of money by which the balance in the Debt Service Reserve Fund would exceed the Debt Service Reserve Requirement in effect after such redemption if no moneys in the Debt Service Reserve Fund would be available for such redemption (it being understood that such excess amount of money will be transferred from the Debt Service Reserve Fund and deposited in the Bond Fund in order to effectuate such redemption).

(c) any prepayment made pursuant to Section 7.1 or Section 7.2 hereof shall be deposited into the Special Facility Revenue Fund. No prepayment

or investment of the proceeds thereof (including for this purpose proceeds from the reinvestment thereof) shall be made that shall cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 7.4. Relative Position Of Options And Indenture.

The options granted to the Airline in this Article shall remain prior and superior to any rights of the City to redeem all or a portion of the Bonds as may be provided in the Indenture and except as the contrary is expressly provided herein may be exercised whether or not the Airline is in default hereunder.

Section 7.5. Cancellation At Expiration Of Term.

At the acceleration, termination or expiration of the term of this Agreement and following full payment of the Bonds or provisions for payment thereof and of all other fees and charges in accordance with the provisions of this Agreement and the Indenture, the City shall deliver to the Airline any documents and take or cause the Trustee to take such actions as may be requested of it to effectuate the cancellation and evidence the termination of this Agreement. Termination of this Agreement shall not affect the respective rights and obligations of the City and the Airline under the Site Lease or the survival of the Airline's obligations hereunder to the extent provided in Section 8.10 hereof.

Article VIII.

Miscellaneous.

Section 8.1. Binding Effect.

This Agreement shall inure to the benefit of and shall be binding upon the City, the Airline and their respective successors and assigns, subject, however, to the limitations contained in Section 5.3 and Section 5.6 hereof.

Section 8.2. Execution Counterparts.

This Agreement may be executed in several counterparts, each of which

shall be an original and all of which shall constitute but one and the same instrument.

Section 8.3. Amendments, Changes And Modifications.

After the issuance of the Bonds and before payment or provision for the payment of the Bonds in full (including interest thereon) in accordance with the provisions of the Indenture, this Agreement may not be amended, changed, modified, altered or terminated by the City and the Airline except as provided in Section 3.1 hereof and Article XI of the Indenture.

Section 8.4. Severability.

If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.5. Amounts Remaining In Certain Funds.

Any amounts remaining in the Special Facility Revenue Fund, the Bond Fund, and the Debt Service Reserve Fund, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and the fees, charges and expenses of the City and the Trustee and all other amounts required to be paid under this Agreement and the indenture, shall be paid promptly to the Airline by the Trustee as overpayment of the amounts due hereunder.

Section 8.6. Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given to the parties required hereunder to receive such notice, certificate or communication when mailed by registered or certified mail, postage prepaid (provided that notices hereunder to the Trustee shall be effective when received by the Trustee), addressed as follows:

If To The City:

City of Chicago
Office of Comptroller
Room 501, City Hall
121 North LaSalle Street
Chicago, Illinois 60602

Attention: City Comptroller

With A Copy To:

City of Chicago

Department of Aviation
20 North Clark Street
Suite 3000
Chicago, Illinois 60602

Attention: Commissioner of the
Department of Aviation

If To The Airline
Mailing Address:

Lufthansa German Airlines
John Hancock Center
Suite 3020
875 North Michigan Avenue
Chicago, Illinois 60611

Attention: Manager of
Administration and
Personnel

With A Copy To:

Lufthansa German Airlines
1640 Hempstead Turnpike
East Meadows, New York 11554

Attention: Manager of Legal Affairs
U.S.A.

If To The Trustee:

Independence Bank of Chicago
7936 South Cottage Grove Avenue
Chicago, Illinois 60619

Attention: L. Irene Jackson,
Trust Administrator

And To:

The First National Bank of Chicago
One First National Plaza
Suite []
Chicago, Illinois 606[]

Attention:

A duplicate copy of each notice, certificate or other communication given hereunder by either the City or the Airline to the other shall also be given to the Trustee. The City, the Airline, and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. No notice need be given to any party listed in this Section 8.6 if such party is no longer a party to the transactions contemplated by this Agreement.

Section 8.7. Further Assurances.

Except as otherwise required by law, the Airline agrees that it will not enter into any contract or take any action by which the rights of the Trustee or the Bondholders under the Indenture may be impaired, and that it will, from time to time, execute and deliver such further instruments and take such further action as may be reasonably required to carry out the purpose of this Agreement and the Indenture. The Airline agrees and undertakes to perform any and all obligations of the Airline contained in and pursuant to the Indenture and agrees to be bound by the provisions thereof. The City and the Airline covenant that each, as appropriate, will do, execute acknowledge, and deliver, or cause to be done, executed, acknowledged, and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assigning, pledging and confirming unto the Trustee the Trust Estate assigned and the Special Facility Revenues pledged thereunder.

Section 8.8. Applicable Law.

This Agreement shall be governed exclusively by and construed in accordance with the laws of the State applicable to contracts made and to be performed in the State.

Section 8.9. Consent To Service Of Process And Jurisdiction.

All judicial proceedings brought against the Airline with respect to this

Agreement may be brought in any federal court of competent jurisdiction having situs within the boundaries of the federal court district of the Northern District of Illinois, and by execution and delivery of this Agreement, the Airline accepts, for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available. The Airline has irrevocably designated and appointed the representative designated on the signature page of the Site Lease under the heading "Designation of Agent for Service of Process", as its agent in Chicago, Illinois to receive on its behalf service of all process in any such proceedings in any such court (which representative shall be available to receive such service at all times), such service being hereby acknowledged by such representative to be effective and binding service in every respect. The Airline irrevocably waives any objection (including without limitation any objection of the laying of venue or based on the grounds of forum non conveniens) which it may now or hereafter have to the bringing of any action or proceedings with respect to this Agreement in the jurisdiction set forth above and any objection or defense it may have to any such proceedings on the grounds of sovereign immunity, except that the Airline reserves the right to cause any proceedings brought against the Airline in the courts of any jurisdiction except the federal court district of the Northern District of Illinois to be removed to any federal court having situs within the Northern District of Illinois. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of City to bring proceedings against the Airline in the courts of any other jurisdiction.

Section 8.10. City's Obligations Limited.

Anything in this Agreement to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that:

(a) The City may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the City by the Trustee or the Airline as to the existence of any fact or state of affairs required hereunder to be noticed by the City;

(b) The City shall not be under any obligation hereunder to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed either by the Trustee or the Airline;

(c) None of the provisions of this Agreement shall require the City to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or

powers hereunder, unless it shall first have been adequately indemnified to its satisfaction against the costs, expenses and liability that may be incurred thereby; and

(d) Any obligation that the City may incur under this Agreement or under any instrument executed in connection herewith that shall entail the expenditure of money shall not be a general obligation of the City but shall be a limited obligation payable solely from Special Facility Revenues.

Section 8.11. Term Of The Agreement.

This Agreement shall be in full force and effect from its date to and including such date as all of the Bonds issued under the Indenture shall have been fully paid or retired, and all amounts owing the City and the Trustee have been paid (or provision for such payment shall have been made as provided in the Indenture); provided that the Airline's obligations under Section 4.2 hereof shall survive in the event of a redemption of any or all of the Bonds pursuant to Section 601(b) of the Indenture until all of the Bonds issued under the Indenture shall have been fully paid or retired or provision for such payment shall have been made as provided in the Indenture; and provided further that the covenants of the Airline relating to the City's Unassigned Rights shall survive termination of this Agreement.

Section 8.12. Relationship To Site Lease.

Nothing contained in this Agreement is intended or shall be construed to preclude or limit in any way the exercise by the City or the Airline of its respective rights or remedies under the Site Lease nor to give to the Airline any separate right to use or occupy the Project or any other part of the Airport.

Section 8.13. Sales Of Materials To Contractors For Incorporation Into City-Owned Real Estate.

The City acknowledges that portions of the Project will be, or will be affixed to, real estate owned by the City. Accordingly, the City agrees that it will furnish written confirmation of factual matters with respect to its ownership of such portions of the Project to any applicable taxing authority at the reasonable request of the Airline in connection with any application of the Airline for an exemption from retailers' occupation tax for all purchases of building materials to be incorporated into the Project, use tax and all similar taxes for which such an exemption is appropriate.

In Witness Whereof, The City and the Airline have caused this Agreement to be executed in their respective corporate names and attested by their duly authorized officers, all as of the date first above written.

City of Chicago

By: _____
City Comptroller

(Seal)

Attest:

City Clerk

Deutsche Lufthansa
Aktiengesellschaft

By: _____

By: _____

[Exhibit "A" attached to this Special Facility Use Agreement
unavailable at time of printing.]

Preliminary Official Statement Dated December ____, 1990.

New Issue -- Full Book-Entry.

\$_____

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Lufthansa German Airlines Project)

Series 1990.

Dated: December 1, 1990.

Due: _____ 1, 2018.

The Series 1990 Bonds are limited obligations of the City of Chicago (the "City") and will be payable (except to the extent payable from proceeds of such Bonds and certain other moneys pledged therefor) solely from and secured by a pledge of payments to be made pursuant to a Special Facility Use Agreement dated December 1, 1990 between the City and Lufthansa German Airlines.

The payment of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds also has been unconditionally guaranteed by Lufthansa German Airlines.

Interest on the Series 1990 Bonds will be payable semiannually on each June 1 and December 1, commencing June 1, 1991. The Series 1990 Bonds will be issued as fully registered bonds and will be registered in the name of the nominee of Midwest Securities Trust Company, Chicago, Illinois ("M.S.T.C."). M.S.T.C. will act as securities depository of the Series 1990 Bonds. Purchases will be made in book-entry form through M.S.T.C. participants only in the principal amount of \$5,000 or any integral multiple thereof and no physical delivery of Series 1990 Bonds will be made to purchasers. Payments of principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be made to purchasers by M.S.T.C. through its participants.

The Series 1990 Bonds are subject to optional and mandatory redemption prior to maturity as described herein.

In the opinion of Burke, Wilson & McIlvaine, Chicago, Illinois, and John H. Stroger, Jr., Chicago, Illinois ("Co-Bond Counsel"), under existing statutes, regulations, judicial decisions and if there is continuing compliance with certain agreements and requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Series 1990 Bonds, except as described under the caption "Tax Matters" in this Official Statement, is excludable from gross income for federal income tax purposes, except that no opinion is expressed as to the exclusion from gross income of interest on the Series 1990 Bonds for any period during which any such Bonds are owned by a person who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code. However, interest on the Series 1990 Bonds will be treated as a preference item in calculating the alternative minimum tax on individuals and corporations and the environmental tax imposed on corporations by the Code. Co-Bond Counsel is also of the opinion that under the laws of the State of Illinois, as presently enacted and construed, interest on the Series 1990 Bonds is not exempt from Illinois income tax. See "Tax Matters" for further discussion of the tax implications of ownership of the Series 1990 Bonds.

[___% Series 1990 Bonds Due _____ 1, 2018 -- Price ___% (Plus Accrued Interest from December 1, 1990).]

The Series 1990 Bonds are offered when, as and if issued by the City and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, the approving legal opinions of Burke, Wilson & McIlvaine, Chicago, Illinois, and John H. Stroger, Jr., Esq. Chicago, Illinois, Co-Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by its Corporation Counsel and by Hopkins & Sutter, Chicago, Illinois, Special Counsel to the City. Certain legal matters will be passed upon for Lufthansa German Airlines by Arthur Molins, its Manager Legal Affairs/U.S.A., and for the Underwriters by their co-counsel, Gardner, Carton & Douglas, Chicago, Illinois, and Richard H. Newhouse, Jr., Chicago, Illinois. Confirmations of book entries are expected to be mailed by M.S.T.C. participants on or about December ____, 1990.

Smith Barney, Harris Upham & Co.,
Incorporated

George K. Baum & Company

Goldman, Sachs & Co.

Pryor, McClendon, Counts & Co., Inc.

Smith, Mitchell &
Associates, Inc.

City Of Chicago

Chicago-O'Hare International Airport

Mayor

Richard M. Daley

City Treasurer

Miriam Santos

City Clerk

Walter S. Kozubowski

City Council Committee On Finance

Edward M. Burke, Chairman

Chief Financial Officer

Edward J. Bedore

City Comptroller

Walter K. Knorr

Budget Director

Sidonie J. Walters-Lawrence

Corporation Counsel

Kelly R. Welsh

Department Of Aviation

Jay R. Franke, Commissioner

Department Of Public Works

David S. Williams, Jr., Commissioner

Special Counsel To The City

Hopkins & Sutter, Chicago, Illinois

Co-Bond Counsel

Burke, Wilson & McIlvaine, Chicago, Illinois

John H. Stroger, Jr., Esq.

Chicago, Illinois

The information contained in this Official Statement (which term shall be deemed to include the Summary Statement, the Appendices to this Official

Statement and all documents incorporated or referred to herein by reference), has been obtained from the City, Deutsche Lufthansa AG, doing business in the United States as Lufthansa German Airlines (the "Airline"), and other sources deemed reliable. The information concerning M.S.T.C. has been obtained from M.S.T.C. No representation is made, however, as to the accuracy or completeness of such information, and nothing contained in this Official Statement is, or shall be relied upon as, a promise or representation by the Underwriters. This Official Statement is submitted in connection with the sale of securities described in it and may not be reproduced or used, in whole or in part, for any other purposes. The information contained in this Official Statement is subject to change without notice and neither the delivery of this Official Statement nor any sale made by any means of it shall, under any circumstances, create any implication that there have not been changes in the affairs of the City or the Airline since the date of this Official Statement.

No broker, dealer, sales representative or any other person has been authorized by the City, the Airline or the Underwriters to give any information or to make any representation other than as contained in this Official Statement in connection with the offering described in it and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than those described on the cover page, nor shall there be any offer to sell, solicitation of an offer to buy or sale of such securities by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Prices And Other Terms Respecting The Offering And Sale Of The Series 1990 Bonds May Be Changed From Time To Time By The Underwriters After The Series 1990 Bonds Are Released For Sale, And The Series 1990 Bonds May Be Offered And Sold At Prices Other Than The Initial Offering Prices, Including Sales To Dealers Who May Sell The Series 1990 Bonds Into Investment Accounts. In Connection With The Offering, The Underwriters May Overallot Or Effect Transactions Which Stabilize Or Maintain The Market Price Of The Series 1990 Bonds At A Level Above That Which Might Otherwise Prevail In The Open Market. Such Stabilizing, If Commenced, May Be Discontinued At Any Time.

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Summary Statement.

This Summary Statement is subject in all respects to more complete information contained in this Official Statement (which term shall be deemed to include the cover page, this Summary Statement, and the Appendices). The offering of the Series 1990 Bonds to potential investors is made only by means of the entire Official Statement. No person is authorized to detach this Summary Statement from this Official Statement or otherwise to use it without the entire Official Statement.

The City.

The City of Chicago (the "City") is a municipal corporation and a home rule unit of local government under the Constitution of the State of Illinois, and owns and operates Chicago-O'Hare International Airport (the "Airport"). See "The City" and "The Airport".

The Series 1990 Bonds.

The \$ _____ City of Chicago, Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), Series 1990 (the "Series 1990 Bonds"), issued in the amount, maturity and interest rate set forth on the cover page of this Official Statement, are the first series of bonds (all such bonds herein called "Bonds") issued and authorized pursuant to the Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), dated as of December 1, 1990 (the "Indenture"), from the City to Independence Bank of Chicago and the First National Bank of Chicago, as trustees (collectively, the "Trustee"). Payment of principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be guaranteed by the Airline, pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty"). The Series 1990 Bonds will be subject to optional and mandatory redemption prior to maturity, in each case at the redemption prices, in the manner and at the times set forth in this Official Statement. See "The Series 1990 Bonds -- Redemption Prior to Maturity".

Book-Entry Only System.

When the Series 1990 Bonds are issued, ownership interests will be available to purchasers only through a book-entry system maintained by Midwest Securities Trust Company, Chicago, Illinois ("M.S.T.C."), in

integral multiples of \$5,000, and no physical delivery of Series 1990 Bonds will be made to purchasers. Payments of principal of and interest and redemption premium, if any, will be made to purchasers by M.S.T.C. through its participants. See "The Series 1990 Bonds -- Book-Entry Only System".

The Airport.

The Airport was in 1989 the busiest airport in the world, as measured by total passengers and by total aircraft operations. The Airport provides international service to eight counties in Illinois (Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will) and two counties in Indiana (Lake and Porter) (collectively, the "Chicago Region"), and to other regions by virtue of hub operations at the Airport by American Airlines and United Airlines. The population of the Chicago region was 8,025,000 in 1988. Scheduled commercial non-stop service is offered to 202 airports (167 domestic and 35 foreign). Total air cargo volume was 1,056,708 tons in 1989. See "The Airport".

The Project.

A portion of the net proceeds of the Series 1990 Bonds will be used to finance the design, construction, installation and equipping of a [168,000] square foot air freight facility and related improvements (the "Project") at the Airport. The Project will be used by Deutsche Lufthansa AG, doing business in the United States as Lufthansa German Airlines (the "Airline"), pursuant to a Cargo Facility Site Lease dated as of December ____, 1990, between the Airline and the City. The Airline will agree to make payments sufficient to pay when due the principal of and interest and redemption premium, if any, on the Series 1990 Bonds pursuant to a Special Facility Use Agreement (Cargo Facility) dated as of December 1, 1990 (the "Agreement") between the Airline and the City. The Series 1990 Bonds will not be secured by the Project, but will be payable solely from payments made by the Airline under the Agreement and the Guaranty. See "The Project", "Security for the Series 1990 Bonds", "The Agreement", "The Site Lease" and "The Guaranty".

The Airline.

The Airline's principal shareholder is the Federal Republic of Germany, which has a 51% ownership interest. The Airline is the second largest airline in Europe in terms of number of passengers carried and as of September 30, 1990, served 184 airports in 85 countries, including 13

airports in the United States. Additional information concerning the Airline is contained in Appendix A.

Plan Of Finance.

The proceeds from the sale of the Series 1990 Bonds received by the City, together with interest earnings thereon, will be used to finance: (i) the Project; (ii) the interest on the Series 1990 Bonds during the construction of the Project; (iii) the Debt Service Reserve Requirement (as defined in the Indenture) for the Series 1990 Bonds; and (iv) the costs of issuance related to the Series 1990 Bonds. See "Plan of Finance".

Security.

The Series 1990 Bonds will be limited obligations of the City payable solely from Special Facility Revenues (as defined in the Indenture), which will be derived primarily from payments to be made by the Airline pursuant to the agreement and the Guaranty. In order to secure the payment of the principal of and interest and redemption premium, if any, on all Bonds outstanding from time to time, a pledge is made in the Indenture of the Special Facility Revenues and all moneys on deposit in the funds and accounts under the Indenture other than the Rebate Fund. The Series 1990 Bonds will not be general obligations of the City, and neither the full faith and credit nor the taxing power of the City is pledged for their payment. Neither the Project nor any additions thereto will serve as security for the Series 1990 Bonds or any other Bonds, and the Series 1990 Bonds will not be secured by any other properties or improvements at the Airport or the Revenues (as defined in the City's 1983 General Airport Revenue Bond Ordinance, as amended or supplemented) or any other revenues (other than the Special Facility Revenues) derived by the City from the operation of the Airport generally. See "Security For The Series 1990 Bonds", "Bondholders' Risks" and "Enforceability Of Remedies".

Debt Service Reserve Requirement.

As security for the registered owners of the Series 1990 Bonds, a Debt Service Reserve Fund will be established under the Indenture and funded concurrently with the issuance of the Series 1990 Bonds. The Indenture will require that the balance in the Debt Service Reserve Fund be maintained in an amount equal to the least of (i) 10% of the original aggregate principal amount of the Series 1990 Bonds, or (ii) the maximum amount of interest payable on the Series 1990 Bonds on any two consecutive interest payment dates, or (iii) the maximum amount permitted under the Internal Revenue

Code of 1986, as amended. In lieu of maintaining a cash deposit in the Debt Service Reserve Account, the Debt Service Reserve Requirement for the Series 1990 Bonds may be satisfied by the deposit of one or more irrevocable letters of credit or irrevocable surety bond policies. The moneys held in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available as security for any other series of Bonds. See "Security For The Series 1990 Bonds -- Debt Service Reserve Fund."

Additional Bonds.

Additional series of bonds may be issued pursuant to the Indenture on a parity with the Series 1990 Bonds for the purposes described under the caption "Security For The Series 1990 Bonds -- Additional Bonds". The moneys held in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available as security for any series of additional Bonds.

Official Statement.

\$ _____

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Lufthansa German Airlines Project)

Series 1990.

Introductory Statement.

This Official Statement, including the cover page, the table of contents, the Summary Statement and the Appendices, is provided to furnish information in connection with the sale by the City of Chicago (the "City") of

its Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), Series 1990 in the aggregate principal amount of \$_____ (the "Series 1990 Bonds"). The Series 1990 Bonds will be issued pursuant to and secured by an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project) dated as of December 1, 1990 (the "Indenture") between the City and Independence Bank of Chicago and The First National Bank of Chicago, as trustees (collectively, the "Trustee").

The Series 1990 Bonds are being issued to provide funds to finance (i) the design, construction, installation and equipping of a 168,000 square foot air freight facility and related improvements (the "Project") at Chicago-O'Hare International Airport (the "Airport"); (ii) the interest on the Series 1990 Bonds during the construction of the Project; (iii) the Debt Service Reserve Requirement for the Series 1990 Bonds; and (iv) the costs of issuance related to the Series 1990 Bonds. Under and pursuant to a Special Facility Use Agreement (Cargo Facility) dated as of December 1, 1990 (the "Agreement"), Deutsche Lufthansa AG, doing business in the United States as Lufthansa German Airlines (the "Airline"), will agree to pay amounts sufficient to pay the principal of and interest and redemption premium, if any, on the Series 1990 Bonds. Payment of principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be guaranteed by the Airline, pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty"), funds on deposit under the Indenture and interest earnings thereon. The Series 1990 Bonds will not be secured by the Project, but will be payable solely from payments made by the Airline under the Agreement, the Guaranty, funds on deposit under the Indenture and interest earnings thereon. The City and the Airline also will enter into a Cargo Facility Site Lease dated as of December ____, 1990 (the "Site Lease"), pursuant to which the Airline will lease the land underlying the Project (the "Site") and the improvements thereon from the City.

The Series 1990 Bonds will be dated December 1, 1990 and will mature on June 1, 2018. The Series 1990 Bonds will bear interest at the rate set forth on the cover page of this Official Statement, and will be subject to mandatory and optional redemption prior to maturity as described under the caption "The Series 1990 Bonds -- Redemption Prior to Maturity". Interest on Series 1990 Bonds will be payable semiannually on June 1 and December 1 of each year (an "Interest Payment Date") commencing on June 1, 1991. The Series 1990 Bonds will be issued only in book-entry form in the name of a nominee of Midwest Securities Trust Company ("M.S.T.C."), as securities depository. No physical delivery of Series 1990 Bonds will be made to purchasers. See "The Series 1990 Bonds -- Book-Entry Only System".

Additional Bonds (the "Additional Bonds") may be issued from time to time by the City under the Indenture for the purposes described under the caption "Security For The Series 1990 Bonds -- Additional Bonds". The term "Bonds" shall mean the Series 1990 Bonds and any Additional Bonds issued pursuant to the Indenture.

Brief descriptions of the City, the Series 1990 Bonds, the Agreement, the Indenture, the Site Lease and the Guaranty are included in this Official Statement. Appendix A to this Official Statement furnishes, or refers to, information with respect to the Airline. Appendix B to this Official Statement sets forth the form of opinions of Co-Bond Counsel.

The descriptions herein of the Agreement, the Indenture, the Site Lease and the Guaranty are qualified in their entirety by reference to such documents, and the descriptions herein of the Series 1990 Bonds are qualified in their entirety by reference to the form thereof and the information with respect thereto included in the aforesaid documents. Copies of such documents may be obtained during the initial offering period from the principal offices of the Underwriters and, after the initial delivery of the Series 1990 Bonds, at the principal corporate trust office of the Trustee in Chicago, Illinois.

The City.

The City is a municipal corporation and a home rule unit of local government under the 1970 Constitution of the State of Illinois. The Series 1990 Bonds are being issued under the authority and power granted to the City as a home rule unit by Article VII, Section 6(a) of the 1970 Constitution.

The Airport.

The Airport is owned and operated by the City. The Airport serves as the principal air terminal for the greater Chicago area, as well as a transfer and connecting point for numerous domestic and international flights. Measured by total passengers, the Airport was the busiest airport in the world in 1989 for the twenty-eighth consecutive year. In 1989, it also was the busiest airport in the world as measured by total aircraft operations. The Airport is located 18 miles northwest of the City's central business district and occupies 6,965 acres of land. The Airport is served by a network of highways, including several regional expressways, and is directly linked to the central business district and other parts of Chicago by a rapid transit rail system.

In 1989, total domestic and international passengers at the airport numbered 59,215,032; aircraft operations numbered 794,546; and air cargo volume was 1,056,708 tons. In order to improve and expand existing facilities at the Airport, the City has developed an airport development plan (the "Airport Development Plan") which includes a series of substantial improvements to the Airport, most of which have already been completed.

The Project is consistent with and will be coordinated with the Airport Development Plan.

See "Litigation" and "Regulatory Proceedings and Proposed State Actions" for a discussion of certain pending litigation and regulatory proceedings relating to the Airport.

The Project.

The Project will include the following components: (i) warehouse and storage areas containing approximately 120,000 square feet; (ii) a three story office building containing approximately 48,000 square feet; (iii) approximately 83,300 square feet of aircraft parking (including service roadways) equipped with a fuel hydrant system; (iv) approximately 70,000 square feet of parking area for trucks, cars and other vehicles; and (v) various fixtures and equipment to be used for handling cargo in the warehouse, including an aircraft pallet storage and handling system and rack storage systems. In addition, the Project also will include reimbursement of the City for the costs of certain capital improvements to the Airport's cargo area, including the relocation of a roadway and utilities. The total cost of the Project is estimated to be \$ _____. See "Plan Of Finance".

Plan Of Finance.

Sources Of Funds For The Project.

The net proceeds from the sale of the Series 1990 Bonds, except amounts received from the purchasers of the Series 1990 Bonds as accrued interest, will be deposited in the Construction Fund and the Debt Service Fund established under the Indenture. Amounts received from the purchasers of the Series 1990 Bonds as accrued interest will be deposited in the Bond Fund under the Indenture. The initial deposits into these funds, together with the anticipated interest earnings thereon, are expected to be sufficient to pay the costs of the Project, to pay interest on the Series 1990 Bonds through June 1992 (the estimated completion date of the Project), to satisfy the Debt Service Reserve Fund Requirement under the Indenture for the Series 1990 Bonds and to pay the costs of issuance related to the Series 1990 Bonds. If Project costs increase, the completion date is delayed or interest earnings decrease below present estimates, the City may issue Additional Bonds to provide additional funds. See "Security for the Series 1990 Bonds -- Additional Bonds".

Estimated Application Of Series 1990 Bond Proceeds.

The proceeds from the sale of the Series 1990 Bonds (exclusive of \$_____ in accrued interest, which will be deposited in the Interest Account in the Bond Fund established under the Indenture) are estimated to be applied as follows:

Project Costs	\$
Capitalized Interest	
Debt Service Reserve Fund	
Underwriters' discount and other costs of issuance	_____
Principal Amount of Series 1990 Bonds	\$ <u> </u>

Debt Service Schedule For The Series 1990 Bonds.

Bond Year Ending April 1	Principal Payments	Interest	Total Debt Service
1991			
1992			
1993			
1994			
1995			
1996			
1997			
1998			

Bond Year Ending April 1	Principal Payments	Interest	Total Debt Service
1999			
2000			
2001			
2002			
2003			
2004			
2005			
2006			
2007			
2008			
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018			

The Series 1990 Bonds.

General.

The Series 1990 Bonds will be dated December 1, 1990 and will mature on June 1, 2018. Interest in the Series 1990 Bonds will be payable semiannually on each June 1 and December 1, commencing June 1, 1991. The Series 1990 Bonds will bear interest from December 1, 1990 at the rate per annum set forth on the cover page hereof.

Redemption Prior To Maturity.

Optional Redemption. The Series 1990 Bonds will be subject to redemption in whole or in part on any business day on or after _____, if the Airline exercises its option under the Agreement to prepay the payments due thereunder in whole or in part and thereby effect redemption of such Series 1990 Bonds at the following redemption prices (expressed as a percentage of the principal amount of the Series 1990 Bonds to be redeemed) plus accrued interest to the date fixed for redemption:

Redemption Period (dates inclusive)

Redemption Price

If the Airline is reimbursed pursuant to the Site Lease for the cost of certain common improvements financed from the proceeds of the Series 1990 Bonds, the Airline will agree to apply such reimbursements to the optional redemption of Bonds on the earliest date on which Bonds are redeemable at a price of 100% of the principal amount thereof (and without premium), but only to the extent that the amount of such reimbursement exceeds the amount of moneys not obtained through the issuance of Bonds which the Airline has applied, or intends to apply, to costs of the Project.

Mandatory Redemption upon Determination of Taxability. The Series 1990 Bonds will be subject to mandatory redemption in whole, or, as described below, in part, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium, but with accrued interest thereon to the redemption date, which redemption

date will be not more than 90 days following the receipt by the Airline of written notice from a registered owner ("Owner") of the Series 1990 Bonds or former Owner or from the Trustee of a final determination of the Internal Revenue Service or a court of competent jurisdiction to the effect that the interest paid or payable on any Series 1990 Bond to other than a "substantial user" of the project or a "related person" (within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code")) is or was includible in the gross income of the Owner thereof for federal income tax purposes under the Code; provided that no such determination will be considered final unless (a) the Owner or former Owner involved in such proceeding or action (i) gives the Airline and the Trustee prompt notice of the commencement thereof, and (ii) (if the Airline agrees to pay all expenses in connection therewith and to indemnify such Owner or former Owner against all liabilities in connection therewith), offers the Airline the opportunity to control unconditionally the defense thereof, and (b) either (i) the Airline does not agree within 30 days of receipt of such offer to pay such expenses and liabilities and to control such defense, or (ii) the Airline shall exhaust or choose not to exhaust all available proceedings for the contest, review, appeal or rehearing of such decree, judgment or action that the Airline determines to be appropriate. Fewer than all the Series 1990 Bonds may be redeemed if redemption of fewer than all Series 1990 Bonds would result in the interest payable on the Series 1990 Bonds remaining outstanding being not includible in the gross income for federal income tax purposes of an Owner other than a "substantial user" of the Project or a "related person" (within the meaning of Section 147(a) of the Code). Selection of Series 1990 Bonds for such partial redemption will be in such manner as the Trustee determines or in such manner acceptable to the Trustee as specified in a written opinion of bond counsel, and in such amount as bond counsel determines is necessary to accomplish such result. After the receipt by the Trustee of notice from the Airline pursuant to the Agreement, the Trustee will give notice of redemption as provided below. Upon the giving of such notice, the Series 1990 Bonds called for redemption will become due and payable on such redemption date at the redemption price together with the accrued interest to the redemption date, and such Series 1990 Bonds will be redeemed and cancelled by the Trustee on such redemption date.

If The Lien Of The Indenture As To The Series 1990 Bonds Has Been Defeased Before A Final Determination Of Taxability, The Series 1990 Bonds Will Not Be Subject To Mandatory Redemption In The Manner Described Above. See "The Indenture -- Discharge Of Indenture".

Mandatory Redemption upon Condemnation of Project and Site. The Series 1990 Bonds will be subject to mandatory redemption in part or in whole, as the case may be, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium, but with accrued interest thereon to the redemption date, which redemption date will be not more than 90 days following the receipt by the Airline, pursuant to the Agreement, of its allocable portion of the net proceeds of any

condemnation award received on account of any condemnation or taking of all or part of the Project and the Site. The Series 1990 Bonds will be redeemed pursuant to the first sentence of this paragraph in part in an aggregate principal amount equal to the highest integral multiple of \$5,000 not exceeding the amount of such net proceeds received by the Airline or, if such net proceeds are sufficient therefor, in whole. After the receipt by the Trustee of notice from the Airline pursuant to the Agreement, the Trustee will give notice of such redemption as provided below. Upon the giving of such notice, the Series 1990 Bonds called for redemption will become due and payable on such redemption date at the redemption price, together with the accrued interest to the redemption date, and such Series 1990 Bonds will be redeemed and canceled by the Trustee on such redemption date. Neither the condemnation of the Project and the Site, nor the receipt of any condemnation proceeds, will affect the Airline's obligations under the Agreement or the Guaranty.

Notice and Effect of Redemption. Notice of redemption of the Bonds will be mailed by the Trustee not less than 30, nor more than 60, days prior to the redemption date, by registered or certified mail to the Owner of each Bond to be redeemed in whole or in part. Each notice of redemption will among other things: (i) specify the Bonds (or portions thereof) to be redeemed, the redemption date, the place or places of redemption and the redemption price, and (ii) state that the interest on the Bonds (or portions thereof) designated for redemption in such notice will cease to accrue from and after such redemption date.

If less than all of the Bonds are called for redemption, the Trustee will be required to select, in its sole discretion, the Bonds or portions thereof to be redeemed from Bonds outstanding and not previously called for redemption, in such manner as in the Trustee's sole discretion it deems appropriate and fair, whether by lot or otherwise.

If the Owner of any Bond called for redemption, in whole or in part, fails to present such Bond to the Trustee for payment (and exchange for a substitute Bond in the principal amount of the portion not called for redemption), such Bond will, nevertheless, become due and payable on the date fixed for redemption to, and only to, the extent of the portion called for redemption, and interest will cease to accrue after such date on such Bond or portion thereof.

If notice of redemption is given as described above and if sufficient funds for the payment of the principal of and interest and redemption premium, if any, on the Bonds (or portions thereof) to the redemption date are held for the purpose of such payment by the Trustee, then the Bonds (or portions thereof) so called for redemption will, on the redemption date, cease to bear interest and will be no longer be deemed outstanding under or secured by the lien of the Indenture.

Book-Entry Only System.

Series 1990 Bonds in Book-Entry. When the Series 1990 Bonds are issued, ownership interests will be available to purchasers only through a book-entry system (the "Book-Entry System") maintained by Midwest Securities Trust Company, Chicago, Illinois ("M.S.T.C."). The following discussion will not apply to Series 1990 Bonds if issued in physical form because of discontinuance of the Book-Entry System.

The information in this section concerning M.S.T.C. and M.S.T.C.'s Book-Entry System has been obtained from sources the City believes to be reliable, but neither the City nor the Underwriters take any responsibility for the accuracy or completeness thereof.

The Series 1990 Bonds will be registered under a book-entry only system, with bond certificates immobilized at M.S.T.C. and not available for distribution to the public, evidencing ownership of the Series 1990 Bonds in maturing amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of M.S.T.C. and its participating organizations ("Participants") pursuant to rules and procedures established by M.S.T.C. Payments of principal and redemption price (including any premium) of and interest on the Series 1990 Bonds will be paid to M.S.T.C. or its nominee as the Owner of the Series 1990 Bonds. Transfers of payments of principal, and redemption price (including any premium) of and interest on the Series 1990 Bonds to beneficial Owners by Participants will be the responsibility of M.S.T.C. Transfers of payments of principal and redemption price (including any premium) of and interest on the Series 1990 Bonds to beneficial Owners by Participants will be the responsibility of such Participants and other nominees of beneficial Owners. Participants are responsible for furnishing confirmation of purchase of Series 1990 Bonds to the beneficial Owners. For every exchange or transfer among beneficial Owners of the Series 1990 Bonds, M.S.T.C. or the applicable Participants may charge a fee sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

The Indenture provides for the Trustee to perform certain duties with respect to the Series 1990 Bonds. The Trustee will perform certain fiduciary duties for the Owners, such as maintaining the funds and accounts established under the Indenture. The foregoing notwithstanding, the duties of the Trustee to the Owners will run solely to M.S.T.C. or its nominee as the owner of the Series 1990 Bonds.

M.S.T.C. has advised the City that it is a limited-purpose trust company organized under the laws of the State of Illinois, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Illinois Uniform Commercial Code, as amended, and a "clearing agency" registered

pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. M.S.T.C. was created to hold securities of its Participants and to facilitate the clearance and settlement of securities transactions among M.S.T.C. Participants in such securities through electronic book-entry changes in accounts of the M.S.T.C. Participants, thereby eliminating the need for physical movement of securities certificates when ownership of securities is transferred. M.S.T.C. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the M.S.T.C. system is also available to others such as banks, brokers, dealers and trust companies that clear securities transactions through or maintain a custodial relationship with an M.S.T.C. Participant, either directly or indirectly.

As long as M.S.T.C. is the securities depository of the Series 1990 Bonds, the Series 1990 Bonds will be registered in the name of Kray & Co., as the nominee of M.S.T.C., and the certificates for the Series 1990 Bonds will be held by M.S.T.C. Interests in the Series 1990 Bonds may be purchased by or through Participants. Such participants and the persons for whom they acquire interests in the Series 1990 Bonds as nominees are referred to herein as "Beneficial Owners". Beneficial Owners will not receive bond certificates representing their interest in the Series 1990 Bonds. Such interests will be recorded and transferred only on the computerized Book-Entry System operated by M.S.T.C.

As long as M.S.T.C. is the securities depository of the Series 1990 Bonds, the Trustee and the City will treat M.S.T.C. or its nominee as the sole and exclusive Owner of the Series 1990 Bonds for all purposes. Accordingly, the Trustee and the City will make payments of principal, and redemption price (including any premium) of and interest on the Series 1990 Bonds, and will give any notices permitted or required to be given to Owners under the Indenture, only to M.S.T.C. The remittance of such payments and the transmittal of such notices to Participants and their customers are the obligations of M.S.T.C. and Participants, respectively.

Neither The Trustee Nor The City Will Have Any Responsibility Or Obligation To Any Participant, Any Person Claiming A Beneficial Ownership Interest In Any Series 1990 Bond Under Or Through M.S.T.C. Or Any Participant, Or Any Other Person Which Is Now Shown On the Registration Books Of The Trustee As Being An Owner, With Respect To The Accuracy Of Any Records Maintained By M.S.T.C. Or Any Participant, The Payment By M.S.T.C. Or Any Participant Of Any Amount In Respect Of Principal Or Redemption Price (Including Any Premium) Of Or Interest On Any Series 1990 Bond, Any Notice Which Is Required To Be Given To Owners Under The Indenture, The Selection By M.S.T.C. Or Any Participant Of Any Person To Receive Payment In The Event Of A Partial Redemption Of The Series 1990 Bonds, Or Any Consent Given Or Other Action Taken By M.S.T.C. Or Its Nominee As The Registered Owner Of The Series 1990 Bonds.

The City may determine in its sole discretion that (i) M.S.T.C. is unwilling or unable to discharge its responsibilities as securities depository, or (ii) it is in the best interest of the City that the Beneficial Owners of the Series 1990 Bonds be able to obtain certificates for such Series 1990 Bonds. In addition, M.S.T.C. may determine to discontinue providing its service with respect to the Series 1990 Bonds at any time by giving notice to the City and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances the City may appoint a successor securities depository, and M.S.T.C., the Trustee and the City will cooperate to arrange for such other securities depository to maintain custody of certificates evidencing such Series 1990 Bonds. If a successor securities depository is appointed, that successor or its nominee will be treated by the Trustee and the City as the sole and exclusive Owner of such Series 1990 Bonds and, as in the case of M.S.T.C., the responsibilities and obligations of the Trustee and the City will be solely to that successor securities depository or its nominee and not to any participant in the successor or any person claiming a beneficial ownership interest in any such Series 1990 Bonds. If there is no successor securities depository, the City and the Trustee will be obligated to deliver certificates for such Series 1990 Bonds in physical form as described in the Indenture, and the Trustee and the City will cooperate to make such certificates available. If such certificates are issued, the provisions of the Indenture will apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates.

Effect on Series 1990 Bonds of Discontinuance. The following three paragraphs apply to the Series 1990 Bonds only when not in the Book-Entry System:

(a) The Series 1990 bonds will be issuable only as fully registered bonds in denominations which are integral multiples of \$5,000. Exchanges and transfers will be made without charge to the Owners, except that, in each case the Trustee will require the payment by the Owner requesting exchange or transfer of any tax or governmental charge required to be paid with respect thereto.

(b) Principal of, and interest and redemption premium, if any, on the Series 1990 Bonds will be payable upon presentation and surrender when due at the principal corporate trust office of the Trustee. Interest on the Series 1990 Bonds will be payable by check or draft mailed to the Owners thereof at the close of business on the 15th day of May or November immediately before each Interest Payment Date (the "Record Date") or, at the option of any owner of not less than \$500,000 principal amount of the Series 1990 Bonds, by wire transfer to any address in the continental United States on the applicable Interest Payment Date to the registered Owner as of the applicable Record Date, if such registered Owner provided the Trustee with written notice of such wire transfer address at least 15 days prior to such Record Date, (which notice may provide that it will

remain in effect with respect to subsequent interest Payment Dates unless and until changed or revoked by subsequent notice).

(c) Each Series 1990 Bond will be dated and bear interest from the Interest Payment Date next preceding its date of authentication and delivery unless (i) it is authenticated and delivered before June 1, 1991, in which case it will be dated and bear interest from December 1, 1990, or (ii) it is authenticated and delivered on any Interest Payment Date, in which event it will be dated and bear interest from such date; provided, however, that if at any time interest due on such Series 1990 Bond has not been paid in full, then such Series 1990 Bond will be dated and bear interest from the date to which interest on such Series 1990 Bond shall have been paid in full.

Use Of Certain Terms In Other Sections Of This Official Statement. In reading this Official Statement it should be understood that while the Series 1990 Bonds are in the Book-Entry System, references in other sections of this Official Statement to Owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through M.S.T.C. and the Book-Entry System and (ii) notices that are to be given to Owner by the City or the Trustee will be given only to M.S.T.C. M.S.T.C. will be required to forward (or cause to be forwarded) the notices to the Participants by its usual procedures, so that such participants may forward (or cause to be forwarded) such notices to the Beneficial Owners.

Security For The Series 1990 Bonds.

Payments By The Airline Under The Agreement.

The Series 1990 Bonds are limited obligations of the City payable solely from Special Facility Revenues (as defined in the Indenture), which will be derived primarily from payments to be made by the Airline pursuant to the Agreement and the Guaranty. In order to provide for the payment of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds, the City will pledge and assign to the Trustee under the Indenture certain of its rights and interests under the Agreement, including the Special Facility Revenues and all moneys on deposit in the funds and accounts under the Indenture other than the Rebate Fund. The Airline will be required under the Agreement to make payments sufficient in amount to pay when due (whether at stated maturity, upon redemption or upon acceleration) the principal of and interest and redemption premium, if any, on the Series 1990 Bonds. The Series 1990 Bonds will not be secured by the Project. The Trustee, as assignee of certain of the City's rights under the Agreement, will not be entitled to exercise any rights of entry, re-entry,

eviction, reletting, or any similar rights with respect to the Project, all such rights being exercisable solely by the City pursuant to the Site Lease, except to the extent of certain rights to cure certain defaults and replace the Airline with another tenant as provided in the Site Lease. The Airline will acknowledge in the Agreement that rents payable by any such replacement tenant shall be applied first to satisfy its obligations under the Site Lease and only the excess, if any, will be available for the payment of principal of and interest on the Bonds. The Airline will remain liable for its obligations under the Agreement and the Guaranty even if a replacement tenant is obtained for the Project. See "The Agreement -- Remedies", "The Site Lease -- Defaults and Remedies", "Bondholders Risks" and "Enforceability of Remedies".

Debt Service Reserve Fund.

The Trustee is required to deposit \$_____ of the proceeds from the issuance of the Series 1990 Bonds into the Debt Service Reserve Fund established under the Indenture and maintain therein available funds in an amount equal to the Debt Service Reserve Requirement for the Series 1990 Bonds, which must equal the least of: (i) 10% of the original aggregate principal amount of the Series 1990 Bonds or (ii) the maximum amount of interest payable on the Series 1990 Bonds on any two consecutive Interest Payment Dates or (iii) the maximum amount permitted under the Code. Moneys in the Debt Service Reserve Fund must be deposited by the Trustee on any Interest Payment Date, or any other date on which interest on or principal of the Series 1990 Bonds is payable, in the Interest Account or the Principal Account in the Bond Fund, in that order, to the extent available, in an amount necessary, in each case, to provide moneys in such account in the Bond Fund, together with moneys already deposited therein, sufficient to pay interest on or the principal of the Series 1990 Bonds on such date. The Airline will be required under the Agreement to make payments to the Trustee sufficient to maintain the balance in the Debt Service Reserve Fund in an amount equal to the Debt Service Reserve Requirement for the Series 1990 Bonds. Moneys held in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available to pay principal of or interest on any other series of Bonds.

The Airline will be permitted to satisfy the Debt Service Reserve Fund Requirement for the Series 1990 Bonds in whole or in part by depositing into the Debt Service Reserve Fund one or more irrevocable letters of credit or irrevocable surety bond policies issued by a bank or bond insurance company with one of the three highest credit ratings available from a Rating Agency (as defined in the Indenture). Such letters of credit or surety bond policies must have a term of at least five years and meet other requirements, including the availability of funds thereunder for all purposes for which moneys in the Debt Service Reserve Fund may be applied.

Additional Bonds.

In accordance with the Indenture, the City will be permitted to issue Additional Bonds without limitation as to amount, except as may be limited by law, for the purposes of (a) the payment or reimbursement of the costs of the Project or one or more additions thereto, or (b) the funding of any fund or account established under the Indenture. Under the Indenture, each series of Additional Bonds will be equally and ratably secured with the Series 1990 Bonds under the Indenture by the pledge of the Special Facility Revenues, except that moneys on deposit in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available to pay principal of and interest on any other series of Bonds.

Issuance of Additional Bonds will be subject to a number of conditions set forth in the Indenture, including a provision that, at the time of issuance of such Additional Bonds, no event of default shall have occurred and remain continuing under the Indenture. Before the issuance of Additional Bonds, the Trustee and City must first receive certification by an Independent Airport Consultant (as defined in the City's 1983 Chicago-O'Hare International Airport General Airport Revenue Bond Ordinance) that the estimated rentals, debt service or other charges to be derived by the City under the Agreement will be at least sufficient to pay the principal of, premium, if any, and interest on, such Additional Bonds as they mature and become due, all costs of operating and maintaining the Project or additional project to be financed by such Additional Bonds and for which no mechanism for reimbursement has been established and all sinking and other reserve fund payment requirements required by the City's ordinance authorizing such Additional Bonds. See "The Agreement -- Assignment, Merger and Assumption of Obligations of the Airline; Ability of Airline to Incur Debt".

Limited Obligations.

The Series 1990 Bonds, together with interest thereon, will be limited obligations of the City giving rise to no pecuniary liability of the City nor a charge against its general credit or taxing power and will be payable solely from the Special Facility Revenues and other moneys pledged under the Indenture, and will be a valid claim of the respective Owners thereof only against the Bond Fund, the Construction Fund, the Debt Service Reserve Fund, the Special Facility Revenues and the moneys held by the Trustee under the Indenture. The Series 1990 Bonds will not be in any respect a general obligation of the City, nor are they payable in any manner from revenues raised by taxation. The Project will not be security for the Series 1990 Bonds, and the Series 1990 Bonds will not be secured by any other properties or improvements at the Airport or the Revenues (as defined in the City's General Airport Revenue Bond Ordinance) or any other revenues

(other than Special Facility Revenues) derived by the City from the operation of the Airport generally.

The Guaranty.

The Owners of the Series 1990 Bonds are entitled to benefits of the Guaranty from the Airline to the Trustee, whereby the Airline will unconditionally guarantee to the Trustee for the benefit of the Owners of the Series 1990 Bonds payment of the principal and redemption price (including any premium) of and interest on the Series 1990 Bonds when and as due and payable. See "The Guaranty", "Bondholders' Risks" and "Enforceability of Revenues".

The Agreement.

The following statements are a summary of certain provisions of the Agreement and do not purport to be complete. Reference is made to the Agreement for the complete provisions thereof.

Issuance Of The Series 1990 Bonds.

The Agreement will provide that the City will issue the Series 1990 Bonds to provide moneys for deposit and application as described under the captions "Plan of Finance" and "The Indenture".

Payments.

Pursuant to the Agreement, the Airline will agree to pay to the Trustee amounts sufficient to pay when due the principal of and interest and redemption premium, if any, on the Series 1990 Bonds. Such payments will be made in the amounts and in the manner provided in the Indenture for the payment of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds whether at maturity, upon acceleration or upon redemption.

In addition, the Airline will agree to pay the reasonable expenses of the City incurred in connection with the City's duties and obligations under the Indenture and the reasonable fees and expenses of the Trustee in connection with the Series 1990 Bonds.

Obligations Absolute And Unconditional.

The Airline's obligations under the Agreement to pay the amounts due thereunder with respect to the Series 1990 Bonds will be absolute and unconditional and will not be subject to any defense other than payment or to any right of setoff, counterclaim, abatement or otherwise. See "Security For the Series 1990 Bonds -- Payment by Airline under the Agreement", "Bondholders' Risks" and "Enforceability of Remedies".

Assignment, Merger And Assumption Of Obligations Of The Airline; Ability Of Airline To Incur Debt.

Upon a valid assignment by the Airline of its rights under the Site Lease, the Airline will be permitted to assign the Agreement in whole or in part with the prior consent of the City, but without obtaining the consent of the Trustee, provided that (i) no assignment (other than as described in the next paragraph) will relieve the Airline from liability for any of its obligations under the Agreement or the Guaranty; (ii) the assignee will assume in writing the obligations of the Airline under the Agreement to the extent of the interest assigned; and (iii) the Airline will, at least five days prior to any such assignment, provide the City and the Trustee with written notice thereof.

The Airline will be permitted to consolidate with or merge into another corporation, provided that (i) the resulting, surviving or transferee corporation is a solvent corporation and assumes in writing all of the obligations of the Airline under the Agreement, and (ii) if such corporation is not organized and existing under the laws of the United States or any State or territory thereof or the District of Columbia, it delivers to the City an irrevocable consent to service of process and jurisdiction.

Neither the Site Lease, the Agreement, the Indenture nor the Guaranty will contain any restriction on the ability of the Airline to incur debt or, except as described in the preceding paragraphs, to sell or otherwise transfer any portion of its assets.

Tax Covenants.

The Airline will covenant that, so long as any of the Series 1990 Bonds remain outstanding, moneys on deposit in any Indenture fund in connection with the Series 1990 Bonds, whether or not such moneys were derived from the proceeds of the sale of the Series 1990 Bonds or from any other source, will not be used in a manner which will cause the Series 1990 Bonds to be "arbitrage bonds" within the meaning of the Code.

The Airline will covenant that it will not knowingly take or authorize or permit, to the extent such action is within its control, any action to be taken with respect to the Project, or the proceeds of the Series 1990 Bonds, insurance, condemnation, or any other proceeds derived directly or indirectly in connection with the Project, which will result in the loss of the exclusion of interest on the Series 1990 Bonds from the federal gross income of the Owners of the Series 1990 Bonds under Section 103 of the Code (except for any Series 1990 Bond during any period that such Series 1990 Bond is held by a person referred to in Section 147(a) of the Code). The Airline also will not knowingly omit to take any action in its power which, if omitted, would cause the above result.

Defaults.

The Agreement will provide that the occurrence of any one or more of the following events shall constitute a "default" thereunder and each such default after the giving of notice, if any, the passage of time, if any, or the occurrence of an event, if any, specified below, shall constitute an "event of default":

(a) failure by the Airline to pay amounts with respect to principals of or interest or redemption premium, if any, on the Bonds when due, which failure continues for a period of five business days and results in an event of default under the Indenture attributable to the failure to pay principal of or interest or redemption premium, if any, on the Bonds when due;

(b) failure by the Airline to restore the required balance in the Debt Service Reserve Fund on the fifth business day after the Trustee notifies the Airline of such deficiency;

(c) any material breach by the Airline of any of its representations or warranties made in the Agreement or failure by the Airline to observe or perform any of its covenants, conditions, or agreements made on its part to be observed or performed under the Agreement, other than as referred to in paragraphs (a) and (b) above, for a period of 60 days after written notice specifying such breach or failure and requesting that it be remedied, from the Trustee, unless (i) the Trustee or, with regard to certain rights, the City, shall agree in writing to an extension of such time prior to its expiration, or (ii) if the breach or failure is such that it can be corrected but not within the applicable period, corrective action is instituted by the Airline within such period and is being diligently pursued; or

(d) certain events of bankruptcy, dissolution, liquidation or reorganization with respect to the Airline.

The foregoing provisions of paragraph (c) will be subject to the following limitations: If by reason of "force majeure" (as defined in the Agreement) the Airline is unable in whole or in part to carry out its agreements on its part contained in the Agreements, other than the obligations on the part of the Airline to make payments under the Agreement, the Airline will not be deemed in default during the continuance of such inability. The Airline will agree, however, to remedy with all reasonable dispatch the cause or causes preventing the Airline from carrying out its agreement; provided that the settlement of strikes, lockouts and other disturbances will be entirely within the discretion of the Airline and the Airline will not be required to make settlement of strikes, lockouts and other disturbances by acceding to the demands of the opposing party or parties when such course is in the sole judgment of the Airline unfavorable to the Airline; and provided further that a breach of the covenants set forth in the Agreement with respect to the tax-exempt status of interest on the Bonds will not constitute an event of default subject to acceleration hereunder.

Remedies.

The Agreement will provide that, upon the occurrence and continuation of an "event of default", except as provided in the following paragraph with respect to Unassigned Rights, the Trustee, as assignee of the City, (a) shall declare all amounts payable under the Agreement to be immediately due and payable if concurrently with or prior to such declaration, the unpaid principal amount of the Bonds has been declared to be due and payable, and (b) may take whatever action at law or in equity may appear necessary or desirable to enforce the Agreement; provided that the Trustee, as assignee pursuant to the Indenture of certain of the City's rights under the Agreement, will not have or be entitled to exercise any rights of entry, re-entry, eviction, reletting, or similar rights with respect to the Project, all such rights generally being exercisable solely by the City pursuant to the Site Lease, except to the extent of certain rights to cure certain defaults and replace the Airline with another tenant as provided in the Site Lease. The Airline will acknowledge that rents payable by any such replacement tenant will be applied first to satisfy its obligations under the Site Lease and only the excess, if any, will be available for payment of its obligations under the Agreement with respect to payment of principal of and interest on the Bonds. The City and the Airline will agree that any such excess rents may be deemed Special Facility Revenues under the Indenture and the Agreement and, to the extent they are paid to the Trustee, shall be deposited in the Special Facility Revenue Fund established under the Indenture and credited against the amounts payable by the Airline pursuant to the Agreement.

Certain of the City's rights under the Agreement, including its rights to indemnity and to the payment of its expenses, will not be assigned to the

Trustee ("Unassigned Rights") and will be enforceable by the City in its own name and for its own account. In the enforcement of such rights the City's remedies are limited to suits for damages and specific performance and the City may not cause acceleration of payments under the Agreement to enforce such rights.

The City will have no power to waive any default by the Airline under the Agreement, except a default with respect to Unassigned Rights (which the City may waive unilaterally), without the consent of the Trustee to such waiver. The Trustee will have power to waive any default by the Airline under the Agreement, except a default with respect to Unassigned Rights, without the prior written concurrence of the City. Notwithstanding the foregoing, if after the acceleration of the maturity of the outstanding Bonds by the Trustee pursuant to the Indenture, all arrears of interest on the outstanding Bonds and interest on overdue installments of interest (to the extent permitted by law) at the rate of interest borne by the Bonds and the principal of or interest or redemption premium, if any, on all Bonds then outstanding that have become due and payable otherwise than by acceleration, and all other sums payable under the Indenture, except the principal of and the interest on such Bonds that by such acceleration shall have become due and payable, shall have been paid, any and all other events of default under the Indenture shall have been cured or waived in accordance with the provisions of the Indenture, there shall have been paid the reasonable fees and expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred and such event of default under the Indenture shall be waived in accordance with the Indenture with the consequence that such acceleration under the Indenture is rescinded, then the Airline's default under the Agreement will be deemed to have been waived and its consequences rescinded and no further action or consent by the Trustee or the City shall be required. See "The Indenture -- Defaults".

Consent To Service Of Process And Jurisdiction; Waiver Of Sovereign Immunity.

The Agreement will include the Airline's consent to service of process and federal court jurisdiction in the Northern District of Illinois and the Airline also will waive any rights that it may now or hereafter have based upon principles of sovereign immunity, subject to its right to remove actions brought in other courts to federal court in the Northern District of Illinois.

Amendments.

The Agreement may be amended subject to the limitations contained in the Indenture. See "The Indenture -- Amendments to the Agreement".

The Site Lease.

The following statements are a summary of certain provisions of the Site Lease and do not purport to be complete. Reference is made to the Site Lease for the complete provisions thereof. The Project will not be security for the Series 1990 Bonds, and the Series 1990 Bonds will not be secured by any other properties or improvements at the Airport or the Revenues (as defined in the City's General Airport Revenue Bond Ordinance) or any other revenues (other than the Special Facility Revenues) derived by the City from the operation of the Airport generally. See "Security for the Series 1990 Bonds" [and "The Guaranty"].

General.

Pursuant to the Site Lease, the City will lease the Site and the improvements thereon to the Airline. The City will use reasonable efforts to deliver possession of the Site to the Airline upon completion of the service road and utilities serving the Site, which is projected to be completed by December 1, 1990, or upon such earlier date as the City and the Airline agree.

Construction Of Improvements.

After obtaining all required approvals, licenses, and permits, the Airline will construct the Project on the Site and such other related improvements as are appropriate and necessary for the Airline to conduct the business of air transportation of freight on the Site (the "Improvements"). The Improvements will be designed and constructed by the Airline in accordance with the provisions of the Site Lease. The Airline will pay its allocable share of the cost of the Improvements in certain common areas. The title to the Improvements, including the Project, will vest in the City.

Term.

The term of the Site Lease will be for a period commencing on the date on which the City delivers possession of the Site to the Airline (expected to occur no later than December 1, 1990) and terminating on May 11, 2018.

Use.

The Site Lease provides that the Site may be used by the Airline primarily

for the business of the air transportation of freight. Non-cargo reservation offices and administrative offices may be located on the Site so long as such use is incidental to the primary use of air transportation of freight and does not become a primary or significant use. Passengers may be handled at the Site only in irregular operation situations.

Rent.

The Site Lease requires the Airline to pay to the City rent for the Site of \$.45 per square foot per year, one-twelfth of which will be payable not later than first business day of each month. Up to \$.10 per square foot of the rent paid by the Airline will be applied by the City to operation and maintenance expenses related to the common areas of the Airport's cargo area. Each year, the rent will be increased in proportion to that year's increase in the Producer Price Index (as defined in the Site Lease). The Airline also will pay to the City each month one-twelfth of its pro rata share of the City's costs of operating and maintaining certain common areas, in excess of an amount equal to \$.10 per square foot of the Site.

Insurance.

The Site Lease provides that the Airline will maintain, at its own expense, workers' compensation and occupational disease insurance in amounts as required by the State of Illinois; commercial general liability insurance with limits of not less than \$25 Million per occurrence, naming the City as an additional insured, and including contractual liability coverage, and if available at commercially reasonable rates, products/completed operation, independent contractors, explosion, collapse, underground, and pollution coverages; automobile liability insurance with limits of not less than \$5 Million per occurrence, naming the City as an additional insured; all risk property insurance, in the amount of the full replacement value of the Site, naming the City as an additional insured; professional liability insurance for any architects or engineers who perform work in connection with the Improvements, with limits of \$1 Million; and all risk builder's risk insurance during the construction of any improvements to the Site.

Pursuant to the Site Lease, the Commissioner of Aviation of the City (the "Commissioner") maintains the right to change these insurance requirements to address those risks that would be insured by prudent airport operators of a business similar to that operated on the Site by the Airline.

Taxes.

The Site Lease provides that the Airline will be responsible for paying directly to the appropriate taxing agency all applicable taxes levied against the Site. The Site Lease permits the Airline to contest such taxes, including those enacted or promulgated by the City.

Sublease, Assignment, Or Other Transfer Of Site.

The Airline generally may not, without the prior written consent of the Commissioner, which may be withheld in the Commissioner's sole and absolute discretion, sublet the Site or any part thereof, assign or transfer the Site Lease or allow it to be transferred, or permit the Site to be used or occupied for purposes not provided for in the Site Lease or by anyone other than the Airline.

The Airline may, with the prior written consent of the Commissioner, which may not be unreasonably withheld, sublet portions of the Site to any of its majority-owned subsidiaries engaged in the business of air transportation of freight, to any party subleasing space for the sole and exclusive purpose of providing handling services at the Site or limited amounts of space on the Site to any other party conducting the business of air transportation of freight at the Site.

Maintenance.

The Airline will be responsible for performing or causing to be performed maintenance and repair of the Improvements. The Airline will agree to replace any portion of the structure of any buildings on the Site that may be destroyed or need replacement due to use or wear and tear.

Utilities And Services.

The Site Lease provides that the Airline will be responsible for payment of all costs of water, electricity, natural gas, telephone services and all other utility services for the Site.

Defaults And Remedies.

If the Airline defaults in the prompt payment of rent or of any amount due under the Site Lease, and such default continues for 10 days after the same becomes due; or if the Airline defaults in performing any covenants or agreements under the Site Lease, and such default continues for 30 days after written notice is given to the Airline; or if the Airline files a petition in bankruptcy or certain other acts of insolvency occur; or if the Airline abandons or vacates the Site; then, with 60 days' advance notice the City may treat one or more of the foregoing events as a breach of the Site Lease, and may either terminate the Site Lease, in which case all rent will become immediately due, or terminate the Airline's right of possession and may repossess the Site by forcible entry and detainer suit, without terminating the Site Lease or releasing the Airline from payment of rent for the full term.

If the Airline defaults in its obligations as described above, the Trustee may cure such default within the provided time periods and replace the Airline with another tenant or tenants, subject to the prior written approval of the Commissioner. The rent payable by such replacement tenant will be applied first to satisfy the Airline's obligation under the Site Lease and the excess, if any, will be payable to the Owners of the Bonds.

If the City defaults in the performance of any material covenant or agreement under the Site Lease or in any other agreement between the City and the Airline relating to the Site and fails to remedy such default, or to take prompt action to remedy such default, within a period of 60 days after receipt from the Airline of notice to remedy the same, then the Airline may terminate the Site Lease, provided the Airline is not at such time in default in the payment of any amount due from it to the City and there are no other contrary restrictions on such termination in the Site Lease or any other document related to the Site.

Termination By Airline.

If the Airline is not at the time in default in the payment of any amount due from it to the City or in default of any other material obligation under the Site Lease and neither the Site Lease nor any other document related to the Site contains any contrary restrictions, the Airline may terminate the Site Lease if its business or operations are inhibited by certain governmental authorities or by court injunction. A termination of the Site Lease by the Airline will not affect the Airline's obligations under the Agreement [or the Guaranty].

Release And Indemnification.

The City will not be liable to the Airline, or the Airline's agents, representatives or employees, for any injury, death, or property damage caused by any third person in the maintenance, construction or operation of facilities at the Airport, or caused by the City or any third person using the Airport, unless due to the negligence of the City. The City will not be liable to the Airline for damage to the property of the Airline or any loss of revenues to the Airline resulting from the City's acts or omissions in the maintenance and operation of the Airport except those caused by the negligence or willful misconduct of the City.

The Airline generally will indemnify and hold the City harmless against liability resulting from injury or death or property damage, except to the extent caused by the negligence of the City, arising out of the condition of the Site or arising directly from, or in any way occurring in connection with any work done by or at the direction of the Airline for the benefit of the Site.

Amendments.

The Site Lease may be amended by the parties thereto without the consent of the Trustee or the Owners of the Series 1990 Bonds.

The Indenture.

The following is a summary of certain provisions of the Indenture and does not purport to be complete. Reference is made to the Indenture for the complete provisions thereof.

Pledge And Security.

Pursuant to the Indenture, (i) the Agreement, together with all the City's interest therein (except for Unassigned Rights), and (ii) all payments to be received by the City under the Agreement (other than with respect to Unassigned Rights) and all investment earnings thereon will be assigned and pledged to the Trustee to secure the payment of the Bonds.

Application Of Construction Fund.

As described under the caption "Plan of Finance", a portion of the net proceeds of the Series 1990 Bonds will be deposited in the Construction Fund established under the Indenture. The Construction Fund will include the following accounts: (i) the Costs of Issuance Account; (ii) the Capitalized Interest Account; and (iii) the Construction Account. Moneys held in the Capitalized Interest Account will be used for the purpose of paying interest, other than accrued interest, on the Series 1990 Bonds before the completion of the Project. Moneys in the Construction Account will be applied pursuant to the Agreement to the payment of the costs of the Project.

The Airline will covenant to complete the acquisition and construction of the Project as soon as practicable. The completion of the Project will be evidenced by the submission by the Airline to the Trustee of a completion certificate. Moneys remaining in the Construction Fund at the time such certificate is delivered may be (i) used to pay any cost of the Project or any additions thereto, as the case may be, not then due and payable, (ii) transferred to the Principal Account in the Bond Fund created under the Indenture and applied (A) to the redemption of Bonds on the earliest practicable redemption date permitted or (B) for the payment of principal of the Bonds (subject to receipt of an approving opinion of Bond Counsel as defined in the Indenture), (iii) transferred to the Construction Account in the Construction Fund and applied to the costs of other additions to the Project, subject to receipt of an approving opinion of Bond Counsel, or (iv) transferred to (A) the Interest Account in the Bond Fund or (B) the Capitalized Interest Account in the Construction Fund and applied to the payment of interest on the Bonds (subject to receipt of an approving opinion of Bond Counsel).

Application Of Special Facility Revenue Fund.

Payments made by the Airline under the Agreement (except for certain payments to the City and the Trustee) and under the Guaranty will be remitted directly to the Trustee for the account of the City and deposited in the Special Facility Revenue Fund established under the Indenture. Moneys in the Special Facility Revenue Fund will be disbursed by the Trustee to the Bond Fund, the Debt Service Reserve Fund and the Rebate Fund as provided in the Indenture.

Application Of Bond Fund.

The Bond Fund, into which will be deposited (i) accrued interest on the Bonds to the date of their delivery, (ii) the amounts derived under the Agreement with respect to the payment of principal of and interest and

redemption premium, if any, on the Bonds, (iii) certain amounts transferred from the Construction Fund and the Debt Service Reserve Fund and (iv) certain other amounts specified in the Indenture, will be maintained with the Trustee. Moneys in the Bond Fund will be used solely for the payment of the principal of and interest and redemption premium, if any, on the Bonds.

All moneys required to be paid to the Trustee for the account of the Bond Fund will be held by the Trustee in trust and, except for moneys for the redemption of Bonds, notice of the redemption of which has been duly given or waived, will be part of the trust estate and will be subject to the lien of the Indenture.

Debt Service Reserve Fund.

As described under the caption "Security for the Series 1990 Bonds -- Debt Service Reserve Fund", a portion of the net proceeds of the Series 1990 Bonds will be utilized to fund the Debt Service Reserve Fund established under the Indenture, which thereafter must be maintained in an amount equal to the Debt Service Reserve Requirement for the Series 1990 Bonds.

Rebate Fund.

The Rebate Fund will be established under the Indenture and will be maintained as a separate fund free and clear of the lien of the Indenture. The Trustee will be permitted to transfer moneys on deposit in any of the funds or accounts established under the Indenture in order to satisfy the Airline's rebate obligations to the United States of America.

Investments.

Any moneys held as part of the Bond Fund, the Construction Fund, the Debt Service Reserve Fund or the Special Facility Revenue Fund will be invested by the Trustee at the direction of the Airline as provided in the Indenture. Neither the Trustee nor the City will be responsible or liable for any loss resulting from any such investments or resulting from the sale of such investments as authorized under the Indenture.

The Airline will covenant in the Agreement that no moneys on deposit in any fund or account in connection with the Bonds, and the City, to the extent it has any control over the use of Bond proceeds, will covenant in the Indenture that no moneys held thereunder will be used in any manner that would cause the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code.

Non-Presentment Of Bonds.

In the event any Bond is not presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if moneys sufficient to pay such Bond have been deposited in the Bond Fund, all liability of the City to the Owner thereof for the payment of such Bond will cease. The Trustee will hold such moneys, without liability for interest, for the benefit of the Owner of such Bond who will thereafter be restricted exclusively to such moneys. Such moneys will be held in a separate and segregated fund and will not be invested. Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds for at least two years after the date on which the Bonds have become due will, at the Airline's direction, be paid by the Trustee to the Airline. Thereafter, Owners will be entitled to look only to the Airline for payment, but only to the extent of the amount so repaid to the Airline. The Airline will not be liable for any interest thereon and will not be regarded as a trustee of such moneys.

The obligation of the Trustee to pay any such funds to the Airline will be subject, however, to any provisions of law applicable to the Trustee or to such funds setting forth requirements for disposition of unclaimed property.

Defaults.

The Indenture will provide that the occurrence of any one or more of the following events will constitute a "default" under the Indenture and each such default, after the giving of notice, if any, the passage of time, if any, or the occurrence of an event, if any, specified below, will constitute an "event of default":

(a) failure to make payment of any installment of interest on any Bond when due and payable;

(b) failure to make due and punctual payment of the principal of any Bond when the same shall have become due and payable, whether at the stated maturity thereof, upon redemption thereof or upon the maturity thereof by declaration;

(c) the occurrence of an "event of default" under the Agreement as described in paragraphs (b) or (c) under the caption "The Agreement -- Defaults", other than events of default relating to the City's Unassigned Rights; or

(d) the occurrence of certain events of bankruptcy, dissolution, liquidation or reorganization relating to the Airline, as described in paragraph (d) under the caption "The Agreement -- Defaults".

If an event of default under (a), (b) or (c) above has occurred and is continuing, the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds then outstanding shall, by notice in writing to the City and the Airline, and upon the occurrence and continuation of any event of default described under (d) above without notice to the Airline, declare the principal of all of the Bonds outstanding, plus the accrued interest to the date of acceleration, to be due and payable immediately.

Upon the occurrence of an event of default, the Trustee also may pursue any remedy available to it at law or in equity by suit, action, mandamus or other proceedings to enforce the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Trustee may rescind an acceleration and its consequences if (i) all existing events of default have been cured or waived, (ii) all payments due the Trustee together with reasonable fees and expenses of the Trustee and Owners of the Bonds have been made and (iii) if such acceleration was at the request of the Owners of not less than 25% in aggregate principal amount of outstanding Bonds, the Owners of a majority in aggregate principal amount of outstanding Bonds consent.

The Trustee may in its discretion waive any event of default under the Indenture and rescind its consequences and shall do so upon the written request of the Owners of not less than a majority in aggregate principal amount of all outstanding Bonds; provided that there shall not be waived any event of default in the payment of the principal of or interest or redemption premium, if any, on any Bonds unless prior to such waiver and rescission all amounts in default, together with reasonable expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred, shall have been paid or provided for.

The Owners of a majority in aggregate principal amount of the Bonds then outstanding will have the right, by written instrument delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings to be taken by the Trustee under the Indenture, but the direction must comply with law and the Indenture.

No Owner of any Bond will have the right to pursue any remedy under the Indenture or the Bonds unless (i) an event of default has occurred and is continuing of which the Trustee has been notified or is deemed to have or is required to take notice as provided in the Indenture, (ii) the Owners of at least 25% in aggregate principal amount of the Bonds outstanding have made written request to the Trustee to pursue such remedy and have

provided the Trustee with indemnity as provided in the Indenture and (iii) the Trustee does not comply with such request within 60 days after receipt of such request and offer of indemnity.

Supplemental Indentures.

The Indenture will provide that the City and the Trustee may, without notice to or the consent of any Owner of the Bonds, enter into supplemental indentures for any of the following purposes:

(a) to create and provide the applicable terms and conditions with respect to any series of Bonds in addition to the Series 1990 Bonds;

(b) to add to the covenants and agreements of, and limitations and restrictions upon, the City in the Indenture other covenants, agreements, limitations and restrictions to be observed by the City that are not contrary to or inconsistent with the Indenture as theretofore in effect;

(c) to grant to or confer or impose upon the Trustee for the benefit of the Owners of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted, conferred or imposed and that are not contrary to or inconsistent with the Indenture as theretofore in effect;

(d) to cure any ambiguity, defect or omission in or to cure, correct or supplement any defective provisions of the Indenture or otherwise correct or supplement the Indenture in such manner as will not materially impair the security of the Indenture or adversely affect the Owners of the Bonds;

(e) to evidence the appointment of a separate Trustee or a co-trustee, authenticating agent or co-bond registrar, or to evidence the succession of a new Trustee;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as amended;

(g) to subject to the Indenture additional revenues, properties or collateral;

(h) to provide for a paying agent in addition to the Trustee;

(i) to change the definition of "Investment Securities" under the Indenture; or

(j) to make any other change that shall not be to the material prejudice of the Owners of the Bonds or the Trustee.

The Owners of not less than a majority in aggregate principal amount of the outstanding Bonds will have the right to consent to the execution by the City and the Trustee of any other supplemental indentures except that no supplemental indenture shall:

- (a) extend the maturity of the principal of or the interest on any Bond;
- (b) reduce the principal amount of, the rate of interest on or the amount of premium payable on the redemption of, any Bond; or
- (c) effect a privilege or priority of any Bond or Bonds over any other Bond or Bonds; or
- (d) reduce the principal amount of Bonds required for consent to any such supplemental indenture.

Any supplemental indenture that affects any rights or obligations of the Trustee under the Indenture will not become effective without the consent of the Trustee.

Amendments To The Agreement.

The City and the Airline may, with the written consent of the Trustee, but without the consent of or notice to the Owners of the Bonds, enter into any amendment of the Agreement as may be required (i) by the provisions of the Agreement or the Indenture, (ii) to make any changes in the Agreement, including, without limit, any change for the purpose of curing any ambiguity, formal defect or formal omission, provided that such change does not materially prejudice the Owners of the Bonds, or (iii) to add additional rights acquired in accordance with the provisions of the Agreement. Amendments to the exhibits to the Agreement may be made without the consent of the Owners or the Trustee. Neither the City nor the Airline will enter into any amendment of the Agreement other than as provided above without the mailing of notice to and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the outstanding Bonds; provided that nothing in the Indenture shall permit an extension of the time of payments due or reduction in the amounts payable under the Agreement with respect to the principal of or interest or redemption premium, if any, on the Bonds.

Discharge Of Indenture.

The Indenture will provide that, if the City pays or causes to be paid, or there is otherwise paid or provision for payment is made by the deposit of moneys or Governmental Obligations (defined below) to or for the benefit of the Owners of the Bonds, the principal of or interest or redemption premium, if any, due or to become due thereon, and if, the City pays or causes to be paid to the Trustee all sums of money due or to become due according to the provisions of the Indenture, then the estate and rights granted by the Indenture will cease and be void and the lien of the Indenture will be discharged and defeased. After that, Owners of the Bonds must look only to such deposited moneys and/or Governmental Obligations for payment of principal of or interest or redemption premium, if any, on the Bonds.

"Governmental Obligations" means (i) any bonds or other obligations of the United States of America that as to principal and interest constitute direct obligations of the United States of America for the full and timely payment of which are unconditionally guaranteed by the United States of America, are noncallable and at the time of investment are legal investments under the laws of the State of Illinois for the moneys proposed to be invested therein or (ii) securities or receipts evidencing ownership interests in obligations or portions thereof (such as principal or interest) of obligations described in clause (i).

The Guaranty.

The following statements are a summary of certain provisions of the Guaranty and do not purport to be complete. Reference is made to the Guaranty for the complete provisions thereof.

Guaranty Of The Bonds.

The Airline will execute and deliver to the Trustee the Guaranty, pursuant to which it will unconditionally guarantee to the Trustee for the benefit of the Owners of the Series 1990 Bonds: (i) the full and prompt payment of the principal of the Series 1990 Bonds when due, whether at the stated maturity thereof or upon mandatory or optional redemption or otherwise, and (ii) the full and prompt payment of interest and redemption premium, if any, on the Series 1990 Bonds when due. The obligations of the Airline will be unconditional and will remain in effect until the entire principal of and interest on the Series 1990 Bonds shall have been paid in full or such Series 1990 Bonds have been duly redeemed.

Consent To Service Of Process And Jurisdiction; Waiver Of Sovereign Immunity.

The Guaranty will include the Airline's consent to service of process and federal court jurisdiction in the Northern District of Illinois and the Airline also will waive any rights that it may now or hereafter have based upon principles of sovereign immunity, subject to its right to remove actions brought in other courts to federal court in the Northern District of Illinois.

Bondholders' Risks.

Certain Risks Related To The Airline.

The primary source of the payments of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be the payments made by the Airline under the Agreement. See "Security for the Series 1990 Bonds -- Payments by the Airline under the Agreement". There is no assurance that the Airline will be able to meet all of its obligations under the Agreement or the Site Lease throughout their terms.

The Airline experienced a loss for the first six months of 1990. For information concerning the business and financial condition of the Airline, see "Appendix A -- Lufthansa German Airlines", and the documents referred to therein. The information included and referred to in Appendix A has been furnished by the Airline. The City has made no independent investigation or verification of the information or opinions contained in Appendix A or to which reference is made therein. The City and the Underwriters do not represent or warrant that such information is accurate or complete for any purpose.

As described under the captions "The Agreement -- Remedies" and "The Site Lease -- Defaults and Remedies", if the Airline defaults on its obligations under the Site Lease, the Trustee may replace the Airline with another tenant and the rent payable by such replacement tenant will be applied first to satisfy the Airline's obligations under the Site Lease and the excess, if any, will be payable to the Owners of the Bonds. While the Airline's obligations under the Agreement and the Site Lease will continue even if a replacement tenant is found, there is no assurance that a replacement tenant could be found, or that the rents paid by such replacement tenant would be sufficient to make payments of principal of and interest and redemption premium, if any, on the Series 1990 Bonds.

Bankruptcy Issues.

See "Enforceability of Remedies" for a discussion concerning certain bankruptcy risks related to the Series 1990 Bonds.

Possible Loss Of Tax-Exempt Status.

In the opinion of Bond Counsel, interest on the Bonds is excluded from gross income for federal income tax purposes under existing statutes, regulations, rulings and court decisions, except as to Series 1990 Bonds held by a "substantial user" or a "related person." See "Tax Matters". If the Series 1990 Bonds are finally determined to be taxable, the Series 1990 Bonds will be subject to mandatory redemption as described under the caption "The Series 1990 Bonds -- Redemption Prior to Maturity -- Mandatory Redemption Upon Determination of Taxability". There will be no adjustment of the rate at which the Series 1990 Bonds bear interest, and the Owners will not be indemnified against losses sustained as a result of the interest on the Series 1990 Bonds' ceasing to be excluded from gross income for federal income tax purposes.

Enforceability Of Remedies.

The remedies available to the Trustee, the City and the Owners of the Series 1990 Bonds upon an event of default under the Agreement or the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code, the remedies specified by the Agreement and the Indenture may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 1990 Bonds will be qualified as to the enforceability of the various instruments by limitations imposed by principles of equity and by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the rights of creditors generally.

If a proceeding is commenced under the United States Bankruptcy Code (the "Bankruptcy Code") with respect to the Airline, a bankruptcy court might determine that the Agreement is an executory contract pursuant to Section 365 of the Bankruptcy Code. In that event, a trustee in bankruptcy or a debtor-in-possession might reject the Agreement. Under the Bankruptcy Code, any rejection of the Agreement could result in a claim for damages, which claim would rank as that of a general unsecured creditor. The amount of such claim could be limited to the amounts payable under the Agreement, without acceleration, for the greater of one year or 15% of the

remaining term of the Agreement, but not in excess of three years, following the date of the commencement of the bankruptcy case, plus any delinquent payments under the Agreement, without acceleration, as of the commencement date. Moreover, the ability of the Trustee to recover on the Guaranty could be limited or restricted under the Bankruptcy Code. Certain bankruptcy courts have held in situations where lessees also have guaranteed their payment obligations that the guaranties will not be enforced to allow the claimant to recover more than the statutory limit of damages under executory contracts. A bankruptcy court similarly could consider the Guaranty to be part of an overall leasing transaction, in which case the Trustee could have only a limited ability to recover against the Airline on account of the Guaranty. Further, the Trustee's claim against the Airline on the Guaranty could be disallowed by the bankruptcy court if it found such claim to be duplicative of claims made by the City against the Airline.

Litigation.

Except for those matters described below, there is no litigation pending or threatened against the City relating to the Airport other than various legal proceedings arising out of the ordinary course of business of the Airport and having no material impact on the financial condition of the Airport. Upon the delivery of the Series 1990 Bonds, the City will furnish a certificate to the effect that, among other things, there is no litigation pending in any court seeking to restrain or enjoin the issuance or delivery of the Series 1990 Bonds, or in any way contesting the validity or enforceability of the Series 1990 Bonds the Agreement or the Lease.

Two lawsuits are pending against the City in the United States District Court for the Northern District of Illinois, each concerning the City's regulation of ground transportation to and from the Airport. The complaints allege, among other things, violations of the Sherman Antitrust Act and seek damages and certain other relief relating to such regulation.

The following three lawsuits against the City contain claims based on noise and other effects of aircraft operations arising out of the operation of the Airport. These lawsuits are more fully described as follows:

1. *Bieneman v. City of Chicago, et al.* (United States District Court for the Northern District of Illinois) No. 84 C 10388. This civil action, filed December 4, 1984, as a class action on behalf of all people affected by the Airport sought damages for personal injuries and property damage allegedly resulting from operations at the Airport, primarily from noise and air pollution associated with airplane operations. The complaint, as amended, alleged that the class of plaintiffs included "several hundred thousand members" and alleged damages related to civil rights claims in

an amount in excess of \$10,000 for each member. Punitive damages and awards based upon inverse condemnation were also sought. Plaintiff also sought an injunction requiring implementation of alternatives to increased aircraft operations at the Airport and requiring mitigation measures at the Airport to reduce the continuing injuries which plaintiff claimed. The personal injury count was based on the Civil Rights Act, 42 U.S.C. Section 1983. The property damage claim is based on the theory of inverse condemnation. Another count sought relief against various airline defendants. Relief was also sought on a variety of other state law and constitutional theories. By memorandum opinion and order dated June 8, 1987, the district court granted the City's motion to dismiss. Plaintiff appealed this judgment to the United States Court of Appeals. On February 3, 1988, the United States Court of Appeals dismissed this appeal for lack of jurisdiction because the District Court had not disposed of the class allegations. On June 24, 1988, the District Court ruled that the suit cannot be maintained as a class action and entered a final judgment order dismissing the case. On December 13, 1988, the United States Court of Appeals affirmed the judgment of the District Court to the extent that it found all claims under the United States Constitution to be barred, rejected claims under 42 U.S.C. Section 1983 and held that class certification should be denied, but vacated the District Court judgment to the extent that it held that claims under state law are preempted, and remanded the case to the District Court with instructions to relinquish jurisdiction so that the plaintiff "may pursue his state-law contentions in state court". The effect of the Court of Appeals decision is complete dismissal of this case on all grounds. The court's holding with respect to preemption leaves open the possibility that the plaintiff in this case can proceed to state court and seek damages there under state tort law theories. The United States Supreme Court denied certiorari and litigation is concluded.

2. *Biddison v. City of Chicago, et al.* (United States District Court for the Northern District of Illinois) No. 85 C 10295. On December 11, 1985, plaintiff filed an eight-count complaint against the City, officials of the City and seven domestic airlines which is virtually the same as the first amended complaint in *Bieneman*. Plaintiff seeks unspecified actual damages against the City in excess of \$10,000. On June 8, 1987, by memorandum opinion and order, the District Court granted the City's motion to dismiss all claims except as to the count based upon an inverse condemnation claim. As to this count, the City has filed a motion for summary judgment based upon the statute of limitations. On July 28, 1989, the District Court granted the City's motion for summary judgment, and dismissed all remaining counts of the complaint. As a result, all proceedings in the District Court in this case have been concluded. Plaintiff has appealed to the U. S. Court of Appeals for the Seventh Circuit from the District Court's order granting summary judgment for the

City. The matter has been briefed by the parties. Oral arguments were heard on October 2, 1990. No date has been set for decision.

3. *People of the State of Illinois ex rel. James E. Ryan, State's Attorney of DuPage County, et al. v. The City of Chicago, et al.* (Circuit Court for the Eighteenth Judicial Circuit, DuPage County, Wheaton, Illinois) No. 89 MR 0314. This Complaint for Declaratory Judgment, Damages and Other Relief was filed on June 12, 1989, by the People of the State of Illinois by the State's Attorney, the Regional Board of School Trustees of Du Page County, the Superintendent of Schools of Du Page County and several Du Page County school districts. The defendants are the City and six of the airlines which provide service at the Airport. The complaint has 11 counts alleging deprivation of students' rights to education, interference with and impairment of statutory and regulatory obligations, continuing nuisance, taking of property in violation of the Constitution of Illinois, and damaging of property. The suit also seeks a declaratory judgment that certain defenses relied upon by the City in prior litigation are invalid. In addition to declaratory relief, damages in excess of \$1,000,000 are claimed and injunctive relief is requested. On August 30, 1989, the City filed a motion to dismiss the seven counts of the Complaint seeking relief against the City (the airline defendants have filed a motion to dismiss the counts seeking relief against them). On October 9, 1989, the City filed its brief in support of its motion to dismiss. Plaintiff's brief was filed on March 30, 1990. The City's reply brief was filed on April 30, 1990. The City's motion has been set for hearing on September 18, 1990. No date for decision has been set. On May 16, 1990, United Airlines, a co-defendant in the case, filed a motion for change of venue, which motion was denied on August 21, 1990, without prejudice to the refile of the motion at a later time.

The *Biddison* and *Ryan* suits will be vigorously defended by the City. As of the date of this Official Statement, however, the City and its Special Counsel, Hopkins & Sutter, are unable to predict whether such litigation might result in the delay, modification or prevention of the implementation of the Project or the Airport Development Plan, or might result in substantial changes in the operation of the Airport or the flight operations it will handle, or whether any damages will be awarded against the City and the Airline defendants, or if such damages are awarded, the amount thereof. A judgment in the amounts claimed in these lawsuits would not have a substantial impact on the various Airport fees and charges, but if the principles of law on which Plaintiffs' claims are based are established by the courts, subsequent lawsuits based on those principles could result in

aggregate damages which could have a substantial impact on the various fees and charges. The airline defendants are responsible for defending these lawsuits and for reimbursing the City for any resulting judgment.

In addition, there are, from time to time, lawsuits which arise out of the various construction contracts entered into in connection with various construction projects at the Airport.

Regulatory Proceedings And Proposed State Actions.

Federal Aviation Administration.

Since 1969, the Airport has operated under the F.A.A.'s "High Density Rule", which imposed limits on hourly aircraft operations. The F.A.A. amended the Rule effective June 1, 1984, increasing the number of operations permitted at the Airport from 135 operations per hour to 155 operations per hour while extending the hours during which restrictions are applicable. The amendment also resulted in a modification of the allocation of hourly operations among the three classes of users -- air carriers, commuter airlines and other categories. The F.A.A. has the power to regulate the number of operations at the Airport by various means in addition to the High Density Rule and has from time to time exercised those powers. It is not possible to predict whether, or the extent to which, the F.A.A. may from time to time modify, replace or remove operational limits applicable to the Airport.

Proposed State Actions.

A regulatory proceeding considering the issuance of proposed aircraft noise regulations was begun in 1977 and is still pending before the Illinois Pollution Control Board. On April 10, 1986, the Board issued a Proposed Opinion and Order of the Board which includes definitive proposed regulations. The Board may or may not adopt these regulations in the form proposed. However, if enacted in their present form, the proposed regulations could severely restrict operations at the Airport. The City's Special Counsel, Hopkins & Sutter, is of the opinion that the proposed regulations in their present form raise significant issues under existing case law and that portions of the proposed regulations may be found unenforceable by state or federal courts.

In 1988 the Illinois Department of Transportation ("I.D.O.T.") proposed to locate the planned Elgin-O'Hare expressway along the southwestern boundary of the Airport. Through November, 1989, I.D.O.T. and the City discussed the preferred alignment that the expressway should take. The

City would not accept any alignment that would compromise or preclude future Airport development options. No agreement was reached regarding the Elgin-O'Hare expressway proposal. Although discussions are presently suspended, they are expected to revive at some time in the future. The resolution of this matter will not have an impact on completion of the Airport Development Plan.

Proposed Airport Oversight Board.

The Illinois General Assembly has in recent sessions considered, but failed to adopt, various proposed bills which, if adopted, would have created an airport authority with membership comprised of suburban and City representatives and having certain oversight authority over the Airport, or which would have had the effect of restricting operations at the Airport. Similar legislation can be expected to be introduced in future sessions of the General Assembly. It is expected that the City will continue to oppose such legislation.

Third Airport Feasibility.

In July 1988, a study (the "1988 Study") sponsored by I.D.O.T., was completed concerning the advisability and feasibility of either constructing an additional airport or expanding an existing airport to service the Chicago Region. The 1988 Study concluded that unless an additional airport is built, a portion of total passenger demand in the Chicago Region by (or before) the year 2020 will not be accommodated at the City's airports. In order to evaluate the preliminary recommendation of the 1988 Study, I.D.O.T., in conjunction with the Federal Aviation Administration, has selected a consultant to conduct a second study relative to a site selection and master plan for a third airport (the "Site Study"). This Site Study will include a review of the forecasts of aviation demand developed in the 1988 Study and will include a report to a committee comprised of representatives of Illinois, Indiana and the City of Chicago as a result of the July 1990 Memorandum of Understanding (the "Bi-State Committee") which will evaluate the consultant's report taking into consideration environmental, financial feasibility, airspace, human resource implications, ground access, cost, and service capability factors and make a recommendation on a final site.

In February 1990, the City, on the basis of a feasibility study commissioned by the City, announced its support for the construction of a third commercial airport in the Lake Calumet area on the City's southeast side, approximately 14 miles southeast of the City's central business district. The Lake Calumet airport may replace Midway Airport as a commercial air carrier facility and is anticipated to service domestic and international passenger and cargo traffic on a scale similar to that of the Airport. The

Lake Calumet airport is projected to begin operations in the year 2010. It is not possible to predict at this time what impact the Lake Calumet airport might have on the Airport.

On July 10, 1990, the States of Illinois and Indiana and the Cities of Chicago, Illinois and Gary, Indiana, in cooperation with the U.S. Department of Transportation, jointly announced the expansion of the membership of the Bi-State Committee from eight to twelve members with three of the additional members being selected by the City of Chicago and the fourth member, who will serve as Committee chairman, being selected by the unanimous agreement of the Governors of Illinois and Indiana and the Mayor of Chicago. In addition, it was announced that the Site Study will now include in its evaluation the City's Lake Calumet airport site, along with the four other sites previously identified as possible locations for a third airport in the Chicago Region.

Tax Matters.

Tax Exemption.

Co-Bond Counsel are of the opinion that under existing statutes, regulations and judicial decisions, the interest on the Series 1990 Bonds is excludable from the gross income of the Owners thereof for federal income tax purposes, except that no opinion is expressed as to the exclusion from gross income of interest on any Series 1990 Bond during any period while a Series 1990 Bond is held by a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code. It should be noted, however, that such interest is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and the environmental tax imposed on corporations prior to January 1, 1992 under Section 59A of the Code. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City and Airline comply with the Code and all of their representations, warranties and covenants set forth in the Indenture and the Arbitrage Compliance Agreement dated as of October 1, 1990 between the Airline, the City and the Trustee that must be satisfied subsequent to the issuance of the Series 1990 Bonds in order that interest thereon be, or continue to be, excludable from the gross income of the Owners thereof for federal income tax purposes. In the opinion of Co-Bond Counsel, the Code, other applicable law and such representations, warranties and covenants establish procedures which, if followed, enable interest on the Series 1990 Bonds to be, and continue to be, excludable from the gross income of the Owners thereof for federal income tax purposes. Failure to comply with the Code, other applicable law and such representations, warranties and covenants may cause the interest on the Series 1990 Bonds to become includible in the gross income of the Owners

thereof for federal income tax purposes retroactively to the date of issuance of the Series 1990 Bonds. In that event, the Indenture does not contain any provisions for acceleration of the Series 1990 Bonds nor provide that any additional interest or penalty be paid to the Owners of the Series 1990 Bonds. However, the Series 1990 Bonds will be subject to mandatory redemption, in whole or in part, upon a determination of taxability as described under the caption "The Series 1990 Bonds -- Redemption Prior to Maturity -- Mandatory Redemption Upon Determination of Taxability". Further, in the opinion of Co-Bond Counsel, under the laws of the State of Illinois as presently enacted and construed, interest on the Series 1990 Bonds and any gain from the sale thereof are not exempt from Illinois income tax. In rendering their opinions, Co-Bond Counsel will rely in part on the City's election to apply the provisions of Section 1317(5)(B) of the Tax Reform Act of 1986 to the Series 1990 Bonds. Section 1317(5)(B) permits up to \$500,000,000 of bonds to be issued for improvements at the Airport without regard to certain restrictions otherwise applicable to bonds issued for airport purposes on or after August 15, 1986. Co-Bond Counsel express no opinion regarding other federal tax consequences arising with respect to the Series 1990 Bonds. Co-Bond Counsel are further of the opinion that interest on the Series 1990 Bonds is not exempt from Illinois income tax. See "Appendix B -- Form of Opinion of Co-Bond Counsel".

The City will agree in the Indenture (1) not to take any action, or omit to take any action which is lawful and within its power to take, and which, if taken or omitted, would cause interest on the Series 1990 Bonds to become includible in the gross income of the Owners of the Series 1990 Bonds for federal income tax purposes, other than an Owner who is a "substantial user" or "related person" within the meaning of Section 147(a) of the Code, and (2) not to take any action, or omit to take any action with respect to the investment of the proceeds of the Series 1990 Bonds that would result in causing the Series 1990 Bonds to constitute "arbitrage bonds" within the meaning of Sections 103(b)(2) or 148 of the Code.

Other Tax Matters.

Prospective purchasers of the Series 1990 Bonds should also be aware that (i) Section 265 of the Code denies a deduction for interest on indebtedness incurred or contained to purchase or carry the Series 1990 Bonds or, in the case of a financial institution, that portion of an Owner's interest expense allocated to interest on the Series 1990 Bonds, (ii) life insurance companies must include tax-exempt interest in computing the amount of income or deductible expense for federal income tax purposes with respect to certain insurance reserves and with respect to property and casualty insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the Series 1990 Bonds, (iii) for taxable years ending after December 31, 1986, in the case of banks and

certain other financial institutions, the determination of the amount of interest expense attributable (and therefore not deductible) to ownership of tax-exempt obligations such as the Series 1990 Bonds is generally based upon the ratio of the taxpayer's average adjusted basis in tax-exempt bonds to the average adjusted basis for all assets of the taxpayer, (iv) interest on the Series 1990 Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (v) passive investment income, including interest on the Series 1990 Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year, if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income, and (vi) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining taxability of such benefits, receipts or accruals of interest on the Series 1990 Bonds. Co-Bond Counsel express no opinion as to any collateral federal income tax consequences and prospective purchasers of the Series 1990 Bonds should consult their tax advisors as to the applicability of these or any other collateral consequences.

Certain Legal Matters.

Legal matters incident to the authorization, issuance and sale by the City of the Series 1990 Bonds are subject to the approving legal opinions of Burke, Wilson & McIlvaine, Chicago, Illinois, and John H. Stroger, Jr., Esq., Chicago, Illinois, Co-Bond Counsel. The proposed form of the opinions of Co-Bond Counsel is included as Appendix B, and the final opinions will be delivered with the Series 1990 Bonds.

Certain legal matters will be passed upon for the City by the Corporation Counsel of the City and by Hopkins & Sutter, Chicago, Illinois, Special Counsel to the City, for the Underwriters by their co-counsel, Gardner, Carton & Douglas, Chicago, Illinois, and Richard H. Newhouse, Jr., Chicago, Illinois, and for the Airline by Arthur Molins, Manager Legal Affairs/U.S.A. of the Airline, _____, special United States counsel to the Airline, and _____, German counsel to the Airline.

Underwriting.

A group of underwriters (the "Underwriters"), on behalf of which Smith Barney, Harris Upham & Co., Incorporated and the other co-managers shown on the cover page have agreed, jointly and severally, to purchase the Series 1990 Bonds pursuant to a Contract of Purchase between the City and the Underwriters dated the date of this Official Statement, subject to certain conditions, at a price of _____ (representing an underwriting discount

of \$_____ and an original issue discount of \$_____), plus accrued interest. The Underwriters will be obligated to purchase all the Series 1990 Bonds, if any Series 1990 Bonds are purchased.

The prices and other terms respecting the offering and sale of the Series 1990 Bonds may be changed from time to time by the Underwriters after such Series 1990 Bonds are released for sale, and the Series 1990 Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Series 1990 Bonds into investment accounts. In connection with the offering of the Series 1990 Bonds, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Series 1990 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Airline has agreed to indemnify the Underwriters and the City against certain liabilities, including liabilities under the Securities Act of 1933, and to contribute in respect thereof.

[Ratings]

[To Come, If Any]

*Requirements Of Florida's Department Of
Banking And Finance.*

Regulations of the Florida Department of Banking and Finance require that offering circulars for state and local government bonds sold in initial offerings to the general public in Florida set forth detailed information about any bonds of the issuer which are in default (whether or not the default relates to the bonds being sold). Information which is believed not to be material may, nevertheless, be deleted if the reason for the deletion is set forth in the offering circular. The City has outstanding \$101 Million in aggregate principal amount of Calumet Skyway Toll Bridge Revenue Bonds (the "Skyway Bonds") which were issued in 1955 and 1957 to finance construction of an elevated tollway linking the City to the Indiana Toll Road. The documents pursuant to which the Skyway Bonds were issued provide that the Skyway Bonds are payable solely from the net revenues of the Skyway. Although Skyway net revenues have been insufficient in the past to enable interest on the Skyway Bonds to be paid on a current basis, all past due interest, including penalties, has been paid. The City has been

paying interest on a current basis on the Skyway Bonds since July 1, 1989. No scheduled sinking fund redemptions of the Skyway Bonds have been made, and no deposits have been made for such purpose or for the payment of principal of the Skyway Bonds. The Skyway Bonds mature in 1995. Further details concerning the Skyway Bonds and litigation concerning them is available from the City. However, that detailed information, in the view of the City, is not material to the sale of the Series 1990 Bonds because the Series 1990 Bonds are payable from an entirely separate source of revenue than the Skyway Bonds.

In addition, the City has issued non-Airport industrial development bonds and multi-family housing revenue bonds for the benefit of private users that are payable primarily or entirely from payments made by such users. The City makes no representation as to whether any such bonds are or are not in default. In the view of the City, disclosure of defaults of industrial development or multi-family housing revenue bonds, if any, would not be appropriate or material to the sale of the Series 1990 Bonds because the Series 1990 Bonds are payable entirely from a separate source of revenues.

Miscellaneous.

The summaries or descriptions in this Official Statement of provisions in the Indenture, the Agreement, the Site Lease and the Guaranty and all references to other materials not purporting to be quoted in full, are only brief outlines of certain provisions and do not constitute complete statements of such documents or provisions. Reference is made to the complete documents relating to such matters for further information, copies of which will be furnished by the City upon written request delivered to the office of the City Comptroller, City Hall, Room 501, 121 North LaSalle Street, Chicago, Illinois 60602.

Any statements made in this Official Statement indicated to involve matters of opinion or estimates are represented as opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated.

Authorization.

The City has authorized the distribution of this Official Statement.

This Official Statement has been duly executed and delivered by the City Comptroller on behalf of the City of Chicago.

City of Chicago

By: _____
City Comptroller

Appendices "A" and "B" attached to this Preliminary Official Statement read as follows:

Appendix "A".

Lufthansa German Airlines.

Statement Of Available Information:

Annual Report of the Airline for 1989 (presented in English)

Reports for First Quarter and First Half of 1990 (presented in German)

The Airline will provide without charge to each person to whom this Official Statement is delivered, upon the request of such person, a copy of any or all of the foregoing documents. During the offering period for the Series 1990 Bonds, requests for such documents should be directed to any of the Underwriters or to the Airline (Deutsche Lufthansa Aktiengesellschaft, Public Relations (CGN CI), Von-Gablenz-Str. 2-6, D-500 Cologne 21, Germany (Telephone 0221/826-2406, Telefax 0221/826-2306, Telex 8873613 kflhd).

General.

The Airline's principal shareholder is the Federal Republic of Germany, which has a 52% ownership interest. The remaining ownership interests in the Airline are held by private entities, principally banks and other institutional investors domiciled in the Federal Republic of Germany. The Airline's ordinary and preferred shares trade on all German stock exchanges. The Airline's principal subsidiaries include:

Lufthansa Commercial Holding GmbH, Köln

Lufthansa Hotel-Gesellschaft mbH, Frankfurt

Delvag Luftfahrtversicherungs-AG, Köln

Condor Flugdienst GmbH, Frankfurt

Lufthansa Service GmbH, Frankfurt

German Cargo Services GmbH, Frankfurt

Lufthansa International Finance (Netherlands) N.V., Amsterdam

DLT Deutsche Luftverkehrsgesellschaft mbH, Frankfurt

EuroBerlin France S.A., Paris

Cargolux Airlines International S.A., Luxemburg.

The Airline and its subsidiaries are herein referred to as the "Lufthansa Group". The Airline is the second largest airline in Europe in terms of number of passengers carried and as of June 30, 1990, served 184 airports in 85 countries, including 13 airports in the United States. The Airline accounted for over 90% of Lufthansa Group's assets, turnover (revenue) and expenses in 1989. As of June 30, 1989, the Airline operated a fleet of _____ aircraft, consisting of _____. As of June 30, 1990, the Airline employed approximately _____ persons, including more than _____ outside West Germany and about _____ in flight staff.

The address for the principal executive office of the Airline in the United States is 1640 Hempstead Turnpike, East Meadow, New York 11554 (Telephone 516/296-9634/35).

Recent Developments.

Investment in Interflug. The Airline intends to acquire a 26% ownership interest in Interflug, the East German air carrier. The West German Cartel Office has suggested that it will object to this investment. In addition, British Airways has filed an objection with the European Community Commission (the "E.C.") concerning the Airline's proposed investment in Interflug. The E.C. currently is considering how its competition rules should be applied to the airline industry. It is not possible to predict the outcome of these actions by the German Cartel Office and the E.C., or their impact on the Airline's proposed investment in Interflug.

Service to Berlin; EuroBerlin France. As of October 3, 1990, the Airline will be allowed to fly to Berlin. Thereafter, the purpose of EuroBerlin France, an air carrier owned jointly by the Airline and Compagnie Nationale Air France ("Air France"), will need to be redefined. Talks between the Airline and Air France concerning this matter are under way.

Cooperation with Pan American World Airways, Inc. The Airline has agreed with PanAm to utilize part of PanAm's Berlin operation following October 3, 1990. Subject to an international treaty based on the "Four plus Two Talks". PanAm will fly on behalf of the airline for a part of the Airline's applied-for Berlin service from October 28, 1990 on.

Financing Needs. The Airline's growth policy will require investments of more than D.M. 3 Billion (\$_____) in 1990 and more than D.M. 4 Billion (\$_____) in 1991. Despite increasing internal financing contributions from cash flow, these investments will temporarily create a high requirement for external financing. In April 1990, the Airline issued Deutsch Mark Floating Rate Notes worth D.M. 1.2 Billion (\$_____). As a result the Airline's financing requirements for 1990 are covered. Airline expects that it will require up to D.M. _____ (\$_____) in external financing during 1991.

Cargo Joint Venture. The importance of global distribution methods for freight is continually increasing. Thus, the Airline, together with Japan Airline, Cathay Pacific and Air France, has established a system for the global distribution of freight. By means of the intended participation in DHL-International (a worldwide express freight carrier) the Airline has ensured entry into this quickly growing market sector. The anticipated extent of the partnership is initially 5% but can be increased to 25% within 18 months.

Recent Operating Results.

Year Ended December 31, 1989. The Airline and Lufthansa Group achieved a net income of D.M. 124 Million (\$70 Million) and D.M. 110 Million (\$67 Million), respectively, in 1989 compared with net income of D.M. 99 Million (\$58 Million) and D.M. 82 Million (\$84 Million), respectively, in 1988. The Airline carried 20.4 Million passengers in 1989, an increase of 5.5% from 1988, and its overall load factor increased by 0.6% to 67%. The Lufthansa Group had a lower net income than the Airline primarily because of the start-up losses incurred by EuroBerlin France, the air carrier owned jointly by the Airline and Air France. See "Recent Development -- Service to Berlin; EuroBerlin France", above.

Operating revenues in 1989 were D.M. 11.8 Billion (\$6.9 Billion) for the Airline and D.M. 13.1 Billion (\$7.7 Billion) for Lufthansa Group, compared with operating revenues of D.M. 10.6 Billion (\$6.2 Billion) and D.M. 11.8 Billion (\$6.8 Billion), respectively, in 1988. The Airline's passenger revenues increased by D.M. 834.4 Million (11.4%) in 1989, primarily due to the improved utilization of capacity -- the increase in demand of 8.1% was above the expansion in capacity offered of 7.2% -- and an increase of 5% in average revenues in passenger traffic. The highest growth rates in absolute terms were in Europe, followed by the Asia/Pacific region and North America.

Other revenues of the Airline and Lufthansa Group increased D.M. 184 Million (18%) and D.M. 228 Million (16%) in 1989, respectively, primarily due to the increase in the area of technical services.

Six Months Ended June 30, 1990. In the first half of 1990, the Airline suffered a net loss of D.M. 3 Million (\$1.8 Million), compared with net income of D.M. 87 Million (\$51 Million), for the same period in 1989. First half gross operating revenues increased 7% for the Airline and 7% for Lufthansa Group to D.M. 5.7 Billion (\$3.4 Billion) and D.M. 6.2 Billion (\$3.6 Billion), respectively, in the first half of 1990 compared with D.M. 5.3 Billion (\$3.1 Billion) and D.M. 5.8 Billion (\$3.4 Billion), respectively, for the same period in 1989.

Additional Information. See the Airline's 1989 Annual Report [and the Airline's unaudited financial statements as of, and for the period ended, June 30, 1990,] for additional information concerning the business and financial condition of the Airline and Lufthansa Group. Information concerning exchange rate conversion and differences between German and United States generally accepted accounting principles is contained in the Notes to the audited financial statements of the Airline and Lufthansa Group.

Operating Information.

Passenger Operating Information (in millions except percentages):

Year	1989	1988	1987
Passengers carried			
Available seat miles			
Revenue passenger -- miles			
Passenger load factor	%	%	%

Cargo Operating Information (in millions except percentages):

Year	1989	1988	1987
Revenue metric ton -- miles			
including air mail			
on composite flights	%	%	%
on cargo flights	%	%	%

Capital And Revenue (\$ Millions).

Lufthansa Group

Year	1989	1988	1987
Capital	\$	\$	\$
Total operating revenue			

including: airline
other revenues
net profit
cash flow

Appendix "B".

Form Of Opinions Of Co-Bond Counsel.

\$_____

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Lufthansa German Airlines Project)

Series 1990.

Contract of Purchase.

City of Chicago
City Hall
121 North LaSalle Street
Chicago, Illinois 60602

December ____, 1990.

Ladies and Gentlemen:

The undersigned underwriters, for whom Smith Barney, Harris Upham & Co., Incorporated (the "Senior Manager") and George K. Baum & Company, Goldman, Sachs & Co., Pryor, McClendon, Counts & Co., Inc. and Smith, Mitchell & Associates, Inc. are acting as the representatives (collectively with the Senior Manager the "Representatives"), acting on behalf of themselves and on behalf of the other underwriters, if any, named in the list attached hereto as Schedule I (the Representatives and any such other underwriters as finally determined being hereinafter called the "Underwriters"), offer to enter into the following agreement with the City of Chicago, a municipal corporation and a home rule unit of local government duly organized and existing under the laws of the State of Illinois (the "City"), which upon the City's acceptance of this offer, will be binding upon the City and upon the Underwriters. This offer is made subject to your acceptance of this Contract of Purchase on or before 5:00 P.M., Chicago time, on December ____, 1990. If no other Underwriters are listed in Schedule I, then the terms "Underwriters" and "Representatives" shall be deemed to have the same meaning herein.

1. Purchase Price. Upon the terms and conditions and in reliance upon the representations, warranties and covenants set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the City, and the City hereby agrees to sell to the Underwriters, all (but not less than all) of the \$_____ in aggregate principal amount of Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), Series 1990 (the "Bonds"), dated, maturing, bearing interest and having the further terms set forth in the Official Statement of the City, substantially in the form attached hereto as Exhibit A and made a part hereof (such Official Statement, including the cover page, the Summary Statement and all appendices attached thereto, is hereinafter called the "Official Statement", except that if the Official Statement shall have been amended with the Senior Manager's and the City's approval between the date hereof and the Closing (as defined in Section 6), the term "Official Statement" shall refer to the Official Statement as so amended), at the purchase price of \$_____, plus any interest accrued on the Bonds from their date to the date of the Closing. The Underwriters agree to make a bona fide public offering of all of the Bonds at the initial offering price (or yield) set forth on the cover page of the Official Statement, it being understood and

agreed that after the initial offering the Senior Manager reserves the right to establish such public offering price (or yield) as it deems necessary in connection with the marketing of the Bonds. Except as otherwise defined herein, terms used herein which are defined in the Official Statement shall have the same meanings herein as therein. Attached hereto as Exhibit B is a copy of the Preliminary Official Statement of the City dated December ____, 1990, relating to the Bonds (the "Preliminary Official Statement").

2. Official Statement. At the time of the City's acceptance of this Contract of Purchase, or at such later time as shall be agreeable to the Senior Manager, the City shall deliver to the Representatives five executed copies of the Official Statement. The City authorizes the Underwriters to use the Official Statement and the documents referred to therein in connection with the public offering and the sale of the Bonds. The City ratifies and consents to the use by the Underwriters, prior to the date hereof, of the Preliminary Official Statement. The City shall deliver, or cause to be delivered, at its expense, to the Underwriters within seven business days from the date of this Contract of Purchase sufficient quantities of the Official Statement which in the reasonable judgment of the Senior Manager are sufficient to comply with their obligations under paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "1934 Act") and the rules of the Municipal Securities Rulemaking Board.

3. Authorization. The Bonds are authorized to be issued pursuant to an ordinance adopted by the City Council of the City on December ____, 1990 (the "Ordinance"), and will be described in, and issued and secured under and pursuant to, an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), dated as of December 1, 1990 (the "Indentures"), from the City to Independence Bank of Chicago and The First National Bank of Chicago, Chicago, Illinois, as trustee (collectively, the "Trustee"). The Bonds are being issued for the purpose of financing (i) the Project, as defined in the Special Facility Use Agreement (Cargo Facility) dated as of December 1, 1990 (the "Agreement"), by and between the City and Deutsche Lufthansa AG, doing business in the United States as Lufthansa German Airlines (the "Airline"); (ii) the interest on the Bonds during the construction of the Project; (iii) a debt service reserve fund established under the Indenture; and (iv) the costs of issuance related to the Bonds. The Project will be located at Chicago-O'Hare International Airport (the "Airport") and will occupy a site leased to the Airline pursuant to a Cargo Facility Site Lease dated as of December ____, 1990 (the "Site Lease") between the City and the Airline. Payment of principal of and interest and redemption premium, if any, on the Bonds will be guaranteed by the Airline, pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty"). The Airline, the City and the Trustee will enter into an Arbitrage Compliance Agreement dated as of December 1, 1990 and the Airline will deliver its Project Cost and Tax Certificate dated as of the Closing (collectively, the "Tax Agreement") and the City will deliver its General Tax Certificate and its Non-Arbitrage Certification, each dated as of the Closing (collectively

with the Tax Agreement, the "City Tax Agreements"). The Airline will deliver its Project Cost and Tax Certificate dated as of the Closing (collectively with the Tax Agreement, the "Airline Tax Agreements"). Concurrently with the execution and delivery of this Contract of Purchase, the Airline shall execute and deliver to the City and the Underwriters its Letter of Representation, dated the date hereof (the "Letter of Representation"), substantially in the form included as Exhibit C hereto. [The Bonds will be remarketed by Smith Barney, Harris Upham & Co., Incorporated, as Remarketing Agent (the "Remarketing Agent"), pursuant to a Remarketing Agreement to be dated the date of issuance of the Bonds (the "Remarketing Agreement") between the Company and the Remarketing Agent. The Airline, the City, the Remarketing Agent, the Trustee and _____ (the "Tender Agent") will enter into a Tender Agent Agreement dated as of December 1, 1990 (the "Tender Agent Agreement") pursuant to which the Tender Agent will act as tender agent, co-paying agent and co-bond registrar for the Bonds.] The Agreement, the Bonds, the City Tax Agreements, the Indenture, the Site Lease and [the Tender Agent Agreement] are referred to herein as the "City Documents".

4. Representations and Warranties of the City. The City represents and warrants to the Underwriters as of the date hereof (and it shall be a condition of the obligation of the Underwriters to purchase and accept delivery of the Bonds at the Closing that the City shall so represent and warrant as of the date of the Closing) that:

(a) The City is a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois.

(b) In connection with the issuance of the Bonds, the City has complied in all respects with the Constitution and laws of the State of Illinois.

(c) The City Council has (i) duly adopted the Ordinance and authorized, ratified and approved the execution and delivery of the City Documents, (ii) duly authorized and approved the Official Statement and authorized the use of the Preliminary Official Statement prior to the date hereof in connection with the offering and sale of the Bonds, (iii) duly authorized and approved the execution and delivery of this Contract of Purchase and the acceptance of the Letter of Representation, and (iv) duly authorized and approved the performance by the City of its obligations contained in the Ordinance, the City Documents, the Letter of Representation and this Contract of Purchase.

(d) The City has full legal right, power and authority (i) to enter into this Contract of Purchase, (ii) to issue, sell and deliver the Bonds to the Underwriters pursuant to the Ordinance as provided herein, and (iii) to carry out and consummate the transactions contemplated by this Contract of Purchase, the Ordinance, the City Documents and the Official

Statement. The City is not in breach of or default under the Ordinance, the City Documents, any applicable law or administrative regulation of the State of Illinois or the United States of America, or any applicable judgment or decree, or any loan agreement, note, resolution, ordinance, or other agreement or instrument to which the City is a party or is otherwise subject, including, without limitation, the 1983 Chicago-O'Hare International Airport General Airport Revenue Bond Ordinance ("G.A.R.B.O."), which breach or default is reasonably likely to materially adversely affect the operation of the Airport or the authorization or issuance of the Bonds, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such a breach or default. Neither the adoption of the Ordinance and compliance with the provisions thereof nor the execution and delivery of and performance by the City of its obligations under the City Documents or this Contract of Purchase violates any applicable law or administrative regulation of the State of Illinois or of any department, division, agency or instrumentality thereof or of the United States, or any applicable judgment or decree to which the City is subject, or conflicts with or constitutes a breach of or default under any loan agreement, note, resolution, ordinance, indenture, agreement or other instrument to which the City is a party or is otherwise subject, including, without limitation, G.A.R.B.O. The City has not received any judicial or administrative notice which in any way questions the federal tax-exempt status of interest on the Bonds and has not been notified of any listing or proposed listing of it by the Internal Revenue Service as a bond issuer whose arbitrage certifications may not be relied upon.

(e) Except as stated in the Official Statement, or as otherwise disclosed in writing to the Underwriters, the City is not, to the best of its knowledge, in default with respect to any bond, note or other evidence of indebtedness, whether of a general obligation, revenue or other nature which default is reasonably likely to materially and adversely affect the Bonds, the ability of the City to issue the Bonds or the City's ability to operate the Airport.

(f) All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the City of its obligations hereunder and under the Ordinance and the City Documents and which can reasonably be obtained at this time have been obtained. To the best knowledge of the City, there is no public vote or referendum pending or proposed, the results of which could in any way adversely affect the transactions contemplated by this Contract of Purchase, the Ordinance or the City Documents or the validity or enforceability of the Bonds.

(g) The Site Lease conforms to the description thereof contained in the Official Statement; and the Bonds, when issued and delivered in accordance with the Indenture, will be validly issued and outstanding limited obligations of the City payable from the Special Facility Revenues described in, and entitled to the benefit of, the Indenture. The Indenture

creates a valid pledge of and grant of a security interest in the Special Facility Revenues purported to be pledged thereby, subject to no prior pledges or security interests other than those granted to the Bonds, but subject to application as provided in the Indenture.

(h) The information contained in the Official Statement under the captions "Summary Statement -- The City" and "--The Airport", "The City", "The Airport", "The Site Lease", "Litigation", "Regulatory Proceedings and Proposed State Actions", "Requirements of Florida's Department of Banking and Finance" and "Authorization", as the Official Statement may be amended or supplemented with the approval of the Senior Manager, is true and correct in all material respects and such information does not and as of the date of Closing will not include any untrue statement of a material fact or omit to state a material fact necessary to make the statements made under such captions, in the light of the circumstances under which they are or were made, not misleading. The Preliminary Official Statement is an official statement deemed final as of its date within the meaning of Rule 15c2-12 under the 1934 Act, except that no representation or warranty is made with respect to the information contained in the Preliminary Official Statement concerning the Airline or the Project.

(i) Except as specifically set forth in the Official Statement, no litigation is pending or, to the knowledge of the City, threatened in any court which in any way affects the existence of the City, the City's operation of the Airport, or seeks to restrain or enjoin the issuance, sale and delivery of the Bonds, or the right, power and authority of the City to collect Special Facility Revenues generally or other moneys pledged or to be pledged to pay the principal of and interest on the Bonds, or the validity and binding effect of the Ordinance, this Contract of Purchase or the City Documents or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the power of the City or its authority with respect to the Ordinance, this Contract of Purchase or the City Documents or contesting in any way the exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

(j) The signatures of the officials executing this Contract of Purchase, the Letter of Representation, the Official Statement and the documents delivered pursuant to the foregoing on behalf of the City are true and genuine and such officials have been duly authorized to execute the same.

5. Covenants of the City. In connection with the purchase and sale of the Bonds pursuant to this Contract of Purchase, the City hereby covenants that:

(a) The City will make available such information, execute such instruments and take such other action in cooperation with the Representatives as the Senior Manager may reasonably request to qualify the Bonds for offer and sale under the securities laws and regulations of such states and other jurisdictions of the United States as the Senior Manager may designate; provided that nothing in this clause (a) shall require the City to consent to service of process in any state or jurisdiction other than the State of Illinois.

(b) The City will use its best efforts to make available such information, execute such instruments and take such other reasonable action in cooperation with the Underwriters as the Senior Manager may reasonably request to assist the Underwriters in attempting to qualify the Bonds with [Midwest Securities Trust Company ("M.S.T.C.")].

(c) If between the date of this Contract of Purchase and the date of the Closing any event shall occur related to the City and known to the City which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the City shall notify the Senior Manager in writing thereof and if in the opinion of the City and the Senior Manager such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will at the Airline's expense supplement or amend the Official Statement in a form and in a manner approved by the Senior Manager. After the Closing, and so long as any Underwriter or any participating dealer shall be offering the Bonds which constitute the whole or a part of their unsold participations until the earlier of (i) 90 days from the date of Closing or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository (but in no event later than 25 days from the date of the Closing), the City agrees to advise the Senior Manager in writing of any development related to the City and known to the City that impacts the accuracy and completeness of the key representations contained in the Official Statement, within the meaning of Rule 15c2-12 under the 1934 Act. During that period the City will not adopt any amendment of, or supplement to, the Official Statement except with the written consent of the Senior Manager; and if any event relating to or affecting the City shall occur as the result of which shall make it necessary, in the opinion of the Senior Manager and the City, to amend or supplement the Official Statement in order to make it not misleading in the light of the circumstances existing at that time, the City shall forthwith prepare and furnish to the Underwriters, at the expense of the "Airline, a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Senior Manager, so that the Official Statement then will not contain an untrue statement of material fact or omit to state a material fact necessary to

make the statements therein, in the light of the circumstances existing at that time, not misleading.

(d) Between the date of this Contract of Purchase and the Closing, the City will not, without the prior written consent of the Underwriters, issue any bonds, notes or other obligations for borrowed money payable from the Special Facility Revenues.

6. The Closing. The payment for the Bonds (the "Closing") shall take place on December ____, 1990 at the offices of Burke, Wilson & McIlvaine, 500 West Madison Street, Chicago, Illinois 60606 or on such other date or at such other place as shall have been mutually agreed upon as the date on or place at which the Closing shall occur. At [10:00] A.M., Chicago time on the date of the Closing, the City will cause the Bonds in definitive form, duly executed and authenticated, to be delivered to the principal office of [M.S.T.C.], [Chicago, Illinois]. Simultaneously with such delivery and provided that all conditions to the obligations of the Underwriters set forth in paragraph 7 hereof have been satisfied and are in form and substance satisfactory to the Senior Manager, the Underwriters shall cause the purchase price of the Bonds plus accrued interest to be paid in [clearing house] funds to the order of the Trustee for the account of the City in accordance with the Indenture. The Bonds, bearing proper CUSIP numbers, shall be in the definitive form of one fully registered Bond and in the name in which [M.S.T.C.] requests that the Bonds be registered, and shall be made available for inspection and checking by the Underwriters at the offices of [M.S.T.C.], not later than [10:00 A.M.] on the business day prior to the date of the Closing.

7. Conditions to the Obligations of the Underwriters. The Representatives have entered into this Contract of Purchase on behalf of themselves and the other Underwriters in reliance upon the representations and warranties of the City contained herein and to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the City of its obligations hereunder and under the aforesaid documents and instruments at or prior to the date of the Closing. Accordingly, the Underwriters' obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the Bonds are subject to the performance by the City of its obligations to be performed hereunder and under such aforesaid documents and instruments at or prior to the date of the Closing, and are also subject to the following conditions:

(a) The representations and warranties of the City contained herein and in the Ordinance will be true, complete and correct on the date hereof and on and as of the date of the Closing with the same effect as if made on the date of the Closing.

(b) At the time of the Closing, (i) the Ordinance, the City Documents and the Airline Documents will be in full force and effect, and will not have been amended, modified or supplemented since the date hereof, unless agreed to in writing by the Senior Manager, and the Official Statement will not have been amended, modified or supplemented, except as may have been agreed to by the Senior Manager; (ii) the representations and warranties of the City contained in the City Documents will be true, complete and correct; and (iii) all necessary action on the part of the City relating to issuance of the Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented, except with the consent of the Senior Manager.

(c) The Senior Manager has the right to terminate the Underwriters' obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the Bonds by notifying the City of its election to do so if, after the execution hereof and prior to the Closing: (i) a committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation, which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the City or by any similar body or including in gross income for federal tax purposes interest received by the owners thereof on obligations of the general character of the Bonds or the Bonds (except to the extent that Bonds are held by a "substantial user" of the facilities financed by the Bonds or any "related persons" within the meaning paragraph 147(a) of the Code), which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; (ii) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted by the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States, or the Tax Court of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which would result in the imposition of federal income taxation, upon the Special Facility Revenues pledge to the payment of the Bonds or other income of the general character of the Special Facility Revenues to be derived by the City or by any similar body or including in gross income for federal tax purposes interests received by the owners thereof on obligations of the general character of the Bonds or the Bonds (except to the extent that Bonds are held by a "substantial user" of the facilities financed by the Bonds or any "related persons" within the meaning of paragraph 147(a) of the Code), which, in the Senior Manager's opinion, would materially adversely affect

the market price of the Bonds; (iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of Illinois, or a decision by any court of competent jurisdiction within the State of Illinois shall be rendered which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; (iv) a stop order, ruling, regulation or official statement by, or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction over the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, the Securities Act of 1933, as amended (the "Securities Act"), or the 1934 Act, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"); (v) legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under the Securities Act or the 1934 Act or that the Indenture is not exempt from qualification under the Trust Indenture Act; (vi) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, (vii) a general banking moratorium shall have been established by United States, West German, Illinois or New York authorities; (viii) a war involving the United States or the Federal Republic of Germany shall have been declared, or any conflict involving the armed forces of the United States or the Federal Republic of Germany shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; (ix) an event occurs which requires an amendment or supplement to the Official Statement as contemplated in Section 5(c) hereof or Section 2(j) of the Letter of Representation, which event, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; [or (x) the ratings of the Bonds shall have been downgraded or withdrawn by a national rating service, which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds].

(d) At or prior to the Closing, the Representatives have received each of the following documents:

(i) Five copies of the Official Statement of the City, manually executed by the Comptroller of the City.

(ii) Five copies, duly certified by the City Clerk of the City, of the Ordinance as adopted by the City Council of the City.

(iii) The approving opinions dated the date of the Closing and addressed to the City, of Co-Bond Counsel to the City, in substantially the form attached to the Official Statement, and letters from such counsel dated the date of the Closing and addressed to the Senior Manager on behalf of the Underwriters, to the effect that such opinions addressed to the City may be relied upon by the Underwriters to the same extent as if such opinions were addressed to them.

(iv) An opinion or opinions, dated the date of the Closing and addressed to the Senior Manager, of Co-Bond Counsel to the City, to the effect that (A) this Contract of Purchase has been duly authorized, executed and delivered by, and constitutes a valid and binding agreement of the City enforceable in accordance with its terms, assuming it is in like fashion binding upon the Underwriters, as to which no view need be expressed (but such opinion as to enforceability may be qualified with respect to bankruptcy, insolvency and other laws affecting creditors' rights or remedies and by general principles of equity); (B) the Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act; (C) Special Facility Revenues, as defined in the Indenture, will not constitute Revenues, as defined under the G.A.R.B.O. as in effect on the date of such opinions; (D) delivery of the Preliminary Official Statement and the Official Statement by the City and use of the same by the Underwriters in connection with the sale of the Bonds have been duly authorized by the City; (E) the information contained in the Official Statement on the Cover Page relating to the opinions of Co-Bond Counsel, under the captions "Summary Statement -- The Series 1990 Bonds", "-- The Project", "-- Security", "-- Debt Service Reserve Requirement" and "-- Additional Bonds", "The Series 1990 Bonds -- Redemption Prior to Maturity", "Security for The Series 1990 Bonds -- Payments by the Airline under the Agreement", "-- Limited Obligation", "-- Debt Service Reserve Fund" and "-- Additional Bonds", and "Tax Matters" and "Proposed Form of Opinions of Co-Bond Counsel", included as Appendix B, insofar as such statements constitute a summary of the matters therein set forth, are correct in all material respects and do not omit any statement which should be included or referred to therein in order to summarize fairly and accurately the matters therein set forth; (F) Special Facility Revenues and investment proceeds of the Bonds may be used to make payments of arbitrage rebate to the United States as required by the Code, and regulations promulgated thereunder; and (G) based on the examinations which they have made as Co-Bond Counsel and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy or completeness of the statements in the Official Statement other than those described in Section (iv)(E) above, such counsel have no

reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for Appendix A and except for any financial, technical and statistical data included in the Official Statement and except for information regarding [M.S.T.C.] and [M.S.T.C.'s] book-entry system, in each case as to which no view need be expressed). Such opinion also shall state that the City has requested that such opinion be furnished to the Underwriters.

(v) An opinion, dated the date of the Closing and addressed to the Senior Manager, of the Corporation Counsel of the City given in an official capacity and not personally and to which no personal liability will derive from its delivery, to the effect that (A) the City is a home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois with full power and authority, among other things, to adopt and perform its duties and obligations under the Ordinance, to approve the Preliminary Official Statement, to execute and deliver this Contract of Purchase, the Official Statement and the City Documents to authorize, issue and sell the Bonds and to operate the Airport and to maintain and collect and enforce the collection of the Special Facility Revenues as covenanted in the Indenture and the Agreement; (B) this Contract of Purchase and the City Documents have been duly authorized, executed and delivered by, and the Ordinance has been duly adopted by, the City, and, assuming due authorization, execution and delivery by the other parties thereto, all such instruments constitute valid and legally binding obligations of the City enforceable in accordance with their respective terms (but such opinion as to enforceability may be qualified with respect to bankruptcy, insolvency and other laws affecting creditors' rights or remedies); (C) the Preliminary Official Statement has been duly authorized and delivered and the Official Statement has been duly authorized, executed and delivered by the City; (D) to the knowledge of such counsel, compliance with the provisions of the Ordinance, and the execution, delivery and performance of the City Documents or this Contract of Purchase does not conflict with, or constitute a breach of or default under, any applicable law, administrative regulation, court order or consent decree of the State of Illinois or any department, division, agency, or instrumentality thereof or of the United States or any loan agreement, note, resolution, ordinance, indenture, mortgage, deed of trust, agreement or other instrument to which the City is a party or may otherwise be subject; (E) all approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute conditions precedent to the performance by the City of its obligations under this Contract of Purchase, the Letter of Representation, the Ordinance and the City Documents and which can reasonably be obtained by the time of the Closing have been obtained; (F) except as set forth in the Official Statement, there is no litigation or proceeding pending or, to the

knowledge of the Corporation Counsel after due inquiry, threatened in any way affecting the existence of the City, or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the right, power and authority of the City to collect Special Facility Revenues generally or other moneys pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge of the Special Facility Revenues or the other moneys, or in any way consenting or affecting the validity or enforceability of the Ordinance, the City Documents or this Contract of Purchase, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the City or its authority with respect to the Ordinance, the City Documents or this Contract of Purchase; and (G) based on the examination which the Corporation Counsel has caused to be made and the participation of his representatives at conferences at which the Official Statement was discussed, the Corporation Counsel has no reason to believe that the information contained in the Official Statement under the captions "Summary Statement -- The City" and "-- The Airport", "The City", "The Airport", "The Site Lease", "Litigation", "Regulatory Proceedings and Proposed State Actions" (except for information appearing under the subcaption "--Federal Aviation Administration" and in the first paragraph under the subcaption "-- Proposed State Action"), "Requirements of Florida's Department of Banking and Finance (except insofar as such summary relates to matters of Florida law)" and "Authorization" includes any untrue statement of a material fact or omits to state a material fact necessary to make the statements under such captions, in light of the circumstances under which they were made, not misleading in any material respect. Such opinion be furnished to the Underwriters.

(vi) An opinion of Hopkins & Sutter, special counsel to the City, dated the date of the Closing and addressed to the Senior Manager, to the effect that (A) the Bonds are "Special Facility Revenue Bonds" within the meaning ascribed to such terms in G.A.R.B.O.; (B) the Special Facility Revenues do not constitute "Revenues" within the meaning of the G.A.R.B.O.; and (C) based on the examination which they have made and their participation at conferences at which the Official Statement was discussed, such counsel has no reason to believe that (1) the information contained in the Official Statement under the caption "Regulatory Proceedings and Proposed State Actions -- Federal Aviation Administration", (2) the information contained in the Official Statement in the first paragraph under the caption "Regulatory Proceedings and Proposed State Actions", and (3) the information contained in the Official Statement under the caption "Litigation" relating to lawsuits containing claims based on noise and other effects of aircraft operations against the City, include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were

made, not misleading. Such opinion also shall state that the City has requested that such opinion be furnished to the Underwriters.

(vii) An opinion, dated the date of the Closing and addressed to the Senior Manager, of co-counsel for the Underwriters (which the Senior Manager agrees to request), to the effect that (A) the Bonds are exempt securities which do not require registration under the Securities Act, and the Indenture need not be qualified under the Trust Indenture Act; and (B) based upon their participation in the preparation of the Official Statement as co-counsel for the Underwriters and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, such counsel have no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial forecast, technical and statistical statements and data included in the Official Statement, and the statements and information set forth in [Appendix A and in] Appendix B to the Official Statement and except for information regarding M.S.T.C. and M.S.T.C.'s book-entry system, in each case as to which no view need be expressed).

(viii) A certificate, dated the date of the Closing of the City Comptroller to the effect that to the best of his knowledge (A) the representations and warranties of the City contained herein are true and correct in all material respects on and as of the date of the Closing with the same effect as if made on the date of the Closing; (B) no event affecting the City has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (C) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public body or board pending or threatened to restrain or enjoin the issuance or sale of the Bonds, or in any way contest the validity of or affect the power of the City to issue the Bonds, or restrain or enjoin the execution and delivery of documents in connection therewith, or contest the existence or powers of the City or contest, restrain or enjoin the right of the City and the Airline to finance the Project at the Airport as described in the Official Statement; and (D) the City has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing.

(ix) A certificate, dated the date of the Closing, of the Commissioner of the Department of Aviation of the City to the effect that to his knowledge the information contained in the Official Statement under the captions "Summary Statement -- The Airport", "The Airport" and

"Regulatory Proceedings and Proposed State Actions" does not contain any untrue statement of a material fact or omit any statement of a material fact that should be stated therein for the purpose for which it is to be used or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

[(x) Evidence satisfactory to the Senior Manager that the Bonds have received a rating of "___" or better from Moody's Investors Service, Inc. and a rating of "___" or better from Standard and Poor's Corporation.]

(xi) Executed copies of the Certificates of Accuracy, dated as of the date of Closing given by [M.S.T.C.] to the effect that the information set forth on the cover page of the Official Statement and in the Official Statement under the captions "Summary Statement -- Book-Entry Only System" and "The Series 1990 Bonds -- Book-Entry Only System" is, as of the date of the Closing, accurate and does not contain any untrue statement of a material fact or omit to state a material fact that should be stated therein for the purpose for which it is to be used or that is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(xii) Two counterpart originals of a transcript of all proceedings relating to the authorization and issuance of the Bonds including in particular, all certificates, order and opinions constituting conditions precedent to the issuance of the Bonds in accordance with Section 211 of the Indenture and two manually signed copies of the Indenture and the City Tax Agreements.

(xiii) Delivery to the Senior Manager of (A) two manually signed copies of the Airline Documents (as defined in the Letter of Representation).

(xiv) An opinion of Arthur Molins, Manager Legal Affairs/U.S.A. of the Airline, dated the date of the Closing and addressed to the Senior Manager to the effect that:

(A) The Airline is a duly organized and validly existing corporation and is in good standing under the laws of the Federal Republic of Germany with corporate power and authority to own or lease and operate the properties now owned or leased, as the case may be, by it and to conduct the business now being conducted by it and to execute, deliver and perform its obligations under the Airline Documents and the Letter of Representation. The Airline is duly authorized and qualified to do business and is in good standing in the United States and all states and jurisdictions within the United States wherein the failure so to qualify would have a material adverse effect on the operations or business of the Airline.

(B) The execution and delivery by the Airline of the Airline Documents and the Letter of Representation have been duly and validly authorized by the necessary corporate and governmental action, and no further authorization, approval, consent, certificate or order of any local, state or federal commission or regulatory authority is required in respect of the execution and delivery by the Airline of the Airline Documents and the Letter of Representation.

(C) Neither the execution and delivery by the Airline of the Airline Documents or the Letter of Representation nor the Airline's performance of its obligations thereunder will result in the violation of a statute or regulation, or any order or decree known to said counsel of any court or governmental authority binding on the Airline or its property or result in a default or in the creation of a lien under any of the provisions of the Airline's organizational documents or, to the best of such counsel's knowledge, a material breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other instrument pursuant to which the Airline is a party.

(D) The Airline has not engaged such counsel to give substantive attention to any material pending legal or governmental proceedings which is not set forth or referred to in the Official Statement, and such counsel does not know of any contracts or documents of a character required to be described in the Official Statement which are not described or referred to as required.

(E) The statements made in the Official Statement under the captions "The Agreement", "The Site Lease" and "The Guaranty" insofar as they pertain to obligations of the Airline and insofar as they purport to summarize provisions of the documents specifically referred to under said captions are fair summaries.

(F) The Letter of Representation has been authorized, executed and delivered by the Airline and, assuming that it has been duly and validly authorized, executed and delivered by the other parties thereto, constitutes a valid and authorized binding obligation of the Airline enforceable in accordance with its terms except that no opinion need be expressed as to the availability of equitable remedies and except as enforceability of the indemnification provisions thereof may be limited by applicable securities laws. The enforceability of the Airline's obligations under the Letter of Representation is not subject to sovereign immunity or similar principles.

(G) The Airline Documents have been duly authorized, executed and delivered by the Airline and, assuming that the Airline Documents have been duly and validly authorized, executed and delivered by the other parties thereto, constitute valid and binding obligations of the Airline enforceable in accordance with their terms

except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally, except that no opinion need be expressed as to the availability of equitable remedies and except as enforceability of the indemnification provisions thereof may be limited by public policy considerations. The enforceability of the Airline's obligations under the Airline Documents is not subject to sovereign immunity or similar principles.

(H) The Airline has duly approved the Official Statement.

(I) The officers and employees who have executed the Airline Documents and the Letter of Representation have been duly and properly authorized to do so.

(J) There is no material litigation pending or threatened against the Airline which would prohibit it from entering into the transactions contemplated by the Airline Documents or the Letter of Representation or performing the obligations undertaken by it pursuant to the Airline Documents or the Letter of Representation.

(K) The provisions of the Airline Documents and the Letter of Representation respecting governance, construction and submission to the jurisdiction of any federal court within the federal court district of the Northern District of Illinois as specified in the Agreement, the Guaranty and the Letter of Representation are valid under the laws of the Federal Republic of Germany.

(L) A judgment obtained in any such court against the Airline would be enforceable in the courts of the Federal Republic of Germany.

Such opinion shall also state that, based upon such counsel's participation in conferences with representatives of the Airline, its accountants and its other counsel, but without having made any independent verification of factual matters, such counsel have no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that such counsel need express no opinion as to financial statements and other financial data included therein or as to the information appearing under the captions "Summary Statement -- The City", "-- Book-Entry Only System", "-- The Airport" and "-- Plan of Finance", "The City", "The Airport", "Underwriting", "Tax Matters", "Litigation", "Regulatory Proceedings and Proposed State Actions" and "Requirements of Florida's Department of Banking and Finance", and in Appendix B). Such opinion also shall state that the Airline has requested that such opinion be furnished to the Underwriters.

(xv) Opinions of _____, United States counsel to the Airline, and _____, German counsel to the Airline, addressed to the Senior Manager, covering the matters described in subparagraphs (xiv)(F), (G), (K) and (L), above. Each such opinion also shall state that the Airline has requested that such opinion be furnished to the Underwriters.

(xvi) Letters of _____, the Airline's independent accountants, dated respectively at the time of execution of this Contract of Purchase and on the date of the Closing, in form and scope acceptable to the Senior Manager.

(xvii) A certificate, dated the date of the Closing, signed by the _____ or any _____ and a principal financial or accounting officer of the Airline, in which such officers, to the best of their knowledge after reasonable investigation, state that:

(A) the representations and warranties of the Airline in the Letter of Representation and the Airline Documents are true and correct, the Airline has complied with all agreements and satisfied all conditions on its part to be performed or satisfied under this Contract of Purchase and the Letter of Representation at or prior to the date of the Closing and there has been no breach by the Airline of the covenants in the Agreement;

(B) the Airline has duly performed all of its obligations under the Agreement to be performed at or prior to the Closing;

(C) there has been no material adverse change in the condition of the Airline, financial or otherwise, or in the earnings, affairs or business prospects of the Airline, whether or not arising in the ordinary course of business, from that set forth in or contemplated by the Official Statement;

(D) (1) the Airline has not sustained since the date of the latest audited financial statements included or referred to in the Official Statement any loss or interference material to the Airline and its subsidiaries, taken as a whole, with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Official Statement, and (2) since the respective dates as of which information is given in the Official Statement, neither the Airline nor any of its subsidiaries has incurred any liabilities or obligations, direct or contingent, or entered into any transactions, not in the ordinary course of business, which are material to the Airline and its subsidiaries, taken as a whole, and there has not been any material change in the consolidated equity capitalization or long-term debt of the Airline or

any of its subsidiaries or any material change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Airline and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Official Statement.

(xviii) Evidence, satisfactory to the Senior Manager, that the Letter of Representation, in the form attached hereto as Exhibit C and approved by the Senior Manager, has been duly authorized, executed and delivered, has not been amended, modified or rescinded and is in full force and effect as of the Closing.

(xix) A certificate, dated the date of Closing, signed by an Independent Airport Consultant (as defined in G.A.R.B.O.), satisfying the requirements of Section 903 of G.A.R.B.O.

(xx) Such additional legal opinions, certificates, instruments and other documents as Co-Bond Counsel may reasonably deem necessary or desirable, or as the Senior Manager may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the representations, warranties and covenants of the City contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Contract of Purchase will be deemed to be in compliance with the provisions hereof if, but only if, they are in substance reasonably satisfactory to the Senior Manager.

8. Termination. If the City or the Airline is unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Contract of Purchase, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds are terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase will terminate and neither the Underwriters nor the City will be under further obligation or have any further liability hereunder, except as to the obligations set forth in paragraph 9 hereof.

9. Expenses. The Underwriters shall be under no obligations to pay any expenses incident to the performance of the obligations of the City hereunder. All such expenses, including but not limited to: (i) the cost of the preparation and reproduction and mailing or delivery of the Ordinance, the Airline Documents, the City Documents, the Preliminary Official Statement (including any amendments or supplements thereto) and the Official

Statement (including any amendments or supplements thereto prepared prior to the Closing); (ii) the costs of the preparation and printing, if any, of the Bonds; (iii) the fees and disbursements of Co-Bond Counsel to the City; (iv) the fees and disbursements of any accountants and advisors of the City and of any consultants retained by the City; (v) fees for any bond ratings; (vi) fees for state securities law filings, if any; (vii) the fees of [M.S.T.C.]; (viii) all fees and expenses relating to any credit enhancement obtained in support of the Bonds; and (ix) any other expenses incurred in connection with the issuance of the Bonds and not specifically assumed by the Underwriters hereunder, shall be paid by the Airline out of the proceeds of the Bonds or otherwise. The City shall be under no obligation to pay, and the Underwriters shall pay: (i) the cost of preparation and reproduction of the Agreement Among Underwriters and this Contract of Purchase; (ii) the costs of preparation and reproduction of the Blue Sky Memorandum and Legal Investment Survey; (iii) all advertising expenses in connection with the public offering of the Bonds; (iv) an amount, if any, required to be paid to the Municipal Securities Rulemaking Board as its special assessment; and (v) all other expenses incurred by them or any of them in connection with their public offering and distribution of the Bonds, including the fees and disbursements of counsel retained by them.

10. Notices. Any notice or other communication to be given to the City under this Contract of Purchase must be given by delivering the same in writing at the address of the City set forth above, Attention: City Comptroller, Room 501, and any notice or other communication to be given to the Underwriters under this Contract of Purchase must be given by delivering the same in writing to: Smith Barney, Harris Upham & Co., Incorporated, Three First National Plaza, Suite 5200, Chicago, Illinois 60603, Attention: Public Finance Department, or such other address as the Senior Manager shall specify in writing.

11. Parties and Interests; Successors; Survival of Representations, and Warranties and Covenants. This Contract or Purchase is made solely for the benefit of the City and the Underwriters (including the successors or assigns of any Underwriter), and no other person may acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and covenants of the City contained in this Contract of Purchase will remain operative and in full force and effect regardless of (i) any investigations made by or on behalf of any of the Underwriters or (ii) delivery of and payment for their Bonds pursuant to this Contract of Purchase.

12. Time of the Essence. Time is of the essence in consummation of the transactions contemplated by this Contract of Purchase.

13. Counterparts. This Contract of Purchase may be executed in any number of counterparts, each of which, when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same Contract of Purchase.

14. Governing Law. This Contract of Purchase shall be governed by and construed in accordance with the laws of the State of Illinois.

15. Anti-Apartheid Compliance. Each of the Underwriters have executed the appropriate Anti-Apartheid Affidavit (the "Affidavit") attached to this Contract of Purchase as Exhibit D and incorporated into this Contract of Purchase by this reference.

The Underwriters understand and acknowledge that the City may declare a default and terminate all existing contracts with the Underwriters if the Underwriters violate any provision of Chapter 3-68 of the Municipal Code of Chicago (as applicable), including but not limited to (i) a violation of the certifications contained in the Affidavit; and (ii) the concealment of an existing contractual relationship or entering into a contractual relationship with (a) South Africa, (b) a South African business, or (c) any business or corporation for the express purpose of assisting operations in, or trading with any private or public entity located in South Africa. This right of termination is supplemental to any other remedy which the City may have under this Contract of Purchase, at law or in equity, and shall entitle the City to direct, indirect, special and consequential damages and any other applicable legal or equitable remedy.

Further, the Underwriters understand and acknowledge that any person who violates any provision of Chapter 3-68 of the Municipal Code of Chicago shall be subject to a fine of not less than \$500 and not more than \$1,000 for each offense. This fine shall be in addition to the remedy of termination enumerated above, and any other remedy available under applicable law.

16. Effectiveness. This Contract of Purchase will become effective upon the execution and the acceptance hereof by the appropriate officers of the City and will be valid and enforceable as of the time of such acceptance.

Very truly yours,

Smith Barney, Harris Upham & Co.,
Incorporated

George K. Baum & Company

Goldman, Sachs & Co.

Pryor, McClendon, Counts & Co.
Inc.

Smith, Mitchell & Associates, Inc.

By: Smith Barney, Harris Upham &
Co., Incorporated

By: _____
Vice President
on behalf of the
Representatives

The foregoing is hereby
accepted as of the date
first written above:

City of Chicago

By: _____
City Comptroller

Concur:

By: _____
Chairman, Committee on
Finance, Chicago City
Council

[Exhibits "A", "B" and "C" attached to this Contract of Purchase
constitute the Official Statement, Preliminary Official
Statement and Letter of Representation,
respectively, to the ordinance.]

Exhibit "D" and Schedule "I" attached to this Contract of Purchase reads as
follows:

Exhibit "D".
Anti-Apartheid Affidavit.

Schedule "I".
Other Underwriters.

\$ _____

City Of Chicago

Chicago-O'Hare International Airport
Special Facility Revenue Bonds
(Lufthansa German Airlines Project)
Series 1990.

Letter Of Representation.

December ____, 1990.

City of Chicago
City Hall
121 North LaSalle Street
Chicago, Illinois 60602

and

Smith Barney, Harris Upham
& Co., Incorporated
1345 Avenue of the Americas
New York, New York 10105
As Manager of the several Underwriters
under the Purchase Contract
hereinafter defined

Ladies and Gentlemen:

1. Introduction. This Letter of Representation is being executed and delivered by Deutsche Lufthansa AG, doing business in the United States as Lufthansa German Airlines (the "Airline"), in order to induce Smith Barney, Harris Upham & Co., Incorporated (the "Manager"), George K. Baum & Company, Goldman, Sachs & Co., Pryor, McClendon, Counts & Co., Inc. and Smith, Mitchell & Associates, Inc. (the "Underwriters"), and the City of Chicago, Illinois (the "City") to enter into a Contract of Purchase (the "Purchase Contract"), a copy of which has been delivered to the Airline, relating to the purchase by the Underwriters of \$_____ in aggregate principal amount of the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project), Series 1990 (the "Bonds"). The Bonds shall be dated, mature, bear interest and have the further terms as set forth in the Official Statement of the City dated the date hereof (such Official Statement, including the cover page, Summary

Statement and all appendices attached thereto is hereinafter called the "Official Statement", except that if the Official Statement is amended with the approval of the Manager between the date hereof and the Closing (as defined in the Purchase Contract), the term "Official Statement" shall refer to the Official Statement as so amended). The Bonds are to be issued pursuant to and secured by an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project) dated as of December 1, 1990 (the "Indenture") between the City and Independence Bank of Chicago and The First National Bank of Chicago, as trustees (collectively, the "Trustee"). The proceeds from the sale of the Bonds will be used, together with interest earnings thereon, to finance (i) the Project, as defined in the Special Facility Use Agreement (Cargo Facility) dated as of December 1, 1990 (the "Agreement"), by and between the City and the Airline; (ii) the interest on the Bonds during the construction of the Project; (iii) a debt service reserve fund established under the Indenture; and (iv) the issuance expenses related to the Bonds. The land underlying the Project will be leased by the City to the Airline pursuant to a Cargo Building Site Lease dated as of December ____, 1990 (the "Site Lease"). Payment of the principal of and interest and redemption premium, if any, on the Bonds will be guaranteed by the Airline pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty"). The Airline, the City and the Trustee will enter into an Arbitrage Compliance Agreement dated as of December 1, 1990 and the Airline will deliver its Project Cost and Tax Certificate dated as of the Closing (collectively, the "Tax Agreement"). [The Bonds will be remarketed by Smith Barney, Harris Upham & Co., Incorporated, as Remarketing Agent (the "Remarketing Agent"), pursuant to a Remarketing Agreement to be dated the date of issuance of the Bonds (the "Remarketing Agreement") between the Company and the Remarketing Agent. The Airline, the City, the Remarketing Agent, the Trustee and _____ (the "Tender Agent") will enter into a Tender Agent Agreement dated as of December 1, 1990 (the "Tender Agent Agreement") pursuant to which the Tender Agent will act as tender agent, co-paying agent and co-bond registrar for the Bonds.] The Agreement, the Guaranty, the Site Lease [and] the Tax Agreement [, the Remarketing Agreement and the Tender Agent Agreement] are referred to herein as the "Airline Documents".

2. Representations, Warranties and Covenants of Airline. In consideration of the execution and delivery of the Purchase Contract by the City and the Underwriters, the Airline represents, warrants and covenants to and with the City and the Underwriters as follows:

- (a) (i) The Airline is a corporation duly organized, validly existing and in good standing under the laws of the Federal Republic of Germany and 52% of the voting stock of the Airline is owned by the Federal Republic of Germany; (ii) the Airline has due corporate authority to carry on the business in which it is engaged and to own or lease and operate properties used by it in such business, as described in the Official Statement; and (iii)

the Airline is duly authorized and qualified to do business and is in good standing as a foreign corporation authorized to do business in all nations, states and jurisdictions wherein the failure so to qualify would have a material adverse effect on the operations or business of the Airline; and (iv) except as set forth in the Official Statement, the Airline has all material authorization and approvals required at the date hereof to conduct its business as described or referred to in the Official Statement.

(b) The financial statements of the Airline referred to or included in the Official Statement, including the notes thereto, present fairly the financial position of the Airline as of the dates indicated and the results of its operations for the periods specified, and such financial statements have been prepared in conformity with the regulations of the German Commercial Code applied on a consistent basis for the periods involved, and since the date of such financial statements, there has been no material adverse change in the condition, financial or otherwise, of the Airline.

(c) With respect solely to the information contained therein related to the Airline, the Project and the Airline's obligations under the Airline Documents, at the time of the Airline's execution of this Letter of Representation, the Official Statement is, and the Preliminary Official Statement dated December ___, 1990 (the "Preliminary Official Statement") as of its date of issue was, accurate in all material respects for the purposes for which its use is or was authorized. Except for the information contained in the Official Statement under the captions "Summary Statement -- The City", "-- Book-Entry Only System" and "-- The Airport", "The City", "The Airport", "Plan of Finance", "Enforceability of Remedies", "Bondholders' Risks -- Bankruptcy Issues" and "-- Possible Loss of Tax-Exempt Status", "Litigation", "Regulatory Proceedings and Proposed State Actions", "Tax Matters", "Underwriting", "Requirements of Florida's Department of Banking and Finance", "Miscellaneous" and "Authorization", and in Appendix B entitled "Form of Opinions of Co-Bond Counsel", as to which no view is expressed, the Official Statement, insofar as it relates to the Airline, the Project and the Airline's obligations under the Airline Documents, does not, and the Preliminary Official Statement, insofar as it relates to the Airline, the Project and the Airline's obligations under the Airline Documents, as of its issue date did not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Airline authorizes the Underwriters to use the information related to the Airline, the Project and the Airline's obligations under the Airline Documents contained in the Official Statement, and consents to the use of the information related to the Airline, the Project and the Airline's obligations under the Airline Documents contained in the Preliminary Official Statement by the Underwriters prior to the date hereof, in connection with the public offering and sale of the Bonds. The Preliminary Official Statement, insofar as it relates to the Airline, the

Project and the Airline's obligations under the Airline Documents is an official statement deemed final as of its date within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "1934 Act"). The Airline confirms that it approves the purchase price to be paid by the Underwriters for the Bonds, as well as the other terms of the Bonds and all of the terms and conditions of the issuance, sale and delivery of the Bonds, as set forth in the Purchase Contract, and the offering price for the Bonds and the interest rate to be borne by the Bonds as set forth in the Official Statement.

(d) Neither the Airline nor any of its subsidiaries has sustained since the date of the latest audited financial statements referred to or included in the Official Statement any loss or interference material to the Airline and its subsidiaries, taken as a whole, with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Official Statement; and, since the date as of which information is given in the Official Statement, neither the Airline nor any of its subsidiaries has incurred any liabilities or obligations, direct or contingent, or entered into any transactions, not in the ordinary course of business, which are material to the Airline and its subsidiaries, taken as a whole, and there has not been any material change in the equity capitalization or long-term debt of the Airline or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Airline and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Official Statement.

(e) (i) The Airline has full power and authority to execute and deliver this Letter of Representation and the Airline Documents and to perform its obligations hereunder and thereunder and engage in the transactions contemplated by this Letter of Representation, the Airline Documents, the Indenture and the Official Statement, and this Letter of Representation and the Airline Documents have been duly authorized by the Airline and, when executed, will constitute legal, valid and binding obligations of the Airline enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights and remedies generally and the application of equitable principles and except to the extent that the indemnification provisions of this Letter of Representation may be held to be unenforceable by applicable securities law or public policy; (ii) the Airline has taken all actions necessary to enter into this Letter of Representation and the Airline Documents and to carry out its obligations hereunder and thereunder and to approve the Bonds, the Indenture and the Official Statement; (iii) the execution, delivery and performance by the Airline under this Letter of Representation and the Airline Documents and consummation of the transactions contemplated hereby and thereby and by the Indenture and Official Statement, and the fulfillment of, and

compliance with, the terms thereof will not conflict with, or result in a breach or violation of or default under, any of the terms, provisions or conditions of the Airline's governing documents or any existing law, court or administrative regulation, judgment, decree, order, agreement, indenture, mortgage, deed of trust, resolution, note agreement, lease or other agreement or instrument to which the Airline or any of its property or assets is bound and will not cause any debt of the Airline to become subject to acceleration; (iv) the enforceability of the Airline's obligations under this Letter of Representation and the Airline Documents is not subject to sovereign immunity or similar principles; (v) the officers and employees of the Airline who have executed this Letter of Representation and the Airline Documents have been duly and properly authorized to do so; (vi) the provisions of this Letter of Representation and the Agreement respecting governance, construction and submission to jurisdiction of any federal court within the federal court district of the Northern District of Illinois are valid under the laws of the Federal Republic of Germany; and (viii) a judgment obtained in any such court against the Airline would be enforceable in the courts of the Federal Republic of Germany.

(f) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, board or body, other than as described in the Official Statement, known to the Airline to be pending or threatened against or affecting the Airline, nor to be the best knowledge of the Airline, is there any basis therefor, wherein a decision, ruling or finding would materially adversely affect the transactions contemplated by the Indenture, the Bonds, the Airline Documents, the Purchase Contract, this Letter of Representation or the Official Statement or the business or condition, financial or otherwise, of the Airline or which would adversely affect the validity or enforceability of the Indenture, the Bonds, the Airline Documents, the Purchase Contract, or this Letter of Representation.

(g) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission required to be obtained by the Airline in connection with the execution and delivery by the Airline of the Airline Documents and this Letter of Representation or the consummation of the other transactions contemplated by this Letter of Representation, the Airline Documents or the Official Statement or the absence of which would materially adversely affect the due performance by the Airline of its obligations under the Airline Documents or this Letter of Representation have been duly obtained, other than approvals that may be required under state securities laws.

(h) The representations and warranties of the Airline contained in Section 2.2 of the Agreement are and will be at the Closing true and correct and there will at the Closing have been no breach by the Airline of the covenants contained in the Agreement.

(i) The Airline will not take or omit to take any action which action or omission would in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Airline Documents and the Indenture.

(j) The Airline will notify the Underwriters and the City if, prior to the date of the Closing, any event occurs which is material to the business or condition, financial or otherwise, of the Airline or which makes any statement in the Official Statement with respect to the Airline, the Project or the Airline's obligations under the Airline Documents untrue in any material respect or which requires the making of any change in the Official Statement, in order to make the statements therein with respect to the Airline, the Project or the Airline's obligations under the Airline Documents not misleading, and the Airline will thereupon diligently cooperate with the Underwriters and the City and make any changes in the Official Statement which are reasonably requested by the Underwriters. After the Closing, and so long as any Underwriter or any participating dealer shall be offering the Bonds which constitute the whole or a part of their unsold participations until the earlier of (i) 90 days from the date of the Closing or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository (but in no event later than 25 days from the date of the Closing), the Airline agrees to advise the Manager and the City in writing of any development that impacts the accuracy and completeness of the key representations with respect to the Airline, the Project or the Airline's obligations under the Airline Documents contained in the Official Statement, within the meaning of Rule 15c2-12 under the 1934 Act. During that period the Airline will not adopt any amendment of, or supplement to, the Official Statement except with the written consent of the Manager and the City; and if any event relating to or affecting the Airline or the Project shall occur the result of which shall make it necessary, in the opinion of the Manager, to amend or supplement in the Official Statement in order to make it not misleading in the light of the circumstances existing at that time, the Airline and the City shall forthwith prepare and furnish to the Underwriters, at the expense of the Airline, a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Manager, so that the Official Statement then will not contain an untrue statement of a material fact with respect to the Airline, the Project or the Airline's obligations under the Airline Documents or omit to state a material fact with respect to the Airline, the Project or the Airline's obligations under the Airline Documents necessary to make the statements therein, in light of the circumstances existing at that time, not misleading.

(k) The Airline will diligently cooperate with the Underwriters to qualify the Bonds for offer and sale under the securities laws of such states as the Underwriters may reasonably request; provided that in no event shall the Airline be obligated to qualify to do business in any jurisdiction

where it is not now so qualified or to take any action which would subject it to the general service of process in any jurisdiction where it is not now so subject.

(l) The Airline agrees to take all actions and perform and observe all of the obligations and covenants required to be taken, performed and observed by it in the Purchase Contract, subject to all of the terms and conditions set forth therein, including the delivery of all documents required to be delivered by it to the Underwriters at the Closing.

(m) Subject to the terms and conditions of the Purchase Contract, the Airline agrees to pay the expenses contemplated to be paid by the Airline pursuant to Paragraph 9 thereof. If the Purchase Contract shall be terminated by the Underwriters because of any failure or refusal on the part of the City or the Airline to comply with the terms or to fulfill any of the conditions of the Purchase Contract or this Letter of Representation, or if for any reason the City shall refuse to enter into the Purchase Contract in the form referred to in paragraph 1 of this Letter of Representation by 5:00 P.M., Chicago time, on December ____, 1990, or the City shall be unable to perform the obligations or comply with the conditions respectively on its part contemplated to be performed or complied with under the Purchase Contract, or if for any reason the Airline shall be unable to perform the obligations or comply with the conditions on its part contemplated to be performed or complied with under the Purchase Contract or this Letter of Representation, the Airline agrees to reimburse the Underwriters for all out-of-pocket expenses (including the fees and disbursements of their counsel) incurred by the Underwriters in connection with Airline Documents, the Purchase Contract, the Official Statement, this Letter of Representation and the offering of the Bonds contemplated thereunder and hereunder. To the extent that the City takes the necessary and timely action to authorize and approve the Official Statement, the Airline shall cause to be delivered to the Underwriters within seven business days hereof sufficient quantities of the Official Statement to enable the Underwriters to comply with their obligations under paragraph (b)(4) of Rule 15c2-12 under the 1934 Act and the rules of the Municipal Securities Rulemaking Board.

(n) Any certificate signed by an authorized officer of the Airline and delivered to the City or the Underwriters or their respective counsel shall be deemed a representation and warranty hereunder by the Airline to the City and the Underwriters as the matters covered thereby.

3. Agreement of Underwriters. The Underwriters jointly and severally agree with the Airline that subject to the execution and delivery of the Purchase Contract by 5:00 P.M., Chicago time, on December ____, 1990 by the City and the Manager, on behalf of the Underwriters, the Underwriters will perform and observe all the obligations and agreements made or

undertaken by them in the Purchase Contract, subject to all of the terms and conditions set forth therein.

4. Indemnification. (a) The Airline agrees to indemnify and hold harmless the Underwriters, each person, if any, who controls any Underwriter within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), the 1934 Act or otherwise and the City and its officers and employees, against any and all losses, claims, damages, liabilities, joint or several, and expenses (including legal fees and expenses, expenses of investigation or other expenses reasonably incurred in connection with and any amount paid in settlement of, any action, suit or proceeding or any claim asserted) caused by any untrue or misleading or alleged untrue or misleading statement of a material fact within the written information furnished by the Airline and referred to or contained in the Preliminary Official Statement or the Official Statement including, without limitation, Appendix A in its entirety, or in any amendment or supplement thereto, or caused by any omission or alleged omission to state, within the written information furnished by the Airline and referred to or contained in the Preliminary Official Statement or the Official Statement, or in any amendment or supplement thereto, a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided that the indemnity with respect to the Preliminary Official Statement shall not inure to the benefit of any Underwriter or any person who controls any Underwriter on account of any loss, claim, damage, liability or expense arising from the sale of the Bonds by any Underwriter to any person (i) if a copy of the Official Statement shall not have been sent or given to such person concurrently with the written confirmation of the sale of such Bonds to such person and (ii) if either (A) the Official Statement corrected the statement or omission giving rise to and forming the basis for the loss, claim, damage, liability or expense asserted by such person, or (B) the Airline or the City, acting at the request or direction of the Airline, shall have furnished to the Manager at least twenty-four hours prior to written confirmation of the sale by such Underwriter, proposed amendments or supplements to the Official Statement relating to the untrue or misleading or alleged untrue or misleading statement or omission or alleged omission with respect to which indemnity is sought and the Official Statement, if it had been so amended or supplemented, would have corrected the statement or omission giving rise to and forming the basis for the loss, claim, damage, liability or expense asserted by such person. It is understood that the Manager shall be responsible for providing any such proposed amendments or supplements to the Official Statement to the other Underwriters on a timely basis. This indemnity agreement under this subparagraph 4(a) shall extend upon the same terms and conditions to each officer, director or partner of the Underwriters, to each officer, director or partner of any person who controls any Underwriter, to each employee of any Underwriter, to each employee of any person who controls any Underwriter, and to each officer and employee of the City. This indemnity agreement will be in addition to any liability that the Underwriters otherwise may have.

(b) The Underwriters agree to indemnify and hold harmless the Airline, each person, if any, who controls the Airline within the meaning of the Securities Act, the 1934 Act or otherwise and the City, against any and all losses, claims, damages, liabilities, joint or several, and expenses (including legal fees and expenses, expenses of investigation or other expenses reasonably incurred in connection with and any amount paid in settlement of any action, suit or proceeding or any claim asserted) caused by any untrue or misleading or alleged untrue or misleading statement of a material fact within the written information furnished by the Underwriters for use in the Preliminary Official Statement or the Official Statement, or in any amendment or supplement thereto, or caused by any omission or alleged omission to state, within the written information furnished by the Underwriters for use in the Preliminary Official Statement, the Official Statement, or any amendment or supplement thereto, a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. This indemnity agreement under this subparagraph 4(b) shall extend upon the same terms and conditions to each officer, director, employee or partner of any person who controls the Airline and to each officer and employee of the City. This indemnity agreement will be in addition to any liability that the Underwriters otherwise may have.

(c) If any action or claim (including any governmental investigation) shall be brought or asserted against any indemnified party based upon the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, and in respect of which indemnity may be sought from an indemnifying party under subparagraph (a) or (b) above, such indemnified party shall promptly notify the indemnifying party in writing, and the indemnifying party shall assume the defense thereof, including the employment of counsel and the payment of all expenses. Such indemnified party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of each indemnified party unless (i) employment thereof has been specifically authorized by the indemnifying party, (ii) the indemnifying party has failed to assume the defense and employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include any such indemnified party, and the indemnifying party and such indemnified party shall have been advised by its counsel that there are one or more legal defenses available to it which are different from or additional to those available to the indemnifying party and that representation of such indemnified party and the indemnifying party by counsel representing the indemnifying party would be inappropriate under applicable standards of professional conduct (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party); provided that the indemnifying party shall not be liable, in connection with any one such action or separate but substantially similar or related actions arising out of the same general allegations or circumstances, for the fees and expenses of more than (A) one separate firm of attorneys at

any point in time for all the Underwriters and persons controlling the Underwriters (which firm shall be designated in a written notice to the indemnifying party signed by the Manager on behalf of the Underwriters), (B) one separate firm of attorneys for the City (which firm shall be designated in a written notice to the indemnifying party signed by the City) and (C) one separate firm of attorneys for the Airline and persons controlling the Airline (which firm shall be designated in a written notice to the indemnifying party signed by the Airline). Notwithstanding the foregoing, the indemnifying party shall not be liable in connection with any such action or separate but substantially similar actions arising out of the same general allegations or circumstances, for the fees and expenses of more than one separate firm of attorneys (which firm shall be designated in a written notice to the indemnifying party signed by the indemnified party), at any point in time for such indemnified party, unless any such indemnified party shall have been advised by its counsel to the effect that there are one or more legal defenses available to it which are different from or additional to those available to another indemnified party (which advice shall have been concurred with by counsel representing such other indemnified party), and that representation of such indemnified party by a single firm of attorneys would be inappropriate under applicable standards of professional conduct. The indemnifying party shall not be liable for any settlement of such action without its consent, but if settled with the consent of the indemnifying party, or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

(d) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in subparagraph (a) or (b) above is due in accordance with its terms but is for any reason held by a court to be unavailable on grounds of policy or otherwise, the Airline and the Underwriters shall contribute to the aggregate losses, claims, damages and liabilities (including legal and other expenses reasonably incurred in connection with investigating or defending same) to which the Airline and the Underwriters may be subject (i) in such proportion as is appropriate to reflect the relative benefits received by the Airline and the Underwriters from the offering of the Bonds or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above, but also the relative fault of the Airline or the Underwriters in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Airline and the Underwriters shall be deemed to be in the same respective proportions as the net proceeds from the offering (before deducting expenses) utilized by the Airline and the underwriting discount received by the Underwriters, in each case as set forth in the Official Statement, bear to the aggregate public offering price of the Bonds. The relative fault of the Airline and the Underwriters shall be determined by a reference to, among other things, whether the untrue or

alleged untrue statement of a material fact relates to written information supplied by the Airline or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Airline, the City and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subparagraph (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the foregoing provisions of this subparagraph (d). Notwithstanding the provisions of this subparagraph (d), (x) in no case shall any Underwriter be responsible for any amount in excess of the aggregate underwriting discount applicable to the Bonds purchased by such Underwriter hereunder and (y) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this subparagraph (d) are several (and not joint) in proportion to the respective principal amount of Bonds to be purchased by each Underwriter. For purposes of this paragraph 4, each officer, partner or employee of the Underwriters and each person, if any, who controls the Underwriters within the meaning of the Securities Act, the 1934 Act or otherwise shall have the same rights to contribution as the Underwriters, and each person, if any, who controls the Airline within the meaning of the Securities Act, the 1934 Act or otherwise, each officer and each director of the Airline shall have the same rights to contribution as the Airline, subject in each case to clauses (x) and (y) of this subparagraph (d). Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this subparagraph (d), notify such party or parties from whom contribution may be sought, but the omission to so notify such party or parties shall not relieve the party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this subparagraph (d).

(e) The indemnity, contribution and other agreements contained in this Letter of Representation and the representations and warranties of the Airline set forth in this Letter of Representation shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Underwriter, any person controlling any Underwriter, the Airline or the City, (ii) any termination of the Airline Documents or this Letter of Representation, and (iii) the delivery and sale of the Bonds. Any successor of any Underwriter or the City, as the case may be, shall be entitled to the benefit of the indemnity and contribution agreements contained in this paragraph 4. The term "successor" shall not include any purchaser of Bonds from any Underwriter merely because of such purchase.

5. Parties and Interests; Successors. This Letter of Representation is made solely for the benefit of the Underwriters, persons controlling any Underwriter and the City, and their respective successors and assigns, and no other person, partnership, association or corporation shall acquire or have any right under or by virtue hereof. The terms "successors" and "assigns" shall not include any purchaser of Bonds from any Underwriter merely because of such purchase.

6. Approval of Purchase Contract. The execution and delivery of this Letter of Representation by the Airline shall constitute the Airline's approval of and consent to the entering into, acceptance and execution of the Purchase Contract and performance thereunder by the Underwriters and the City.

7. Notices. Any notice or other communication to be given under this Letter of Representation may be given by delivering the same in writing to the Airline, to the Manager Legal Affairs/U.S.A. of Lufthansa German Airlines, 1640 Hempstead Turnpike, East Meadow, New York 11554; if to the Underwriters, at their respective addresses set forth on Schedule I attached hereto; and if to the City, to the address set forth on the first page hereof, Attention: City Comptroller. The Airline, the City and the Underwriters shall each be fully entitled to rely upon notice given pursuant to this paragraph 7 and to act thereon.

8. Effectiveness. This Letter of Representation shall become effective upon execution hereof. Subject to subparagraph 4(e) hereof, this Letter of Representation shall terminate if the Purchase Contract is not executed on or before December ____, 1990.

9. Governing Law; Consent to Service of Process and Jurisdiction. The validity, interpretation and performance of this Letter of Representation shall be governed by the laws of the State of Illinois. All judicial proceedings brought against the Airline with respect to this Letter of Representation may be brought in any federal court of competent jurisdiction having situs within the boundaries of the federal court district of the Northern District of Illinois, and by execution and delivery of this Letter of Representation, the Airline accepts, for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available. The Airline has irrevocably designated and appointed the representative designated on the signature page of the Site Lease under the heading "Designation of Agent for Service of Process," as its agent in Chicago, Illinois to receive on its behalf service of all process in any such proceedings in any such court (which representative shall be available to receive such service at all times), such service being hereby acknowledged by the Airline to be effective and binding service in every respect. The Airline irrevocably waives any objection (including without limitation any

objection of the laying of venue or based on the grounds of forum non conveniens) which it may now or hereafter have to the bringing of any action or proceeding with respect to this Letter of Representation in the jurisdiction set forth above. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of the Underwriters of the City to bring proceedings against the Airline in the courts of any other jurisdiction.

10. Waiver of Sovereign Immunity. The Airline waives any rights of sovereign immunity that it may now or hereafter possess under the United States Foreign Sovereign Immunities Act or otherwise with respect to the enforceability of its obligations under this Letter of Representation, except that the Airline reserves the right to cause any proceedings brought against the Airline in the courts of any jurisdiction except the federal court district of the Northern District of Illinois to be removed to any federal court having situs within the Northern District of Illinois.

11. Counterparts. This Letter of Representation may be executed in several counterparts, which together shall constitute one and the same instrument.

Very truly yours,

Deutsche Lufthansa, AG

By: _____

Title: _____

By: _____

Title: _____

Accepted and confirmed as of
the date first above written:

Accepted and confirmed as of
the date first above written:

This _____ of December, 1990

This _____ of December, 1990

Smith Barney, Harris Upham
& Co., Incorporated
George K. Baum & Company
Goldman, Sachs & Co.
Pryer, McClendon, Counts & Co., Inc.
Smith, Mitchell & Associates, Inc.

City of Chicago

By: _____

Its: City Comptroller

By: Smith Barney, Harris Upham
& Co., Incorporated

By: _____

Title: _____

On behalf of the Underwriters,

Schedule "T" attached to this Letter of Representation reads as follows:

Schedule "T".

Smith Barney, Harris Upham & Co.,
Incorporated
1345 Avenue of the Americas
New York, New York 10105

George K. Baum & Company
54 West Hubbard Street
Suite 400
Chicago, Illinois 60610

Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004

Pryer, McClendon, Counts & Co., Inc.
307 North Michigan Avenue
Chicago, Illinois 60601

Smith, Mitchell & Associates, Inc.
1201 Western Avenue
Suite 502
Seattle, Washington 98101

General Tax Certificate

City Of Chicago

\$ __,000,000

Chicago-O'Hare International Airport

Special Facility Revenue Bonds,

Series 1990.

(Lufthansa German Airlines Project)

The Undersigned, Walter K. Knorr, hereby certifies that he is the duly qualified and acting City Comptroller of the City of Chicago (the "City"), and further certifies in connection with the issuance and sale of \$ _____ aggregate principal amount of Chicago-O'Hare International Airport Special Facility Revenue Bonds, Series 1990 (Lufthansa German Airlines Project) (the "Bonds"), as follows:

1. Authorization For The Bonds; Definition Of Code And Regulations.

The Bonds are authorized and are being issued pursuant to an ordinance duly adopted by the City Council of the City on _____, 1990 (the "Bond Ordinance"). The Bonds are secured under an Indenture of Trust, dated as of _____ (the "Indenture"), from the City to Independence Bank of Chicago, a banking corporation organized, existing and authorized under the laws of the State of Illinois, as Trustee (the "Trustee"). For purposes of this Certificate, the term "Code" means, except as otherwise expressly provided, the Internal Revenue Code of 1986, as amended, and the term "Regulations" means applicable Income Tax Regulations promulgated thereunder, including, to the extent applicable to the Bonds, the Income Tax Regulations promulgated under the Internal Revenue Code of 1954, as amended.

2. Purpose Of The Bonds.

2.1. The Bonds are being issued in order to finance a portion of the cost of the acquisition, construction and equipping of certain capital improvements (the "Project") at Chicago-O'Hare International Airport (the "Airport") for the benefit of Lufthansa German Airlines, a corporation organized and existing under the laws of the Republic of Germany (the "Airline"). The Project is described in Exhibit A provided by the Airline and attached hereto.

2.2. Concurrently with the delivery of the Bonds, the City and the Airline will enter into a Special Facility Use Agreement (Cargo Facility) dated as of _____ (the "Special Facility Use Agreement"), providing for the use of the Project by the Airline and the payment by the Airline of amounts sufficient to pay the principal of and interest on the Bonds.

3. Application Of Bond Proceeds.

3.1. The proceeds derived from the sale of the Bonds will be applied for the purposes, and deposited in the funds held under the Indenture, as follows:

Fund	Purpose	Amount
Construction Fund	Pay Project costs and financing costs	
Debt Service Reserve Fund	Establish a reasonably required reserve fund	

4. Exempt Facility.

4.1. A. Based on representations of the Airline and to the best knowledge of the City, no part of the acquisition, construction, or equipping of the Project commenced prior to the adoption by the City Council of the City of an ordinance (the "Inducement Ordinance") on March 21, 1990, taking official action with respect to the Project. A copy of the Inducement Ordinance is attached hereto as Exhibit B.

B. The City represents that, the Inducement Ordinance intended to bond for the construction of certain off-site capital improvements, including access roads and utilities relocation, which are necessary for the Airline to utilize the Cargo Facility ("Off-Site Improvements").

4.2. Reference is hereby made to the Airline's Project Cost and Tax Certificate, dated the date hereof, stating, among other things, that (a) the Costs of Issuance of the Bonds to be financed by the Bonds will not exceed an amount equal to 2% of the proceeds derived from the sale of the Bonds, and (b) not less than ninety-five percent (95%) of the Net Proceeds derived from the sale of the Bonds will be used to provide facilities that qualify as "airports", or facilities functionally related and subordinate thereto, within the meaning of Section 142(a)(1) of the Code and the Regulations. A copy of the Airline's Project Cost and Tax Certificate is attached hereto as Exhibit C.

4.3. Based on the advice of Bond Counsel, there are no "Imputed Proceeds" of the Bonds within the meaning of the Regulations because, pursuant to Section 1.103-8(a)(7), (a) the Bonds do not have a stated rate of interest that increases over the term of the issue, and (b) the purchase price of the Bonds is at least 95% of the aggregate principal amount of the Bonds.

4.4. The Airport is, and the Project will be, available on a regular basis for use by the general public or for use by common carriers or charter carriers that directly serve the general public.

5. Public Hearing.

5.1. On _____, 1990, the Finance Committee of the City Council of the City held a hearing with respect to the issuance of the Bonds. The hearing was open to the public, and an opportunity was provided for all interested persons to comment on the proposed issuance of the Bonds. The Official transcript of the meeting at which the public hearing was held is attached hereto as Exhibit D-1.

5.2. As evidenced by the publisher's affidavit attached hereto as Exhibit D-2, notice of the public hearing was published in the _____ on _____, 1990.

6. Public Approval.

6.1. On _____, 1990, the City Council of the City adopted an ordinance approving the issuance of the Bonds (the "Bond Ordinance"), which Bond Ordinance is attached hereto as Exhibit E.

6.2. The Project is situated entirely within the territorial boundaries of the City. The City is the owner and operator of the Airport and this is deemed to be the only governmental unit having jurisdiction over the Airport for purposes of Section 147(f) (3) of the Code.

7. Private Activity Bond Limit.

7.1. By the adoption of the Bond Ordinance, the City has allocated to the Bonds _____ of its "Private Activity Volume Cap" pursuant to Section 146 of the Code. Such amount equals the portion of the Bonds used to finance the Other Property as that term is defined in Section 9(D) of the Airline's Project Cost and Tax Certificate. Such amount shall be derived from the City's 1988 Private Activity Bond Volume Cap as carried forward by the City for the airport pursuant to a "Carryforward Election of Unused Private Activity Bond Volume Cap" (Form 8328). A copy of such election is attached hereto as Exhibit F-1. Such carriedforward amount has not heretofore been used for any other bonds issued by the City, except as set forth in Exhibit F-2.

8. Reporting Requirements.

8.1. Attached hereto as Exhibit G is a copy of Internal Revenue Service Form 8038 as completed by the City with respect to the Bonds.

8.2. The City shall file an original executed copy of said Form 8038 by depositing same with the United States Postal Service for delivery to the Internal Revenue Service Center in Philadelphia, Pennsylvania on or before the fifteenth day of the second calendar month after the close of the calendar quarter that contains the Date of Issuance as defined in the Arbitrage Compliance Agreement.

8.3 The City will provide Bond Counsel a copy of the receipt of the United States Postal Service received by the City upon such deposit.

9. Average Maturity Of The Bonds.

9.1. A report has been prepared by _____ calculating the "average reasonably expected economic life" of the assets to be financed with the proceeds of the Bonds (the "Assets"), which report is attached hereto as Exhibit H. For purposes of such report, the term "average reasonably expected economic life" has the meaning provided in Section 147(b) of the Code.

9.2. A report has been prepared by _____ calculating the "average maturity" of the Bonds, which report is attached hereto as Exhibit I. For purposes of such report, the term "average maturity" has the meaning provided in Section 147(b) of the Code.

9.3. On the basis of the reports referred to in paragraphs 9.1 and 9.2 above, the average maturity of the Bonds (_____ years) does not exceed 120% of the average reasonably expected economic life of the Assets (_____ years) and the term of the Special Facility Use Agreement is not more than 80% of the average reasonably expected economic life of the Assets.

10. Election To Use Transition Rule.

10.1. By the Adoption of the Bond Ordinance, the City has expressly elected to apply to the Bonds \$_____ of the bond authorization set forth in Section 1317(5) (B) of the Tax Reform Act of 1986.

In Witness Whereof, The undersigned has hereunto subscribed this official signature, this ____th day of _____, 1990.

City of Chicago

By: _____
City Comptroller

[Exhibits A, B, C, D-1, D-2, E, F-1, F-2, G, H and I
attached to this General Tax Certificate
unavailable at time of printing.]

Non-Arbitrage Certification.

City of Chicago.

\$____,000,000

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

Series 1990.

(Lufthansa German Airlines Project)

The undersigned, Walter K. Knorr, hereby certifies that he is the duly qualified and acting City Comptroller of the City of Chicago (the "City"), and further certifies in connection with the issuance and sale of \$_____ aggregate principal amount of the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds, Series 1990 (Lufthansa German Airlines Project) (the "Bonds"), as follows:

1. General.

1.1. The undersigned, along with other officials of the City, is charged with the responsibility of issuing the Bonds.

1.2. This certification is made pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any Treasury Regulations heretofore or hereafter promulgated thereunder, including, to the extent applicable, Sections 1.103-13, 1.103-14, 1.103-15, 1.103-15AT, 1.148-OT through 1.148-9T, 1.149(d)-IT, and 1.150-OT through 1.150-IT as amended to the date hereof (the "Regulations"). Words and phrases used herein have the same meanings as used in the Code and the Regulations unless otherwise defined herein or unless another meaning shall be apparent from the context.

1.3. The City has not been notified of any listing or proposed listing of the City by the Internal Revenue Service as a bond issuer whose certifications may not be relied upon.

1.4. This certification is based on facts, estimates and circumstances in existence on the date of issuance of the Bonds.

1.5. The facts, estimates and circumstances or any representations regarding thereto set forth herein are made in reliance upon statements and information supplied by or on behalf of the Airline (as herein defined) as of the date hereof.

1.6. To the best of my knowledge, information and belief, the conclusions, representations and expectations set out in this certification are reasonable, and there are no facts, estimates or circumstances that would materially change such conclusions, representations and expectations.

2. Definitions.

Except as otherwise defined herein, the capitalized terms used herein shall for all purposes of this Certification have the meanings specified in the Arbitrage Compliance Agreement unless otherwise specified in this paragraph 2, or unless the context clearly requires otherwise.

"Airline" means Lufthansa German Airlines, a corporation organized and existing under the laws of the Republic of France, and its successors and assigns.

"Arbitrage Compliance Agreement" means the Arbitrage Compliance Agreement, dated as of _____, among the City, the Airline and the Trustee.

"Special Facility Use Agreement" means the Special Facility Use Agreement (Cargo Facility), dated as of _____, between the City and the Airline.

"Trustee" means Independence Bank of Chicago, a banking corporation organized, existing and authorized under the laws of the State of Illinois, and its successors and assigns, as trustee under the Indenture of Trust, dated as of _____, from the City to the Trustee ("Indenture").

3. Authorization And Description Of The Bonds.

3.1. The Bonds are authorized and issued pursuant to an Ordinance entitled "An Ordinance Providing for the Financing by the City of Chicago of Certain Airport Related Facilities, Authorizing the Issuance of Not To Exceed \$_____,000,000 Chicago-O'Hare International Airport Special Facility Revenue Bonds (Lufthansa German Airlines Project) Series 1990 and Confirming the Sale Thereof, Approving the Distribution of a Preliminary Official Statement and the Execution and Distribution of a Final Official Statement Describing Said Bonds, and Authorizing the Execution and Delivery of a Special Facility Use Agreement, an Indenture of Trust, a Bond Purchase Agreement and Related Documents", duly adopted by the City Council of the City on _____ (the "Bond Ordinance"). The Bonds are secured under an Indenture of Trust, dated as of _____ from the City to the Trustee.

3.2. The Bonds mature on May 1, 2018.

3.3. The Indenture contains interest rate and tender provisions that apply to the Bonds. Attached hereto as Exhibit A is a description of such interest rate and tender provisions.

4. Purpose Of Bonds.

4.1. The proceeds of the Bonds will be applied to (a) acquire, construct, and equip capital improvements at Chicago-O'Hare International Airport (including Capitalized Interest) as set forth in the Indenture (the "Project"), (b) establish and fund the Debt Service Reserve Fund, and (c) pay the Costs of Issuance of the Bonds and the initial fees and charges of the Credit Provider (as defined in the Indenture), if any. No portion of the Bonds is being issued solely for the purpose of investing the proceeds thereof at a yield which exceeds the Yield on the Bonds.

4.2. The Original Proceeds and Investment Proceeds of the Bonds do not exceed the amount required to accomplish the governmental purposes for which the Bonds are being issued. "Original Proceeds" and "Investment Proceeds", for purposes of this Certification, have the meanings given such terms in Section 1.103-13(b)(2) of the Regulations.

4.3. Attached hereto as Exhibit B is a summary of Projected Sources and Uses of Funds in connection with the Bonds.

4.4. No Replacement. The City does not have on hand any funds that are restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, for the purposes for which the Bonds are being issued which, instead of being used for such purposes, will now be invested at a yield in excess of the Yield on the Bonds.

5. Sale Of The Bonds.

5.1. The Bonds have been sold to _____, and _____, for a purchase price of _____, reflecting an underwriting discount of _____ (or _____ % of the aggregate principal amount of the Bonds). An amount equal to _____ is the initial offering price at which a substantial amount of the Bonds was sold to the public (excluding bond houses and brokers) as evidenced by the letter from _____ attached hereto as Exhibit C.

6. Expectations As To Use Of Proceeds.

6.1. The Airline has, prior to the delivery of the Bonds, incurred substantial binding obligations with respect to the Project equal to at least \$100,000. Acquisition, construction, and equipping of the improvements to be financed with the proceeds of the Bonds will proceed with due diligence. It is anticipated that in excess of eighty-five percent (85%) of the spendable proceeds of the Bonds will be expended prior to _____. On the basis of the foregoing, Bond proceeds deposited into the Construction Fund will be invested for a temporary period without restriction as to yield for the period beginning on the date of issuance of the Bonds and ending upon the expenditure thereof, but not beyond _____. After the expiration of such period, the yield realized on such investments will not exceed the Yield on the Bonds by more than one-eighth of one percent.

6.2. Proceeds of the Bonds deposited into the Construction Fund to pay Costs of Issuance are expected to be disbursed no later than _____.

6.3. Investment earnings realized from the investment of the proceeds of the Bonds may be invested without regard to yield restriction during a one-year period beginning on the date of receipt of such investment earnings. After the expiration of such one-year period, the yield realized on such investment earnings will not exceed the Yield on the Bonds by more than one-eighth of one percent.

7. Minor Portion.

7.1. The "minor portion" determined with reference to the Bonds has been calculated to be \$100,000, which is equal to the lesser of (a) 5% of the principal amount of the Bonds (_____), or (b) \$100,000.

8. Establishment Of Funds Under The Indenture.

8.1. The Indenture creates and establishes the following Funds and Accounts:

- (1) Construction Fund:
 - (a) Costs of Issuance Account
 - (b) Capitalized Interest Account
 - (c) Construction Account
- (2) Bond Fund:
 - (a) Principal Account
 - (b) Interest Account
- (3) Special Facility Revenue Fund
- (4) Debt Service Reserve Fund
- (5) Rebate Fund

8.2. The amount deposited in the Debt Service Reserve Fund does not exceed 10% of the proceeds of the Bonds. _____ (The "Underwriter") has stated in its letter attached hereto as Exhibit D that funding and maintenance of the Debt Service Reserve Fund at an amount equal to the Debt Service Reserve Fund Requirement for the Bonds (1) is necessary to successfully market the Bonds and that reserve funds similar to the Debt Service Reserve Fund are customarily used in connection with the issuance of tax-exempt bonds which are comparable to the Bonds, (2) does not exceed 125% of average annual debt service on the Bonds (\$ _____), and (3) does not exceed the maximum annual debt service on the Bonds (\$ _____). Accordingly, the Debt Service Reserve Fund constitutes a reasonably required reserve fund for purposes of Section 1.103-14(d) of the Regulations.

9. Letter Of Credit.

The Underwriter has stated in a certificate attached hereto as Exhibit E, which the City has no reason to believe is untrue, that (i) the Letter of Credit (as defined in the Indenture) provided by the Bank (as defined in the Indenture) was essential in marketing the Bonds at the interest rate at which the Bonds were sold, (ii) the absence of the Letter of Credit would have materially affected in an adverse manner the interest rate at which the Bonds could have been sold, and (iii) the present value of the fees paid and to be paid for the Letter of Credit (including payment of its counsel's fees) is less than the present value of the interest reasonably expected to be saved over the term of the Letter of Credit as a result of using the Letter of Credit to secure the Bonds over the term of the Letter of Credit, using as the discount rate the expected yield at maturity on the Bonds treating the fees paid and to be paid for the Letter of Credit (including payment of its counsel's fees) as interest on the Bonds.

Attached hereto as Exhibit F is a letter of the Bank relating to the Bank, the Letter of Credit and its fee structure.

10. General Restriction As To Yield; Temporary Periods.

10.1. The Airline has covenanted in the Arbitrage Compliance Agreement not to permit the investment of any amounts constituting Gross Proceeds of the Bonds in Nonpurpose Investments having a Yield in excess of one-eighth (1/8) of one percent (1%) above the Yield on the Bonds, except as otherwise expressly permitted in paragraphs 10.2 through 10.6 hereof.

10.2. Bond proceeds and Investment Proceeds deposited into the Construction Fund will be invested for a temporary period without restriction as to yield pursuant to Section 148(c) of the Code and the applicable Regulations.

10.3. Amounts derived from sources other than the proceeds of the Bonds and deposited from time to time into the Bond Fund (other than in the Rebate Fund, as described in Section 11.2) will be invested for a temporary period without restriction as to yield pursuant to Section 148(c) of the Code and the applicable Regulations, since such amounts will be depleted once each year (commencing upon the date of deposit therein) except for a carryover amount not to exceed 1/12 of annual debt service.

10.4. Amounts derived from sources other than the proceeds of the Bonds and deposited from time to time in the Rebate Fund will be invested without restriction as to yield, since such amounts are not pledged to pay, nor expected to be used for the payment of, principal of or interest on the Bonds.

10.5. Except as provided in Section 10.2, Investment Proceeds will be invested without restriction as to yield for a temporary period commencing upon the date of receipt thereof and ending one year thereafter.

10.6. The times and amounts of payments under the Special Facility Use Agreement to be paid to the Trustee by the Airline for the account of the City have been calculated to provide for the deposit of moneys in the Bond Fund which will be equal to the amount necessary to enable the City to pay, when due, the interest and principal payments on the Bonds. All income from the investment of the amounts held by the Trustee in the Funds established under the Indenture inures to the benefit of the Airline. The administrative costs of issuing, carrying or repaying the Bonds and (assuming the Special Facility Use Agreement is an acquired purpose obligation within the meaning of the Regulations) the costs of purchasing, carrying and selling or redeeming the Special Facility Use Agreement will be borne by the Airline and paid by the Airline either directly or by reimbursement of such payments made by the City. Under these circumstances, the undersigned has been advised by Bond Counsel that the Yield on the Special Facility Use Agreement does not exceed the Yield on the Bonds. No other obligations are to be acquired with the proceeds of the Bonds except obligations to be purchased with the proceeds of the Bonds which are to be deposited in the Construction Fund, Bond Fund, and the Debt Service Reserve Fund, established under the Indenture. It is not expected that the payments required to be paid under the Special Facility Use Agreement will be prepaid.

11. Amounts Treated As Proceeds.

The City does not expect that the City, the Trustee, or the Airline will accumulate amounts of money in a fund or series of funds which is pledged or reasonably expected to be used to pay principal of or interest on the Bonds (or to replace funds used to pay principal of or interest on the Bonds), other than the Debt Service Reserve Fund and amounts (together with any investment earnings thereon) expected to be spent within twelve (12) months from the date of receipt thereof and deposited into the Bond Fund created under the Indenture. Pursuant to the Special Facility Use Agreement, the Airline is required to pay to the Trustee, for deposit into the Special Facility Revenue Fund, amounts which will be sufficient, together with other moneys held by the Trustee and available for such purpose, to enable the City to pay, when due, the interest and principal payments on the Bonds. The Special Facility Revenue Fund has been established to provide a proper matching of payments under the Special Facility Use Agreement with the debt service payments on the Bonds.

12. Arbitrage Compliance Agreement.

12.1. Concurrently with the execution and delivery of this Certification, the City, the Airline and the Trustee have entered into the Arbitrage Compliance Agreement with respect to the requirements of Section 148(f) of the Code.

12.2. The Indenture contemplates the creation of a Rebate Fund into which is required to be deposited all amounts calculated to be due and owing to the United States, all as set forth in the Arbitrage Compliance Agreement.

13. General Restrictions.

For purposes of determining the amount held in any Fund, investments will be taken into account at the purchase price thereof, provided that if an investment was purchased at a discount or results in interest payments for any annual period in excess of interest payments for any preceding annual period (reflecting the annual reinvestment of accrued interest as principal), the accrued amount of such discount or such excess interest, determined by treating the discount or excess interest as accruing ratably over the term of the obligation (not discounted to present value), is required to be added to the purchase price.

14. No Disposition Of Improvements.

The City has no present plan or intention to sell or otherwise dispose of all or any portion of the Project.

15. Bonds Not Part Of Another Issue.

There are no other governmental obligations (a) issued at substantially the same time as the Bonds, (b) sold pursuant to a common plan of financing with the Bonds, and (c) that will be paid out of substantially the same source of funds (or that will have substantially the same claim to be paid out of substantially the same source of funds) as will be used to pay the Bonds.

16. No Federal Guarantee.

No portion of the payment of debt service with respect to any part of the Bonds has been guaranteed, directly or indirectly (including by means of a lease or grant or other subsidy), by the United States (or any agency or instrumentality thereof).

In Witness Whereof, The undersigned has hereunto subscribed his official signature this ____th day of _____, 1990.

City of Chicago

By: _____
City Comptroller

[Exhibits A, B, C, D, E and F attached to this Non-Arbitrage
Certification unavailable at time of printing.]

Arbitrage Compliance Agreement.

This Arbitrage Compliance Agreement (the "Agreement"), dated as of _____, is entered into by and among the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois (the "City"), Lufthansa German Airlines, a corporation organized and existing under the laws of the Republic of Germany (the "Airline"), and Independence Bank of Chicago, a banking corporation organized, existing and authorized under the laws of the State of Illinois and having its principal corporate trust office in Chicago, Illinois, as Trustee (the "Trustee").

Witnesseth:

Whereas, This Agreement is being executed and delivered in connection with the issuance of the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds, Series 1990 (Lufthansa German Airlines Project) ("Bonds"), for the purpose of financing a portion of the cost of acquiring, constructing, and equipping capital improvements at Chicago-O'Hare International Airport (the "Project"); and

Whereas, The Bonds are issued under and secured by an Indenture of Trust, dated as of _____ (the "Indenture"), from the City to the Trustee; and

Whereas, Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations relating thereto (the "Regulations") impose certain requirements relating to the investment and use of funds held by the Trustee under the Indenture in order to preserve the exemption from Federal income taxation of interest on the Bonds; and

Whereas, The parties hereto have determined to enter into this Agreement in order to assure that such requirements as applied to the Bonds are fully satisfied on a continuous basis;

Now, Therefore, In consideration of the mutual covenants and undertakings set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the Airline and the Trustee hereby agree as follows:

*Article I.**Definitions.*

Except as otherwise defined herein, the terms used herein shall for all purposes of this Agreement have the meanings specified in Article I of the Indenture, unless the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used in this Agreement shall have the following meanings:

"Accountant" means a certified public accountant or firm of certified public accountants selected by the Airline and satisfactory to the City, which may be a certified public accountant regularly employed by the Airline.

"Agreement" has the meaning specified in the recitations preceding Article I.

"Airline" has the meaning specified in the recitations preceding Article I.

"Bond Year" means the period from _____ of each year to, but not including, _____ of the next year.

"Bonds" has the meaning specified in the recitations preceding Article I.

"City" has the meaning specified in the recitations preceding Article I.

"Code" has the meaning specified in the recitations preceding Article I.

"Computation Date" means the Installment Computation Date or the Final Computation Date.

"Date of Issuance" means _____.

"Deficiency Amount" has the meaning specified in Section 2.7.

"Final Computation Date" means the date the last Bond that is part of this issue is discharged.

"Gross Proceeds" means:

(a) all amounts derived by the City from the sale of the Bonds and deposited into the Construction Fund and Investment Proceeds derived therefrom;

(b) amounts held from time to time in the Bond Fund and Investment Proceeds derived therefrom; and

(c) any other amounts that constitute "Gross Proceeds" of the Bonds under the Code and the Regulations.

"Higher Yielding Investments" has the meaning specified in Section 3.5.

"Indenture" has the meaning specified in the recitations preceding Article I.

"Initial Offering Price" means \$_____.

"Installment Computation Date" means the last day of the fifth Bond Year and the last day of each succeeding fifth Bond Year unless modified pursuant to Section 2.9.

"Investment Excess" has the meaning specified in Section 3.6.

"Investment Proceeds" means amounts earned from the investment of the Gross Proceeds of the Bonds and the reinvestment of such earnings.

"Investment Property" means any security (within the meaning of Section 165(g)(2) (A) or (B) of the Code), any obligation, any annuity contract or any property of any kind acquired for investment, provided that the term "Investment Property" shall not include Tax-Exempt Obligations.

"Investment Restriction Determination Date" means each of the following dates: (a) the last day of each Bond Year and (b) any date on which any portion of principal of the Bonds is paid prior to maturity resulting in a reduction in the scheduled debt service for the current Bond Year.

"Nonpurpose Investment" means any Investment Property acquired with Gross Proceeds of the Bonds and not acquired to carry out the governmental purpose of the issue, but shall not include the Special Facility Use Agreement.

"Nonpurpose Investment Yield Limit" equals the Yield on the Bonds as determined in Section 3.2.

"Project" has the meaning specified in the recitations preceding Article I.

"Purchase Price" means the fair market value of a Nonpurpose Investment on the date it is purchased, or, if later, the date on which the Nonpurpose Investment is pledged as security for the Bonds regardless of the amount actually paid for such Nonpurpose Investment, without taking into account fees and commissions paid in connection with the acquisition of such Nonpurpose Investment.

"Rebate Fund" means the fund of that name referred to in Section 2.5.

"Regulations" has the meaning specified in the recitations preceding Article I.

"Special Facility Use Agreement" means the Special Facility Use Agreement (Cargo Facility), dated as of _____, between the City and the Airline.

"Tax-Exempt Obligation" means (i) any obligation, the interest on which is excludible from the gross income of the owner thereof for federal income tax purposes under Section 103(a) of the Code, and (ii) any other security that is not treated as "investment property" pursuant to Treasury Regulations or an official announcement of the Internal Revenue Service.

"Trustee" has the meaning specified in the recitations preceding Article I.

"Value" in reference to a Nonpurpose Investment means the Purchase Price of the Nonpurpose Investment, unless the Nonpurpose Investment is required to be revalued periodically, in which case the Nonpurpose Investment's Value is equal to its most recent value as so periodically revalued.

"Yield" on a Nonpurpose Investment shall be determined pursuant to the Regulations and generally means the discount factor which, when used to compute the present worth of all payments of principal and interest to be paid with respect to such Investment, produces an amount equal to its Purchase Price.

Article II.

Rebate Of Excess Earnings.

Section 2.1. Covenant To Comply With Rebate Requirement.

The Airline shall make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the rebate

requirements contained in Section 148(f) of the Code and the Regulations with respect to the Bonds. Without limiting the foregoing, promptly following the Completion Date and within 10 days of each Computation Date, the Airline shall calculate or cause to be calculated the amount of arbitrage rebate, if any, due to the United States as of such date and the Trustee shall transfer the amount so determined to the Rebate Account. Transfers or payments necessary at any time to comply with the application of the arbitrage rebate requirement to the Bonds may be made from any Fund or Account held under the Indenture.

Section 2.2. Rebate Regarding Debt Service Funds.

Earnings on Nonpurpose Investments held in the Bond Fund are generally taken into account for purposes of the rebate requirement imposed by Section 148(f) of the Code and the Regulations. However, earnings in such Funds shall not be included in the computation of the amount to be paid to the United States government in Bond Years during which such earnings are less than \$100,000.

Section 2.3. Accountant To Prepare Reports.

The City shall prepare and file with the Internal Revenue Service, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the issue was issued, a Form 8038 attached hereto as Exhibit A. Copies of such Form shall be furnished to the Airline and the Trustee.

Section 2.4. Trustee To Maintain Records.

The Trustee shall maintain adequate records pertaining to the funds and all transfers thereto, deposits therein, disbursements and transfers therefrom and earnings thereon, including the amount and source of each payment to, and the amount, purpose and payee of each payment from, each such fund. With respect to each Nonpurpose Investment, the Trustee shall maintain a record of the Purchase Price, purchase date, type of security, accrued interest paid, interest rate, principal amount, date of maturity, interest payment date, date of liquidation and amount received upon liquidation. If any investment becomes Gross Proceeds of the Bonds, including investments which are pledged or which are legally required or otherwise restricted to be used to pay principal of, premium, if any, or interest on the Bonds, the records required to be kept shall include the market value of such investment on the date it is so pledged or becomes so

required or restricted. If any investment is retained after the date the last Bond is retired, the records required to be kept shall include the market value of such investment on the date the last Bond is retired. Amounts will be segregated wherever held in order to maintain these records. Such records shall be made available to the City promptly upon its reasonable request. The Trustee shall furnish any Accountant engaged by the Airline with such information as shall be reasonably necessary for the Accountant to perform its duties. Such records shall be retained by the Trustee for at least six (6) years following the final payment and retirement of the Bonds.

Section 2.5. Rebate Fund.

The Trustee shall create and maintain under the Indenture for the term of the Bonds a fund to be known as the "Rebate Fund". Amounts on deposit from time to time in the Rebate Fund shall be used only for the purpose of satisfying the requirements of Section 148(f) of the Code and shall not constitute a portion of the Trust Estate created under such Indenture. The Rebate Fund need not be maintained if the Airline obtains, and delivers to the Trustee and the City, an opinion of Bond Counsel to the effect that failure to maintain the Rebate Fund will not cause the Bonds to become arbitrage bonds within the meaning of Section 148 of the Code or otherwise adversely affect the exclusion from gross income of interest on the bonds for federal income tax purposes. Amounts deposited to the Rebate Fund, and any earnings attributable to the investment thereof, shall be held in trust for future payment to the United States Government to the extent required by, and in accordance with, Section 148(f) of the Code and the Regulations. Moneys held in the Rebate Fund shall not be pledged as security for the payment of the principal of, premium, if any, or interest payable on the Bonds and shall remain in the Rebate Fund until either (a) the money is disbursed to the United States or (b) a determination is made by the Trustee that such funds are not owed to the United States under the rebate requirement of Section 148(f) of the Code based on calculations by Bond Counsel or an Accountant.

Section 2.6. Investment Of Rebate Fund.

(a) The Airline will direct the Trustee to continuously invest all amounts on deposit in the Rebate Fund in any investment permitted under the Indenture other than investments for which interest thereon is excludible from gross income for federal income tax purposes. In making such investments, the Airline shall take into account prudent investment standards and the Trustee shall perform such trusts as an ordinarily prudent trustee under a corporate mortgage and the Airline and the Trustee shall take into account the date on which such moneys may be needed. Except as provided in the next sentence, all amounts that constitute Gross

Proceeds and all amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable, and no amounts may be held as cash or be invested in zero yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested, other than as provided in this sentence, due to the denomination, price or availability of investments, the amounts shall be invested in an interest bearing deposit account of a bank, including the Trustee, with a yield not less than that paid to the general public or held uninvested to the minimum extent necessary.

(b) Moneys to be rebated to the United States shall be invested in investments maturing on or prior to the anticipated rebate date. All investments of Gross Proceeds and amounts in the Rebate Fund shall be bought and sold at market prices, and no transaction shall be entered into that reduces the amount to be rebated to the United States because such transaction results in a smaller profit or larger loss than would have resulted if the transaction had been at arm's length and had the rebate requirement not been relevant to either party.

Section 2.07. Payments To The United States.

On or before the 60th day following each Installment Computation Date, the Trustee shall remit to the Internal Revenue Service an amount not less than 90% of the amount due to the United States under Code Section 148(f). On the latest of (a) the 60th day following the Final Computation Date, (b) 8 months after the Date of Issuance, and (c) the earlier of the date the City, based on the representations of the Airline, no longer reasonably expects Section 148(f)(4)(B) to apply to the issue and 14 months after the Date of Issuance, the Trustee shall remit 100% of the amount due to the United States under Code Section 148(f) to the Internal Revenue Service. Such payments shall be made from amounts on deposit in the Rebate Fund to the extent monies are available in such Fund. If and to the extent sufficient amounts are not available in the Rebate Fund, or any other fund which may be transferred to the Rebate Fund, to make such payment, or otherwise fund the Rebate Fund pursuant to Section 2.1 hereof, the Trustee shall notify the Airline within fifteen (15) days following the most recent Computation Date of the amount (the "Deficiency Amount") necessary, together with amounts on deposit in the Rebate Fund, to enable the Trustee to make such payment to the United States or otherwise fund the Rebate Fund pursuant to Section 2.1 hereof. The Airline shall pay the Deficiency Amount to the Trustee within five (5) days of receipt of notice from the Trustee of the Deficiency Amount. Each such payment to the United States shall be mailed by certified mail (return-receipt requested) to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255, and shall be accompanied by Form 8038-T.

Section 2.8. Payments Of Penalty In Lieu Of Loss Of Tax Exemptions.

In addition to the Deficiency Amount, the Airline shall pay to the Trustee an amount sufficient to enable the Trustee to make all necessary payments pursuant to Regulation Section 1.148-1T(c) (3) to the extent such provision is available to avoid the loss of tax exemption of the Bonds.

Section 2.9. Yield Period Election.

If the bonds bear interest at a variable rate, the City elects under Temp. Treas. Reg. Section 1.148-3T(b) (2) (ii) (B) to treat the last day of each Bond Year as a Computation Date of purposes of Section 148(f) of the Code regarding rebate, which allows the computation of yield on the Bonds over a one-year period instead of a five-year period.

The above election is deemed part of the official transcript of the proceedings relating to the issuance of the Bonds and shall be maintained until six years after the date on which the last Bond is discharged.

Article III.

Investments And Matters Relating To Yield.

Section 3.1. Issue Price.

When relevant for purposes of this Agreement, "issue price" has the same meaning given such term by Sections 1273 and 1274 of the Code and has been calculated in the manner provided under those sections of the Code, the Regulations promulgated thereunder and under Section 1.148-8T(c) and 1.150-1T(c) (2) of the Regulations.

Section 3.2. Definition Of Yield.

When relevant for purposes of this Agreement, "Yield on the Bonds" means the discount rate that when used in computing the present value of all of the unconditionally payable payments of principal and interest and all payment, if any, for a qualified guarantee (within the meaning of Section 1.148-3T(a)(12) of the Regulations) paid and to be paid with respect to the Bonds produces an amount equal to the present value, computed as of the

date of issue of the Bonds, of the issue price of the Bonds. Yield on the Bonds has been calculated by _____ in the manner provided in Sections 1.148-3T and 1.148-9T and all other applicable sections of the Regulations to be not less _____, as disclosed in the report attached hereto as Exhibit A.

Section 3.3. Yield-To-Maturity On The Bonds.

The Yield-to-Maturity on the Bonds does not exceed the lowest Yield on the Bonds by more than one-fourth of one percentage point. For this purpose, "yield-to-maturity" means the Yield on the Bonds determined by assuming that each of the Bonds is retired on its stated maturity date for its stated retirement price on such date, and the "lowest" Yield on the Bonds is the Yield determined by assuming that each of the Bonds is retired on the date (for the stated retirement price on the date) which produces the lowest yield.

Section 3.4. Investment Yield Limitations.

(a) The City, based on representations of the Airline, and Airline reasonably expect that all Gross Proceeds, to the extent not exempted in (b) below, shall be invested at market prices and at a yield not in excess of the Yield on the Bonds plus, for amounts in the Construction Fund only, one-eighth of one percent. Without limiting the foregoing, amounts deposited in the Special Facility Revenue Fund which are not reasonably expected to be transferred to the Bond Fund shall be invested at a yield not to exceed the Yield on the Bonds.

(b) Except as provided in Section 3.5 below, the following Gross Proceeds may be invested without regard to yield restrictions:

(i) amounts in the Rebate Fund;

(ii) amounts deposited in the Bond Fund, and that portion of the amounts deposited in the Special Facility Revenue Fund to be transferred to the Bond Fund, that are reasonably expected to be expended within 13 months from the date of first deposit in any fund under the Indentures and have not been on deposit thereunder for more than 13 months;

(iii) proceeds of the Bonds (including investment earnings) on deposit in the Construction Fund prior to the earlier of completion (or abandonment) of the Project or three years from the Closing;

(iv) amounts in the Debt Service Reserve Fund;

(v) earnings attributable to the investment of Gross Proceeds for a period of one year from the date of receipt; and

(vi) all amounts for the first 30 days after they become Gross Proceeds.

Section 3.5. 150% Of Debt Service Limitation.

Except as otherwise provided in Section 3.6, at no time shall the Value of Nonpurpose Investment having a Yield in excess of one-eighth of one percent (.125%) higher than the Nonpurpose Investment Yield Limit and held during a period that is not a "temporary period" specified in the Non-Arbitrage Certification relating to the Bonds ("Higher Yielding Investments") exceed 150% of the scheduled debt service for the current Bond Year. For purposes of calculating scheduled debt service on the Bonds, the interest rate to be applied to the Bonds during the current Bond Year shall be equal to the Nonpurpose Investment Yield Limit.

Section 3.6. Required Reduction Of Certain Investment.

(A) On or prior to the fifteenth (15th) day following each Investment Restriction Determination Date, the Airline shall make, or cause to be made, the following determinations:

First, the Airline shall calculate the Value of Higher Yielding Investments held on such Investment Restriction Determination Date.

Second, if the Value of Higher Yielding Investments as of such Investment Restriction Determinate Date exceeds one hundred fifty percent (150%) of the amount of scheduled debt service during the Bond Year for which the calculation is made ("Investment Excess"), the Airline shall determine whether Higher Yielding Investments equal in Value to the amount of the Investment Excess can be liquidated without incurring a loss and, if not, the amount of such loss.

Third, if an amount of Higher Yielding Investments equal to the Investment Excess can be liquidated only at a loss, the Airline shall ascertain whether the amount of such loss is greater or less than the amount of the rebate payment to the United States which would otherwise be required as a result of such Investment Excess.

(B) If Higher Yielding Investments can be liquidated without loss, or if the loss that would be realized is less than the rebate payment to the United

States which would otherwise be required as a result of such Investment Excess, the Airline shall, within thirty (30) days of such Investment Restriction Determination Date, cause the Trustee to liquidate such Higher Yielding Investments (but, in no event in an amount which exceeds the Investment Excess), and shall invest the proceeds of such liquidation at a Yield not in excess of the Nonpurpose Investment Yield Limit (including through the purchase of United States Treasury Obligations -- State and Local Government Series) or in Tax-Exempt Obligations.

(C) If, after the application of Section 3.6(B) above, Higher Yielding Investments equal in Value to the amount of the Investment Excess can be liquidated only at a loss that is greater than the amount of the rebate payment to the United States which would otherwise be required as a result of such Investment Excess, no liquidation of such Higher Yielding Investments shall be required; provided, however, that when the rebate payment to the United States is greater than the loss determine under paragraph (A) above, the provisions of paragraph (B) above shall apply with respect to such Investment Excess.

3.2. No portion of the proceeds of the Bonds may be invested, directly or indirectly, in federally insured deposits or accounts, or otherwise cause such proceeds to be federally guaranteed, except as permitted by Section 149(b) (3) (B) of the Code.

Article IV.

Purchase And Sale Of Investment.

Section 4.1. Purchase Or Sale At Fair Market Value.

Whenever any Nonpurpose Investment is purchased or sold, such purchase or sale shall be made only at the fair market value of such Nonpurpose Investment. The fair market value of Nonpurpose Investment shall be the mean of the bid and offered prices on an established market where such Nonpurpose Investment is traded on the date of purchase or sale, or, if earlier, on the date of a binding contract to purchase or sell such Nonpurpose Investment, or, if there are no bid and offered prices on such date, on the first day preceding such date for which there are bid and offered prices. A United States Treasury obligation purchased directly from the United States Treasury is treated as satisfying these requirements. Any other Nonpurpose Investment for which there is not an established market shall not be purchased or sold, except as permitted by Section 4.2 or Section 4.3.

Section 4.2. Certificate Of Deposit.

The purchase or sale of a certificate of deposit issued by a commercial bank is permitted if the price at which it is purchased or sold is the bona fide bid price quoted by a dealer who maintains an active secondary market in such certificates of deposit. If there is no active secondary market in such certificates of deposit, the purchase or sale of a certificate of deposit is permitted only if the certificate of deposit has a Yield that is both:

(i) as high as or higher than the Yield on comparable obligations traded on an active secondary market, as certified by a dealer who maintains such a market, and

(ii) as high or higher than the Yield available on comparable obligations offered by the United States Treasury.

The certification described in the preceding sentence must be executed by a dealer who maintains an active secondary market in comparable certificates of deposit, and must be based on actual trades adjusted to reflect the size and term of that certificate of deposit and the stability and reputation of the person issuing the certificate of deposit.

Section 4.3. Investment Contracts.

Investment obligations are permitted to be purchased or sold pursuant to an investment contract only if all of the following conditions are satisfied:

(A) at least three bids on the investment contract are received from persons other than those having an interest in the Bonds,

(B) a certification is provided by the person whose bid is accepted stating that, based on that person's reasonable expectations on the date that the contract is entered into, investment obligations will not be purchased pursuant to the investment contract at a price in excess of their fair market value, or sold pursuant to the investment contract at a price less than their fair market value,

(C) the Yield on the investment contract is at least equal to the Yield offered under the highest bid received from a noninterested party, and

(D) the Yield on the investment contract is at least equal to the Yield offered on similar investment contracts (e.g., investment contracts entered into by issuers of qualified mortgage bonds).

Article V.

Miscellaneous.

Section 5.1. Appointment Of Trustee As Attorney-In-Fact.

The parties acknowledge and agree that the continued exemption of interest on the Bonds from Federal income taxation is dependent upon, among other things, full compliance from and after the date hereof with the provisions and requirements of this Agreement. Reference is hereby made to the provisions of the Indenture which require the Trustee on behalf of the owners of the Bonds to take any and all action which may be required to assure full compliance with the terms and conditions of this Agreement. The City and the Airline each hereby irrevocably designates and appoints the Trustee as its true and lawful attorney, in its name, place and stead, to take all action which may be required to assure such full compliance. It is expressly intended by the City and the Airline that the foregoing power of attorney is irrevocable and is coupled with an interest, and shall survive the sale or assignment of the Project by the Airline.

Section 5.2. Limitation On Liability Of City.

No recourse shall be had for any claim based upon any obligation, covenant or agreement contained herein against the City or any officer, employee or agent of the City, under any rule of law or equity, statutory or constitutional provision or by the enforcement of any penalty or assessment, it being understood that the Airline and the Trustee expressly assume all responsibility for full compliance with the terms and conditions of this Agreement. The Airline agrees to indemnify and hold harmless the City against any losses, claims or liabilities, joint or several, to which the City may become subject under federal or state laws or regulations, or otherwise, insofar as such losses, claims, damages or liabilities arise as a result of, or are based upon, a breach of any obligation, covenant or agreement of the Airline contained herein.

Section 5.3. Responsibility Of Trustee.

By the execution of this Agreement, the Trustee agrees to perform such duties and take such actions as are expressly set forth herein. The Trustee's responsibilities herein shall be supplemental to those set forth in the Indenture, provided that the provisions of the Indenture relating to administration of the Indenture shall apply to this Agreement as if such provisions were fully set forth herein.

Section 5.4. Fees And Expenses Of Accountant; Appointment Of Accountant By City Or Trustee.

The Airline agrees to pay the fees, expenses and charges of any Accountant engaged by the Airline in connection with this Agreement. If the Airline fails to engage an Accountant at the times herein required, the City or the Trustee may engage an Accountant at the cost and expense of the Airline.

Section 5.5. Not A Device.

The Bonds are not and will not be part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code, or any provisions of the Regulations, by enabling the City or the Airline to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage and increasing the burden on the market for tax-exempt obligations.

Section 5.6. City Not Disqualified.

The City has not been disqualified or notified of any disqualification or proposed disqualification of it by the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.103-13(a)(2)(ii) of the Regulations.

Section 5.7. Hedge Bonds.

The City, based on representations of the Airline, and the Airline reasonably expect that 85% of the spendable proceeds of the Bonds will be spent on the Project within three years of the date of their issuance. For purposes of this paragraph, "spendable proceeds" means the proceeds

received upon the sale of the Bonds minus the sum of (a) the costs of issuance paid from the Bond proceeds, (b) the amount deposited in the Debt Service Reserve Fund, (c) \$100,000, and (d) the amount deposited in the Capitalized Interest Account. Also, with respect to the Bonds, not more than 50% of the proceeds of the issue were or will be invested in Nonpurpose Investments having a substantially guaranteed yield for four years or more.

Section 5.8. Amendments.

The parties hereto agree that this Agreement shall be amended from time to time, without the consent of the owners of the Bonds, as shall be necessary, in the opinion of Bond Counsel, to preserve the federal tax exemption of interest on the Bonds. Any such amendment shall be made by a written instrument executed by the City, the Airline and the Trustee and no such amendment shall be made other than in accordance with an opinion of Bond Counsel as described in the preceding sentence.

Section 5.9. Severability.

If any clause, provision or section of this Agreement is ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof.

Section 5.10. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.11. Notices.

All notices, demands, communications and requests which may or are required to be given hereunder or by any party hereto shall be given and shall have the same effect as provided in the Special Facility Use Agreement for notices given thereunder.

Section 5.12. Successors And Assigns.

The terms, provisions, covenants and conditions of this Agreement shall bind and inure to the benefit of the respective successors and assigns of the City, the Trustee and the Airline.

Section 5.13. Headings.

The headings of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement.

Section 5.14. Governing Law.

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

In Witness Whereof, The parties have caused this Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the day first above written.

City of Chicago

By: _____
City Comptroller

Attest:

City Clerk

Lufthansa German Airlines, a
corporation organized and existing
under the laws of the Republic of
Germany

By: _____
Its: _____

Independence Bank of Chicago,
Trustee

By: _____
Its: _____

Attest:

Its: _____

[Exhibit "A" attached to this Arbitrage Compliance Agreement
unavailable at time of printing.]

Cargo Building Site Lease

Between

The City Of Chicago

And

Lufthansa German Airlines.

This Cargo Building Site Lease is made and entered into as of the _____ day of _____, 19____, by and between the City of Chicago, a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution") having a population in excess of 25,000, and a home rule unit under Section 6(a) of Article VII of the Constitution ("City"), and Lufthansa German Airlines, a corporation organized and existing under and by virtue of the laws of the Federal Republic of Germany ("Airline").

Witnesseth:

Whereas, City owns and operates the Airport known as Chicago-O'Hare International Airport (the "Airport"), with the power to lease premises and facilities and to grant rights and privileges with respect thereto; and

Whereas, Airline is or wishes to become engaged in the Air Transportation of Freight and Cargo Business (as hereinafter defined) at the Airport and desires to lease for such purposes certain premises and facilities at the Airport and to obtain certain rights and privileges with respect thereto; and

Whereas, City is willing to lease to Airline such premises and facilities, and to grant to Airline such rights and privileges, upon the terms and conditions hereinafter provided.

Now, Therefore, For and in consideration of the premises and of the mutual covenants and agreements herein contained, and other valuable considerations, the parties hereto covenant and agree as follows:

Article I.

1.01 Lease Of Premises.

City hereby leases to Airline, and Airline hereby leases from City, the land depicted and described on Exhibit A hereto which consists of approximately 441,571 square feet ("Demised Premises"), and any buildings and improvements now or hereafter located thereon, together with the facilities, rights and privileges hereinafter described, subject only to a reservation of easement rights to City for access to public utilities traversing the Demised Premises for the maintenance and replacement thereof, said access by City to occur only after giving Airline reasonable prior notice. City shall use reasonable efforts to deliver possession of the Demised

Premises to Airline upon completion of the service road and utilities serving the Demised Premises (projected to be December 1, 1990) or such earlier date as the parties hereto shall agree. If City is unable to deliver possession on or before said date for any reason, the Commissioner of Aviation of the City (the "Commissioner") shall give Airline written notice of the reason for such delay and the estimated revised date of delivery, and City shall not be subject to any liability for delay in giving possession. The date on which City actually delivers possession of the Demised Premises to Airline is referred to herein as the "Delivery Date".

1.02 Early Entry.

After obtaining the prior written approval of the Commissioner in each specific instance, Airline shall have the right to go on the Demised Premises and the Common Areas (as defined in Section 3.02 below) at Airline's sole risk prior to the Delivery Date for the purpose of preparing the Demised Premises for Airline's occupancy and preparing certain portions of the Common Areas for use by Airline and other authorized tenants within the Cargo Areas (as defined in Section 3.02 below). This right shall include the right to construct Improvements and Common Improvements (as such terms are defined in Section 4.01 hereof) for which all approvals, consents and permits required by any appropriate governmental body, agency or division and by the terms of this Lease have been previously obtained. At any time that Airline enters the Demised Premises or the Common Areas prior to the Delivery Date for any purpose whatsoever, all the indemnifications and covenants of Airline contained in this Lease (except the covenant to pay rent) shall apply to such early entry, and Airline acknowledges that any early entry is at the sole risk of Airline and that the Commissioner may refuse to grant or withdraw this right of early entry at any time that the Commissioner, in his sole discretion, determines that such early entry is having or will have an adverse material impact on any construction or other operation of the Airport. Airline further acknowledges that, notwithstanding any amounts spent by Airline on Improvements or Common Improvements, City shall have no liability whatsoever for any delay in the Delivery Date. Airline shall not begin to conduct any operations on the Demised Premises in respect of its Air Transportation of Freight and Cargo Business prior to the Delivery Date unless the prior written consent of the Commissioner has been given.

1.03 Operation Of Cargo Site.

Airline is hereby granted the exclusive use of the Demised Premises, subject to the terms and provisions hereof, to all applicable laws, rules, regulations, codes, ordinances and orders as set forth herein, and to the applicable terms and provisions of the International Terminal Use

Agreement (as hereinafter defined) for any and all purposes reasonably necessary or convenient in connection with the conduct by Airline, its sublessees or assigns, of the Air Transportation of Freight and Cargo Business, which shall mean the following uses and activities:

(a) The receiving, delivering, dispatching, processing, handling and storing of air cargo, mail and other property;

(b) The fueling, loading and unloading upon the Demised Premises of property, air cargo, livestock and mail upon or from aircraft by such means as may be necessary or convenient;

(c) The loading, unloading and parking of automobiles and trucks relating to its freight and air cargo operations;

(d) The maintenance and operation of buildings, facilities and equipment, including satellite and telecommunication equipment (after having obtained all required F.A.A. and other permits and approvals) and the carrying on of activities reasonably necessary or convenient in connection with its freight and air cargo operations;

(e) The installation, maintenance and operation of customer relations, security facilities and equipment, crew quarters, training facilities, operations offices, cargo reservation offices and administration offices, lockers, restrooms and related facilities, baggage, cargo and mailhandling and storage facilities and equipment, non-cargo reservation offices and administration offices, so long as such services do not become a primary or significant use but remain incidental to the primary use of the Demised Premises which shall remain the storage, handling and transshipment of air cargo, mail and other property;

(f) The maintenance and operation, by Airline or by an independent contractor, of an employees' cafeteria, the preparation and serving of foods and beverages (including the maintenance and operation of vending machines dispensing such food and beverages, tobacco products and other merchandise) for consumption by Airline's on-site employees, including the imposition of charges for such food and beverages;

(g) The enplaning, deplaning and handling of passengers upon and from aircraft in commercial or retail flights, pursuant to such terms and conditions as agreed between Airline and the Commissioner. There shall be no separate charges or fees due under this Lease for such activity although Airline may be required to pay charges or fees under other agreements such as the International Terminal Use Agreement. All passengers handled pursuant to this provision must be shuttled to a terminal area for processing. In no event shall this provision be interpreted as allowing retail passenger operations other than the incidental handling of passengers in irregular operation situations;

(h) Taxiing, parking, storing, maintaining, conditioning and repairing (to the extent such are considered routine ramp servicing) of aircraft and equipment;

(i) The receiving, dispatching, handling and storing of property for use by Airline in its cargo operations at the Airport; and

(j) The handling of air cargo of other persons engaged in the air transportation business by Airline pursuant to the provisions of Section 1.06 below.

Nothing in this Lease shall be deemed to permit the conduct by Airline of any cargo and freight business other than the operation of an Air Transportation of Freight and Cargo Business, and such business shall not include the transportation of commercial or retail passengers to and from the Demised Premises except as provided above.

Airline may use the Demised Premises for uses other than those specified in this section only upon the written approval of the Commissioner. The grant of such approval shall be in the sole discretion of the Commissioner after due consideration of Airline's request.

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 Airline to provide the services described in this Section 1.03 to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and City reserves the right to grant to others the privileges and rights to conduct any one or all of the activities described herein.

1.04 Ingress And Egress.

Subject to rules and regulations promulgated by City in accordance with Article VI hereof, Airline, its sublessees or assigns, shall have the right and privilege (i) of ingress to and egress from the Demised Premises for its or their employees, agents, guests, patrons and invitees, its or their suppliers of materials and furnishers of service, and its or their aircraft, equipment, vehicles, machinery and other property; and (ii) to provide transportation of employees of Airline to, from and within the Airport. In addition, any other party engaged in the Air Transportation of Freight and Cargo Business that is handled by Airline at the Demised Premises pursuant to the provisions of Section 1.06 below shall have the right of ingress to and egress from the Demised Premises for the sole purpose of having said party's air cargo handled by Airline. Except as otherwise specifically provided in this Lease, the International Terminal Use Agreement or any other agreement applicable to Airline's operations at the Airport, no charges, fees or tolls of

any nature, direct or indirect, shall be imposed by City upon Airline, its employees, agents, guests, patrons and invitees, or its or their suppliers of materials and furnishers of service, for (i) such right of ingress and egress, (ii) the privilege of purchasing, selling or using for a purpose herein permitted any materials or services purchased or otherwise obtained by Airline, or its sublessees or assigns, (iii) transporting, loading, unloading or handling persons, property, cargo, or mail in connection with Airline's business of Air Transportation of Freight and Cargo, or its sublessees' or assigns' business, (iv) exercising any right or privilege granted by City hereunder. The foregoing shall not preclude City or its concessionaires from making and collecting a charge for the use of public automobile parking areas or sightseeing facilities, (but there shall be no charges or fees assessed against Airline or its employees, agents, representatives or invitees for parking their vehicles on the Demised Premises in connection with Airline's operations on the Demised Premises), or for the use of ground transportation to, from or within the Airport furnished by City or its concessionaires or for the furnishing or sale by City or its concessionaires to the public at the Airport of services, insurance, food and merchandise, or preclude City from imposing any tax, charge, permit or license fee not inconsistent with the rights and privileges granted to Airline hereunder or under the International Use Agreement. Notwithstanding the foregoing, nothing in this Section 1.04 shall be deemed to preclude City from levying a passenger facility charge or other similar taxes or fees at the Airport. Nothing herein shall preclude Airline from contesting such charge or tax if enacted or promulgated by City. Subject to the provisions of Exhibit D attached hereto, Airline shall have the right to purchase or otherwise obtain property and services of any nature from any suppliers of its choice.

Airline shall not block or otherwise obstruct common use Taxiways or access roads with aircraft or groundside vehicles, respectively, at any time or in any manner which will impair or adversely affect the use or operation of said Taxiways or access road areas.

1.05 Sublease, Assignment Or Other Transfer Of Demised Premises And Improvements.

(a) Except as provided in subsections (b) and (c) of this Section 1.05, Airline shall not, without the prior written consent of the Commissioner in each instance, which consent may be withheld in the Commissioner's sole and absolute discretion, (i) assign or transfer, mortgage, pledge, hypothecate or encumber or subject to or permit to exist upon or be subjected to any lien or charge, this Lease or any interest under it; (ii) allow to exist or occur any transfer of or lien upon this Lease or Airline's interest herein by operation of law; (iii) sublet the Demised Premises, the Improvements or any part thereof; or (iv) permit the use or occupancy of the Demised Premises, the Improvements or any part thereof for the purpose not provided for herein or by any one other than Airline and Airline's employees. In addition, there

shall not be any further subleasing, assignment or transfer of interest in this Lease, the Demised Premises or the Improvements by any subtenant or assignee approved under the provisions of subsection 1.05(b) below, even though the further subleasing, assignment or transfer may be of the type described in subsection 1.05(b), without the prior written consent of the Commissioner in each instance, which consent may be withheld in the Commissioner's sole and absolute discretion.

(b) Airline may sublet portions of the Demises Premises and the Improvements to the following, provided, however, that any such sublease shall be subject to the prior written approval of the Commissioner, which approval shall not be unreasonably withheld:

(i) Any party for the sole and exclusive purpose of providing handling services at the Demised Premises to Airline or any other occupant of the Demised Premises; or

(ii) Any other party conducting Air Transportation of Freight and Cargo Business at the Demised Premises until Airline has sublet up to 35% of the floor space in the Improvements to such parties (and after five years from the date upon which rent begins accruing pursuant to Section 3.01 hereof, up to only 25% of the floor space in the Improvements to such parties).

(c) Upon the giving of at least thirty (30) days prior written notice to the Commissioner, Airline may sublet any portion of the Demised Premises or the Improvements to any subsidiary or other company engaged in the Air Transportation of Freight and Cargo Business provided Airline has a more than 50% ownership interest of such subsidiary or other company.

(d) For purposes of subsection 1.05(b) herein, Airline agrees that the withholding by the Commissioner of his consent to any proposed assignment or subletting will not be deemed "unreasonable" if (i) the proposed assignee or subtenant is disreputable, noncreditworthy or otherwise not in keeping with the nature or class of tenants in the Cargo Areas, or (ii) the use of the Demised Premises or Improvements by the proposed assignee or subtenant would, in City's reasonable judgment, have a material adverse impact on the operation of the Cargo Areas or the Airport.

(e) In no event shall this Lease or any rights or privileges hereunder be an asset of Airline under any bankruptcy, insolvency or reorganization proceedings.

(f) Consent to any assignment, subletting, use or occupancy, or transfer shall not operate to relieve, release or discharge Airline of or from primary liability under this Lease, and Airline shall remain liable hereunder except to the extent, if any, expressly provided for in such consent. Nor shall

consent in any one instance be deemed to be a consent to or relieve Airline from obtaining consent to any subsequent assignment, transfer, lien, charge, subletting, use or occupancy. Any request by Airline or any subtenant or assignee of Airline, for consent to a proposed assignment, sublease or other transfer of interest in this Lease shall be accompanied by reasonably sufficient information about the subtenant, assignee or transferee to enable the Commissioner or City Council of the City, whichever is appropriate, to fully evaluate the proposed transaction. The subtenants, assignees or transferees shall agree to comply with and be bound by all terms, covenants, conditions, provisions and agreements of this Lease to the extent of the space sublet or assigned, and Airline shall deliver to the Commissioner within thirty (30) days after execution, an executed copy of each such sublease or assignment and an agreement of compliance by each such subtenant, assignee or transferee. Airline shall pay all of City's reasonable and otherwise unreimbursed costs, charges and expenses, including attorney's fees, incurred in connection with any assignment, sublease or other transfer requested or made by Airline.

(g) Notwithstanding the requirements contained in this Section 1.05 for obtaining consent, in the case where Airline is proposing to assign or sublease all of the Demised Premises and the Improvements, such assignment or sublease shall be made only after obtaining the written consent of the City Council of the City, which consent may be given or withheld in the sole discretion of the City Council of the City.

(h) In no event shall Airline have the right to make a partial assignment of this Lease or any interest hereunder.

1.06 Handling Agreements.

For so long as Airline actively conducts the Air Transportation of Freight and Cargo Business at the Airport, the Demised Premises and any public areas of the Airport which Airline has a right to use in common with others may also be used by Airline for the handling, by Airline's employees or handling agents retained by Airline, of freight and cargo operations of other persons engaged in the Air Transportation of Freight and Cargo Business to the same extent as they may be used for the operations of Airline; provided, however, that (a) Airline shall remain liable for all of its obligations hereunder, (b) Airline shall give the Commissioner written notice of any such handling arrangement at least thirty (30) days prior to the effective date thereof, and (c) no handling arrangement shall be allowed if the Commissioner objects in writing to it on the basis of material adverse impact to Airport operations within such thirty (30) day period. Commissioner shall have the right to withhold his consent in his sole discretion to any proposed sublease of a portion of the Demised Premises or the Improvements to any party providing handling services from the Demised Premises to others located outside the Demised Premises.

Article II.

2.01 Term.

The term of this Lease shall be for a period commencing on the Delivery Date and terminating on May 11, 2018, unless sooner terminated in accordance with the provisions set forth herein.

Article III.

3.01 Rent.

(a) At such time and in such manner as set forth in subsection (b) Airline shall pay City the following rent:

\$.45 per square foot of the Demised Premises per year for 441,571 square feet, of which up to \$.10 shall be used for the O. & M. Fund described in Section 3.02 below.

(b) Rent shall begin accruing hereunder on the earliest of (i) the date of substantial completion of the Improvements, (ii) September 1, 1992, or (iii) the date Airline begins the operation of its Air Transportation of Freight and Cargo Business on the Demised Premises with the prior written consent of the Commissioner. From and after the time rent begins so accruing and continuing throughout the term of this Lease, Airline shall pay City, not later than the first business day of each month, one-twelfth of the annual rent as set forth above, for such month. All such rent shall be paid to the Comptroller of the City of Chicago at his office in City Hall, Chicago, Illinois or such other place as may be designated. Rent for the first and last months of this Lease shall be prorated, if necessary.

(c) Rent payable hereunder shall be increased beginning on the January 1 following the fifth anniversary date of the Delivery Date, and on January 1 every five years thereafter by multiplying the \$.45 per square foot set forth in Section 3.01(a) above by a fraction, the numerator of which is the Producer Price Index/All Commodities ("P.P.I.") published by the United States Department of Labor, Bureau of Labor Statistics (January, 1982 = 100) for the month of December preceding said January 1, and the denominator of which is the P.P.I. for the month in which the Delivery Date occurred. Each yearly period for which the P.P.I. is being recalculated

hereunder is referred to herein as a "Recalculation Period". Upon receipt by Airline of written notice from the Commissioner, rent, as so adjusted, shall be paid in the manner set forth in subparagraph (b) above.

If the manner in which the P.P.I. is determined by the Department of Labor is substantially revised, City shall adjust the revised index which would produce results equivalent, as nearly as possible, to those which would have been obtained if the method of determining the P.P.I. had not been revised. If the P.P.I. is discontinued or otherwise becomes unavailable to the public, City shall substitute therefor a comparable index based upon changes in the cost of living or purchasing power of the consumer dollar published by any other governmental agency or department, or if no such index is available, a comparable index published by a recognized financial institution, financial publication, or university.

If the computation of aforesaid increase in rent cannot be completed until after the beginning of a Recalculation Period, Airline shall continue to pay rent at the then current rate until the information for completing the computation is available. Any shortfall in prior rental payments determined by said computation shall be paid to City within sixty (60) days after the Commissioner supplies Airline with said computation.

3.02 Operation And Maintenance Expense.

"Cargo Areas" shall mean the portion of the Airport defined as such on Exhibit E entitled O'Hare Cargo Areas Layout Plan attached hereto and herein incorporated, and the "Common Areas" shall mean all portions of the Cargo Areas not leased exclusively to other parties.

Thirty (30) days prior to the first payment of O. & M. Expenses (as hereinafter defined) due under this Section 3.02 and not later than seventy (70) days prior to the end of each Fiscal Year (as hereinafter defined) thereafter, the Commissioner shall furnish Airline with a projection of the O. & M. Expenses for the Common Areas for the next Fiscal Year. On the first date that rent is due under the provisions of Section 3.01(b) above, and on each date that rent is due thereafter, Airline shall pay to City an amount equal to one-twelfth (1/12) of Airline's pro rata share of the projected O. & M. Expenses for the Fiscal Year in excess of \$.10 per square foot of the Demised Premises. Airline's pro rata share shall be a fraction in which the total square footage leased to Airline pursuant to Section 1.01 is the numerator and the total square footage of all land leased in the Cargo Areas is the denominator. Upon request by Airline, City shall provide Airline with the square footage figures for other tenants and total areas of the Cargo Areas.

Not later than the one hundred ninetieth (190th) day of each Fiscal Year, City shall furnish Airline with a revised projection of O. & M. Expenses for the Cargo Areas which shall reflect the most recently available information with regard to the amounts being incurred as O. & M. Expenses in the Cargo Areas. If the revised projection forecasts expenses that would result in an overpayment or underpayment by Airline of five percent (5%) or more of the amount needed for the O. & M. Expenses, payments under this section shall be adjusted to conform to the revised projection. In no event shall the O. & M. Expenses under this section, as so adjusted, be less than zero. Any surplus amounts collected by the City for O. & M. Expenses through the end of a Fiscal Year over the actual O. & M. Expenses incurred during said Fiscal Year shall be carried over to cover O. & M. Expenses for the following Fiscal Year or costs incurred during said Fiscal Year in the repair, replacement or reconstruction of those capital facilities provided to the Common Areas, including, but not limited to, sewer and water line repairs or replacements, Cargo Areas apron and Taxiway repavement or replacement, right-of-way improvements or replacements (including costs of right-of-way expansion or relocation). In the event that at the end of a Fiscal Year City determines that the amounts paid by Airline and other tenants for O. & M. Expenses were not sufficient to cover all O. & M. Expenses incurred during the Fiscal Year, the Commissioner may provide written notice to Airline of its pro rata share of any such deficiency, and Airline shall pay all such deficiency within thirty (30) days of receipt by Airline of such notice.

The City will maintain accurate records allocating O. & M. Expenses for each Fiscal Year. Within six (6) months following the close of each Fiscal Year, City shall furnish Airline with a copy of an annual audit report ("Final Audit") prepared in accordance with generally accepted accounting principles and certified by an independent accountant or outside auditors covering the O. & M. Expenses for such preceding Fiscal Year and setting forth the O. & M. Expenses paid by Airline during the prior Fiscal Year.

The payment by Airline to City, and the acceptance by City from Airline, of any amount hereunder shall not preclude either Airline or City from questioning, within a period of six (6) months from the date of receipt by Airline of the Final Audit, the accuracy of any statement on the basis of which such payment was made, or preclude City from making, within such period, any claim against Airline for any additional amount payable by Airline hereunder.

In the event that the cost to be incurred by the City in the repair, replacement or reconstruction of those capital facilities provided to the Common Areas exceeds \$75,000 per project in excess of any insurance proceeds received by the City for such facilities, the City shall not make any expenditures or issue any obligations to finance the cost thereof for any such repair, replacement or reconstruction project unless and until such project and the financing thereof has been approved by a Majority-In-Interest. For purposes of this Lease, a "Majority-In-Interest" shall be deemed the decision or action of tenants leasing a majority of the square footage of land at the

Cargo Areas that is leased to tenants having a right to participate in such decision. Upon the request of Airline, City shall provide Airline with the names of all other such tenants and the square footage of land they lease within the Cargo Areas and the total square footage of land leased in the Cargo Areas. At least forty-five (45) days before making any expenditure or issuing any obligations for a capital project requiring approval hereunder, City shall submit a proposal in writing to all tenants at the Cargo Areas having a right to participate in such decision, which proposal shall include an estimate of (a) the cost of such project, (b) the operation and maintenance expenses and debt service, if any, resulting therefrom, (c) the sources and use of funds and the terms of any financing, if any, (d) the construction schedule, descriptions and justification for any such project, and (e) the projected impact on fees and charges, all in sufficient detail to enable the tenants to make an informed judgment on the appropriateness of such project and financing. A project and financing shall be deemed to be approved if a Majority-In-Interest approves it.

3.03 Assessments For Capital Costs.

In the event that at any time the Commissioner determines that there is needed any repair, replacement or reconstruction of capital facilities located in the Common Areas, and if required, said replacement or reconstruction has been approved by a Majority-In-Interest, Airline shall pay, by means of a deficiency assessment, its pro rata share of any costs of performing such replacement or reconstruction at such time as requested by the Commissioner. Airline's pro rata share shall be determined by multiplying the amount of such costs anticipated to be incurred by a fraction with the total square footage leased by the Airline for cargo facilities at the Cargo Areas as the numerator and the total square footage of all land leased in the Cargo Areas as the denominator.

3.04 Taxes.

Airline shall be responsible for payment of all applicable taxes levied against the Demised Premises and Improvements and shall pay such taxes directly to the appropriate taxing agency. Airline shall provide the Commissioner with copies of all notices relating to such taxes within thirty (30) days of request and shall, upon request, provide the Commissioner with a receipt indicating payment of such taxes. Nothing herein shall preclude Airline from contesting such charge or tax including those enacted or promulgated by City.

3.05 Capital Improvement Reimbursement.

Upon full execution of this Lease, Airline shall pay to the City an amount equal to (i) \$2.00 per square foot of the Demised Premises as set forth in Section 1.01 above, and (ii) 41% of the cost of installation by City of the service road and utilities described in Section 1.01 above.

3.06 Utilities.

Airline shall be responsible for payment of all cost of water, electricity, natural gas, telephone service and all other utility services for the Demised Premises and Improvements, whether furnished by City or purchased by City on behalf of Airline or furnished by independent contractors.

Article IV.

4.01 Construction Of Improvements.

After securing necessary permits therefor, Airline shall erect and install certain capital improvements ("Common Improvements") to the Common Areas as more particularly described and at the expense of the parties set forth on Exhibit B attached hereto. In addition, Airline shall erect and install on the Demised Premises after securing necessary permits therefor such other structures, aircraft parking apron, and improvements (together the "Improvements") as are appropriate and necessary for Airline to conduct the Air Transportation of Freight and Cargo Business on the Demised Premises and as more specifically set forth in Exhibit A attached hereto. Design and construction of the Improvements and Common Improvements shall be accomplished in accordance with the provisions of Exhibits C and D attached hereto, and construction thereof shall not be commenced until Airline has obtained all approvals, permits and licenses required by any governmental authority. Airline shall pay its allocable share of the costs of the Common Improvements, as set forth on Exhibit B. In the event City enters into agreements with other parties for the right to use or receive the benefit of any of the Common Improvements, City agrees to use reasonable efforts to obtain an agreement for a pro rata reimbursement for Airline's cost of installing such Common Improvements. In no event, however, shall City be liable to Airline for failure to obtain such an agreement or for any such reimbursement or related costs, nor shall City be obligated to then initiate any legal proceedings on behalf of Airline or any other party for the purpose of collecting any reimbursements due to Airline.

In the event the City does not enter into agreements with other parties for the right to use or receive the benefit of the Common Improvements, City shall not be liable to Airline for any costs of the Common Improvements.

If Airline makes a request to construct connections with any roadway, fueling, water line, sewer line, drainage ditch and utility line serving the Demised Premises, and the plans and specifications for construction of such connections are approved by the City, such approval not to be unreasonably withheld, such connection shall be deemed Improvements for purposes of this Lease.

The failure of Airline to commence construction operations on the Improvements and/or Common Improvements within one year of the Delivery Date and complete such construction within two years of the Delivery Date shall be deemed a material default hereunder by Airline entitling City to all its rights and remedies under Article XI hereof. Said time periods shall be extended for delays that are outside the reasonable control of Airline, provided that Airline gives the City written notice of any such delay within ten (10) days after the commencement of the delay.

4.02 Maintenance And Repair.

(a) Airline shall be responsible for and shall perform or cause to be performed maintenance and repair of the Improvements and shall clean and keep clear of debris the Improvements and the Demised Premises. Airline shall at all times at the Demised Premises:

(i) Keep the Improvements and all fixtures, equipment and personal property in a clean and orderly condition and appearance;

(ii) Maintain the same in good condition (reasonable wear and tear excepted) and perform all ordinary repairs, replacements, and painting, such repairs, replacements, and painting by Airline to be of a quality and class not inferior to the standards set forth in the appropriate rules and regulations adopted by the City for the Airport. In addition, for any equipment installed in or on the Demised Premises that is purchased using the proceeds of any special facilities financing sponsored by City, Airline shall repair, maintain and replace such equipment as is necessary to assure that at the end of the term hereof the fair market value of such equipment and its remaining useful life will be consistent with, and sufficient to establish for applicable tax and accounting purposes, ownership of such equipment by City;

(iii) Control all of its vehicular traffic on the Demised Premises; take all precautions reasonably necessary to promote the safety of its passengers, customers, business visitors and other persons, and employ such means as

may be necessary to safely direct the movements of its vehicular traffic; and

(iv) Either directly or through an independent contractor (which independent contractor shall obtain a City permit, the issuance of which shall not be unreasonably withheld), dispose of its garbage, debris and other waste materials (including snow and ice).

(v) Replace any portion of the structure of any buildings on the Demised Premises that may be destroyed or need replacement for any reason whatsoever.

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

4.03 Title.

Title to the Improvements shall vest in City free and clear of any liens or encumbrances upon certification by an engineer employed by City that construction of the Improvements has been completed or, if this Lease is terminated for any reason prior to completion of the Improvements, title in the Improvements then completed and any materials and equipment then located on the Demised Premises intended to be incorporated into the Improvements shall vest in City at the time of such termination. This Section 4.03 shall not apply to any personal property of Airline located on the Demised Premises.

4.04 Signs.

Any advertising signs installed by Airline or its sublessees or assigns on the Demised Premises shall be limited to those which advertise the Air Transportation of Freight and Cargo Business of the Airline or its sublessees or assigns. The number, general type, size, design and location of such signs shall be subject to all rules and regulations promulgated by the City regarding such signs, as such rules and regulations may be amended.

4.05 Lighting.

Airline shall install, maintain, and operate such obstruction or warning lights on structures located on the Demised Premises as may from time to time be required to conform to standards prescribed by the City and the Federal Aviation Administration or any other governmental agency having jurisdiction over the Demised Premises.

4.06 Covenant Against Liens.

Airline shall keep the Demised Premises and the Improvements and its interest under this Lease free and clear of liens, except as may be approved by the Commissioner, which might arise out of any act by Airline; provided, however, that Airline may in good faith contest the validity of any lien. In the event of the filing of any lien against the Demised Premises as a result of any act or omission of Airline and Airline is contesting the validity of such lien, Airline shall promptly provide City with evidence reasonably satisfactory to City that such contest shall prevent the perfection of any such lien. If City believes that the evidence provided by Airline is insufficient or unsatisfactory, Airline shall escrow with City any amounts necessary to satisfy any contested lien. The execution and delivery by Airline of a Special Facility Use Agreement and related documents and instruments in connection with special facilities financing sponsored by City for the construction of the Improvements and/or Common Improvements shall not constitute a violation of this Section 4.06.

4.07 Performance By City Upon Failure Of Airline To Maintain.

In the event Airline fails to perform any obligation set forth in Section 4.02 above for a period of forty-five (45) days after receipt of written notice from the Commissioner so to do, or if such obligation cannot be performed within forty-five (45) days and Airline has not diligently begun to perform or is not continuing to diligently perform such obligation, City may enter the Demised Premises (without such entering causing or constituting a termination of this Lease or an interference with the possession of said premises by Airline) and do all things necessary to perform such obligation, and Airline shall pay City the reasonable cost and expense of such performance when invoiced in addition to any other amounts payable by Airline hereunder. If Airline's failure to perform any such obligation endangers the safety of the public or of employees of City and the notice to Airline so states, the City may perform such obligations if Airline does not immediately proceed to perform such obligations.

4.08 Inspection.

City, by its representatives, shall have the right at any reasonable time and, upon the giving of reasonable notice (telephone notice being reasonable), to inspect the Demised Premises and Improvements and direct Airline to make ordinary repairs. City representatives shall notify Airline's representative on the Demised Premises at the beginning of any inspections.

4.09 Non-Disturbance.

The operations of Airline and its employees on the Demised Premises shall be conducted in an orderly and proper manner and, given the nature of the Air Transportation of Freight and Cargo Business, shall not otherwise annoy, disturb or be offensive to others at the Airport. Upon request from the Commissioner to Airline to correct the demeanor or conduct of Airline's employees, Airline shall forthwith comply with such request.

4.10 Compliance With Prevailing Wage.

All construction contracts awarded by Airline in connection with the Improvements, Common Improvements and the Demised Premises in the amounts of \$1,000.00 or more, or as otherwise required by law ("Construction Contracts") shall contain provisions complying with Chapter 48, Section 39S-2, et seq., Ill. Rev. Stat. 1989, as it may be amended ("Act"), so long as the Act is in effect, in order to ensure that such persons covered by the Act are paid the prevailing wage rate as ascertained by the Illinois Department of Labor ("Department of Labor"). All Construction Contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed in the Construction Contract. If the Department of Labor revises such prevailing wage rates, the revised rates shall apply to any Construction Contracts. Upon request by City, Airline shall provide City with copies of all Construction Contracts to evidence compliance with the provisions of the Act.

Article V.

5.01 Facilities Furnished By City.

City shall deliver the Demised Premises in a rough graded condition in accordance with the specifications of O'Hare Development Project No. 402.

City makes no warranty as to the environmental conditions of the Demised Premises or the adequacy of the Demised Premises for Airline's intended purpose other than that the site has been prepared in accordance with O.D.P. No. 402. Airline may use existing taxiways, roadways, water lines, sewer lines and drainage ditches in common with others; provided, however, that Airline shall be required to pay the costs of all utilities including, but not limited to, all charges for direct metered water supplied by City to Airline through any such water line and charges for electricity furnished to the Demised Premises. Other than City's preparation of the site in accordance with O.D.P. No. 402, Airline agrees that it is taking possession of the Demised Premises in its "as is" condition, and Airline shall be responsible for the compliance of the Demised Premises and any conditions thereon with all applicable laws, statutes, codes, ordinances, rules, regulations and orders, whether or not any such condition existed prior to or after the taking of possession by Airline. Airline waives any and all claims which may currently exist or which may arise in the future by contract, common law or statutes currently in effect, as amended or subsequently enacted, and which relate to environmental condition on, under, or near the Demised Premises.

5.02 Maintenance And Operation Of Airport.

City shall operate and maintain in a manner consistent with that of a reasonably prudent operator of an Airport, and keep in good condition and repair, all taxiways, roadways, water lines, sewer lines, drainage ditches, additions, improvements, facilities and equipment now or hereafter provided by City serving the Demised Premises but located outside the Demised Premises, including the removal of snow, ice, vegetation, stones and other foreign matter as reasonably as may be done, from taxiways, connections therefrom, and roadways. This Section 5.02 shall not be construed to alter the fact that the costs and expenses of such operation for the Common Areas shall be borne by Airline and other tenants of the Cargo Areas as previously described in Sections 3.02 and 3.03 above.

5.03 Exclusive Possession.

Subject to the provisions of this Lease, City covenants that so long as Airline performs all of its obligations hereunder, it shall be entitled to and shall have the exclusive possession and enjoyment of the Demised Premises, and the rights and privileges leased to it hereunder.

5.04 Performance By Airline Upon Failure Of City To Maintain And Operate.

In the event City fails to perform any obligation set forth in Section 5.02 above for a period of forty-five (45) days above after receipt of written notice from Airline so to do, or if such obligation cannot be performed within forty-five (45) days and City has not diligently begun to perform or is not continuing to diligently perform such obligation, Airline may perform such obligation of City and do all things necessary to perform such obligation and City shall pay Airline the reasonable cost and expense of such performance but only out of available airport funds, if any, upon the submission of paid receipts by Airline. If City's failure to perform such obligations endangers the safety of the public, of employees of Airline or Airline's Air Transportation of Freight and Cargo Business on the Demised Premises and Airline so states in its notice to City, Airline may perform such obligations if City does not immediately proceed to perform such obligations.

Article VI.

6.01 Rules And Regulations.

(a) Airline shall obey all rules and regulations governing the conduct and operation of the Airport promulgated from time to time by City; provided, however, that such rules and regulations must be neither (i) inconsistent with the exercise by Airline of any right or privilege granted to it hereunder or under any other agreement between Airline and City relating to the Airport, nor (ii) inconsistent with the rules, regulations, or orders of any Federal or State agency having jurisdiction over the Airport. Except in cases of emergency, no such rule or regulation shall be applicable to Airline unless it has been given thirty (30) days prior written notice of the adoption thereof. In addition, Airline shall abide by and follow all restrictions and guidelines set forth in the International Terminal Use Agreement and any other agreement applicable to Airline's operations at the Airport.

(b) Upon written request of Airline, City shall supply Airline with a copy of City's current Airport rules and regulations applicable to Airline.

(c) City shall have no control over the rates, fares or charges that Airline may prescribe in connection with its conduct of the Air Transportation Business of Freight and Cargo.

(d) Nothing herein shall be construed to prevent Airline from contesting in good faith any rule or regulation of the Airport, without being in breach thereof, so long as such contest is diligently commenced and prosecuted by Airline.

(e) Airline shall comply with all applicable federal, state and local laws, codes, regulations, ordinances, rules and orders; provided, however, that Airline may, without being considered to be in breach hereof, contest any such laws so long as such contest is diligently commenced and prosecuted by Airline.

6.02 Compliance With Environmental Requirements.

Airline shall, in conducting any activity or business on the Demised Premises, including environmental response or remedial activities, comply with all Environmental Requirements (as defined in Section 10.03(a)(v) below), including but not limited to Environmental Requirements regarding the storage, use, and disposal of Hazardous Materials or Special Wastes and regarding releases or threatened releases of Hazardous Materials or Special Wastes to the environment.

6.03 Review Of Environmental Documents.

Airline, at the request of City, shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents and materials Airline has prepared pursuant to any Environmental Requirement or submitted to any governmental regulatory agency. If there is an Environmental Requirement to file any notice or report of a release or threatened release of Hazardous Materials or Special Wastes on, under or about the Demised Premises, Airline shall provide a copy of such report or notice to City, and to the extent practicable, shall receive the approval of City prior to submitting such notice or report to the appropriate governmental agency.

6.04 Access For Environmental Inspection.

City shall have reasonable access to the Demised Premises and Improvements to inspect the same to confirm that Airline is using the Demised Premises in accordance with Environmental Requirements. Airline, at the request of City and at Airline's expense, shall conduct such testing and analysis as is necessary to ascertain whether Airline is using the Demised Premises in compliance with all Environmental Requirements. Any such tests shall be conducted by qualified independent experts chosen by Airline and subject to City's reasonable approval. Copies of reports from any such testing shall be provided to City.

6.05 Environmental Noncompliance.

If Airline fails to comply with any applicable Environmental Requirements, City, in addition to its rights and remedies provided in Section 11.01 below, may enter the Demised Premises and Improvements and take necessary measures to insure compliance with Environmental Requirements, all at Airline's expense.

6.06 Duty To Notify City.

In the event of a release or threatened release of Hazardous Materials or Special Wastes to the environment relating to or arising out of Airline's use or occupancy of the Demised Premises or in the event any claim, demand, action or notice is made against Airline regarding Airline's failure or alleged failure to comply with any Environmental Requirements, Airline immediately shall notify City in writing and shall provide City with copies of any written claims, demands, notices, or actions so made.

6.07 Environmental Remediation.

Preliminary investigation of the Demised Premises indicates the potential presence of Hazardous Materials and Special Wastes and other environmental contaminants on or under the Demised Premises. Airline shall undertake such steps to remedy and remove any such Hazardous Materials and Special Wastes and any other environmental contamination as is presently or subsequently discovered on or under the Demised Premises, as are necessary to protect the public health and safety and the environment from actual or potential harm and to bring the Demised Premises into compliance with all Environmental Requirements. Such work shall be performed at Airline's sole expense after Airline submits to City a written plan for completing such work and receives the prior written approval of City, and City shall have the right to review and inspect all such work at any time using consultants and representatives of its choice. The cost of such review and inspection shall be paid by Airline. Specific cleanup levels for any environmental remediation work shall be designed to meet applicable requirements under local, state and federal statutes, regulations, and guidelines. In the event that the City is named in any enforcement action or lawsuit by any party in connection with the environmental condition of the Demised Premises or Improvements thereon, Airline shall defend the City and indemnify the City for any costs, damages or fines that might be found against the City.

Article VII.

7.01 Exercise By City Of Governmental Functions.

Nothing contained herein shall impair the right of City, in the exercise of its governmental functions, to require Airline to pay any tax or inspection fees or to procure necessary permits or licenses provided such requirement is not inconsistent with the rights and privileges granted hereunder or under the International Use Agreement. Nothing herein shall be construed to prevent Airline from contesting in good faith any tax or inspection fee so long as such contest is diligently commenced and prosecuted by Airline.

Article VIII.

8.01 Insurance.

Airline shall maintain, or cause to be maintained, at its own expense, during the term of this Lease, insurance with respect to its property and business conducted at the Demised Premises against such casualties and contingencies (including but not limited to liability) as is described in this Article VIII, and such additional insurance in such amounts as is customary in the case of similarly situated persons in the air transportation business.

If pursuant to any other agreement between Airline and City, Airline is complying with requirements identical with those of this section, such compliance shall also serve as compliance with the requirements of this section.

8.02 Required Insurance Policies.

Airline shall maintain or cause to be maintained at Airline's expense during the term of this Lease the types of insurance policies specified below with insurance companies reasonably acceptable to the City, covering all operations under this Lease, including construction whether performed by Airline or by contractors of Airline.

The kinds and amounts of insurance required are as follows:

- 1) Employer's Liability, Worker's Compensation And Occupational Disease Insurance.

Employer's Liability, Worker's Compensation and Occupational Disease Insurance shall be maintained by Airline for Airline's employees in amounts as required by the statutes, rules or regulations of the State of Illinois, and Airline shall require any of its sublessees, assignees, contractors or other parties operating on or from the Demised Premises to maintain comparable coverage.

- 2) Commercial General Liability Insurance (Primary And Umbrella).

Commercial General Liability Insurance (primary and umbrella) or equivalent with limits of not less than \$25,000,000 combined single limit, for bodily injury, property damage liability and personal injury per occurrence shall be maintained by Airline. Products/completed operations, independent contractors, explosion, collapse, underground, pollution (to the extent commercially available for a similar risk) and contractual liability coverages are to be included. The City is to be named as an additional insured.

- 3) Automobile Liability Insurance.

When any motor vehicles are used in connection with the work to be performed, Airline or its contractors shall maintain Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence, combined single limit, for bodily injury and property damage. The City is to be named as an additional insured.

- 4) All Risk Builders Risk Insurance.

When Airline undertakes any construction, including improvements, betterments, and/or repairs on the Demised Premises, Airline shall maintain or cause to be maintained adequate All Risk Builders Risk Insurance to cover material, equipment and supplies at jobsite and in transit until such time that City, in its discretion, deems such coverage unnecessary for all construction operations under this Lease due to the commencement of coverage under paragraph 5 below whether performed by Airline or contractors of Airline. City shall give Airline 10 days written notice that Airline may terminate a portion of the coverage required by this paragraph. Such coverage shall be written to include coverage for the City as its interests may appear.

5) All Risk Property Insurance.

After completion of any construction on the Demised Premises, including improvements and betterments, Airline shall maintain All Risk Property Insurance in the amount of the full replacement value of the Demised Premises. The City is to be named as an additional insured and proceeds of insurance shall be payable to City and Airline based on their respective ownership interests as they may appear.

6) Professional Liability.

When any architects, engineers, or consulting firms perform work in connection with the Demised Premises, Airline shall maintain or cause to be maintained Professional Liability Insurance with limits of \$1,000,000. The policy shall include prior acts coverage and/or extended reporting period.

7) Valuable Papers Insurance.

When any plans, designs, drawings, specifications and documents are produced or used under the terms of this Lease, valuable papers insurance in the amount of \$50,000 shall be obtained in an amount to insure against any loss whatsoever, and shall have limits sufficient to pay for the recreation and reconstruction of such records.

Failure to carry or keep such insurance in force as provided herein shall constitute a material breach of this Lease, and City maintains the right in addition to any and all other rights and remedies provided in Sections 4.01 and 11.01(a)(ii) and elsewhere herein to stop any work until such breach is cured and proper evidence thereof satisfactory to City is provided by Airline.

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

Airline shall require all contractors to carry the insurance required herein. Airline may, at its option, provide the coverage for any or all such contractors. If Airline determines to provide coverage for its contractors, the evidence of insurance submitted to City by Airline shall so stipulate.

The Commissioner maintains the right (for himself and/or his designee) to modify, delete, alter or change the requirements of this Article 8 to address those risks that would be insured by prudent airport operators of a business similar to that operated on the Demised Premises by Airline.

Airline expressly understands and agrees that any insurance protection furnished by Airline hereunder shall in no way limit Airline's responsibility to indemnify and hold City harmless under the provisions of this Lease and further understands and agrees that any insurance obtained by City shall be in addition to and not be applied toward the insurance required of Airline under this Lease. Further, Airline, on behalf of itself, its contractors, subcontractors and insurers, hereby waives any and all rights of subrogation against City, including its appointed and elected officials, representatives, agents, and employees, for any loss that is or should have been covered by insurance as required under this Lease.

8.03 Loss Adjustment Procedures.

(a) If any buildings or improvements constructed on the Demised Premises are damaged or destroyed, Airline shall immediately after such damage or destruction cause to be prepared plans, specifications and estimates of cost for repairing, replacing or reconstructing the damaged or destroyed property in accordance with the original design, subject to such modifications thereof as may be approved by Airline and the Commissioner or his designee. The Commissioner or his designee shall be entitled to participate in the preparation of such plans and specifications, and must approve them prior to the commencement of reconstruction; provided, however, that such approval shall not be unreasonably withheld. As soon as possible after such damage or destruction, Airline shall reconstruct and replace all damaged or destroyed improvements in accordance with the approved plans and specifications and shall have the ability to use insurance proceeds available from the policies carried for such purposes after deduction for any expenses of City in collecting and/or administering the disbursement of such insurance proceeds. Any funds needed to pay for such reconstruction in excess of available insurance proceeds shall be furnished by Airline.

(b) Subject to the provisions of Subsection 8.03(a) above, any unused balance of any insurance proceeds paid on the occasion of damage or destruction of any buildings or improvements on the Demised Premises, after all repairs, demolitions or removals are completed as required by this Lease, shall be paid to City.

8.04 Proof Of Insurance.

Airline shall provide the Commissioner or his designee with certificates of insurance evidencing the coverage required by this Article VIII, and all insurance provided for under this Lease shall be effected under valid enforceable policies issued by insurers of recognized responsibility. All such policies shall insure City and Airline in accordance with their respective

interests as set forth herein. Said certificates of insurance shall be delivered to the Commissioner or his designee. Airline shall notify Commissioner or his designee of any change in any policies of insurance maintained by Airline pursuant to this Lease, and Airline shall furnish Commissioner a revised certificate of insurance showing that such changes in policy are consistent with the requirements of this Lease. With respect to renewals, Airline shall provide Commissioner or his designee with details of renewal coverage, including renewal certificates of insurance or similar evidence, on or prior to the expiration of any coverage.

Article IX.

9.01 Abatement In The Event Of Closing.

In the event that for a period of time in excess of five (5) consecutive days the Airport is closed by any order or direction of City or any other governmental authority or agency, or by any order or direction of any court of competent jurisdiction not stayed by way of appeal or otherwise, then the rent payable by Airline shall abate for the period of such closing.

9.02 Abatement On Account Of Casualty.

(a) If due to damage or destruction by fire or other casualty due to the fault of City, any of the facilities to be furnished by City outside the Demised Premises as provided in Section 5.01 hereof are rendered unusable to such an extent as to substantially impair the ability of Airline to conduct normal operations on the Demised Premises, then the rent payable hereunder by Airline for the Demised Premises shall be paid up to the date of such damage or destruction. Such rent shall thereafter abate in an amount directly proportional to the extent Airline's ability to conduct normal operations on the Demised Premises is impaired by such damage or destruction unless and until City thereafter furnishes adequate temporary substitute facilities and expeditiously restores the facilities so damaged or destroyed; provided, however, that if City fails to repair such damage or destruction so that Airline's ability to conduct normal operations on the Demised Premises is substantially impaired for more than ninety (90) days, then Airline at its option may, by giving to City at least thirty (30) days prior notice, terminate this Lease. City shall have no liability to Airline for City's failure to furnish such temporary substitute facilities or for City's failure expeditiously to restore such facilities.

(b) Except as otherwise expressly set forth herein, Airline shall have no right to rent abatement or set-off of any kind.

(c) In the event rent is ever abated pursuant to this Article IX, such abatement shall not apply to Airline's obligation to pay O. & M. Expenses.

Article X.

10.01 Regulating The Airport.

(a) Except as otherwise provided herein, City reserves the right to regulate, police, and further develop, improve, reconstruct, modify, or otherwise alter the Airport in City's sole discretion.

(b) Upon a determination by City, in its sole discretion after considering the technical and regulatory alternatives and evaluating reasonable suggestions made by Airline, that the Demised Premises are necessary for a public use, as the term "public use" is interpreted under Chapter 110, Article VII of Illinois Revised Statutes, which may include resolution of a sight line problem at the Airport, and City, in its sole discretion, determines that such public use requires the demolition, removal, or relocation of the Improvements, City may, in its sole discretion, require Airline to vacate the Demised Premises within eighteen months of written notice from City of such determination ("Notice Date"). Further, City may, at its election, require Airline to accept in lieu of any and all other remedies, either of the following alternatives:

- (1) A combination of replacement land at the Airport ("Replacement Land") and a payment equal to either (i) the Original Cost (as defined below) of any Improvements for which the Notice Date occurs within the first five (5) years of the date of substantial completion of said Improvements, or (ii) the unamortized value of any Improvements for which the Notice Date occurs after said five (5) year period. The "unamortized value of the Improvements" shall be determined by deducting depreciation from the Original Cost of any Improvements, the Original Cost being determined as described below as of the end of the fifth year after substantial completion of the Improvements, and said depreciation shall be computed on a straight line basis beginning five (5) years after the substantial completion of the Improvements and extending over the lesser of the useful life of the Improvements or the period of the term of this Lease during which the Improvements would have been in place. The "Original Cost" of any Improvements for purposes of this Subsection 10.01 shall be the actual, out of pocket amounts expended by Airline for construction of said Improvements increased by the same percentage that construction costs in the Chicago metropolitan area increase as reflected in the index of

construction costs for the Chicago metropolitan area published by the Engineering News Record. The unamortized value of the Improvements shall be calculated as of the date the Airline vacates the Demised Premises and an example of such a calculation is appended hereto as Appendix I; or

- (2) An alternative facility which is comparable to the Improvements on the Demised Premises and from which Airline can effectively operate its Air Transportation of Freight and Cargo Business in a manner reasonably similar to the manner in which it was operated prior to the vacation of the Demised Premises ("Comparable Facility").

Any reasonable cost of preparing or converting the Comparable Facility for Airline's use, or providing common improvements on Replacement Land shall be paid by City.

Notwithstanding the right of City to require Airline to accept either of the remedies described in (1) or (2) above, City shall, in its sole and absolute discretion, also have the right to exercise its rights of eminent domain, as provided under Chapter 110, Article VII of Illinois Revised Statutes, in lieu of either of the above-described remedies.

If City elects to make a Comparable Facility available to Airline, the Comparable Facility shall be made available to Airline within fourteen (14) months of the Notice Date. Rent on any such Comparable Facility shall be equal to the aggregate rent (including but not limited to payments made by Airline pursuant to Section 3.02 herein) payable by Airline pursuant to this Lease except to the extent the Comparable Facility is larger than the Demised Premises at the request of Airline, in which case rent on the Comparable Facility shall be greater. If City chooses to relocate Airline to a Comparable Facility, then City shall reimburse Airline only for the reasonable out-of-pocket moving costs incurred by Airline to relocate its personal property and movable equipment.

If City elects to make Replacement Land available to Airline, the Replacement Land shall be made available to Airline within six (6) months of the Notice Date. The date City makes Replacement Land available to Airline shall be the "Land Availability Date". Rent on any Replacement Land shall be equal to the per square foot rate effective on the Land Availability Date pursuant to Section 3.01(a) and Section 3.01(c) hereof, for an amount of Replacement Land up to the area of land then being leased by Airline hereunder, and to the extent the site of the Replacement Land is larger than the area of land then being leased by Airline, rent on the portion of the Replacement Land in excess of the area of land then being leased by Airline hereunder shall be an amount equal to the then market rate of rent for such land as determined by City. Airline shall commence construction of a new facility on Replacement Land within four months of the Land

Availability Date and substantially complete all construction of such facility within twenty-four (24) months of the Land Availability Date. The Commissioner, in his sole discretion, may grant Airline an extension to complete construction of a new facility and may also, in his sole discretion, allow Airline to continue operations at the Demised Premises for a reasonable period beyond the eighteen month termination period set forth herein.

Nothing herein shall be construed as imposing upon Airline a "substantial restriction of Airline's operations at the Airport". No action by City under this Section 10.01 shall be grounds for Airline to proceed under Article XIII herein or otherwise to terminate this Lease.

10.02 Release Of City.

(a) City shall not be liable to Airline, or to Airline's agents, representatives, contractors and subcontractors or employees, for any injury to, or death of, any of them or of any other person or for any damage to any of Airline's property or loss of revenue caused by any third person in the maintenance, construction, or operation of facilities at the Airport, or caused by City or any third person using the Airport or navigating any aircraft on or over the Airport, except where there has been a final judicial determination that any injury, death, or damage is due to the negligence or willful misconduct of the City, and only to the extent Airline or any of the above described parties is not covered by appropriate insurance.

(b) City shall not be liable to Airline for damage to property of Airline or any loss of revenues to Airline resulting from City's acts or omissions in the maintenance and operation of the Airport except where there has been a final judicial determination that such damage or loss has been caused by the negligence or willful misconduct of the City, and only to the extent Airline or any of the above described parties is not covered by appropriate insurance.

10.03 Indemnity.

(a) Airline shall pay and shall protect, defend, indemnify and save City, its agents, representatives and employees, harmless to the extent permitted by law from and against any and all liabilities, losses, damages, costs and expenses (including reasonable attorney's fees and expenses), causes of action, suits, claims, demands, judgments, awards and settlements including, without limitations, payments of claims of liability resulting from any injury to or death of any person or damage to property (except to the extent caused by the negligence or willful misconduct of City, its agents, representatives or employees as determined by a final judicial proceeding), and costs of acquisition of real property as a result of claims described in subsection (i) below, in each case, only to the extent City is not reimbursed out of insurance proceeds arising out of the following:

(i) Suits alleging a taking of property or interests in property without just compensation, trespass, nuisance, or similar suits based upon the use of the Airport for the landing and taking-off of aircraft;

(ii) Airline's use or occupancy of the Airport not covered in subsection (a)(i) of this Section 10.03 or non-use (if such non-use is contrary to Airline's obligations hereunder) of any premises demised to Airline hereunder;

(iii) The condition of Airline's Demised Premises, including any equipment or facilities at any time located thereon, and any repairs, construction, alterations, renovation, relocation, remodeling and equipping thereof or thereto;

(iv) The violation by Airline of any agreement, warranty, covenant or condition of this Lease, of any other contract, agreement or restriction relating to Airline's operations at the Airport, or of any law, ordinance, regulation or court order affecting the Airport;

(v) The failure or alleged failure of Airline, its successors or assigns, to comply with local, state, or federal environmental rules, regulations, statutes, laws, or orders (collectively referred to as "Environmental Requirements"), or which is due, in whole or part, to any releases or threatened releases of Hazardous Materials or Special Materials on, about or under the Demised Premises.

(b) (i) To the extent permitted by law, Airline shall be responsible for (a) all physical injuries (including death) to persons (including, but not limited to, Airline's and City's employees, contractors and subcontractors, agents, and representatives) or (b) damage to property (including, but not limited to, property of the City), either of which may occur on account of or in connection with the performance of any work on, to or for the benefit of the Demised Premises excepting therefrom that portion, if any, of bodily injuries and property damage caused by the negligence or willful misconduct of the City, its contractors, agents, employees and other representatives as determined in a final judicial proceeding. Airline's responsibility hereunder shall include, but not be limited to, the payment of Worker's Compensation under the Worker's Compensation Law of the State of Illinois, and Airline specifically covenants to reimburse the City for all payments of Worker's Compensation which the City shall be required to make to any employee who shall have sustained injuries on account of or in connection with any work performed pursuant to this Lease or with respect to the Demised Premises, excepting therefrom that portion, if any, of bodily injuries and property damage caused by or resulting from the negligence of the City as determined in a final judicial proceeding.

(ii) During any construction by Airline with respect to the Demised Premises or the Common Areas, Airline shall be solely responsible for the support, maintenance, safety and protection of the facilities of the City, and for the safety and protection of all persons or employees and of all property therein.

(c) Airline agrees to indemnify and hold the City harmless to the extent permitted by law against liability for any and all injuries and damages to the property of the City arising directly from, or in any way occurring in connection with any work done by or at the direction of Airline for the benefit of the Demised Premises, whether caused by the negligence or willful misconduct of Airline, its employees, agents, contractors, subcontractors or otherwise.

(d) The Commissioner shall promptly notify Airline in writing of any claim or action brought against City in respect of which indemnity may be sought by City against Airline hereunder, setting forth the particulars of such claim or action and shall furnish Airline with a copy of all suit papers and legal process. Airline shall assume and have full responsibility for the defense or settlement thereof, including the employment of counsel and the payment of all expenses and all settlements or judgments. City shall cooperate fully with Airline in the defense of any case hereunder, and may employ separate counsel at a reasonable cost in any such action and participate in the defense thereof.

10.04 Tort Immunity.

Notwithstanding any reference herein to Airline's release and indemnification being ineffective in certain instances where City, its agents, employees or representatives have been negligent, nothing herein shall be construed to make the City liable in any case or instance where the City would otherwise be immune from any tort liability because of its being a municipal corporation.

Article XI.

11.01 City's Rights And Remedies.

All rights and remedies of City provided for in this Lease shall be cumulative and none shall exclude any other right or remedy allowed by law or equity.

(a) If default shall be made in the prompt payment of rent or any other amount due hereunder and such default shall continue for ten (10) or more business days after the same becomes due, or if default shall be made in the observance or performance of any covenants or agreements in this Lease which Airline is required to observe and perform and such default shall continue for thirty (30) days after written notice to Airline unless such default cannot be cured within said thirty (30) day period, in which case Airline shall have such period of time as is required to diligently proceed to cure the default, or if a default involves a hazardous condition and Airline does not diligently proceed to cure such default immediately upon written notice to Airline, or if the interest of Airline in this Lease shall be levied or under execution or attached by process of law, or if any voluntary petition in bankruptcy or for corporate reorganization or any similar relief shall be filed by Airline, or if any involuntary petition in bankruptcy shall be filed against Airline under any federal or state bankruptcy or insolvency act and shall not have been dismissed within thirty (30) days from the filing thereof, or if a receiver shall be appointed for Airline or any of the property of Airline by any court and such receiver shall not have been dismissed within sixty (60) days from the date of his appointment, or if Airline shall make an assignment for the benefit of creditors of all or substantially all of its assets, or if Airline shall admit in writing Airline's inability to meet its debts as they mature, or if Airline shall abandon or vacate the Demised Premises or Common Areas during the term, then and in any such event City if it so elects, may treat the occurrence of any one or more of the foregoing events as a breach of this Lease, and thereupon at its option may, with or without notice or demand of any kind to Airline or any other person, have any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

(i) City may terminate this Lease and the term created hereby, in which event all rent provided to be paid by Airline for the balance of the original term shall immediately become due and payable and City may forthwith repossess the Demised Premises and any of Airline's materials or property located on the Common Areas.

(ii) City may terminate Airline's right of possession and may repossess the Demised Premises and any of Airline's materials or property located on the Common Areas by forcible entry and detainer suit, by taking peaceful possession or otherwise without terminating this Lease or releasing Airline, in whole or in part, from Airline's obligation to pay rent hereunder for the full term.

(b) All property removed from the Demised Premises or Common Areas by City pursuant to any provisions of this Lease or by law may be handled, removed or stored in a commercial warehouse or otherwise by the City at the risk, cost and expense of Airline, and City shall in no event be

responsible for the value, preservation or safekeeping thereof. Airline shall pay City, upon demand, any and all expenses incurred by City in such removal and storage charges against such property so long as the same shall be in City's possession or under City's control. All property not removed from the Demised Premises or Common Areas or retaken from storage by Airline within sixty (60) days after the end of the term, however terminated, shall be conclusively deemed to have been forever abandoned by Airline.

After taking possession of the Demised Premises pursuant hereto, City shall have the right to remove all or part of any structures or Improvements located on the Demised Premises or Common Areas without any prior notice to Airline, and City shall have no liability or responsibility for any property of Airline remaining in, on or about the Demised Premises or Common Areas in the event of such removal.

(c) Airline shall pay all of City's costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Airline's obligations under this Lease or incurred by City in any litigation, negotiation or transactions in which Airline causes City, without City's fault, to become involved or concerned.

(d) If Airline violates any of the terms and provisions of this Lease, or defaults in any of its obligations hereunder, other than the payment of rent or other sums payable hereunder, such violations may be restrained or such obligation enforced by injunction.

(e) Notwithstanding anything to the contrary herein, this Lease shall not terminate for any event stated above to the extent that Airline is replaced as a tenant under the provisions of Section 12.01(c) of this Lease and such new tenant diligently proceeds to cure the default then occurring hereunder.

Article XII.

12.01 No Waiver.

(a) No waiver by City or Airline of default of any of the terms, covenants or conditions hereof to be performed, kept and observed by City or Airline shall be construed to be or act as a waiver of any subsequent default of any of such terms, covenants and conditions.

(b) The acceptance of rent, whether in a single instance or repeatedly, after it falls due, or after knowledge of any breach hereof by Airline, or the giving or making of any notice or demand, whether according to any statutory provisions or not, or any act or series of acts except an express

written waiver, shall not be construed as a waiver of any right hereby given City, or as an election not to proceed under the provisions of this Lease.

(c) Notwithstanding Sections 12.01(a) and (b) above, in the event Airline (or a third party operating on behalf of Airline) finances the construction of the Improvements and/or Common Improvements through the use of special facility revenue bonds, and Airline is in default pursuant to Section 11.01 of this Lease, a trustee in connection with the financing of the Improvements and/or Common Improvements, at Airline's request, may cure such default within the time periods provided herein and replace Airline with another tenant or tenants, subject to prior written approval of the Commissioner, which approval shall be subject to the same standards set forth in Section 1.05 above. The rent payable by such tenant(s) shall be applied first to satisfy Airline's obligation under this Lease and the excess, if any, shall be payable to the holders of such debt.

Article XIII.

13.01 Termination By Airline.

Airline may terminate this Lease and any or all of its obligations hereunder if (i) at such time Airline is not in default in the payment of any amount due from it to City, or in default of any other material obligation hereunder, (ii) there are no other restrictions on Airline's ability to terminate this Lease contained herein or in any other document or instrument related to the Demised Premises or the operation thereof, and (iii) any one or more of the following events has occurred:

(1) The failure or refusal of the Federal Aviation Administration to approve operations into and from the Airport for those types of aircraft operated by Airline in its Air Transportation of Freight and Cargo Business and continuance thereof for a period of at least sixty (60) days, so long as such failure or refusal is not due to any fault of Airline.

(2) The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airport or any part thereof so as to substantially adversely affect Airline's use of the Airport in its conduct of the Air Transportation of Freight and Cargo Business and the remaining in force of such injunction, not stayed by way of appeal or otherwise, for a period of at least sixty (60) days.

(3) The issuance of any order, rule or regulation or the taking of any action by the Federal Aviation Administration or other government authority substantially affecting for a period of at least sixty (60) days Airline's use of the Cargo Areas in its conduct of the Air Transportation of

Freight and Cargo Business, provided, however, that none of the foregoing is due to any fault of Airline.

(4) The default by City in the performance of any covenant or agreement required to be performed by City herein that substantially adversely affects Airline's use of the Demised Premises, and the failure of City to remedy such default, or to take prompt action to remedy such default, within a period of sixty (60) days after receipt from Airline of notice to remedy the same. In this event, Airline shall also have all other rights and remedies allowed by law or equity.

(5) The substantial restriction of City's operation of the Airport by action of any governmental agency or department, and continuance thereof for a period of not less than sixty (60) days, provided such restriction substantially adversely affects Airline's Air Transportation of Freight and Cargo Business at the Airport.

(6) The substantial restriction of Airline's operation at the Airport by action of any governmental agency or department, and the continuance thereof for a period of not less than sixty (60) days, provided such restriction substantially adversely affects Airline's operations at the Airport.

No waiver by Airline of default of any of the terms, covenants or conditions hereof, or of any other agreement between City and Airline relating to the Airport or any part thereof, to be performed, kept and observed by City shall be construed to be or act as a waiver of any subsequent default of any of such terms, covenants and conditions.

Any termination by Airline pursuant to this Section 13.01 (1), (2), (3), (5), or (6) shall not occur unless the Airline serves upon the Commissioner and Corporation Counsel notice of said termination, or intent to terminate thirty (30) days prior to such termination together with a statement of how the operations of the Airline have been substantially affected. In the event of a termination by Airline pursuant to subsection (1), (2), (3), (5), or (6) of this Section 13.01, City shall have no liability or obligation whatsoever to Airline on account of such termination.

Article XIV.

14.01 Right Of Airline To Remove Property.

Airline shall be entitled during the term of this Lease, and for a reasonable time (not exceeding sixty (60) days) after its termination, to remove from the Demised Premises all trade fixtures, tools, machinery,

equipment, materials and supplies placed thereon by it pursuant to this Lease, subject to any valid lien City may have thereon for unpaid rent or other amounts payable by Airline to City hereunder or under any other agreement between City and Airline relating to the Airport or any part thereof; provided, however, that Airline shall promptly repair all damage resulting from such removal, reasonable wear and tear excepted.

Article XV.

15.01 Equal Opportunity.

Airline agrees that in performing under this Lease it shall neither discriminate against any worker, employee or applicant, or any member of the public, because of race, creed, color, religion, age, sex, national origin, handicap or disability, ancestry, marital status, parental status, sexual orientation, source of income, or military discharge. Airline agrees that in performing under this Lease it will comply with all applicable federal, state and local laws which prohibit discrimination, including but not limited to, the aforementioned forms of discrimination.

Airline further agrees that it will not commit an unfair employment practice.

Airline will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, religion, age, sex, national origin, handicap or disability, ancestry, marital status, parental status, sexual orientation, source of income, or military discharge. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; compensation; and selection for training, including apprenticeship.

Airline agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this Section 15.01. Airline further agrees that this clause will be incorporated in all contracts entered into with any suppliers of materials or furnishers of services, contractors and subcontractors, and all labor organizations, which furnish skilled, unskilled and craft union skilled labor, or which may perform any such labor or services in connection with the Demised Premises or the construction of Improvements or Common Improvements.

Attention is called to Executive Order 11246, 3 C.F.R. 339 (1964 -- 1965), as modified by Executive Order 11375, 3 C.F.R. 320 (1967); The Civil Rights Act, 42 U.S.C. 2000d, (1964); The Age Discrimination Act, 42 U.S.C. 1601 -- 1602 inclusive, (1975); Discrimination In Public Contract Acts, Ill. Rev. Stat., Ch. 29, §§ 2-105, 5-101-5-103, inclusive (1987); Municipal Code of

Chicago Ch. 199 "Human Rights", Council Journal of Proceedings, pages 23526 -- 23536 (December 21, 1988); Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor 41 C.F.R. 60-1 (July 1, 1988).

To demonstrate compliance, Airline will furnish, and will obligate its contractors and subcontractors to furnish, such reports and information as is reasonably requested by City.

15.02 Nondiscrimination.

This Lease involves the use of or access to space on, over, or under real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and therefore involves activity which serves the public.

Airline, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (a) no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (b) that no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (c) that Airline shall use the Demised Premises in compliance with all other requirements imposed by or pursuant to regulations of the Department of Transportation.

15.03 Prohibition Against Exclusive Rights.

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 City reserves the right to grant to others the privileges and right of conducting any one or all activities of an aeronautical nature.

15.04 Nondiscrimination In Furnishing Services.

Airline agrees to furnish services in the United States in compliance with federal law and on a fair and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory

prices for each unit of service; provided, that Airline may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions.

15.05 Affirmative Action Program And M.B.E./W.B.E. Requirements.

Airline assures that it will undertake an affirmative action program which sets all applicable federal standards as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E. Airline assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E. Airline assures that it will require that its covered suborganizations provide assurances to Airline that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 C.F.R. Part 152, Subpart E, to the same effect.

Article XVI.

16.01 City Books And Records.

City shall follow such procedures and keep and maintain such books, records and accounts as may be necessary or appropriate under the provisions of this Lease. Airline shall have the right at any reasonable time and at its own expense to examine and make copies of extracts from those books and records that pertain to expenditures for which Airline must reimburse or pay the City under this Lease.

Article XVII.

17.01 Definitions.

The following words, terms and phrases, shall, for purposes of this agreement, have the following meaning:

(1) "Abandonment" or "Abandons" means the cessation of the use of the Demised Premises by the Airline of all of the uses permitted under this

Lease in Section 1.03, other than for reasons of strikes or force majeure, for a period of sixty (60) days.

(2) "Airline" means, at any time, the lessee of the Demised Premises referenced in Section 1.01, or its successors, sublessees or assigns.

(3) "Air Transportation of Freight and Cargo Business" means the carriage by aircraft of property, cargo or mail as an international carrier for compensation or hire in commerce within the limitations or use of the Demised Premises as set forth in Section 1.03.

(4) "Airport" means Chicago-O'Hare International Airport, together with any additions thereto, or improvements or enlargements thereof, hereinafter made, but any land, rights-of-ways, or improvements which are now or hereafter owned by or are part of the transportation system operated by the Chicago Transit Authority, or any successor thereto, wherever located within the boundaries of the Airport, shall not be deemed to be part of the Airport.

(5) "Airport Use Agreement" means the 1985 Amended and Restated Airport Use Agreement and Terminal Facilities Lease.

(6) "City" means the City of Chicago, a municipal corporation, a home rule unit existing under the laws of the State of Illinois.

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

(8) "Fiscal Year" means January 1 through December 31 of any year or such other fiscal year as City may adopt for the Airport.

(9) "Hazardous Materials" means asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), oil or any other petroleum products, natural gas, source material, special nuclear material, and byproduct materials regulated under the Atomic Energy Act (42 U.S.C. §2011, et seq.), pesticides regulated under the Federal Insecticide Fungicide and Rodenticide Act (7 U.S.C. §136, et seq.), and any hazardous waste, toxic substance or related material, including any substance defined or treated as a "hazardous substance", "hazardous waste", or "toxic substance" (or comparable term) in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901, et seq.), the Toxic Substances Control Act (15 U.S.C. §2601, et seq.), the Illinois Environmental Protection Act (Ill. Rev. Stat., Ch. 111-1/2, Sec. 1001, et seq.) and any rules or regulations promulgated pursuant to such statutes or any other applicable federal or state statute, rule or regulation

or county or municipal law, ordinance, rule or regulation, as amended, in each case.

(10) "Lease" means this Cargo Building Site Lease, as hereafter amended or supplemented from time to time in accordance with its terms.

(11) "Special Wastes" refers to those substances as defined in Section 1003.45, Ch. 111-1/2 of the Illinois Environmental Protection Act, and as further referred to in Section 809.103 of 35 Illinois Admin. Code, Subtitle G, Ch. 1.

(12) "International Terminal Use Agreement" means the International Terminal Use Agreement and Facilities Lease that is at any time in effect for tenants of the International Terminal at Chicago-O'Hare International Airport.

(13) "Operational and Maintenance Expenses" (sometimes abbreviated as "O. & M. Expenses") means for the Cargo Areas, for any Fiscal Year, a fair allocation of total operations and maintenance expenses incurred by the City in operating and maintaining the Common Areas during such Fiscal Year, either directly or indirectly, by allocation to the Cargo Areas by City, including without limitation:

- (a) The following costs and expenses incurred by City for employees of City employed with respect to the Cargo Areas at the Airport, or doing work involving the Cargo Areas at Airport: direct salaries and wages (including overtime pay), together with payments or costs incurred for associated payroll expense, such as union contributions, cash payments to pension funds, retirement funds or unemployment compensation funds, life, health, accident and unemployment insurance premiums, vacations and holiday pay, and other fringe benefits;
- (b) Costs of materials, supplies, machinery and equipment and other similar expenses which, under generally accepted accounting principles, are not capitalized;
- (c) Costs of maintenance, landscaping, decorating repairs, renewals and alterations not reimbursed by insurance, and which, under generally accepted accounting principles, are not capitalized;
- (d) Costs of water, electricity, natural gas, telephone service and all other utilities and services whether furnished by City or purchased by City and furnished by independent contractors at or for the Cargo Areas;

- (e) Costs of rentals of equipment or other personal property;
- (f) Costs of premiums for insurance, including property damage, public liability, burglary, bonds of employees, workers' compensation, disability, automobile, and all other insurance covering the Common Areas or its operations;
- (g) Costs incurred in collecting and attempting to collect any sums due City in connection with the operation of the Cargo Areas;
- (h) Costs of advertising at or for the Cargo Areas;
- (i) Except to the extent capitalized, compensation paid or credited to persons or firms appointed or engaged, from time to time, by City to render advice and perform architectural, engineering, construction management, financial, legal, accounting, testing or other professional services in connection with the operation, expansion, alteration, reconstruction, betterment or other improvement of the Common Areas or any of its structures or facilities;
- (j) All other direct and indirect expenses, whether similar or dissimilar, which arise out of City's operation of the Cargo Areas, and which, under generally accepted accounting principles, are properly chargeable as expenses to the Common Areas, including any applicable taxes payable by City which may be lawfully imposed upon the Airport by entities other than City.

(15) "Runways" means, at any time, runways at the Airport for the landing and taking-off of aircraft.

(16) "Taxiways" means, at any time, taxiways and taxilanes at the Airport for the ground movement of aircraft to, from and between the runways, the Demised Premises, and other portions of the Airport.

17.02 Incorporation Of Exhibits.

The following exhibits attached hereto are made a part of this Agreement:

Exhibit A -- The Demised Premises and Improvements.

Exhibit B -- Description of Common Improvements.

Exhibit C -- Procedures for Design and Construction of Improvements.

Exhibit D -- Equal Employment and Affirmative Action.

Exhibit E -- O'Hare Cargo Areas Layout Plan.

Article XVIII.

18.01 Notices.

All notices to City provided for herein shall be in writing and may be sent by registered or certified mail, postage prepaid, addressed to the Commissioner of Aviation of the City of Chicago, City Hall, Chicago, Illinois 60602, or to such other address as City may designate from time to time by notice to Airline or as required by this Lease, and shall be deemed given when so mailed. All notices to Airline provided for herein shall be in writing and may be sent by registered or certified mail, postage prepaid, addressed to Airline, _____

_____, with a copy to: _____ or such other address as Airline may designate from time to time by notice to City, and shall be deemed given when so mailed.

18.02 Separability.

In the event any covenant, phrase, clause, paragraph, section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, phrase, clause, paragraph, section, condition or provision shall in no way affect any other covenant, phrase, clause, paragraph, section, condition or provision herein contained.

18.03 Remedies Cumulative.

The rights and remedies granted in this Lease are cumulative and the use of one remedy shall not be taken to exclude or waive the right to the use of another.

18.04 Headings.

The section headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Lease.

18.05 Successors And Assigns.

All of the covenants, stipulations and agreements herein contained shall inure to the benefit of and be binding upon the successors, sublessees and assigns of the parties hereto.

18.06 Airline To Maintain Its Corporate Existence; Conditions Under Which Exceptions Permitted.

Airline shall maintain its corporate existence, shall not dissolve or otherwise dispose of all or substantially all of its assets, and shall not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, unless the surviving, resulting or transferee corporation, as the case may be (a) expressly assumes in writing all of the obligations of Airline hereunder, and (b) if such corporation is not organized and existing under the laws of the United States of America or any state or territory thereof or the District of Columbia, delivers to City an irrevocable consent to service of process and jurisdiction substantially similar to Section 18.07(c) hereof.

18.07 Authorization To Operate; Consent To Service Of Process And Jurisdiction.

(a) Airline warrants that it is a corporation organized and existing under the laws of the state or country shown on the signature page hereof, is a holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958, as amended, authorizing it to operate in foreign air transportation to and from the City of Chicago.

(b) If Airline is a corporation organized and existing under the laws of the United States of America or a state or territory thereof or the District of Columbia, Airline warrants that it is, and throughout the term of this Agreement it will continue to be, duly qualified to do business in the State of Illinois.

(c) All judicial proceedings brought against Airline with respect to this Agreement may be brought in any federal court of competent jurisdiction having situs within the boundaries of the federal court district of the Northern District of Illinois, and by execution and delivery of this Agreement, Airline accepts, for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available. Airline designates and appoints the representative designated on the signature page hereto under the heading "Designation of Agent for Service of Process", as its agent in Chicago, Illinois to receive on its behalf service of all process in any such proceedings in any such court (which representative shall be available to receive such service at all times), such services being hereby acknowledged by such representative to be effective and binding service in every respect. Said agent may be changed only upon the giving of written notice by Airline to City of the name and address of a new Agent for Service of Process that works within the geographical boundaries of the City of Chicago and is employed by Airline. Airline irrevocably waives any objection (including without limitation any objection of the laying of venue or based on the grounds of forum non conveniens) which it may now or hereafter have to the bringing of any action or proceeding with respect to this Lease in the jurisdiction set forth above. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of City to bring proceedings against Airline in the courts of any other jurisdiction.

18.08 Late Payments.

Any payment required to be made by Airline under this Lease which is not paid within five (5) business days of its due date shall bear interest at the rate of four (4) points above the highest "prime" lending rate of interest announced from time to time by the four largest commercial banks in Chicago, determined on the basis of total assets.

18.09 Amendments.

This Lease constitutes the entire agreement of the parties with respect to the subject matter contained herein, and may not be modified or amended except in a writing signed by both parties.

In Witness Whereof, The City of Chicago has caused this Lease to be executed on its behalf by its Mayor, pursuant to due authorization of the City Council of the City of Chicago, and its seal to be hereunto affixed and attested by the City Clerk of the City of Chicago, and Lufthansa German

Airlines has caused this Lease to be executed on its behalf by its _____ and witnessed by its _____ pursuant to due authorization of its Board of Directors, all as of the day and year first above written.

Approved:

City of Chicago

City Comptroller

Richard M. Daley, Mayor

Attest:

Approved As To Form
And Legality:

City Clerk

Corporation Counsel

Airline:

Lufthansa German Airlines

Approved:

By: _____

Commissioner of Aviation

Its: _____

Signature: _____

By: _____

Its: _____

Signature: _____

Approved:

Designation of Agent for City
Clerk Service of Process_____
Commissioner of Department
of Public Works

Name: _____

Address: _____

[Exhibits "A", "B" and "E" attached to this Cargo Building
Site Lease printed on pages 27109 through
27112 of this Journal.]

Exhibits "C", "D" and Appendix "I" attached to this Cargo Building Site
Lease read as follows:

Exhibit "C".

The Following Procedures Shall Apply During The Planning, Design,
Fabrication, Installation, Construction, Start-Up And Testing
(Collectively, The "Work") Of The Improvements And Common
Improvements:

Paragraph 1. Responsibilities And Obligations Of The Airline.

- (a) Airline shall perform the Work, or cause the Work to be performed, on the Improvements and Common Improvements. Airline may award contracts for the Work to be performed but Airline shall remain responsible for the Work. In order to expedite the Work, Airline may negotiate as well as competitively bid its contracts.
- (b) Subject to the provisions of paragraph 2 hereof and of Section 1.02 of this Lease, Airline may commence the Work at any time after the execution of this Lease. Airline agrees that it will complete the Work, or cause the Work to be completed, with all reasonable diligence. Airline's failure to complete the Work in a timely manner shall not be grounds for any rent abatement under the terms of this Lease.
- (c) Airline shall designate a Project Manager who shall manage and coordinate the Work. City shall direct all communications regarding the Work to the Project Manager.
- (d) Airline shall not under any circumstances utilize the services of any entity which is barred from contracting with the City of Chicago pursuant to any law, ordinance, rule or regulation.

Paragraph 2. Airline Coordination With City.

- (a) The Program Management Office ("P.M.O.").

The P.M.O. is a special office created by the City to manage the O'Hare Development Program. For the purposes of this Lease, the P.M.O., or any successor office, shall represent the City in all matters relating to the performance of the Work hereunder and shall constitute the point of receipt for all submittals, unless expressly specified otherwise herein. In all provisions of this Exhibit C in which the City's written approval or consent is required, such approval or consent must be that of the P.M.O., unless Airline is notified in writing by the P.M.O. otherwise. Any approval or consent by the P.M.O. hereunder shall not create any liability on the City, in whole or in part, for the professional or technical accuracy of the Airline's Work to be provided hereunder. The Director of the P.M.O. is the chief executive officer of the P.M.O. and shall be the final arbiter of any decision to be made or consent or approval to be given under this Exhibit C. The P.M.O. shall further assist Airline in coordinating Airline's Work with other projects and operations

at the Airport and in Airline's contacts with any federal, state, or local government agencies. Airline will provide reasonable administrative space for the P.M.O. staff on or contiguous to the Demised Premises. The P.M.O. shall provide such personnel only as may be needed from time to time.

(b) Standard Of Performance.

Airline shall perform, or cause to be performed, all Work with that degree of skill, care and diligence normally exercised by professionals performing equivalent work in projects of a scope and magnitude comparable to the Improvements and Common Improvements, and further in accordance with O'Hare Rules and Regulations in existence at the time the Work commences, and such other reasonable construction procedures and standards as may be established or approved by the City for the Improvements and Common Improvements. Such procedures and standards will not impose on Airline stricter or more rigid procedures or standards than are then being applied to other cargo carriers at the Airport. Such procedures and standards will be established by the City in a timely manner.

Paragraph 3. Requirements For Work.

(a) Project Planning, Design And Fabrication Phase.

Airline shall submit, or cause to be submitted, at such levels as may be reasonably requested by the P.M.O., proposed drawings, plans and specifications for the Improvements and Common Improvements for review and comment by the P.M.O. Such drawings, plans and specifications, and all amendments thereto, shall be subject to the approval of the P.M.O., which approval shall not be unreasonably withheld. The P.M.O. will approve, conditionally approve or disapprove submissions of any such drawings, plans and specifications within fifteen (15) business days, or as mutually agreed to following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation. If Airline intends to adopt fast track construction procedures, Airline must still complete each contract package to a reasonable level of detail (including alternate designs selected by the Airline for major structural, mechanical, electrical and architectural elements) that will provide the P.M.O. adequate information upon which to base its review and approval. Airline shall not proceed with construction operations until all necessary approvals have been obtained.

(b) Airline To Provide Information.

Prior to the commencement of the Work, and thereafter as often as may be necessary to provide the P.M.O. with current and complete information about the Work, Airline shall submit to the P.M.O. (i) initial and updated construction schedules (which shall be reviewed by the P.M.O. for their impact and relation to other projects or operations at the Airport) indicating the proposed and/or actual sequence of all Work, and the estimated date of completion of the Work under each of Airline's contracts; (ii) initial and updated site utilization plans, including limit lines, on-site storage and office areas, and proposed temporary alterations or detours intended to maintain public access, and support detours intended to maintain public access and support services, to, from, through or past operating facilities at the Airport; and (iii) Airline's initial and updated cost estimates for the Improvements and Common Improvements, individually and aggregated.

(c) Installation, Construction, Start-Up And Testing Phrase.

(i) The P.M.O. shall have the right to monitor the Work on the Improvements and Common Improvements to assure that the facilities which comprise the Improvements and Common Improvements are installed and constructed in conformity with the approved drawings, plans and specifications, and in accordance with the applicable standards therefor. In order to assist the P.M.O. in monitoring the installation, construction, start-up and testing of the Improvements and Common Improvements, Airline's Project Manager shall submit, or cause to be submitted, to the P.M.O. copies of all:

- surveys, soil borings, and field test reports;
- contracts for services, labor and materials;
- material certificates and samples;
- approved shop drawings;
- lien waivers, payrolls, and requests for payment by contractors of any tier;
- progress reports;

- notification of substantial completion of the Improvements and Common Improvements and final acceptance thereof;
 - maintenance and operations manuals in connection with building systems;
 - as-built drawings;
 - warranties;
 - test and start-up results; and
 - any other documents related to the Improvements which may be reasonably requested by the City.
- (ii) No change order which materially changes the scope of the Work or the Improvements and Common Improvements shall be implemented by Airline without review and approval by the P.M.O. The P.M.O. will approve, conditionally approve or disapprove submissions of change orders within fifteen (15) business days following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation.
- (iii) In the event the P.M.O. determines that the Work is at material variance from the approved drawings, plans, and specifications or applicable standards, Airline shall use its best efforts to expeditiously resolve such variance through immediate consultation with its contractors. Until it has been determined by the P.M.O. that the Work has been performed without material variance from the approved drawings, plans and specifications and applicable standards, the P.M.O. may, by written notice to Airline, (i) suggest to Airline that Airline withhold payments from any contractor or subcontractor which has performed, in the judgment of the P.M.O., Work which is at material variance from the approved drawings, plans and specifications, or applicable standards, or (ii) suggest to Airline that it stop Work on any portion of the Improvements or Common Improvements directly affected by such variance from the approved drawings, plans, specifications and applicable standards. If Airline's response is unacceptable in the reasonable opinion of the P.M.O., the P.M.O. shall have the right to direct Airline to stop

any other Work on any portion of the Improvements or Common Improvements that are at variance with the approved drawings, plans, and specifications or applicable standards until the affected Work is corrected or replaced.

Any Work which is at material variance from the approved drawings, plans and specifications or applicable standards shall be corrected or replaced by Airline, directly or through its contractors, provided that the P.M.O. has informed Airline of such variance within ten (10) business days following the performance of such Work, unless the variance affects the structural integrity or safety of the Improvements or Common Improvements or the variance could not have been discovered with due diligence, in which case the P.M.O. shall inform Airline of such variance as soon as reasonably practicable. If such Work is not corrected or replaced by Airline within thirty (30) days following notice from the P.M.O. to Airline, the P.M.O. may cause such Work to be corrected or replaced, with its own forces or otherwise, at the expense of Airline, provided that in the event such Work cannot be corrected or replaced within said thirty (30) day period, Airline shall be afforded such additional time as the P.M.O. may determine to be reasonably necessary to correct or replace such Work.

Paragraph 4. Compensation To City.

- (a) Within no less than thirty (30) days after receipt of an invoice from the P.M.O. in accordance with subparagraph (c) below, Airline shall compensate the P.M.O. for the cost of those services provided by the P.M.O. The P.M.O. agrees to use its best efforts to keep its costs as low as reasonably practicable, provided, however, that in no event shall the aggregate amount of reimbursement to the P.M.O. hereunder exceed in the first year that any Work is or has been performed, an amount equal to one and one-half percent (1-1/2%) of the aggregate expenditures during such year for the Work on the Improvements and Common Improvements and, in the second and any subsequent year that any Work is performed, an amount equal to two percent (2%) of the aggregate expenditures during such year for the Work on the Improvements and Common Improvements, and provided, further, however, that the P.M.O. shall be entitled to an equitable adjustment of such amount in proportion to any

increase in its services as a result of a change in the scope of Work or in the Improvements or Common Improvements.

- (b) In November or December of each year during the continuation of the Work, the P.M.O. shall provide Airline with an estimate of the P.M.O.'s required manhours and budgets by month, with regard to its services for the next calendar year. Thereafter, on a semi-annual basis, the P.M.O. shall provide Airline with a detailed review and analysis of actual manhours and expenditures against estimates, including reallocation of budgets if required, with regard to its services. More frequent reviews will be provided upon Airline's reasonable request therefor.
- (c) The P.M.O. shall provide Airline with monthly invoices that describe time charges for the P.M.O. staff assigned to the Improvements and Common Improvements, and any other costs associated with the services provided by the P.M.O. Airline may, within ten (10) days of such provision, request a meeting with the P.M.O. to review and discuss such invoices. The P.M.O. shall hold such meeting or provide Airline with a reasonable opportunity for such a meeting, and give due consideration to Airline's concerns and recommendations regarding such invoices. Airline may further request, at Airline's expense, City to review and audit P.M.O. invoices related to the Improvements and Common Improvements at any time. Airline shall, upon reasonable request therefor, receive copies of all such audits performed by City and may interview the personnel who performed such audits. In no event shall Airline withhold from the P.M.O. the payment of any undisputed amount.

Paragraph 5. Access To Work Site.

Airline, and its architects, engineers, materialmen, and contractors of any tier, shall have, at their own risk, full and complete access to the Demised Premises and such other areas in the Airport as may be necessary to perform Work on the Improvements and Common Improvements, provided that such access shall not unreasonably interfere with the operations of or other projects at the Airport. The P.M.O. shall have authority to arrange, and shall arrange such access in a timely fashion. Notwithstanding any other statements herein, it is Airline's responsibility to coordinate its Work with operations of and all other projects at the Airport. Airline is solely responsible for any costs relating to such coordination.

Paragraph 6. No Warranty By City.

Airline warrants that it has inspected the Demised Premises, and any other areas in the Airport as may be necessary to perform Work on the Improvements and Common Improvements; that it was permitted access to any person or information in connection with its investigation of the Demised Premises and such areas; that the time for such investigation was adequate; that from its own analysis it has satisfied itself as to the nature of all things needed to perform the Work; and that except only for those representations expressly contained in this Lease, no other representation, statement or promise, oral or in writing, of any kind whatsoever, by City, its officials, agents or employees, has been made regarding the nature, existence or location of materials, structures, obstructions, utilities or conditions, surface, subsurface or environmental, which may be encountered at the Demised Premises or such other areas.

Exhibit "D".

I. Equal Employment And Affirmative Action.

Paragraph 1. Minority And Women Business Enterprises.

Airline (the "Company") shall provide for the participation of Minority and Women Business Enterprises in the design and construction of the Improvements and Common Improvements. To this end, the Company shall establish a policy for the utilization of Minority and Women Business Enterprises, a liaison with the Department of Aviation and Department of Purchasing for Minority and Women Business Enterprises, a goal for the award of design and construction contracts, and a reporting procedure agreeable to the Company and the City.

Paragraph 2. Policy.

The following statement represents Company's policy regarding Equal Opportunity and a Minority and Women Business Enterprises program:

Company is committed to providing fair and representative opportunities for minorities and Minority and Women Business Enterprises in its corporate construction project. Neither Company nor its contractors shall discriminate on the basis of race, color, religion, sex or national origin in the award and performance of contracts to be utilized for any of Company's corporate construction projects. Furthermore, affirmative action will be taken, consistent with sound procurement policies and applicable law, to ensure that Minority and Women Business Enterprises are afforded a fair and representative opportunity to participate in Company's construction project contracts.

This policy shall be stated in all contracts executed for construction of the Improvements and Common Improvements, circulated to all employees of Company in affected departments, and made known to minority and women entrepreneurs.

Paragraph 3. Liaison.

To ensure compliance and the successful management of Airline's Minority and Women Business Enterprise program, the Company shall establish a Minority and Women Business Enterprise liaison with City's Department of Aviation and with the City's Department of Purchases, Contracts and Supplies for the Improvements and Common Improvements. Further, all personnel of Company and all others with responsibilities in the supervision of contracts for the Improvements and Common Improvements are to see that actions are performed consistent with the affirmative action goals of this Exhibit D.

Paragraph 4. Goals.

The goals to be met by the Company in the design and construction of the Improvements and Common Improvements shall be with utilization of Minority Business Enterprises (M.B.E.) and Women Business Enterprises (W.B.E.) certified by the City of Chicago subject to the availability of M.B.E. and W.B.E. capable of performing the design and construction of the Improvements and Common Improvements. These goals shall be administered in a manner to assure the City and Company that: (1) the Improvements and Common Improvements shall be completed at a reasonable and acceptable cost to Company, (2) the Improvements and Common Improvements shall be completed on a reasonable and acceptable timetable to Company and City, and (3) the construction quality for the Improvements and Common Improvements shall be reasonable and acceptable to Company and City.

The goals of the Company for participation by Minority and Women Business Enterprises (M.B.E. and W.B.E.) in the design and construction of the Improvements and Common Improvements shall be to achieve a minimum of M.B.E. participation of 25% and W.B.E. participation of 5%, based on the total contracted expenditures for the Improvements and Common Improvements.

Should Company determine that no M.B.E. and W.B.E. is capable or available to perform work on the Improvements or Common Improvements, it shall notify the Commissioner of Aviation specifying the type of work required and the reasons an M.B.E. and/or W.B.E. is not available to perform such work. The Commissioner shall forward the Company's statement to the Department of Purchasing, who shall determine if any M.B.E. and W.B.E. are available to perform the work needed. If the Department of Purchasing determines that certified M.B.E. and W.B.E. are available to perform such work, it shall notify the Company of such availability and Company will be required to utilize such M.B.E. and W.B.E. to the extent the goals set forth above can be met.

Paragraph 5. Eligibility.

Only those persons, firms, partnerships, corporations or other legal entities certified by the City of Chicago as a certified M.B.E. and/or W.B.E. shall be eligible for purposes of meeting the goals established by Paragraph 4 hereof.

Paragraph 6. Reporting.

The Minority and Women Business Enterprise progress report required by Section IV of this Exhibit D shall be made on forms or on a format established by the City and agreeable to Company that includes the following items:

(i) The total amount of prime and subcontract awards during the quarter and, for any contract awards to Minority and Women Business Enterprises resulting therefrom, the name of the Minority and Women Business Enterprise and the amount of the contract with the Minority and Women Business Enterprise;

(ii) The cumulative value of all prime and subcontract awards to date, and the total accumulation of all awards to Minority and Women Business Enterprises;

(iii) A projection of the total amount of prime and subcontracts to be awarded and of Minority and Women Business Enterprise contracts to be awarded during the next quarter;

(iv) All Minority and Women Business Enterprise subcontracts that have been completed and for which final payment has been made during the quarter; and

(v) An evaluation of the overall progress to date towards the Minority and Women Business Enterprise goals for the Improvements and Common Improvements.

II. Equal Employment Opportunity And Affirmative Action Plan.

The Company must commit to establish, maintain and implement a written Equal Employment Opportunity and Affirmative Action Plan (the "E.E.O./A.A. Plan") for the Improvements and Common Improvements, which plan is acceptable to the City and the Company.

The E.E.O./A.A. Plan will be considered in relation to the following goals for employment of women and minorities:

Minority Employment:

25% of skilled hours

40% of laborer hours

Women's Employment:

7% of skilled hours

10% of laborer hours

III. Chicago First Hiring Program.

In the event there are contracts subject to this Exhibit D, the City, through the Mayor's Office of Employment and Training ("M.E.T."), will provide a Chicago First Hiring Program ("Chicago First Program") to the Company. An objective of the Chicago First Program is to ensure that City

residents who have received training and skill development through M.E.T. are afforded consideration for jobs created through development projects.

The Company agrees to negotiate a Chicago First Agreement (the "First Source Agreement") with M.E.T. for the recruitment and referral of personnel for positions available in the construction and/or operation of the Improvements and Common Improvements.

The Company agrees to ensure that in the aggregated hours of work to be performed by all contractors and site work subcontractors in the construction of the Improvements and the Common Improvements, at least 50% of the on-site worker hours in the category of construction laborers and at least 50% of the on-site worker hours in the category of skilled construction trade workers shall be residents of the City.

IV. Reporting And Compliance.

In the event that there are contracts subject to this Exhibit D, at quarterly intervals, beginning ninety (90) days following the execution of this Lease; the Company shall submit to the City progress reports on forms or on a format established by the City's Department of Purchases, Contracts and Supplies and agreeable to the Company, that provide required information concerning Company's compliance with the Company's M.B.E./W.B.E. requirements, E.E.O. and Affirmative Action Plan, and Chicago First Hiring Program.

V. Non-Responsible Bidder.

Prior to awarding any contracts for the Improvements or Common Improvements, Company shall provide City with the names of vendors who may be awarded such contracts. City shall promptly notify Company if a potential vendor appears on the City's list of non-responsible bidders. Company agrees that no contracts for the Improvements and Common Improvements shall be awarded to persons or corporations identified on the City's list of non-responsible bidders, so long as such list does not discriminate against any bidders because of race, religion, age, handicap, color, sex, national origin, citizenship or political affiliation.

VI. Contracting Authority Of Company.

Nothing contained herein shall be deemed to supersede the authority and responsibility of the Company with respect to the contracting process for construction of the Improvements and Common Improvements.

Appendix "I".

Action Deferred -- EXECUTION OF CARGO BUILDING SITE
LEASE WITH COMPAGNIE NATIONALE AIR FRANCE
AND ISSUANCE OF SPECIAL FACILITY REVENUE
BONDS FOR CONSTRUCTION OF CARGO
FACILITY AT CHICAGO O'HARE
INTERNATIONAL AIRPORT.

A Joint Committee, comprised of the members of the Committee on Finance and the members of the Committee on Aviation, submitted the following report which was, on motion of Alderman Steele, Alderman Shaw and Alderman J. Evans, *Deferred* and ordered published:

CHICAGO, December 5, 1990.

To the President and Members of the City Council:

(Continued on page 27113)

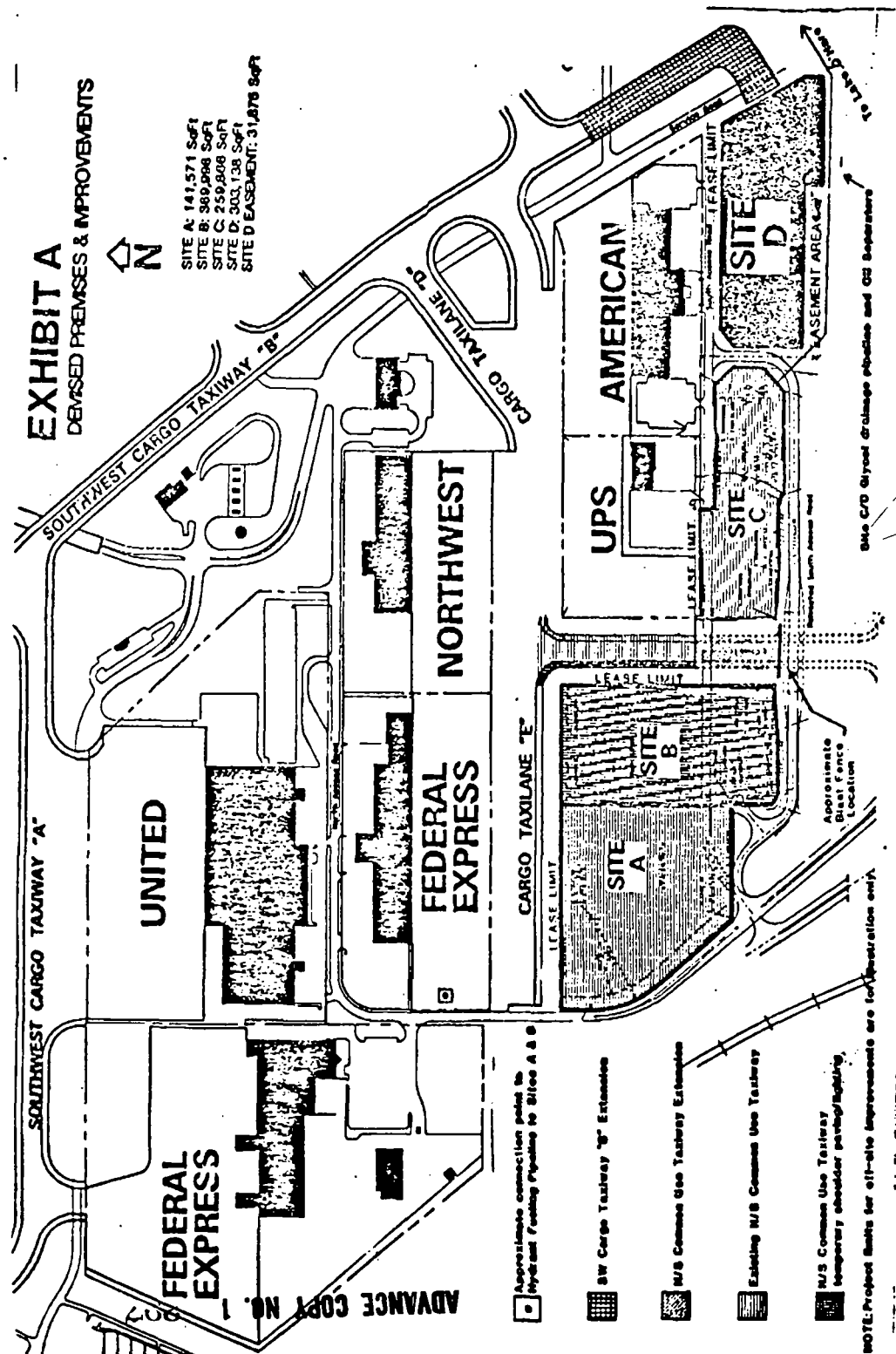


Exhibit "B".

(Page 1 of 2)

Common Improvements -- Lufthansa.

- 1) Lufthansa will reimburse the O.D.P. for its share of the cost of relocating the South Access Road and associated utilities (O.D.P. No. 434). Project cost will be allocated among those benefiting from the relocation as a percentage share of each site in proportion to the total square footage of the sites, as follows:

Carrier	Lease Area (Sq. Ft.)	Percentage Share
Lufthansa	441,571	41%
Air France	369,998	35%
KLM	259,866	24%

- 2) Where required, Lufthansa will reimburse any airline operating or constructing a cargo facility in the Southwest Cargo Area for the reasonable cost of blast fencing needed to protect such airline from jet blast caused by aircraft operations at the Lufthansa site. Any airline entitled to reimbursement from Lufthansa pursuant to this section shall notify Lufthansa in writing of the amount of the claim, and Lufthansa shall reimburse such airline upon presentation of appropriate invoices.
- 3) Lufthansa shall pave at its own cost whatever area ("Area") between the outer taxiway/taxilane shoulders and facility lease limits that is required for its aircraft to have access to the cargo facility. In addition, Lufthansa, at its own cost, shall relocate or remove any existing facilities such as taxiway/taxilane lighting or re-striping from the Area.

EXHIBIT B

Common Improvements - Lufthansa

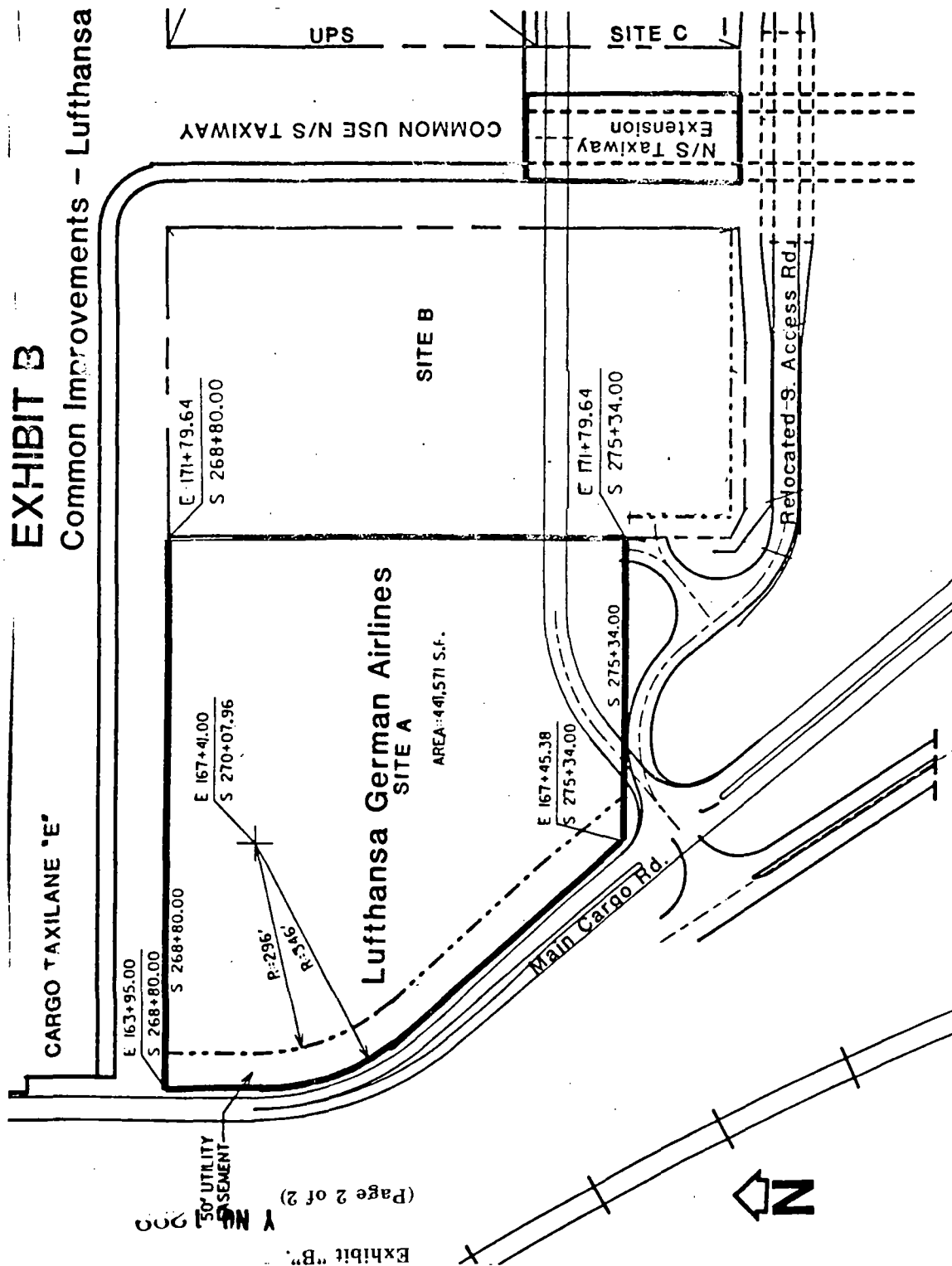
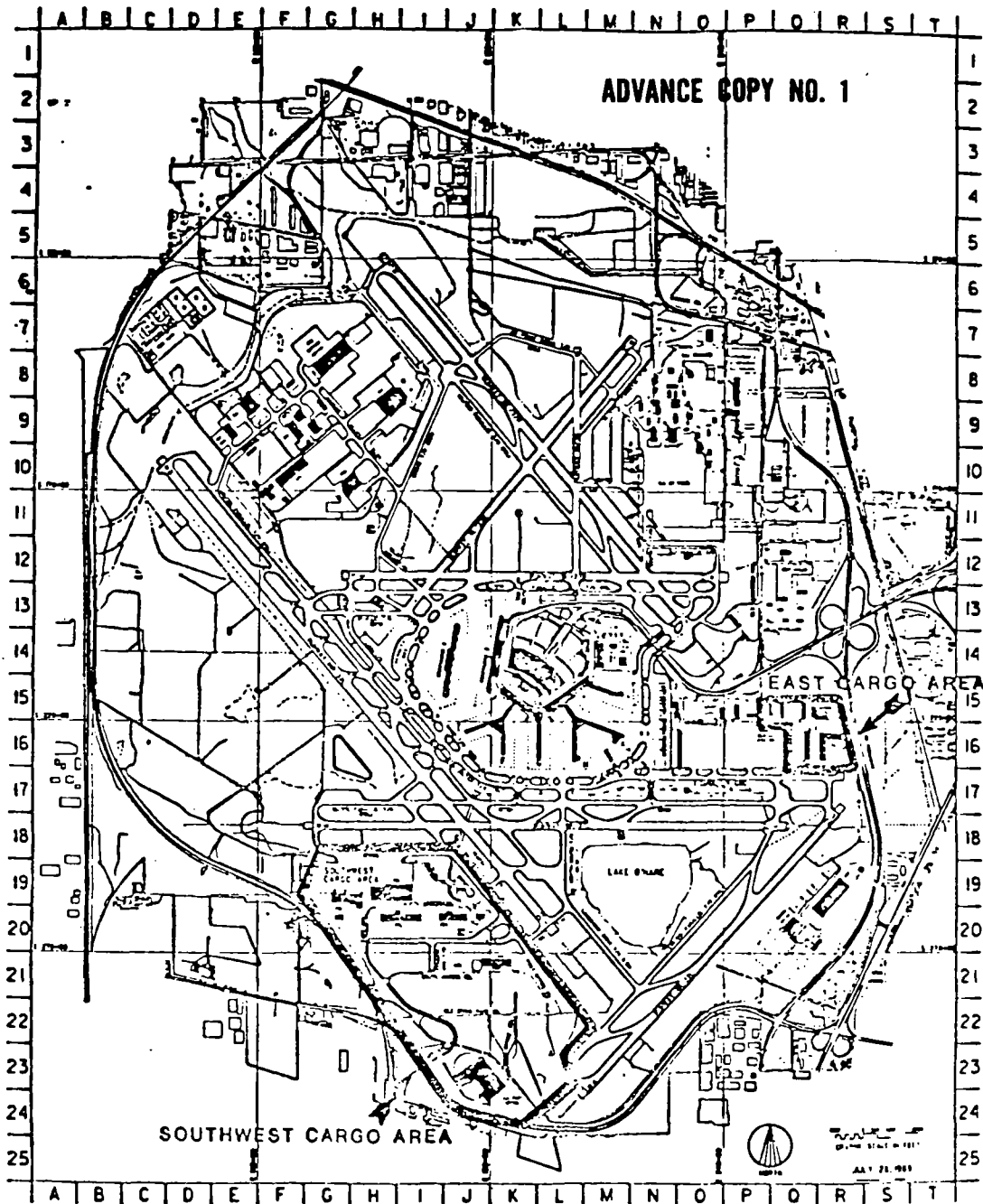


EXHIBIT E: O'HARE CARGO AREAS



Areas Included for calculating Operating & Maintenance costs

(Continued from page 27108)

Your Joint Committee, comprised of the members of the Committee on Finance and the members of the Committee on Aviation, having under consideration a communication recommending a proposed ordinance concerning the authority to execute a Cargo Building Site Lease between the City of Chicago and Air France Airlines for approximately eight and one-half acres of land in the Southwest Cargo Area at Chicago O'Hare International Airport and to approve the issuance of Special Facility Revenue Bonds to construct the cargo facility, in an amount not to exceed \$25,000,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Committee on Finance,
Chairman.

(Signed) THOMAS W. CULLERTON,
Committee on Aviation,
Chairman.

The following is said proposed ordinance transmitted with the foregoing committee report:

WHEREAS, The City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution") having a population in excess of 25,000 and is a home rule unit under Section 6(a) of Article VII of the Constitution; and

WHEREAS, The City currently owns and operates an airport known as Chicago-O'Hare International Airport (the "Airport"); and

WHEREAS, The City, as a home rule unit and pursuant to the Constitution, is authorized and empowered to issue its revenue bonds to finance the cost of the design, construction and equipping of a new cargo facility and certain other facilities for the benefit of Compagnie Nationale Air France (the "Airline") at the Airport; and

WHEREAS, The City is in the process of implementing a major redevelopment of the Airport and as part of such redevelopment the City now desires to provide for, among other things, the design, financing, constructing and installation of the Project by the Airline on behalf of the City; and

WHEREAS, The City Council enacted an ordinance on July 19, 1989 (as amended and supplemented by an ordinance enacted on September 26, 1990, the "Inducement Ordinance") authorizing the execution and delivery of an agreement between the Airline and the City providing for the issuance of the City's special facility revenue bonds for the purpose, among others, of financing costs relating to the design, construction and equipping of a new cargo facility at the Airport for the use of the Airline, certain costs associated with the relocation, construction and reconstruction of necessary and related service roads, taxiways, utilities and other appurtenances and certain other costs relating to the construction and equipping of other facilities used by the Airline at the Airport including, without limitation, certain security systems (the "Project"); and

WHEREAS, The Airline has requested that the City issue its special facility revenue bonds for the purpose, among others, of financing the cost of the Project; and

WHEREAS, The Project (and such further improvements or other accessions to the Project as may hereafter be deemed necessary or desirable by the City and the Airline during the term of the Site Lease (as hereinafter defined) relating to such cargo facility and made subject to its provisions in order to be financed by the issuance of Bonds hereunder) are proposed to be financed by the issuance of "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project)" (the "Bonds") issued in one or more series pursuant to an Indenture of Trust in substantially the form (including certain optional provisions to be inserted therein if the Series 1990 Bonds shall bear interest at a variable rate) submitted to this meeting (the "Indenture") from the City to Independence Bank of Chicago and The First National Bank of Chicago, jointly and severally as Trustee (the "Bond Trustee"), providing security for such Bonds; and

WHEREAS, Bonds to be designated "Chicago-O'Hare International Airport "Special Facility Revenue Bonds (Compagnie Nationale Air France Project), Series 1990" (if the Series 1990 Bonds shall bear interest at a variable rate, the words "Variable Rate Demand" shall be inserted before the word "Series") (the "Series 1990 Bonds"), are presently proposed to be issued in an aggregate principal amount not to exceed \$25,000,000 in order to pay the presently expected costs of the Project and other costs and expenses related thereto, including the costs of issuance of the Series 1990 Bonds; and

WHEREAS, The City desires to enter into the Indenture and, in connection therewith, an Arbitrage Compliance Agreement with the Airline and the Trustee and to execute and deliver a General Tax Certificate and a Non-Arbitrage Certification, each in substantially the form submitted to this meeting (collectively, the "City Tax Documents"), relating to the Series 1990 Bonds; and

WHEREAS, The City and the Airline desire to enter into a Cargo Building Site Lease in substantially the form submitted to this meeting (the "Site Lease") for the cargo facility comprised in the Project and a Special Facility Use Agreement (Cargo Facility) in substantially the form submitted to this meeting (the "Use Agreement") in order to provide, among other things, for the payment by the Airline at certain specified times of such amounts as will be sufficient in the aggregate to enable the City to pay when due the principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Bonds; and

WHEREAS, The City and certain Underwriters (as hereinafter defined) desire to enter into a Contract of Purchase in substantially the form submitted to this meeting (the "Contract of Purchase") pursuant to which the City will sell and the Underwriters will purchase the Series 1990 Bonds; and

WHEREAS, The Airline will deliver a Letter of Representation to the City and the Underwriters in substantially the form submitted to this meeting (the "Letter of Representation") pursuant to which the Airline will make certain representations, warranties and covenants to the City and the Underwriters, and certain agreements with the Underwriters; and

WHEREAS, There has been prepared and presented to this meeting of the City Council a form of the Preliminary Official Statement of the City (the "Preliminary Official Statement") relating to the Series 1990 Bonds;

Now, Therefore, In consideration of the foregoing premises,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Findings and Determinations. The City Council hereby finds and determines:

(a) that the construction and financing of the Project as provided in this Ordinance constitute a valid public purpose within the meaning of the Constitution; and

(b) that to secure the Series 1990 Bonds, the pledge and assignment by the City under the Indenture of certain of its rights under the Use Agreement to the Trustee is necessary and proper.

SECTION 2. Definitions. In addition to the words and terms defined in the preambles to this Ordinance, the following words and terms as used in this Ordinance shall have the following meanings unless the context or use indicates another or different meaning or intent:

"City Clerk" means the City Clerk of the City or, with respect to attestation or affixing the City Seal, the Deputy City Clerk of the City.

"Official Statement" means the Official Statement of the City, together with all appendices attached thereto, relating to the Series 1990 Bonds, whether in its preliminary form (the "Preliminary Official Statement") to be distributed before the signing of the Contract of Purchase (referenced in Section 7(a) below), or in its final form after the execution and delivery of such Contract of Purchase.

"Ordinance" means this Ordinance.

"Underwriters" means Smith Barney, Harris Upham & Co., Incorporated and the other underwriters named as parties in the Contract of Purchase.

SECTION 3. Authorization of Use of Proceeds of the Series 1990 Bonds and of the Project. The costs of the Project, as provided in the Indenture (as executed), shall be and are hereby authorized to be financed by the issuance of the Series 1990 Bonds as described herein. The estimated costs of (1) the design, construction and equipping of the Project, as provided in the Indenture; (2) the payment of interest on and fees and charges of the Credit Provider (as defined in the Indenture), if any, for the Series 1990 Bonds during the period estimated to be required for the design, construction and equipping of the Project; (3) the funding of the Debt Service Reserve Requirement for the Series 1990 Bonds, as defined in the Indenture, if any; and (4) the expenses of issuing the Series 1990 Bonds, initial fees and charges of the Credit Provider, if any, for the Series 1990 Bonds and Underwriters' discount may be financed from the proceeds of the issuance of the Series 1990 Bonds. The Project is authorized to be designed, constructed and equipped according to the description and in the manner provided in Exhibits A and B attached to the Site Lease and in Exhibit A attached to the Use Agreement (as executed).

SECTION 4. Authorization, Terms and Payment of the Series 1990 Bonds.

(a) For the purpose of financing the costs of the Project there are hereby authorized to be issued by the City its Series 1990 Bonds designated as

provided in the Indenture (as executed) in an aggregate principal amount not to exceed \$25,000,000. The Series 1990 Bonds may be issuable in fully registered, physical certificated form or in book-entry only form registered in the name of a nominee of the Book-Entry Depository (as defined in the Indenture); shall be issued in Authorized Denominations (as defined in the Indenture); and shall be dated and numbered as provided in the Indenture (as executed).

(b) The Series 1990 Bonds shall mature no later than May 1, 2018, and shall bear interest at the fixed or variable rate set forth in the Indenture (as executed), which rate shall not at any time be greater than 15%.

(c) The date of issuance, numbers, Stated Maturity (as defined in the Indenture), interest rate or manner of determination thereof set forth in the Indenture (as executed), the principal amount of the Series 1990 Bonds, and the aggregate purchase price for the Series 1990 Bonds shall be determined as provided in Section 7 hereof. The principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Series 1990 Bonds shall be payable as provided in the Indenture (as executed).

(d) The Series 1990 Bonds shall be subject to mandatory and optional redemption and tender for purchase, if any, before their Stated Maturity upon the terms and conditions set forth in the Indenture (as executed).

SECTION 5. The Series 1990 Bonds are Limited Obligations. The Series 1990 Bonds shall be limited obligations of the City secured solely by a pledge of certain "Special Facility Revenues" (as defined in the Indenture) derived by the City under the Use Agreement, and by other specified sources pledged or otherwise provided under the Indenture (as executed), and shall be a valid claim of the owners thereof only against the funds and other moneys held by the Trustee with respect to the Series 1990 Bonds and such Special Facility Revenues, which Special Facility Revenues shall be used to pay the principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Series 1990 Bonds, and for such other purposes expressly authorized in the Use Agreement and the Indenture (each as executed). The Series 1990 Bonds will not be general obligations of the City and will not constitute any indebtedness or a loan of credit of the City, the State of Illinois or any political subdivision of the State of Illinois, or a charge against the general credit or taxing powers of the City, the State of Illinois or any political subdivision of the State of Illinois within the meaning of any constitutional or statutory provisions of the State of Illinois, or otherwise.

SECTION 6. Assignment. As security for the due and punctual payment of the principal and purchase price upon tender, if any, of and interest and redemption premium, if any, on the Series 1990 Bonds herein authorized, the City will, in the Indenture (as executed), assign and pledge to the Trustee (i) Special Facility Revenues derived by the City under the Use

Agreement (as executed), (ii) certain rights and remedies of the City under the Use Agreement and the Site Lease (each as executed), and (iii) any other rights or revenues assigned or pledged under the Indenture. Such assignment and pledge is hereby found and determined to be necessary and proper to secure the Series 1990 Bonds.

SECTION 7. Approval and Execution and Delivery of the Contract of Purchase, Letter of Representation and Official Statement; Delegation of Authority; Execution and Delivery of the Series 1990 Bonds.

(a) The forms of the Contract of Purchase and Letter of Representation submitted to this meeting is hereby approved in all respects. The Mayor or the City Comptroller is hereby authorized and directed, with the concurrence of the Chairman of the Committee on Finance of the City Council, to execute and deliver a Contract of Purchase providing for the sale of the Series 1990 Bonds to the Underwriters in substantially the form of the Contract of Purchase submitted to this meeting, and to execute, solely in confirmation and acceptance thereof, a Letter of Representation in substantially the form of Letter of Representation submitted to this meeting, in each case with such changes therein and completions thereof, subject to the limitations contained in paragraph (b) of this Section 7, as shall be deemed necessary or appropriate by the officer of the City executing the Contract of Purchase and the Letter of Representation, the execution thereof by such officer to constitute conclusive evidence of the approval of such changes and completions by the City Council. The officer of the City executing the Contract of Purchase and confirming the Letter of Representation is hereby authorized and directed to file an executed counterpart of each of such documents with the City Clerk and the Trustee on the date of the closing of the sale of the Series 1990 Bonds. The City Comptroller is hereby authorized to select a group of securities underwriters led by Smith Barney, Harris Upham & Co., Incorporated to act as Underwriters for the Series 1990 Bonds. The sale to the Underwriters of the Series 1990 Bonds pursuant to the terms and conditions of the Contract of Purchase are hereby approved.

(b) Authority is hereby delegated to the Mayor or the City Comptroller to determine the aggregate principal amount, the date of issuance, numbers, the Stated Maturity, the fixed or variable interest rate set forth in the Indenture (as executed), and the aggregate purchase price or prices of the Series 1990 Bonds; provided that (i) the aggregate principal amount, the final maturity date, and the interest rate of the Series 1990 Bonds shall not at any time exceed the limits set forth in Section 4, and (ii) the aggregate purchase price for the Series 1990 Bonds shall not be less than ninety-seven percent (97%) of the principal amount thereof to be issued.

(c) To evidence the exercise of the authority delegated to the Mayor and the City Comptroller pursuant to paragraph (b) of this Section 7, the Mayor or the City Comptroller is hereby authorized and directed to execute and file

with the Trustee, on the date of the closing of the sale of the Series 1990 Bonds, a certificate setting forth the determinations made pursuant to the authority granted in such paragraph, which certificate shall constitute conclusive evidence of the proper exercise of such authority. In addition, the Mayor or the City Comptroller shall file in the Office of the City Clerk, on the date of the closing of the sale of the Series 1990 Bonds, a notification of sale of the Series 1990 Bonds setting forth (1) the aggregate principal amount of the Series 1990 Bonds, (2) the Stated Maturity of the Series 1990 Bonds, (3) the numbers of the Series 1990 Bonds, (4) the fixed or variable interest rate for the Series 1990 Bonds, (5) the aggregate purchase price at which the Series 1990 Bonds shall have been sold to the Underwriters, and (6) the total compensation paid to the Underwriters in connection with the sale of the Series 1990 Bonds. In addition, executed copies of the Preliminary Official Statement, the Indenture, the Use Agreement, the final Official Statement, the Contract of Purchase and the Letter of Representation shall be filed with such notification of sale.

(d) The form of Preliminary Official Statement of the City with respect to the Series 1990 Bonds (including certain optional information and statements to be inserted therein if the Series 1990 Bonds shall bear interest at a variable rate) submitted to this meeting is hereby approved in all respects. The Mayor or the City Comptroller is hereby authorized and directed to execute and deliver a Preliminary Official Statement to the Underwriters in substantially the form of the Preliminary Official Statement submitted to this meeting, with such changes therein and completions thereof, as shall be deemed necessary or appropriate by the officer of the City executing the Preliminary Official Statement, the execution thereof by such officer to constitute conclusive evidence of the approval of such changes and completions by the City Council. The distribution of the Preliminary Official Statement and of the Final Official Statement, in substantially the form of the form of Preliminary Official Statement submitted to this meeting, as authorized in the following sentence, to prospective purchasers and the use thereof by the Underwriters in connection with the offering of the Series 1990 Bonds are hereby authorized. The Mayor or City Comptroller is hereby authorized, in the name and on behalf of the City, to execute and deliver to the Underwriters the Final Official Statement, in substantially the form of the form of the Preliminary Official Statement submitted to this meeting, with such changes, omissions, insertions and revisions therein as shall be deemed necessary or appropriate by the officer of the City executing the Final Official Statement, the execution or acceptance thereof by such officer to constitute conclusive evidence of the approval of such changes, omissions, insertions and revisions and of the form of Final Official Statement by the City Council. The Mayor or the City Comptroller is hereby authorized to execute and deliver any certificates contemplated by Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, relating to the issuance and sale of the 1990 Bonds.

(e) The form of the Series 1990 Bonds (including certain optional provisions to be inserted therein if the Series 1990 Bonds shall bear interest at a variable rate) in substantially the form submitted to this meeting, subject to appropriate insertions and revisions in order to comply with the provisions of the Indenture and the Contract of Purchase (each as executed) is hereby approved. Pursuant to the Indenture, the Mayor or the City Comptroller shall execute the Series 1990 Bonds on behalf of the City, by manual or facsimile signature, and the corporate seal of the City or a facsimile thereof shall be affixed, imprinted, engraved or otherwise reproduced on the Series 1990 Bonds and they shall be attested by the manual or facsimile signature of the City Clerk. Upon such execution on behalf of the City, the Series 1990 Bonds shall be delivered to the Trustee for authentication and thereupon shall be authenticated by the Trustee and shall be delivered pursuant to written order of the City authorizing and directing the delivery of the Series 1990 Bonds to or upon the order of the Underwriters.

(f) No further approval or action of the City Council shall be necessary or required for the actions, executions and deliveries contemplated and directed in this Section 7 to be effective and any such actions, executions and deliveries shall constitute the legal and validly binding actions of the City.

SECTION 8. Execution of Other Documents; Delegation of Authority.

(a) Each of the Site Lease, the Use Agreement and the Indenture, in substantially the form submitted to this meeting, is hereby authorized and approved. The Mayor or the City Comptroller is hereby authorized, for and on behalf of the City, to execute and deliver the Site Lease, the Use Agreement, the Indenture and the City Tax Documents in substantially the forms submitted to this meeting and the City Clerk is hereby authorized as appropriate to attest the same and to affix thereto the corporate seal of the City. The Site Lease, the Use Agreement, the Indenture and the City Tax Documents may contain such changes therein and revisions consistent with the purposes and intent of this Ordinance as shall be deemed necessary or appropriate by the officer of the City executing the same, the execution or acceptance thereof to constitute conclusive evidence of approval of any and all changes therein or revisions thereof by the City Council; and from and after the execution and delivery of the above-described agreements, the officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of such agreements (as executed).

(b) No further approval or action of the City Council shall be necessary or required for the actions, executions and deliveries contemplated in and directed in this Section 8 to be effective, and any such actions, executions

and deliveries will constitute the legal and validly binding actions of the City.

SECTION 9. Appointment of Trustee, Book-Entry Depository and Other Agents. The appointment of Independence Bank of Chicago and The First National Bank of Chicago, both of Chicago, Illinois, jointly and severally as Trustee under the Indenture is hereby authorized, approved and confirmed. The Mayor or the City Comptroller may, in such officer's discretion specify whether, for efficient administration thereof, the Series 1990 Bonds should be registered in book-entry only form, and if so determined, such officer is authorized to appoint Depository Trust Company, New York, New York or Midwest Securities Trust Company, Chicago, Illinois (or their nominee) as securities depository for the Series 1990 Bonds. The securities depository and the agreements of the City relating thereto in the standard forms of such securities depository with such changes therein and completions thereof as deemed necessary or desirable by the officer of the City executing the same are hereby approved. The Mayor or the City Comptroller is hereby authorized, for and on behalf of the City, to execute and deliver such agreements of the City relating to the securities depository, and the City Clerk is hereby authorized, as appropriate, to attest the same and to affix thereto the corporate seal of the City, and such agreements may contain such changes therein and revisions consistent with the purposes and intent of this Ordinance as shall be deemed necessary or appropriate by the officer of the City executing the same, the execution of acceptance thereof to constitute conclusive evidence of approval of any and all changes therein or revisions thereof by the City Council. If the Series 1990 Bonds shall bear interest at a variable rate, the Mayor or the City Comptroller is authorized to appoint Smith Barney, Harris Upham & Co., Incorporated or such other of the Underwriters as such officer, in his discretion, may deem appropriate to act as remarketing agent for the Series 1990 Bonds and is further authorized to appoint First Chicago Trust Company of New York, Chemical Bank or such other depository institution located in New York City, as such officer, in his discretion, may deem appropriate to act as tender agent for the Series 1990 Bonds.

SECTION 10. Credit Facility. The Mayor or the City Comptroller may, in such officer's discretion, select a Credit Facility (as defined in the Indenture) to support or secure payment of the Series 1990 Bonds, if deemed necessary or desirable by such officer for the efficient marketing of the Series 1990 Bonds, and upon any such determination, such officer is hereby authorized to select the Credit Provider (as defined in the Indenture) for the Series 1990 Bonds. The Credit Facility and the agreements of the City relating thereto in the standard forms of the Credit Provider, with such changes and completions thereof as shall be deemed necessary or desirable by the officer of the City executing the same, are hereby approved; provided that all costs of the Credit Facility shall be paid out of the proceeds of the sale of the Series 1990 Bonds or otherwise borne by the Airline. The Mayor or the City Comptroller is hereby authorized, for and on behalf of the City, to execute and deliver such agreements of the City relating to the Credit

Facility, and the City Clerk is hereby authorized, as appropriate, to attest the same and to affix thereto the corporate seal of the City, and such agreements may contain such changes therein and revisions consistent with the purposes and intent of this Ordinance as shall be deemed necessary or appropriate by the officer of the City executing the same, the execution or acceptance thereof to constitute conclusive evidence of approval of any and all changes therein or revisions thereof by the City Council.

SECTION 11. Election to Apply Transition Rule; Allocation of Volume Cap.

(a) The City Comptroller is hereby authorized to designate all or any portion of the Series 1990 Bonds as bonds described in Section 1317(5)(B) of the Tax Reform Act of 1986.

(b) By the adoption of this Ordinance, the City hereby allocates to the Series 1990 Bonds and the Project volume cap authorization in accordance with Section 103(n) of the Internal Revenue Code of 1954, as amended, and Section 146 of the Internal Revenue Code of 1986, as amended, as and to the extent such volume cap authorization is appropriate or necessary to effectuate the designation authorized in paragraph (a) of this Section 11.

SECTION 12. Performance Provisions. The Mayor, the City Comptroller and the City Clerk for and on behalf of the City shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance, the execution and delivery of the Series 1990 Bonds and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The Mayor, the City Comptroller, the City Clerk and the other officers, agents and employees of the City (including the Commissioners of the Department of Aviation and the Department of Public Works) shall be, and they are hereby, further authorized and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance or to evidence said authority, including an appropriate certificate pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, with respect to the Series 1990 Bonds, and to exercise and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the City under the Site Lease, the Use Agreement, the Indenture, the City Tax Documents, the Preliminary Official Statement, the Final Official Statement, the Contract of Purchase and the Letter of Representation and to discharge all of the obligations of the City hereunder and thereunder.

SECTION 13. Proxies. The Mayor and the City Comptroller may each designate another person to act as their respective proxy and to affix their respective signatures to the Series 1990 Bonds, whether in temporary or

definitive form, and to any other instrument, agreement, certificate or document required to be signed by the Mayor or the City Comptroller pursuant to this Ordinance. In each case, the Mayor or the City Comptroller shall send to the City Council written notice of the person so designated, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor or the City Comptroller, as the case may be. A written signature of the Mayor or the City Comptroller, as the case may be, respectively executed by the person so designated, shall be attached to such notice. Each such notice, with the signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor or the City Comptroller is placed on an instrument, certificate or document at the direction of the Mayor or the City Comptroller, as the case may be, in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor or the City Comptroller in person, as the case may be.

SECTION 14. Equal Employment and Minority Business Participation. It is the policy of the City to comply with all local, state and federal laws and regulations, where applicable, regarding equal employment opportunity and minority business participation, and the City Council of the City is desirous that the City avoid penalties and grant forfeitures resulting from noncompliance with such local, state and federal laws and regulations.

SECTION 15. Severability. It is the intention of this City Council that if any section, paragraph, clause or provision of this Ordinance shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

SECTION 16. Captions. The captions or headings of this Ordinance are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Ordinance.

SECTION 17. Conflicting Provisions Repealed. All ordinances, resolutions, and orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

SECTION 18. Publication. This Ordinance shall be made available to the public by the City Clerk, City Hall, Chicago, Illinois. Copies are to be made available in the Office of the City Clerk for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

SECTION 19. Effective Immediately. This Ordinance shall be in full force and effect from and after its adoption.

Indenture of Trust, Special Facility Use Agreement, Preliminary Official Statement, Contract of Purchase, Letter of Representation, General Tax

Certificate, Non-Arbitrage Certification, Arbitrage Compliance Agreement
and Cargo Building Site Lease attached to this ordinance read as follows:

City Of Chicago

To

Independence Bank Of Chicago

And

The First National Bank Of Chicago,

As Trustee.

Indenture Of Trust

Securing Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Compagnie Nationale Air France Project).

Dated As Of October 1, 1990.

This Indenture of Trust is dated as of October 1, 1990, and is from the City of Chicago (the "City"), a municipal corporation and home rule unit of local government duly organized and validly existing under the laws of the State of Illinois, to Independence Bank of Chicago, a banking corporation duly organized, existing and authorized to accept and execute trusts of the character herein set out under the laws of the State of Illinois, with its principal corporate trust office located at 7936 South Cottage Grove Avenue in Chicago, Illinois, and The First National Bank of Chicago, a banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America, with its principal corporate trust office located at One First National Plaza in Chicago, Illinois (each a "Trustee" and, as further hereinafter set forth, jointly and severally, the "Trustee").

Recitals.

Whereas, The City is a home rule unit of local government, duly organized and validly existing under the laws of the State of Illinois and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution") and is authorized to own and operate commercial and general aviation facilities; and

Whereas, The City currently owns and operates an airport known as Chicago-O'Hare International Airport (as further hereinafter defined, the "Airport"); and

Whereas, The City, as a home rule unit and pursuant to the Constitution, is authorized and empowered to issue its revenue bonds to finance the costs of the design, construction, reconstruction, improvement, equipping and modernization of facilities at the Airport and is in the process of implementing a major redevelopment of the Airport; and

Whereas, Compagnie Nationale Air France, a corporation organized and existing under the laws of the Republic of France (as further hereinafter defined, the "Airline"), is a holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958, as amended, authorizing it to operate in foreign air transportation to and from the City of Chicago, and has entered into an International Terminal Use Agreement and Facilities Lease dated as of January 1, 1990, authorizing it to use certain facilities of the Airport in the transportation of passengers; and

Whereas, The City, as part of its redevelopment of the Airport, has entered into a Cargo Building Site Lease dated as of [October 1], 1990 (as further hereinafter defined, the "Site Lease"), with the Airline, providing, among other things, for the design, construction and installation of certain improvements at the Airport (as further hereinafter defined, the "Project")

by the Airline on behalf of the City and the lease, use and occupancy of the Project by the Airline; and

Whereas, By ordinance duly adopted by its City Council (as further hereinafter defined, the "Authorizing Ordinance"), the City has undertaken to issue and sell its Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project) in one or more Series (as further hereinafter defined, the "Bonds"), in order to provide funds to finance all or part of the costs of the Project, including without limitation costs of further improvements and other accessions to the Project (as further hereinafter defined, "Additions") and costs and expenses incidental to the Project (including such Additions) and to the issuance of each Series of the Bonds; and

Whereas, Pursuant to the Authorizing Ordinance, the City has entered into a Special Facility Use Agreement (Cargo Facility) dated as of October 1, 1990 (as further hereinafter defined, the "Agreement"), with the Airline, wherein the Airline has, among other things, undertaken to pay, in addition to other moneys available for the purpose, amounts sufficient to pay the Bonds in full; and

Whereas, The City desires to secure the Bonds by a pledge of its revenues and receipts and certain of its rights under the Agreement; and

Whereas, The execution and delivery of this Indenture and the issuance and sale of the Bonds have been in all respects duly and validly authorized by the Authorizing Ordinance; and

Whereas, The Bonds and the Trustee's certificate of authentication to be endorsed thereon are all to be in substantially the form set forth as Exhibit A attached hereto and by this reference incorporated herein, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture; and

Whereas, The Project constitutes a "Special Facility Improvement", the Bonds constitute "Special Facility Revenue Bonds" and the Agreement and this Indenture, together with the other documents contemplated hereby, constitute a "Special Facility Financing Arrangement", all within the meaning of, and as defined by, the City's General Airport Revenue Bond Ordinance (as hereinafter defined); and

Whereas, The Special Facility Revenues (as hereinafter defined) provided under the Agreement have been assigned and pledged by the City to the Trustee to secure the payment of the principal of and interest and redemption premium, if any, on the Bonds as provided in the Indenture, and the Airline has agreed in the Agreement that the Special Facility Revenues will be sufficient to pay in full such principal of and interest and redemption premium, if any, on the Bonds; and

Whereas, The Special Facility Revenues will not constitute "Revenues" within the meaning of, and as defined by, and the General Airport Revenue Bond Ordinance and accordingly are free of any assignment, pledge, lien or security interest in favor of the holders and owners of the City's General Airport Revenue Bonds as hereinafter defined in this Indenture or any person other than the Trustee; and

Whereas, The execution and delivery of the Bonds and of this Indenture have been duly authorized, and all things necessary to make the Bonds, when executed by the City and authenticated by the Trustee, valid and binding legal obligations of the City and to make this Indenture a valid and binding agreement have been done;

Now, Therefore, This Indenture Of Trust Witnesseth:

That the City in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the purchasers thereof, One Dollar duly paid to the City by the Trustee at or before the execution and delivery of these presents and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment of the principal of and interest on all Bonds outstanding hereunder from time to time, according to their tenor and effect and to secure the observance and performance by the City of all the covenants expressed or implied herein and in the Bonds, does hereby pledge and assign unto the Trustee, and unto its successors and assigns forever:

Granting Clause First.

The Agreement, including all extensions and renewals of the term thereof, if any, together with all right, title and interest of the City therein (except for Unassigned Rights and the right of the Trustee to payment of its fees and expenses pursuant to Section 4.2(d) of the Agreement), including, but without limiting the generality of the foregoing, the present and continuing right to receive, receipt for, collect or make claim for any of the moneys, income, revenues, issues, profits and other amounts payable or receivable thereunder, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things that the City or any other person is or may become entitled to do under the Agreement;

Granting Clause Second.

All payments to be received by the City (except as provided in the preceding paragraph) under the Agreement, together with all other Special Facility Revenues, and all moneys and earnings thereon held by the Trustee in the Special Facility Revenue Fund, the Construction Fund, the Debt Service Reserve Fund and the Bond Fund under the terms of this Indenture; and

Granting Clause Third.

Any and all other property of any nature from time to time hereafter by delivery or by writing of any kind pledged or assigned as and for additional security hereunder, by the City or by anyone on its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any time and all times and to hold and apply the same subject to the terms hereof;

To Have And To Hold, all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in said trusts and assigns forever;

But In Trust, Nevertheless, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds from time to time issued under and secured by this Indenture, without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds except as expressly provided herein with respect to different Series of the Bonds;

Upon Condition that if the City, its successors or assigns, shall well and truly cause to be paid the principal of the Bonds and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, according to the intent and meaning thereof, and shall cause the payments to be made into the Bond Fund as required under Article IV hereof or shall provide, as permitted by Article XII hereof, for the payment thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due in accordance with the terms and provisions hereof to the extent provided herein, then this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture to be and remain in full force and effect.

This Indenture Of Trust Further Witnesseth, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered, and the Special Facility Revenues hereby assigned and

pledged are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners from time to time of the Bonds as follows:

Article I.

Definitions.

Section 101. Definitions.

(a) For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) All references in this Indenture to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Indenture. The words "herein", "hereof", "hereto", "hereby", and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(2) The terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular.

(3) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(4) Every "request", "order", "demand", "application", "appointment", "notice", "statement", "certificate", "consent" or similar action required to be taken hereunder by the City shall, unless the form thereof is specifically provided, be in writing signed by the Authorized City Representative.

(5) Any other terms used herein that are defined in the Agreement shall have the same meanings assigned them in the Agreement unless otherwise defined herein or unless the context otherwise requires.

(6) In the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding".

(7) At any time there are more than one Trustee hereunder, with respect to the performance of duties imposed and exercise of powers granted to the Trustee hereunder, the word "Trustee" shall refer to whichever of the several Trustees shall be responsible for each of the duties imposed upon and powers granted to the Trustee hereunder, as agreed upon by and among the several Trustees. Notwithstanding any such agreement and unless expressly otherwise provided herein, the several Trustees shall be jointly and severally liable for each of such duties and all other obligations of the Trustee hereunder and shall be jointly and severally authorized hereunder to exercise each of such powers, and the word "Trustee" shall otherwise refer to the several Trustees jointly and severally.

(b) For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

"Additions" means any further improvements or other accessions to the Project as may hereafter be deemed necessary or desirable by the City and the Airline during the term of the Site Lease and made subject to its provisions that are financed by the issuance of Bonds hereunder.

"Administrative Expenses" means all costs and expenses, whether Ordinary Expenses or Extraordinary Expenses, of, or incidental to, the administration of this Indenture, any Supplemental Indentures and the Agreement that are payable by the Airline under the Agreement or payable out of the Administrative Fund or the Trust Estate hereunder, including without limitation fees, premiums, interest amounts and other charges of and costs and expenses incurred by the Trustee, any Co-Trustee, any of their agents and employees, of any Credit Provider (other than the Airline or any of its affiliates), or any other Person designated in any Supplemental Indenture.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and for the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Aggregate Cost" of the Project or any Additions means the sum of all Costs thereof.

"Agreement" means the Special Facility Use Agreement (Cargo Facility) of even date herewith relating to the Bonds, by and between the City and the Airline, as from time to time amended and supplemented.

"Airline" means Compagnie Nationale Air France, a corporation organized under the laws of the Republic of France, and any surviving, resulting or transferee corporation as permitted under Section 5.3 of the Agreement.

"Airport" means the airport known as Chicago-O'Hare International Airport situated in the County of Cook and the County of DuPage, State of Illinois, together with any additions thereto or enlargements thereof.

"Architect" means the architect or firm of architects selected by the Airline and approved by the City that is acting at the time as the architect for the Project.

"Authorized Airline Representative" means such person who, at the time, shall have been designated as such pursuant to the provisions of Section 3.5 of the Agreement by a written certificate furnished to the City and the Trustee containing the specimen signature of such person and signed on behalf of the Airline by its President, any Vice President, Treasurer or Assistant Treasurer. Such certificate may designate an alternate or alternates.

"Authorized City Representative" means the Comptroller of the City or such other person at the time designated to act on behalf of the City by a written certificate furnished to the Airline and the Trustee containing the specimen signature of such person and signed on behalf of the City by its Executive Officer. Such certificate may designate an alternate or alternates.

"Authorized Denominations" means any integral multiple of \$5,000, unless otherwise specified with respect to a particular Series of Bonds in this Indenture.

"Authorizing Ordinance" means the Ordinance adopted by the City Council of the City on [Ordinance Date] authorizing the issuance of the Series 1990 Bonds, the execution and delivery by the City of and its performance of its obligations under this Indenture, the Agreement, the Site Lease and other documents required or advisable in connection with the consummation of the transactions contemplated therein, as it may be amended or supplemented by further ordinances of the Governing Body of the City from time to time.

"Bond" or "Bonds" means any one or more of the bonds authorized, authenticated and delivered under this Indenture.

"Bond Counsel" means an attorney-at-law or a firm of attorneys-at-law of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court

of any state of the United States of America or the District of Columbia, selected by the City and approved by the Airline, which approval shall not be unreasonably withheld.

"Bond Fund" means the fund created by Section 405 hereof.

"Bond Registrar" means the bond registrar appointed as such under Section 205 hereof, including any co-bond registrar.

"Bondholder" or "holder of Bonds" or "owner of Bonds" means the Registered Owner of any Bond.

"Book-Entry Depository" means Midwest Securities Trust Company, Chicago, Illinois, or any other depository instituted designated by the City, whether as successor thereto or in replacement thereof or independently, in this Indenture to act as a depository in connection with a book-entry system for maintaining ownership of interests in the Series 1990 Bonds or any other Bonds, as the case may be.

"Business Day" means any day other than (i) a Saturday or Sunday or (ii) a day on which commercial banks in New York, New York, Chicago, Illinois, or Paris, France, are authorized by law or executive order to close.

"City" means the City of Chicago, a municipal corporation and home rule unit of local government duly organized and validly existing under the laws of the State of Illinois.

"Code" means the United States Internal Revenue Code of 1986, as amended and the Internal Revenue Code of 1954, as amended, to the extent applicable to the Bonds pursuant to Section 1317(5)(B) of the Tax Reform Act of 1986 (P.L. 99-514). References to the Code and to sections of the Code shall include relevant final, temporary or proposed regulations thereunder as in effect from time to time and as applicable to the Bonds.

"Commissioner" means the Commissioner of the Department of Aviation of the City, or any successor or successors to the duties of such official.

"Commissioners" means the Commissioner and the Commissioner of the Department of Public Works of the City, or any successor or successors to the duties of one or both of such officials.

"Completion Date" of the Project or of any Additions means the date of completion thereof as that date shall be certified in accordance with Section 3.4 of the Agreement.

"Construction Fund" means the fund created by Section 301 of this Indenture.

"Construction Period" with respect to the Project or any Additions means the period between the beginning of construction thereof or the date on which the initial Series of Bonds whose proceeds are used to finance the construction thereof are first delivered to the purchasers of such Series, whichever is earlier, and the Completion Date thereof.

"Cost" or "Costs" of the Project or any Additions means individually or collectively any of the items of cost or expense described in Section 303 hereof authorized to be paid from the Construction Fund pursuant to the provisions of Section 304 hereof.

"Costs of Issuance" means any or all of the following costs and expenses: the initial or acceptance fee of the Trustee, Trustee fees and expenses incurred during the Construction Period, legal, financial and accounting fees and expenses, and printing and engraving costs incurred in connection with the authorization, sale and issuance of the Bonds, the execution and filing, if any, of the Indenture and the Agreement, and the preparation of all other documents in connection therewith, and payment of all fees, costs and expenses in connection with the preparation of the Agreement, the Site Lease, the Indenture, and the Bonds and the consummation of the transactions contemplated hereby.

"Counsel" means an attorney-at-law or a firm of attorneys-at-law (who may be an employee of or counsel to the City, the Airline or the Trustee) duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

"Credit Facility" means, with respect to all Bonds, the Guaranty of the Airline and, with respect to any particular Series of Bonds (or specified Stated Maturity thereof), the guaranty, irrevocable letter of credit, line of credit, bond insurance or other form of credit enhancement and/or liquidity support, if any, including any alternate or replacement Credit Facility, for such Series of Bonds specified in this Indenture with respect to such Series of Bonds.

"Credit Provider" means, with respect to any particular Series of Bonds, the provider of a Credit Facility, if any, for such Series of Bonds specified in this Indenture with respect to such Series of Bonds.

"Debt Service Reserve Fund" means the fund created by Section 408 hereof.

"Debt Service Reserve Requirement" means, at any time, for a particular Series of Bonds or the Series Account in the Debt Service Reserve Fund with respect to such Series, the balance then required to be maintained in the Debt Service Reserve Fund or in the Series Account, if any, with respect to such Series, as determined pursuant to the provisions of Sections 204 and 211 hereof.

"Default" or "default" or "event of default" means an occurrence or event specified in and defined by Section 801 hereof.

"Executive Officer" means the Mayor of the City, the Comptroller of the City, or such other person as the Mayor shall designate in writing to perform any function or duty required by any provision of this Indenture or the Agreement to be performed by the Executive Officer.

"Extraordinary Services" and "Extraordinary Expenses" means all services rendered and all expenses incurred under this Indenture other than Ordinary Services and Ordinary Expenses.

"Federal Aviation Administration" (sometimes abbreviated as "F.A.A.") means the Federal Aviation Administration created under the Federal Aviation Act of 1958, including any amendments thereto, or any successor agency thereto.

"Force majeure" means any of the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the governments of the United States or the State, or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; lightning; earthquakes; fires; tornadoes; volcanic eruptions; storms; droughts; floods; explosions; breakage, or malfunction or accident to machinery, transmission lines, pipes or canals, even if resulting from negligence; civil disturbances; or any other cause not reasonably within the control of the Airline.

"General Airport Revenue Bond Ordinance" means the 1983 Chicago-O'Hare International Airport General Airport Revenue Bond Ordinance, as adopted by the Governing Body of the City on March 31, 1983, as amended or supplemented from time to time in accordance with its terms.

"General Airport Revenue Bonds" means bonds of the City heretofore or hereafter authenticated and delivered pursuant to the General Airport Revenue Bond Ordinance.

"Governing Body" means the City Council of the City, or any successor as legislative governing body of the City.

"Governmental Obligations" means (i) any bonds or other obligations of the United States of America that as to principal and interest constitute direct obligations of the United States of America or the full and timely payment of which are unconditionally guaranteed by the United States of

America, are noncallable and at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein or (ii) securities or receipts evidencing ownership interests in obligations or specified portions (such as principal or interest) of obligations described in clause (i) of this definition.

"Guaranty" means the Irrevocable and Unconditional Guaranty dated as of October 1, 1990 of the Airline of the payment of all principal of and interest on the Bonds.

"Indenture" means this instrument as originally executed as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

"Interest Payment Date" means the first (1st) day of each [April] and October, beginning with [April] 1, 1991, or, if such day is not a Business Day, then the first Business Day thereafter, unless otherwise specified with respect to a particular Series of Bonds, in this Indenture.

"Investment Securities" means any of the following obligations or securities, to the extent permitted by law, on which neither the Airline nor any of its direct or indirect subsidiaries or affiliates (within the meaning of Section 1301 hereof) is the obligor:

- (i) direct obligations of the United States of America and agencies thereof, or

- (ii) obligations fully guaranteed by the United States of America, or

- (iii) certificates of deposit issued by, or bankers' acceptances of, or time deposits with, any bank, trust company or national banking association incorporated or doing business under the laws of the United States of America or one of the states thereof having combined capital and surplus and retained earnings of at least \$300,000,000 (including the Trustee if such conditions are met), or

- (iv) commercial paper of any holding company of a bank, trust company or national banking association described in clause (iii), or

- (v) bearer note deposits with, or certificates of deposit issued by, or promissory notes of, any subsidiary incorporated under the laws of Canada or any province thereof of any bank, trust company or national banking association described in clause (iii), or

(vi) commercial paper of companies having a rating assigned to such commercial paper by S. & P. or Moody's (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the United States of America) equal to the highest rating assigned by such organization, or

(vii) certificates of deposits denominated in United States Dollars issued by, or United States Dollar time deposits with, the European subsidiaries of (a) any bank, trust company or national banking association incorporated or doing business under the laws of the United States of America or one of the states thereof having combined capital and surplus and retained earnings of at least \$300,000,000 or (b) any other bank having combined capital and surplus and retained earnings of at least \$300,000,000, or

(viii) Yankee certificates of deposit or commercial paper, both denominated in United States Dollars, issued by, or bankers' acceptances denominated in United States Dollars of, any bank having combined capital and surplus and retained earnings of at least \$300,000,000 and headquartered in France, Canada, Japan, the United Kingdom, West Germany, Switzerland or the Netherlands (provided that any investment made pursuant to this clause (viii) shall be in a minimum amount of \$1,000,000), or

(ix) time deposits denominated in United States Dollars with any Canadian bank having a combined capital and surplus and retained earnings of at least \$300,000,000, or

(x) money market accounts of the Trustee or any bank whose debt obligations are rated at least P-1 or Aa by Moody's or at least A-1 or AA by S. & P., or whose holding company parent's debt obligations are rated at least A-1 or AA by S. & P. or at least P-1 or Aa by Moody's or combined capital and surplus is not less than \$30,000,000, or

(xi) repurchase agreements with any financial institution or securities dealer having combined capital and surplus and retained earnings of at least \$50,000,000 with any of the obligations of the type described in clauses (i) through (ix) above as acceptable collateral, provided that the term of any such repurchase agreement shall not exceed 90 days.

The parties hereto agree that the definition of Investment Securities may be amended from time to time on written notice from the Airline, in accordance with Section 1001.

"Leased Premises" means the Demised Premises as defined in the Site Lease, including the Project.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Airline and acceptable to the Trustee.

"Net Proceeds", when used with respect to any insurance or condemnation award, means the proceeds from such insurance or condemnation award and any interest or investment earnings thereon, after payment of all expenses (including attorneys' fees) incurred in the collection of such proceeds.

"Ordinary Services" and "Ordinary Expenses" mean those services normally rendered and those expenses, including fees of counsel, normally incurred by a trustee or paying agent under instruments similar to this Indenture.

"Outstanding" or "outstanding" or "Bonds Outstanding", in connection with the Bonds means, as of the time in question, all Bonds authenticated and delivered under this Indenture, except:

- (i) Bonds theretofore cancelled or required to be cancelled under Section 210 hereof;

- (ii) Bonds that are deemed to have been paid in accordance with Section 410 or Article XII hereof; and

- (iii) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II hereof.

"Person" means any natural person, firm, partnership, association, corporation, trust or public body.

"Plans and Specifications" means the plans and specifications describing the Project or any Additions, as originally submitted and as amended from time to time and approved by the City, all in accordance with the Site Lease, as duly certified by an Authorized Airline Representative.

"Project" means certain improvements constituting a cargo facility at the Airport, which are more fully described in Exhibit A to the Agreement, as said Exhibit A may from time to time be amended.

"Qualified Airport Facilities" means airports and directly related storage and training facilities within the meaning of and qualifying under Section 142(a) of the Code.

"Qualified Costs of Construction" means that portion of the Aggregate Cost of the Project that comprises items constituting or included in Qualified Airport Facilities, which items will be charged to the Project's capital account for federal income tax purposes or would be so chargeable either with a proper election by the owner of the Project under the Code or but for a proper election by the owner of the Project to deduct the amount thereof, and were incurred and paid, or are to be incurred and paid, after July 19, 1989.

"Rebate Fund" means the fund created by Section 415 hereof and administered in accordance with the Tax Documents.

"Record Date" means the close of business on the fifteenth (15th) day of the month immediately preceding each Interest Payment Date, unless otherwise specified with respect to a particular Series of Bonds in this Indenture.

"Recording Officer" means the City Clerk or Deputy City Clerk of the City.

"Registered Owner" or "Owner" means the Person or Persons in whose name or names a Bond shall be registered on books of the City kept for that purpose in accordance with the terms of this Indenture.

"S. & P." means Standard & Poor's Corporation, a corporation organized and existing under the laws of the State of [], its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S. & P." shall be deemed to refer to any other nationally recognized securities rating agency designated by the Airline and acceptable to the Trustee.

"Series" means all of the Bonds authenticated and delivered on a single date on original issuance and designated as a Series pursuant to this Indenture.

"Series Account" or "Series Sub-Account" means, with respect to any Series of Bonds, the account or sub-account, as the case may be, in any Fund or account therein in which moneys applicable to such Series are deposited and from which they are disbursed pursuant to the terms of this Indenture.

"Series 1990 Bonds" means the Series of Bonds issued pursuant to Section 204 of this Indenture.

"Site Lease" means the Cargo Building Site Lease dated as of [October 1], 1990, between the City, as lessor, and the Airline, as lessee, as amended.

"Special Facility Revenue Fund" means the fund created by Section 402 of this Indenture.

"Special Facility Revenues" means the amounts pledged hereunder to the payment of principal of and interest and redemption premium, if any, on the Bonds, comprising the following: (i) all amounts payable from time to time by the Airline under the Agreement, except for Unassigned Rights and all receipts of the Trustee credited under the provisions of this Indenture or the Agreement against said amounts payable (including without limitation any excess rents payable by a replacement tenant under Section 12.01(c) of the Site Lease that are available to the Trustee for payment of such principal, interest or redemption premium), and (ii) any amounts paid into the Bond Fund from the Construction Fund or the Debt Service Reserve Fund or otherwise, including income on investments.

"State" means the State of Illinois.

"Stated Maturity" means with respect to any Bond the date specified in such Bond as the fixed date on which the entire principal amount of such Bond is due and payable.

"Supervising Consultant" means the person designated by the Commissioners pursuant to paragraph 2(b) of Exhibit C to the Site Lease.

"Tax Documents" means the Arbitrage Compliance Agreement by and among the City, the Airline and the Trustee, the General Tax Certificate and the Non-Arbitrage Certification executed by the City and the Airline's Project Cost and Tax Certificate executed by the Airline, each dated as of October 1, 1990, and any similar agreement or certificate setting forth various arbitrage related representations and/or covenants with respect to any particular Series of Bonds, as each may from time to time be amended or supplemented.

"Trust Estate" means, subject to the provisions of Section 415 hereof, the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

"Trustee" means either Independence Bank of Chicago, Chicago, Illinois, or The First National Bank of Chicago, Chicago, Illinois, jointly and severally, any successor to either of them serving as trustee hereunder pursuant to Section 906 or Section 909 hereof, and any separate or co-trustee serving as such hereunder.

"Unassigned Rights" means the rights of the City to execute and deliver (subject to the provisions of the Agreement and this Indenture), or to decline to execute and deliver, supplements or amendments to the Agreement or this Indenture, the rights of the City to receive documentation and notices under the Agreement, the rights of the City under Sections 3.1(a) and 3.4(b) of the Agreement and the rights of the City to be held harmless, to be reimbursed for its expenses and to be indemnified under Sections 4.2(c), 5.4, 5.8, 5.9 and 6.4 of the Agreement, and to enforce such rights in its own name and for its own account to the extent provided in Section 6.2 of the Agreement or in its sole discretion to waive the same in particular instances under Section 6.5 of the Agreement.

Article II.

The Bonds.

Section 201. Authorization For This Indenture And The Bonds.

(a) This Indenture is adopted by virtue of and pursuant to the home rule powers of the City. The City has ascertained and hereby determines and declares that the adoption of this Indenture is necessary to meet the commercial and general aviation needs of the citizens of the City, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate such purposes of the City and to carry out its powers and is in furtherance of the public benefit, safety and welfare of the City, and that each and every covenant or agreement contained and made herein is necessary, useful or convenient in order better to secure the Bonds issued hereunder and are contracts or agreements necessary, useful and convenient to carry out and effectuate the corporate purposes of the City.

(b) In consideration of the purchase and acceptance of Bonds issued hereunder by those who shall hold the Bonds from time to time, the provisions of this Indenture shall be a part of the contract of the City with the holders of such Bonds and shall be deemed to be and shall constitute a contract between the City, the Trustee and the holders from time to time of such Bonds.

(c) In order to provide sufficient funds for the financing of the Project and any Additions, Bonds are hereby authorized to be issued from time to time in one or more Series as hereinafter provided, without limitation as to amount, except as provided herein or as may be limited by law, for the purposes of (i) the payment, or the reimbursement for the payment of, the Costs of the Project or any Additions, as provided in Sections 303 and 304 hereof, or (ii)

the funding of any Fund or account or sub-account therein created by this Indenture, including, in case of each Series of Bonds, payment of Costs of Issuance thereof.

(d) All Series of the Bonds and the interest thereon shall be equally and ratably secured by the pledge of Special Facility Revenues contained in this Indenture.

Section 202. Title, Form And Other General Terms Of Bonds.

(a) Title. The general title of the Bonds of all Series shall be "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project)". With respect to the Bonds of any particular Series, the City may incorporate in or add to the general title of such Bonds any words, letters or figures designed to distinguish that Series.

(b) Form. The Bonds and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A attached hereto, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by and more particularly set forth elsewhere in this Indenture or in an indenture supplemental hereto with respect to a particular Series of Bonds, and may have such letters, numbers or other marks of identification and such legends or endorsement placed thereon as may be required to comply with the rules of any securities exchange, or as may, consistently herewith, be determined by the Executive Officers executing such Bonds as evidenced by this execution thereof and as required or permitted by the Authorizing Ordinance. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

(c) Reproduction. The definitive Bonds shall be printed, lithographed or engraved or produced by any combination of these methods or produced in any other manner permitted by the rules of any securities exchange or which any Series of the Bonds may be listed or any depository for maintaining ownership of any Series of Bonds through a book-entry system, all as determined by the Executive Officers executing such Bonds as evidenced by their execution thereof and as required or permitted by the Authorizing Ordinance.

(d) Only Registered Bonds. The Bonds shall be issuable only as fully registered bonds without coupons in Authorized Denominations and shall be numbered as determined by the Trustee unless the City shall otherwise direct.

(e) Manner of Payment. Except as otherwise specified in this Indenture with respect to a particular Series of Bonds, the principal of and interest on the Bonds shall be payable in lawful money of the United States of America

at the principal corporate trust office of the Trustee; provided that the payment of interest alone with respect to the Bonds shall be made to the Registered Owner thereof:

(1) by check or draft mailed on the applicable Interest Payment Date to the Registered Owner as of the close of business on the applicable Record Date, at his address as it appears on the registration books of the City; or

(2) by wire transfer on the applicable Interest Payment Date to any Registered Owner of \$500,000 or more in aggregate principal amount of the Bonds as of the close of business on the applicable Record Date if such Registered Owner shall provide written notice to the Trustee not less than fifteen (15) days before such Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice) of such wire transfer address in the continental United States as such Registered Owner shall specify,

except, in each case, that, if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the Owners in whose names any such Bonds are registered at the close of business on the fifth (5th) Business Day next preceding the date of payment of such defaulted interest. Payment of principal shall be made only upon presentation and surrender of each Bond, as the same becomes due, at the principal corporate trust office of the Trustee.

(f) Interest on Bonds. Each Series of Bonds shall bear interest from the most recent Interest Payment Date with respect to such Series to which interest has been paid in full or duly provided for (or, if none, from the initial date such Series of Bonds shall be dated), until payment of the principal thereof shall have been made or provided for in accordance with the provisions of this Indenture, whether at Stated Maturity, upon redemption, by acceleration or otherwise. Each Bond shall bear interest on overdue principal and, to the extent permitted by law, on overdue interest at the rate borne by such Bond on the day the same became due.

Section 203. Terms Of Particular Series.

Each Series of Bonds, except the Series 1990 Bonds created by Section 204 hereof, shall be created by an indenture supplemental hereto authorized by the Governing Body of the City establishing the terms and provisions of such Series of Bonds and the form of the Bonds of such Series. The several Series of Bonds may differ from the Series 1990 Bonds and as between Series in any

respect not in conflict with the provisions of this Indenture and as may be prescribed in the supplemental indenture creating such Series.

Section 204. Terms Of The Series 1990 Bonds.

(a) Following the execution of this Indenture, the City may issue an initial Series of Bonds, designated "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project), Series 1990" (as hereinabove defined, the "Series 1990 Bonds"), and the aggregate principal amount thereof to be issued under this Indenture shall not exceed \$25,000,000. The Series 1990 Bonds shall be in the form of Exhibit A hereto with such insertions, omissions, substitutions and variations as may be determined by the Executive Officers executing the same, relying on the advice of Bond Counsel, as evidenced by their execution thereof to reflect the applicable of the Series 1990 Bonds established by this Section. Each of the Series 1990 Bonds shall bear the identifying letter "R", followed by an Arabic numeral to be assigned to each, such numbers to be assigned consecutively from "1" upwards.

(b) The Series 1990 Bonds initially shall be dated as of October 1, 1990, and each Series 1990 Bonds subsequently issued in exchange for another Series 1990 Bond or Bonds shall be dated as of the most recent Interest Payment Date or other date to which interest has been paid or duly provided for.

(c) Each Series 1990 Bond shall bear interest at the rate of [Interest Rate]% per annum from its date, or from the most recent Interest Payment Date or other date to which interest has been paid or duly provided for, until the principal amount thereof is paid or duly provided for, beginning April 1, 1991, and semiannually thereafter on April 1 and October 1 in each year (as hereinabove defined, each an "Interest Payment Date"), calculated on the basis of a 360-day year comprising twelve 30-day months.

(d) The Series 1990 Bonds may be redeemed by the City, at the option of the Airline, on any Business Day on or after October 1, [], in whole or in part, at the redemption prices (expressed as percentages of the principal amount of the Bonds to be so redeemed) set forth in the following table plus accrued interest to the date fixed for redemption:

Period (both dates inclusive)	Redemption Price
[] through []	[102%]
[] through []	[101%]

[] and thereafter 100%;

pursuant to the applicable provisions of Article VI hereof.

(e) The proceeds from the issuance and sale of the Series 1990 Bonds, minus underwriters' discount of \$[] and original issue discount of \$[], plus accrued interest, shall be applied for the purposes set forth in this Indenture, and to such end upon receipt shall be deposited as follows:

(1) There shall be deposited \$[], representing a portion of the capitalized interest, in the Capitalized Interest Account in the Construction Fund.

(2) There shall be deposited \$[] in the Costs of Issuance Account in the Construction Fund.

(3) There shall be deposited \$[] in the Debt Service Reserve Fund in satisfaction of the Debt Service Reserve Requirement for the Series 1990 Bonds.

(4) There shall be deposited \$[], representing accrued interest on the Series 1990 Bonds, in the Interest Account in the Bond Fund.

(5) There shall be deposited \$[], representing the balance of the net proceeds of the issuance and sale of the Series 1990 Bonds, in the Construction Account in the Construction Fund.

(f) The City hereby designates Midwest Securities Trust Company, Chicago, Illinois, to act as Book-Entry Depository with respect to the Series 1990 Bonds. The City hereby authorizes and directs the Trustee to, and covenants and agrees that the City itself will, execute and deliver such agreements and instruments as shall be reasonably requested by the Book-Entry Depository as necessary or advisable in order to effectuate such book-entry system as administered by such Book-Entry Depository, the provisions of which shall in no event be inconsistent with or contradict the provisions of this Indenture.

(g) The Debt Service Reserve Requirement for the Series 1990 Bonds shall equal the least of (i) ten percent (10%) of the original aggregate principal amount of the Series 1990 Bonds, (ii) the maximum amount of interest payable on the Series 1990 Bonds on any two consecutive Interest Payment Dates, or (iii) the maximum amount permitted under the Code. Moneys on deposit in the Debt Service Reserve Fund with respect to the Debt Service Reserve Requirement for the Series 1990 Bonds shall not be available to pay

the principal of or interest on any Series of Bonds other than the Series 1990 Bonds.

Section 205. Registration, Transfer And Exchange.

(a) The City shall cause books for the registration and for the transfer of the Bonds as provided in this Indenture to be kept by the Trustee, which is hereby constituted and appointed the Bond Registrar of the City. With the consent of the Airline, the Trustee may appoint any other bank, trust company or national banking association with its principal corporate trust office located in Chicago, Illinois, to act as authenticating agent or co-bond registrar under such conditions as the Trustee may prescribe. References herein to the Bond Registrar shall be deemed to include any such authenticating agent or co-bond registrar to the extent permitted by, and consistent with, the conditions prescribed by the Trustee in its appointment of any such authenticating agent or co-bond registrar.

(b) Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, the City shall cause to be executed and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds, for a like aggregate principal amount.

(c) Bond accompanied by an assignment duly executed by the Registered Owner thereof or his duly authorized attorney, in such form as shall be satisfactory to the Bond Registrar, may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other Authorized Denominations. The City shall cause to be executed and the Trustee shall authenticate and deliver Bonds that the Bondholder making the exchange is entitled to receive, bearing numbers not then outstanding. The execution in accordance with Section 206 hereof by the Executive Officer and the attestation by the Recording Officer of any Bond of any Authorized Denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond. The Trustee shall not be required to transfer or exchange any Bond during the period beginning 15 days before the mailing of any notice calling such Bond or any portion thereof for redemption and ending on the redemption date.

(d) As to any Bond, the Registered Owner shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal or interest of any such Bond shall be made only to or upon the order of the Registered Owner thereof or his attorney duly authorized in writing, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(e) Exchanges and transfers shall be made without charge to the Bondholders; provided that in each case the Trustee shall require the payment by the Bondholder requesting exchange or transfer of any tax or other governmental charge required to be paid with respect thereto.

Section 206. Execution; Limited Obligation.

(a) The Bonds shall be executed on behalf of the City with the facsimile signature of its Executive Officer and attested with the facsimile signature of its Recording Officer, and shall have impressed or printed thereon a facsimile of the corporate seal of the City. Any such facsimile signature shall have the same force and effect as if said Executive Officer or said Recording Officer had manually signed each of said Bonds. If any officer, a facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

(b) The Bonds, together with interest thereon, shall be limited obligations of the City giving rise to no pecuniary liability of the City nor any charge against its general credit or taxing power, shall be payable solely from the Special Facility Revenues and other moneys pledged therefor under this Indenture, and shall be a valid claim of the respective Owners thereof only against the Special Facilities Revenue Fund, the Bond Fund, the Construction Fund, the Debt Service Reserve Fund, the Special Facility Revenues and other moneys held by the Trustee. The Bonds are not in any respect a general obligation of the City, nor are they payable in any manner from revenues raised by taxation. The Project is not security for the Bonds, and the Bonds are not secured by any other properties or improvements at the Airport or the Revenues (as defined in the General Airport Revenue Bond Ordinance) or any other revenues derived by the City from the operation of the Airport generally.

(c) No recourse shall be had for the payment of the principal of or interest or redemption premium, if any, on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained, against any past, present or future officer, employee or agent, or member of the Governing Body of the City, or any successor to the City, as such, either directly or through the City or any successor to the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, employee or agent, or member of the Governing Body, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of any of the Bonds.

Section 207. Authentication.

No Bond shall be valid for any purpose until the certificate of authentication on such Bond shall have been duly executed by the Trustee, and such authentication shall be conclusive proof that such Bond has been duly authenticated and delivered under this Indenture and that the Owner thereof is entitled to the benefits of the trust hereby treated. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if manually signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder.

Section 208. Mutilated, Destroyed, Lost, Stolen, Or Undelivered Bonds.

(a) Upon receipt by the City and the Trustee of evidence satisfactory to both of them that any Outstanding Bond has been mutilated, destroyed, lost or stolen, and of indemnity satisfactory to both of them, the City, in its discretion, may execute and thereupon the Trustee shall authenticate and deliver a new Bond of the same maturity and of like tenor as the mutilated, destroyed, lost or stolen Bond, but bearing a number not contemporaneously outstanding. If any such Bond shall have matured, instead of issuing a replacement Bond, the City may pay the same without surrender thereof. The City and the Trustee may charge the Owner of such Bond with their reasonable fees and expenses in this connection.

(b) The City shall cooperate with the Trustee in connection with the issue of replacement Bonds, but nothing in this Section shall be construed in derogation of any rights that the City, the Airline or the Trustee may have to receive indemnification against liability, or payment or reimbursement of expenses, in connection with the issuance of a replacement Bond. In executing a new Bond as provided for in this Section 208, the City may rely conclusively on a representation of the Trustee that the Trustee is satisfied with the adequacy of the evidence presented concerning the mutilation, loss, theft or destruction of any Bond.

(c) Every substituted Bond issued pursuant to this Section 208 shall constitute an additional contractual obligation of the City (as provided in this Indenture), whether or not the Bond alleged to have been mutilated, destroyed, lost or stolen or any undelivered Bonds shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder.

(d) All Bonds shall be owned upon the express condition that the foregoing provisions are, to the extent permitted by law, exclusive with respect to the replacement or payment of mutilated, destroyed, lost, stolen or undelivered Bonds, and shall preclude any and all other rights or remedies.

Section 209. Temporary Bonds.

Pending preparation of definitive Bonds, or by agreement with the purchasers of all Bonds, the City may issue and, upon the request of the City, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary typewritten or printed Bonds in Authorized Denominations of substantially the tenor recited above. Upon request of the City, the Trustee shall authenticate definitive Bonds in Authorized Denominations in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 210. Cancellation And Disposition Of Surrendered Bonds.

(a) Upon full payment of any Outstanding Bond or whenever any Outstanding Bond shall be delivered to the Trustee for transfer or for exchange, for cancellation pursuant to this Indenture, or for replacement pursuant to Section 208 hereof, such Bond shall be promptly cancelled by the Trustee and disposed of by the Trustee in accordance with a written direction of an Authorized Airline Representative, and counterparts of a certificate evidencing such disposition shall be furnished by the Trustee to the City and the Airline.

(b) If, before the maturity of any Bond, the Airline surrenders any Bond to the Trustee for cancellation, the Trustee shall cancel such Bond.

Section 211. Issuance And Delivery Of The Bonds.

(a) Upon the execution and delivery of this Indenture, the City shall execute and deliver to the Trustee and the Trustee shall authenticate each Series of the Bonds and deliver them to the purchasers as directed by the City as hereinafter in this section provided.

(b) Before the delivery by the Trustee of any of the Bonds under this Section 211, there shall be filed with the Trustee:

(1) A copy, duly certified by the Recording Officer, of the Authorizing Ordinance;

(2) Original executed counterparts of the Agreement and this Indenture;

(3) An original executed counterpart of the Guaranty;

(4) An opinion of Counsel to the City to the effect that (i) the City has the right and power to execute and deliver this Indenture, the Agreement and the Site Lease; (ii) this Indenture, the Agreement and the Site Lease have been duly and lawfully authorized, executed and delivered by the City, are in full force and effect and are valid and binding upon the City and enforceable in accordance with their respective terms, assuming the Agreement and the Site Lease are valid and binding upon the Airline and enforceable against the Airline in accordance with their respective terms; and (iii) the execution and delivery of, and performance by the City of its obligations under, this Indenture, the Agreement and the Site Lease do not contravene the provisions of any ordinance, statute, or regulation or, to the best knowledge of such Counsel after due inquiry, conflict with any material provision of any indenture, agreement, mortgage, deed of trust or other instruments to which the City is party or by which the City is bound; and

(5) Original executed counterparts of the initial Tax Documents.

(c) Before the delivery by the Trustee of each Series of the Bonds under this Section 211, there shall be filed with the Trustee:

(1) A written order as to the delivery of such Series, signed by an Executive Officer and stating (i) the identity of the purchasers, aggregate purchase price and date and place of delivery of such Series and (ii) that no Default has occurred and is continuing under this Indenture;

(2) A certificate to the City executed by the Independent Airport Consultant (as defined in the General Airport Revenue Bond Ordinance) certifying the matters required to be certified by the Independent Airport Consultant under Section 903 of the General Airport Revenue Bond Ordinance;

(3) A certificate of an Executive Officer setting forth:

(i) The amount, if any, of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Debt Service Reserve Account, so that the amount held in the Series Account for such Series therein shall be equal to the Debt Service Reserve Requirement for such Series;

(ii) The amount, if any, of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Capitalized Interest Account in the Construction Fund;

(iii) The amount of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Construction Account in the Construction Fund;

(iv) The amount of the proceeds of the sale of such Series to be paid to the Trustee for deposit in the Costs of Issuance Account in the Construction Fund; and

(v) The purpose or purposes for which the balance, if any, of the proceeds of the sale of such Series is to be used;

(4) A copy, duly certified by the Recording Officer, of the ordinance of the Governing Body of the City authorizing the issuance of such Series;

(5) An original executed counterpart of the contract of purchase with respect to such Series of Bonds between the City and the purchasers thereof pertaining to the sale of such Series;

(6) Original executed counterparts of any additional Tax Documents required by Bond Counsel in connection with the issuance and sale of such Series of Bonds; and

(7) Original executed counterparts of any Credit Facility and any other agreements required by the Credit Provider in connection therewith and of any other agreements with any other Persons or any other documents, and any moneys, as are required by the provisions of this Indenture authorizing the issuance of such Series or with respect to the terms and provisions of Bonds of such Series.

(d) Before the delivery by the Trustee of each Series of the Bonds other than the Series 1990 Bonds, there shall also be filed with the Trustee:

(1) An original executed counterpart of the supplemental indenture authorizing such Series, which shall specify the following, to the extent applicable:

(i) The authorized principal amount and Series designation of such Bonds and/or any limit on the aggregate principal amount of such Series which may be authenticated and delivered under such supplemental indenture (except for Bonds authenticated and delivered upon

registration and transfer of, or in exchange for, other Bonds of such Series pursuant to Section 205 hereof);

(ii) The purpose or purposes for which such Series is being issued, including a description of any Additions to be financed from the proceeds of the sale of such Series;

(iii) The dated date or dates, and the date or dates of Stated Maturity, of the Bonds of such Series, or the manner of determining such dates;

(iv) The interest rate or rates to be borne by the Bonds of such Series or the manner of determining such rate or rates and the Interest Payment Dates for such Series;

(v) The manner of dating, numbering and lettering the Bonds of such Series;

(vi) The manner in and redemption price or prices (including any premium) at which Bonds of such Series may be redeemed which shall be consistent with or supplement the provisions of Article VI and other applicable provisions of this Indenture;

(vii) The establishment of any Series Account in the Debt Service Reserve Fund and the amount of any Debt Service Reserve Requirement applicable to such Series;

(viii) The operation and other terms of any sinking, amortization, improvement or other analogous fund applicable to the Bonds of such Series, including the dates of any redemptions or other purchases of the Bonds of such Series required thereby, or the manner of determining such terms or dates;

(ix) Provisions for the sale of the Bonds of such Series;

(x) The identity of any Book-Entry Depository for such Series;

(xi) The nature of the Credit Facility and the identity of the Credit Provider (other than the Airline) with respect to such Series of Bonds, if any;

(xii) Any additional covenants of the City required by the Code or other applicable law; and

(xiii) Any other provisions deemed advisable or necessary by the City as shall not conflict with the provisions of this Indenture; and

(2) An opinion of Counsel to the City confirming the matters set forth in the opinion described in subsection (b)(4) above as they shall apply to such supplemental indenture.

Article III.

Construction Fund.

Section 301. Creation Of The Construction Fund And Accounts Therein.

(a) There is hereby created and ordered established with the Trustee a trust fund in the name of the City to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Construction Fund (Compagnie Nationale Air France Project)" (the "Construction Fund"). The Trustee shall deposit into the Construction Fund and the accounts therein the amounts of proceeds received from the sale of Bonds set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof.

(b) Moneys in the Construction Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Construction Fund are disbursed or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Construction Fund and all accounts therein and disbursements therefrom.

Section 302. Use Of Moneys In The Construction Fund.

The moneys on deposit in the Construction Fund and the accounts therein created shall be applied for the purposes and uses specified below:

(a) Costs of Issuance Account. There is hereby created and ordered established in the Construction Fund a Costs of Issuance Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Moneys held in the Costs of Issuance Account shall be disbursed to pay Costs of Issuance of the Bonds upon receipt by the Trustee of a written order signed by the Authorized City Representative, identifying generally the nature and amount of such Costs of Issuance. Any balance remaining in the Costs of Issuance Account in the Construction Fund twelve months after the date of delivery of the Bonds shall be transferred to the credit of the Construction Account

in the Construction Fund, whereupon the Costs of Issuance Account shall be closed.

(b) Capitalized Interest Account. There is hereby created and ordered established in the Construction Fund a Capitalized Interest Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Moneys held in the Capitalized Interest Account are intended to be used for the purpose of paying interest, other than accrued interest, on the Bonds before the Completion Date and shall be disbursed, to the extent available, to pay interest, other than accrued interest, on the Bonds. At the time of the deposit of proceeds from the sale of the Bonds into the Capitalized Interest Account, the City shall deliver to the Trustee upon receipt from the Airline a written schedule of dates on which moneys in such account are required to be transferred by the Trustee for deposit in the Interest Account in the Bond Fund. On any Interest Payment Date for a Series of Bonds on which moneys are available in the Capitalized Interest Account to pay interest on such Bonds, the Trustee shall first deposit such available moneys, but only to the extent of the amount of interest then so payable, into the Interest Account of the Bond Fund before depositing any moneys from any other Fund available therefor for such purpose.

(c) Construction Account. There is hereby created and ordered established in the Construction Fund a Construction Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Before the Completion Date of the Project or any Additions, as the case may be, the Trustee shall also deposit moneys representing earnings on investments in the Debt Service Reserve Fund into the Construction Account pursuant to Section 501(c) hereof. Moneys held in the Construction Account shall be disbursed by the Trustee to pay any and all of the Cost of the Project as provided in this Article.

Section 303. Costs Of The Project Or Any Additions.

To the extent permitted by applicable law, for the purposes of this Indenture and Agreement, Costs of the Project or any Additions shall include any and all of the following:

(a) Payment to the Airline or the City of such amounts, if any, as shall be necessary to reimburse the Airline or the City in full for all advances and payments made by it at any time before or after the delivery of the Bonds for expenditures in connection with the preparation of the Plans and Specifications (including any preliminary study or planning of the

Project or any aspect thereof) and the construction and installation of the Project or such Additions;

(b) Payment for labor, services, materials and supplies used or furnished in site improvement and in the construction and installation of the Project or such Additions (including progress payments), all as provided in the Plans and Specifications and work orders therefor, payment for the cost of the construction, acquisition and installation of utility services or other facilities, and all real and personal property deemed necessary in connection with the Project or such Additions and payment for the miscellaneous expenditures incidental to any of the foregoing items;

(c) Payment of the fees and expenses, if any, for architectural, engineering, legal, underwriting and supervisory services with respect to the Project or such Additions;

(d) To the extent not paid by a contractor for construction or installation with respect to any part of the Project or such Additions, payment of the premiums on all insurance required to be maintained during the Construction Period for the Project or such Additions;

(e) Payment of the taxes, assessments and other charges, if any, that may become payable during the Construction Period with respect to the Project or such Additions, or reimbursement thereof if paid by the Airline;

(f) Payment of expenses incurred in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the Project or such Additions; and

(g) Payment of any other items of cost and expense, including Administrative Expenses, not specified elsewhere in this Section, incident to the design, construction and equipping of the Project or such Additions and the financing thereof.

Section 304. Disbursements From The Construction Account In The Construction Fund.

(a) The City hereby authorizes and directs the Trustee to disburse the moneys in the Construction Account of the Construction Fund (or in any applicable Series Sub-Account therein) to or at the direction of the Airline for items included in the Costs of the Project or such Additions other than Costs of Issuance. Each payment from the Construction Account shall be made upon receipt by the Trustee, with a copy furnished to the City, of a written order signed by the Authorized Airline Representative certifying:

- (1) The requisition number;
- (2) The name and address of each of the persons, firms or corporations to whom or to which payment is to be made from the Construction Account in the Construction Fund (or any applicable Series Sub-Account therein), which may include the Airline;
- (3) The amount to be paid;
- (4) That each obligation mentioned therein has been properly incurred and is a necessary and proper Cost of the Project or such Additions;
- (5) That each of the items of Cost for which the payment is proposed to be made is due and has not been included in any prior written order which has been paid or, if previously included, has not been satisfied to the extent presently proposed to be paid;
- (6) That after taking into account the costs proposed to be paid or reimbursed in said certificate at least 95% of all of the costs paid or reimbursed out of the Construction Fund are Qualified Costs of Construction; and
- (7) That no Event of Default under the Agreement that has not been waived has occurred and is continuing.

Such written orders shall be accompanied by copies of such relevant statements, invoices, or other supporting data as the Trustee may reasonably request.

(b) Moneys in the Construction Account of the Construction Fund (or any applicable Series Sub-Account therein) may only be applied as set forth in subsection (a) or in Section 305 hereof.

Section 305. Other Uses Of Construction Fund Moneys.

(a) The completion of the Project or any Additions and payment or provisions made for payment of the full Aggregate Cost of the Project or such Additions shall be evidenced by the filing with the Trustee of a certificate required by the provisions of Section 3.4 of the Agreement. Moneys remaining in the Construction Account or the Capitalized Interest Account of the Construction Fund (or any applicable Series Sub-Account in either thereof, including any earnings on investments that remain in such account or sub-account) at the time such certificate with respect to the Project or any Additions is delivered to the Trustee may be used, at the direction of the Authorized Airline Representative (which shall be given as soon as

practicable after the Completion Date), for any one or more of the following purposes:

(1) for the payment when due of any Cost of the Project or any Additions, as the case may be, not then due and payable as specified in the above-mentioned certificate; or

(2) for transfer to the Principal Account in the Bond Fund (or the applicable Series Sub-Account therein) and application (i) to the redemption of Bonds of the applicable Series on the earliest practicable redemption date permitted; or (ii) for the payment of principal of the Bonds of any applicable Series; or

(3) for transfer to another Series Sub-Account in the Construction Account in the Construction Fund, for application to the Costs of other Additions; or

(4) for transfer (i) to the Interest Account in the Bond Fund or (ii) to the Capitalized Interest Account in the Construction Fund (or any applicable Series Sub-Account therein) and application to the payment of interest on Bonds of any applicable Series.

(b) Upon the occurrence and continuation of an event of default hereunder (which event of default is not waived in accordance with the provisions of this Indenture), subject to Section 805 hereof, or if the Airline should prepay all amounts payable under the Agreement pursuant to Section 7.1 or Section 7.2 of the Agreement, any balance then remaining in the Construction Fund shall without further authorization be deposited in the Bond Fund by the Trustee.

(c) Notwithstanding any other provision of this section to the contrary, before any such moneys may be used for any purpose specified in subsection (a)(2)(ii), (3) or (4) or (b) above, the Trustee shall be furnished with an opinion of Bond Counsel to the effect that such transfer will not cause, or use of moneys so transferred in accordance with this section will not cause the interest on any Bonds to become includible in gross income for federal income tax purposes.

Article IV.

Special Facility Revenues And Other Funds And Accounts.

Section 401. Sources Of Payment For Bonds.

The Bonds and all payments required of the City hereunder are not general obligations of the City but are limited obligations as described in Section 206 hereof. The Special Facility Revenues are pledged and assigned to the Trustee as security for the payment of the principal of and interest on the Bonds. The payments provided in Sections 4.2(a), (b), and (c) of the Agreement are to be remitted directly to the Trustee for the account of the City and deposited in the Special Facility Revenue Fund. In addition, the Airline in the Guaranty has guaranteed the payment of principal and interest and redemption premium, if any, on the Bonds as the same shall be due and payable hereunder and pursuant to the terms of the Bonds, and all payments under the Guaranty are to be remitted directly to the Trustee for the account of the City and deposited in the Special Facility Revenue Fund. Such payments under the Agreement and under the Guaranty, each sufficient in amount to insure the prompt payment of the principal of and interest and redemption premium, if any, on the Bonds, are pledged to the Trustee as security for such payments on the Bonds.

Section 402. Creation Of The Special Facility Revenue Fund.

(a) There is hereby created and ordered established with the Trustee a trust fund in the name of the City to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Revenue Fund (Compagnie Nationale Air France Project)" (the "Special Facility Revenue Fund"). The Trustee shall deposit into the Special Facility Revenue Fund all amounts of Special Facility Revenues, whether from the Airline pursuant to Article IV of the Agreement or from any other source.

(b) Moneys in the Special Facility Revenue Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Special Facility Revenue Fund are disbursed or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Special Facility Revenue Fund and all accounts therein and disbursements therefrom.

Section 403. Payment Of Special Facility Revenues Over To Trustee.

Pursuant to the Agreement, the City has caused the Special Facility Revenues to be paid to the Trustee for deposit in the Special Facility Revenue Fund in accordance with the terms of this Indenture to effect payment of the principal of and interest on the Bonds as the same become due and to maintain the balance in the Series Account for each Series of Bonds in the Debt Service Reserve Fund at a level equal to or greater than the Debt Service Reserve Requirement for such Series of Bonds. The Trustee shall give the Airline and the City notice not less than five (5) Business Days in advance of any Interest Payment Date or any date on which a payment of principal is due under any Series of Bonds of such date and the amounts then due, but the failure of the Trustee to give such notice shall not waive or otherwise alter or delay any obligations of the City hereunder or of the Airline under the Agreement with respect to the payment of any such amounts. Nothing herein shall be construed as requiring the City to use any funds or revenues from any source other than Special Facility Revenues.

Section 404. Disbursements From The Special Facility Revenue Fund.

(a) The moneys in the Special Facility Revenue Fund shall be disbursed and applied by the Trustee as required to make deposits on the dates and in the amounts provided below:

(1) First, on each Interest Payment Date or other date upon which interest on any Series of Bonds is payable, a sum that, together with other moneys available therefor in the Capitalized Interest Account in the Construction Fund, and the Interest Account in the Bond Fund, will be sufficient to pay all interest on such Series due on such date shall be deposited in the Interest Account (and in any applicable sub-account therein) in the Bond Fund;

(2) Second, on each date on which principal of any Series of Bonds is payable, at Stated Maturity, by acceleration or otherwise, a sum that, together with other moneys available therefor in the Principal Account in the Bond Fund, will be sufficient to pay all principal of such Series due on such date shall be deposited in the Principal Account (and in any applicable sub-account therein) in the Bond Fund;

(3) Third, on each date on which Bonds of any Series are to be redeemed, a sum that, together with other moneys available therefor in the Redemption Account in the Bond Fund, will be sufficient to pay the redemption price (including any premium) of such Bonds to be redeemed

on such date shall be deposited in the Redemption Account (and in any applicable sub-account therein) in the Bond Fund;

(4) Fourth, at any time the balance in the Debt Service Reserve Fund or in any Series Account therein shall be less than the Debt Service Reserve Requirement then in effect for the applicable Series, any amount remaining available in the Special Facility Revenue Fund therefor, after the deposits required under the foregoing clauses (1), (2) and (3) have been made, shall be deposited in the Debt Service Reserve Fund or in such Series Account, but only to the extent necessary to restore the balance therein to the level of the Debt Service Reserve Requirement therefor; and

(5) Fifth, at any time the balance in the Rebate Fund shall be less than the amount of moneys then to be paid therefrom pursuant to the Tax Documents, a sum equal to the amount of such deficit shall be deposited in the Rebate Fund.

(b) If there are insufficient moneys in the Special Facility Revenue Fund to make any of the deposits required in subsection (a) above, such deposits shall be made in the priorities set forth therein as and to the extent moneys become available in the Special Facility Revenue Fund therefor.

(c) Except as provided in Sections 404(a)(5) and 903, moneys in the Special Facility Revenue Fund, together with certain other moneys deposited in the Bond Fund pursuant to Sections 305 and 409 hereof, shall be used solely for the payment of the principal of and interest and redemption premium, if any, on the Bonds or for deposit into the Debt Service Reserve Fund to be available for such purposes.

Section 405. Creation Of The Bond Fund.

(a) There is hereby created and ordered established with the Trustee a trust fund in the name of the City to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Fund (Compagnie Nationale Air France Project)" (the "Bond Fund"), which shall be used to pay the principal of and interest on the Bonds.

(b) Moneys in the Bond Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Bond Fund are disbursed or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Bond Fund and all accounts and sub-accounts therein and disbursements therefrom.

Section 406. Payments Into The Bond Fund.

There shall be deposited into the Bond Fund from time to time the following:

- (a) any amounts transferred from the Special Facility Revenue Fund pursuant to the provisions of Section 404 hereof;
- (b) any amounts transferred from the Construction Fund pursuant to the provisions of Section 305 hereof;
- (c) any amounts transferred from the Debt Service Reserve Fund pursuant to the provisions of Section 409 hereof; and
- (d) all other moneys received by the Trustee under and pursuant to the provisions of this Indenture or any of the provisions of the Agreement, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

Section 407. Use Of Moneys In The Bond Fund.

The moneys on deposit in the Bond Fund and the accounts therein created shall be applied for the purposes and uses specified below:

(a) Interest Account. There is hereby created and ordered established in the Bond Fund an Interest Account, and the Trustee shall deposit proceeds from the issuance of the Bonds into such account in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof. Moneys held in the Interest Account shall be disbursed by the Trustee on each Interest Payment Date or other date upon which interest on the Bonds is payable in the amount of interest then payable on all or a portion of the Bonds.

(b) Principal Account. There is hereby created and ordered established in the Bond Fund a Principal Account. Moneys held in the Principal Account shall be disbursed by the Trustee on each date on which principal of the Bonds is payable, at Stated Maturity, by acceleration or otherwise, in the amount of the principal then payable.

(c) Redemption Account. There is hereby created and ordered established in the Bond Fund a Redemption Account. Moneys held in the Redemption Account shall be disbursed by the Trustee on each date on which Bonds of any Series are to be redeemed in the amount of the

aggregate redemption price (including any premium) of Bonds then to be redeemed.

Section 408. Creation Of The Debt Service Reserve Fund.

(a) There is hereby created and ordered established with the Trustee a trust fund to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Debt Service Reserve Fund (Compagnie Nationale Air France Project)" (the "Debt Service Reserve Fund"), for the purpose of paying principal of and/or interest on the Bonds when Special Facility Revenues are insufficient therefor. The Trustee shall deposit the initial amount of the Debt Service Reserve Requirement for each Series of Bonds, if any, into the Debt Service Reserve Fund (or the applicable Series Account therein) from the proceeds of the sale of such Series in the amount set forth in the request and authorization of the City pursuant to Section 211(c)(3) hereof.

(b) Moneys in the Debt Service Reserve Fund shall be held in trust by the Trustee on behalf of the Bondholders until the moneys in the Bond Fund are disbursed or used as contemplated in this Article. The Trustee shall keep and maintain adequate records pertaining to the Bond Fund and all accounts therein and disbursements therefrom.

Section 409. Use And Maintenance Of Moneys In The Debt Service Reserve Fund.

(a) Moneys held with respect to any Series of Bonds in the Debt Service Reserve Fund (or the applicable Series Account therein) shall be deposited by the Trustee on any Interest Payment Date or any other date on which interest on or principal of Bonds of such Series is payable in the Interest Account or the Principal Account in the Bond Fund (or the applicable Series Sub-Account therein), in that order, to the extent available, in an amount necessary, in each case, to provide moneys in such account (or Series Sub-Account) in the Bond Fund, together with moneys already deposited therein, sufficient to pay interest on or the principal of the Bonds of such Series payable on such date.

(b) The Trustee shall promptly notify the City and the Airline of any deposit made from the Debt Service Reserve Fund into the Bond Fund pursuant to subsection (a) of this Section 409 and whether such deposit shall have reduced the balance in the Debt Service Reserve Fund or in any Series Account to a level less than the Debt Service Reserve Requirement then in effect for the applicable Series of Bonds.

(c) The City shall maintain the balance in the Debt Service Reserve Fund or in each Series Account therein at a level equal to or greater than the Debt Service Reserve Requirement from time to time in effect for each applicable Series of Bonds, but such obligation is limited to, and dischargeable solely from, moneys from time to time available in the Special Facility Revenue Fund for deposit into the Debt Service Reserve Fund pursuant to Section 404(a)(4) hereof.

(d) Before the Completion Date of the Project or any Additions, as the case may be, any moneys held on an Interest Payment Date with respect to any Series for the credit of the Debt Service Reserve Fund or the applicable Series Account therein (after giving effect to all payments of interest on or principal of Bonds of such Series on such date) in excess of the Debt Service Reserve Requirement then in effect for such Series (including any excess derived from investment earnings) shall be deposited by the Trustee in the Construction Account in the Construction Fund (or the applicable Series Sub-Account therein). After the Completion Date of the Project or any Additions, as the case may be, any such excess moneys on such an Interest Payment Date shall be deposited by the Trustee in the Interest Account in the Bond Fund or the applicable Series Sub-Account therein.

(e) For purposes of subsections (b), (c) and (d) of this Section 409, the Trustee may, but need not, redetermine the value of obligations or other investments in the Debt Service Reserve Fund or any applicable Series Account therein on each Interest Payment Date for any Series of Bonds, and shall do so at least once each year, on the Interest Payment Date for such Series which is on or immediately before the anniversary date of the latest Stated Maturity of any Bonds of such Series. Such valuation shall be computed pursuant to the provisions of Section 502 hereof.

(f) In lieu of maintaining and depositing moneys in the Debt Service Reserve Fund or in any Series Account therein as required pursuant to subsection (c) of this Section 409, the Airline on behalf of the City may deposit with the Trustee an irrevocable letter of credit or an irrevocable surety bond policy issued by a bank or bond insurance company, as applicable, with a credit rating in one of the three highest rating categories of S. & P., or Moody's, subject to the prior written approval of the Trustee as to the provider and terms of such letter of credit or surety bond policy, which approval shall not be unreasonably withheld, and provided that the terms or provider of such letter of credit or surety bond policy shall not adversely affect any rating of the Bonds. Any such letter of credit or surety bond policy shall (1) permit the Trustee to draw amounts thereunder for deposit in the Debt Service Reserve Fund or such Series Account therein which, together with any moneys on deposit in, or available under any letter of credit or surety bond policy to fund, the Debt Service Reserve Fund or such Series Account therein, are not less than the Debt Service Reserve Requirement for such Series and which may be applied for any purpose for which moneys in the Debt Service Reserve Fund or such Series Account

therein may be applied, (2) have a term of at least five years, (3) be replaced by a substitute irrevocable letter of credit or irrevocable surety bond policy meeting the requirements set forth in this section or otherwise permitting a draw thereupon to fund the Debt Service Reserve Fund or such Series Account therein in an amount equal to the Debt Service Reserve Requirement for such Series before the termination of such substituted letter of credit or surety bond policy, and (4) be replaced by a substitute irrevocable letter of credit or surety bond policy meeting the requirements set forth in this section within twelve (12) months after the date on which the credit rating of the issuer of such letter of credit or surety bond policy is no longer in one of the three highest rating categories of S. & P. or Moody's. The Trustee shall draw on such letter of credit or surety bond policy (i) whenever moneys are required for the purposes for which moneys in the Debt Service Reserve Fund or such Series Account therein may be applied, and (ii) before any expiration or termination thereof; provided that no such draw need be made if (x) other moneys and/or a letter of credit or surety bond policy meeting the requirements set forth in this Section are available in the Debt Service Reserve Fund or such Series Account therein in the amount of the Debt Service Reserve Requirement for such Series, or (y) moneys are no longer required to be held on deposit in the Debt Service Reserve Fund or such Series Account therein.

(g) If the Airline elects to deposit a letter of credit or a surety bond policy in the Debt Service Reserve Fund or any Series Account therein in lieu of the moneys on deposit therein, the Trustee shall transfer such moneys in excess of the Debt Service Reserve Requirement for the applicable Series in the manner set forth in subsection (d) of this Section 409, or as otherwise instructed by an Authorized Airline Representative upon delivery to the Trustee of an opinion of Bond Counsel to the effect that such transfer will not adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes.

Section 410. Moneys Held In Trust Upon Non-Presentment Of Bonds.

If any Bond (or portion thereof) shall not be presented for payment when the principal thereof becomes due, whether at Stated Maturity, upon redemption, by acceleration or otherwise, and if moneys sufficient to pay in full the principal of and interest and redemption premium, if any, accrued on such Bond shall have been deposited in the Bond Fund, such Bond (or portion thereof) shall, on the date such principal and redemption premium, if any, is due or, if later, such moneys shall have been so deposited, cease to bear interest and shall no longer be deemed outstanding or secured by the lien of this Indenture, all liability of the City to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any

claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond. Such moneys shall be held in a separate and segregated fund and shall not be invested. Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within two (2) years after the date on which the same shall have become due shall be paid by the Trustee to the Airline upon the written direction of an Authorized Airline Representative and thereafter Bondholders shall be entitled to look only to the Airline (and not to the City or the Trustee) for payment, and then only to the extent of the amount so repaid to the Airline, and the Airline shall not be liable for any interest thereon and shall not be regarded as a trustee of such moneys and the Trustee shall have no further responsibilities with respect to such moneys. Before being required to make any such payment to the Airline, the Trustee may, at the expense of the Airline, publish such notice as may be deemed appropriate by the Trustee listing the Bonds so payable and not presented, and stating that such moneys remain unclaimed and that after a date set forth therein any balance thereof then remaining will be paid to the Airline. The obligation of the Trustee under this section to pay any such funds to the Airline shall be subject, however, to any provisions of law applicable to the Trustee or to such funds providing other requirements for disposition of unclaimed property.

Section 411. No Lien Of Trustee For Fees, Charges And Expense.

The Trustee agrees that the City shall have no liability for any fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Airline for the payment of all fees, charges and expenses of the Trustee as provided in the Agreement and in this Indenture. Except as provided in Section 903 hereof, the Trustee shall have no lien on or security interest in the Trust Estate securing the payment of any of the foregoing.

Section 412. Moneys To Be Held In Trust.

All moneys required to be deposited with or paid to the Trustee for deposit to any Fund or account therein, other than the Rebate Fund, under any provision hereof, including without limitation Special Facility Revenues and investments thereof, all moneys held by the Trustee in any of the foregoing Funds and all moneys withdrawn from any of the foregoing Funds and held by the Trustee shall be held by the Trustee in trust, and such moneys shall, while so held, constitute part of the Trust Estate and be subject to the lien hereof for the benefit of the Bondholders.

Section 413. Repayment To The Airline.

Any amounts remaining in the Special Facility Revenue Fund, the Bond Fund and the Debt Service Reserve Fund after payment in full of the principal of and interest on the Bonds (or provision for payment thereof as provided in this Indenture), the fees, charges and expenses of the City, the Trustee and Bond Registrar, and all other amounts required to be paid under the Agreement and this Indenture shall be paid to the Airline as provided in the Agreement.

Section 414. Creation Of Additional Accounts And Sub-Accounts.

The Trustee shall, at the written request of the City and the Airline, establish such additional accounts within any of the Funds established under this Indenture, and sub-accounts within any of the accounts established under this Indenture, as shall be specified in such written request, for the purpose of identifying more precisely the sources of payments into and disbursements from such Funds, Accounts or Sub-Accounts. At any time that more than one Series of Bonds shall be Outstanding, the Trustee shall, without further request or authorization, establish Series Accounts or Series Sub-Accounts, as the case may be, for each such Series in the Construction Account, Capitalized Interest Account and Costs of Issuance Account in the Construction Fund, in the Principal Account and Interest Account (and at the time of any redemption, in the Redemption Account) in the Bond Fund, and in the Debt Service Reserve Fund for the foregoing purposes, and may eliminate any such Series Accounts or Series Sub-Accounts at any time only a single Series of Bonds remains Outstanding. The establishment or elimination of any such additional Series Accounts, Series Sub-Accounts or other accounts or sub-accounts shall not alter or modify any of the requirements of this Indenture with respect to the deposit or use of moneys in any Fund or account or sub-account therein established hereunder.

Section 415. Rebate Funds; Exclusion From Trust Estate.

There is hereby created and ordered established with the Trustee a trust fund to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Rebate Fund (Compagnie Nationale Air France Project)" (the "Rebate Fund"). The foregoing provisions of Articles III and IV notwithstanding, (i) the Rebate Fund shall not be considered a part of the Trust Estate, and (ii) the Trustee shall be permitted to transfer moneys on deposit in any of the Funds or accounts therein established under Article III or this Article IV to the Rebate Fund and administer such moneys in accordance with the provisions of the Tax Documents.

Article V.

Investment Of Moneys.

Section 501. Investment Of Moneys In Funds Other Than The Rebate Fund.

(a) Any moneys held as part of the Construction Fund, the Special Facility Revenue Fund, the Bond Fund or the Debt Service Reserve Fund shall be invested and reinvested by the Trustee, subject to the direction of the Airline in accordance with the provisions of Section 3.6 of the Agreement. In making any such investments, the Trustee may rely on directions delivered to it pursuant to Section 3.6 of the Agreement by an Authorized Airline Representative or, in the case of oral directions, by a person representing himself to be an Authorized Airline Representative, and the Trustee shall be relieved of all liability with respect to making such investments in accordance with such directions.

(b) Any Investment Securities may be purchased at the offering or market price thereof at the time of such purchase. All such investments shall mature in such amounts and at such times, or shall be readily marketable before their maturities, as the Airline may direct. The Trustee may, if so directed by the Authorized Airline Representative, make any and all such investments through its own bond department. The Trustee shall sell and reduce to cash a sufficient amount of such investments of any Fund or account therein whenever the cash balance in such Fund or account therein is insufficient to pay amounts then due therefrom.

(c) Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Fund and account therein for which they were made. The interest accruing thereon, any profit realized from such investments and any loss resulting from such investments shall be credited or charged to the Fund and account therein in which such investment is held.

(d) In addition, the Trustee shall, at the written request of the Authorized Airline Representative, sell at any time to the Airline for cash, at a price equal to the original cost thereon plus accrued interest thereon, plus any accrued discount (on a straight line basis or minus any amortized premium on the same basis), such investments on deposit in the Construction Fund as shall be specified by the Airline. The proceeds of any sale to the Airline pursuant to the preceding sentence of investments on deposit in the Construction Fund shall be deposited into the Construction Fund.

Section 502. Valuation Of Investments.

(a) In computing the amount in any Fund or account or sub-account therein, obligations maturing within the three-year period next succeeding the date of computation shall be valued at amortized value and obligations maturing more than three years following the date of computation shall be valued at the lower of amortized value or market value. For purposes of the foregoing, an obligation shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligation.

(b) For purposes of this section, amortized value means par, if the obligation was purchased at par, or, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of interest payments remaining on such obligation after such purchase and deducting the amount thus calculated for each interest payment date after such purchase from the purchase price in the case of an obligation purchased at a premium or adding the amount thus calculated for each interest payment date after such purchase to the purchase price in the case of an obligation purchased at a discount.

Section 503. Tax Covenants.

(a) The City covenants with all purchasers and the Owners of the Bonds from time to time outstanding that, so long as any of the Bonds remain outstanding:

(1) To the extent, pursuant to the Agreement or this Indenture, the City (and not the Airline) will direct use of or investment of Bond proceeds, it will not cause or direct moneys on deposit in any Fund or account therein, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, to be used in a manner that will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, any lawful regulations promulgated thereunder including Sections 1.103-13, 1.103-14, 1.103-15, 1.103-15AT, 1.148-OT through 1.148-9T, 1.149(d)-1T, and 1.150-OT through 1.150-1T of the Income Tax Regulations (26 C.F.R. Part 1), and Section 1.103-15AT of the Temporary Income Tax Regulations, as the same exist on this date, or may from time to time hereafter be amended, supplemented or revised. Pursuant to such covenant, the City obligates itself to comply, as long as any Bonds remain outstanding, with the requirements of Section 148 of the Code and any regulation promulgated thereunder. The City reserves the right (subject to the provisions of Section 3.6 of the Agreement and Section 501 hereof),

however, for any investment of such moneys in any of the Funds under this Indenture, other than the Rebate Fund, permitted by state law to be made, if, when and to the extent that said Section 148 or regulations promulgated thereunder or any similar or successor provisions thereto shall be repealed or relaxed or shall be held void by final judgment of a court of competent jurisdiction, but only if any investments made by virtue of such repeal, relaxation or decision would not, in the written opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

(2) It will not knowingly take any action or omit to take any action requested of it by the Trustee, the Airline or Bond Counsel which is lawful and within its power to take, and which, if taken or omitted, would cause interest on the Bonds to become includible in the gross income of the holders of the Bonds for federal income tax purposes, other than a holder who is a "substantial user" or "related person" within the meaning of such terms as defined in the Code.

(b) In furtherance of the covenants in subsection (a), the City agrees to execute any Tax Documents or amendments or supplements to the Agreement with respect to any Series of Bonds containing such representations and covenants as are deemed necessary or advisable in the opinion of Bond Counsel to insure that the City complies with the provisions of this section.

Section 504. Limitation On Trustee's Responsibilities Respecting Arbitrage.

Notwithstanding any provision of this Indenture to the contrary, the Trustee shall not be liable or responsible for any calculations or determination that may be required in connection with or for the purpose of complying with Section 148 of the Code and any applicable Treasury regulations or any similar or successor provisions thereto, including, without limitation, the calculation of amounts required to be paid to the United States of America under such provisions of the Code and the applicable Treasury regulations, the maximum amount that may be invested in "non-purpose obligations" as defined in the Code and the fair market value of any investments made hereunder; and the sole obligation of the Trustee with respect to investments of funds hereunder shall be to invest the moneys received by the Trustee in Investment Securities pursuant to the instructions of the Authorized Airline Representative. The Trustee shall have no responsibility for determining whether or not the investments made pursuant to the directions of the Authorized Airline Representative comply with the requirements of the Tax Documents.

Article VI.

*Redemption Of Bonds Before Maturity;
Purchase In Lieu Of Redemption.*

Section 601. Redemption Dates And Prices.

The Bonds shall be subject to redemption, before maturity in the amounts, at the times and in the manner provided in this Article VI. All payments of the redemption price (including any premium) of the Bonds shall be made on the dates hereinafter required in federal or other immediately available funds.

(a) Optional Redemption. Any Series of Bonds may be redeemed by the City, at the option of the Airline, only as permitted in this Indenture, at such times, in whole or in part, at the redemption price or prices (including any premium) set forth in this Indenture with respect to such Series, plus accrued interest to the date fixed for redemption. The Airline shall deliver to the Trustee not less than thirty (30) days before the date fixed for each such redemption a written direction by an Authorized Airline Representative stating that the Airline intends to exercise its option to prepay the payments due under the Agreement in whole or in part pursuant to Section 7.1 of the Agreement and thereby effect redemption of such Bonds.

(b) Mandatory Redemption upon Determination of Taxability. The Bonds shall be subject to mandatory redemption in whole, or as hereinafter provided in part, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium but with accrued interest thereon to the redemption date, which redemption date shall be not more than ninety (90) days following the receipt by the Airline of written notice from a Bondholder or former Bondholder or from the Trustee of a final determination of the Internal Revenue Service or a court of competent jurisdiction to the effect that the interest paid or payable on any Bond to other than a "substantial user" of the Project or a "related person" (within the meaning of Section 147(a) of the Code) is or was includable in the gross income of the owner thereof for federal income tax purposes under the Code; provided that no such determination shall be considered final unless (a) the Bondholder or former Bondholder involved in such proceeding or action (i) gives the Airline and the Trustee prompt notice of the commencement thereof, and (ii) (if the Airline agrees to pay all expenses in connection therewith and to indemnify such Bondholder or former Bondholder against all liabilities in connection therewith), offers the Airline the opportunity to control unconditionally the defense thereof, and (b) either (i) the Airline does not agree within thirty (30) days of receipt of such offer to pay such expenses and liabilities and to control such defense, or (ii) the Airline shall exhaust or choose not to exhaust all available proceedings for

the contest, review, appeal or rehearing of such decree, judgment or action that the Airline determines to be appropriate. The Bonds shall be redeemed pursuant to the first sentence of this subsection (b) in whole unless, in the opinion of Bond Counsel, the redemption of one or more Series or other portion of the outstanding Bonds would have the result that interest payable on such Bonds remaining outstanding after such redemption would not be includable in the gross income for federal income tax purposes of other than a "substantial user" of the Project or a "related person" (within the meaning of Section 147(a) of the Code). Selection of Bonds (other than an entire Series) for such partial redemption, shall be in such manner as the Trustee shall determine in accordance with Section 605 hereof or in such other manner acceptable to the Trustee as shall be specified in a written opinion of Bond Counsel, and in such amount as Bond Counsel shall have determined is necessary to accomplish such result. After the receipt by the Trustee of notice from the Airline pursuant to Section 7.3(a) of the Agreement, the Trustee shall give notice of such redemption as provided in Section 602 hereof. Upon the giving of such notice, the Bonds called for redemption shall become due and payable on such redemption date at the redemption price, together with the accrued interest to the redemption date, and such Bonds shall be redeemed and cancelled by the Trustee on such redemption date.

(c) Mandatory Redemption upon Condemnation of Leased Premises. The Bonds shall be subject to mandatory redemption in part or in whole, as the case may be, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium, but with accrued interest thereon to the redemption date, which redemption date shall be not more than ninety (90) days following the receipt by the Airline, pursuant to Section 5.9(b) of the Agreement, of its allocable portion of the Net Proceeds of any condemnation award received on account of any condemnation or taking of all or part of the Leased Premises. The Bonds shall be redeemed pursuant to the first sentence of this subsection (c) in part in an aggregate principal amount equal to the highest aggregate of Authorized Denominations not exceeding the amount of such Net Proceeds received by the Airline or, if such Net Proceeds are sufficient therefor, in whole. Selection of Bonds (other than an entire Series) for such partial redemption shall be in such manner as the Trustee shall determine in accordance with Section 605 hereof. After the receipt by the Trustee of notice from the Airline pursuant to Section 7.3(a) of the Agreement, the Trustee shall give notice of such redemption as provided in Section 602 hereof. Upon the giving of such notice, the Bonds called for redemption shall become due and payable on such redemption date at the redemption price, together with the accrued interest to the redemption date, and such Bonds shall be redeemed and cancelled by the Trustee on such redemption date.

Section 602. Notice Of Redemption.

Notice of the call for any redemption of Bonds or any portion thereof (which shall be in Authorized Denominations) pursuant to Section 601 hereof identifying the Bonds or portions thereof to be redeemed, specifying the redemption date, the redemption price (including any premium), the places and dates of payment, the portion of the Bond to be redeemed if less than the full principal amount thereof will be redeemed, and that from the redemption date interest will cease to accrue, shall be given by the Trustee by mailing a copy of such redemption notice by registered or certified mail not less than thirty (30) days nor more than sixty (60) days before the date fixed for redemption to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books. Any notice mailed as provided in this section shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives the notice.

Section 603. Deposit Of Funds For Redemption Price And Effect Thereof.

For the redemption of any of the Bonds, the City shall cause to be deposited in the Bond Fund, out of Special Facility Revenues, moneys sufficient to pay the redemption price (including any premium) of and interest accrued on the Bonds (or portions thereof) to be redeemed on the date set for the redemption of such Bonds (or portions thereof). Any such deposit of the redemption price of any Bonds (or portions thereof) to be redeemed shall be deemed payment by the City of the aggregate principal amount of and redemption premium, if any, on the Bonds (or portions thereof) to be so redeemed.

Section 604. Partial Redemption Of Bonds.

(a) If a Bond is of a denomination larger than the minimum Authorized Denomination, all or a portion of such Bond may be redeemed, but such Bond shall be redeemed only in a principal amount equal to an Authorized Denomination.

(b) Upon surrender of any Bond for redemption in part only, the City shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Airline, a new Bond or Bonds of Authorized Denominations in aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

Section 605. Selection Of Bonds For Redemption.

(a) If less than all the Bonds are called for redemption, the Trustee shall select the Bonds or portions thereof to be redeemed, from the Bonds outstanding not previously called for redemption, in such manner as in the Trustee's sole discretion it shall deem appropriate and fair, whether by lot or otherwise. The Trustee shall promptly notify the City and the Airline in writing of the Bonds or portions thereof selected for redemption.

(b) If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption (and to that extent only).

Article VII.

Payment; Further Assurances.

Section 701. Payment Of Principal Of And Interest And Redemption Premium On Bonds.

The City shall promptly pay or cause to be paid the principal of and the interest and redemption premium, if any, on every Bond issued hereunder according to the terms thereof, but shall be required to take such payment or cause such payment to be made only out of Special Facility Revenues. The City hereby appoints the Trustee to act as a paying agent, and designates the principal corporate trust office of the Trustee at the address for notices set forth in Section 1304 hereof as a place of payment for the Bonds, such appointment and designation to remain in effect until notice of change is filed with the Trustee.

Section 702. Performance Of Covenants; Further Assurances.

(a) The City covenants that it will faithfully perform at all times all of its covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds executed and delivered hereunder and in all proceedings pertaining hereto. The City represents that it is duly authorized under the Constitution of the State and laws thereof to issue the Bonds and to execute this Indenture and to assign the amounts and rights hereby assigned; that such amounts and rights will not be assigned in any

manner other than as contemplated by this Indenture; that all action required on its part for the issuance of the Bonds and the execution and delivery of the Agreement and this Indenture has been duly and effectively taken; and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the City according to the import thereof.

(b) The City shall fully cooperate with the Trustee and with the Owners of the Bonds to the end of fully protecting the rights and security of the Owners of any Bonds.

(c) The City represents that it now has, and covenants that it shall, to the extent permitted by law, maintain complete and lawful authority and privilege to enter into, and perform its obligations under, this Indenture and the Agreement.

(d) Except to the extent otherwise provided in this Indenture or as otherwise required by law, the City shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders hereunder may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be reasonably required to carry out the purposes of this Indenture.

Section 703. Financing Statements.

The City agrees that it shall (1) cause the Agreement, this Indenture, and any additional security instrument filed with the Trustee as additional security for the Bonds, each amendment and supplement to any such instrument, and a memorandum, financing statement, or continuation statement with respect to such instruments, amendments, or supplements to be filed, registered and recorded and to be refiled, reregistered and rerecorded in such manner and in such places as may be required by any present or future law in order to publish notice of and to protect and perfect the lien of this Indenture and to publish notice of and to protect and perfect the security of the Owners of the Bonds and the rights of the Trustee under the Agreement and this Indenture, and (2) perform or cause to be performed from time to time any other act as required by law, and execute and file or cause to be executed and filed any and all instruments of further assurance including financing statements with respect to any of such instruments that may be necessary for such publication and protection. The Airline, the City and the Trustee shall, when so requested by one another, execute all such instruments, memoranda, or statements necessary to maintain, protect, perfect or preserve the interests assigned to the Trustee under this Indenture.

Article VIII.

*Default Provisions And Remedies Of Trustee
And Bondholders.*

Section 801. Defaults; Events Of Default.

The occurrence of any one or more of the events described in the following sections (a) through (d) of this Section 801 is hereby defined as and declared to be and to constitute a "default"; and each such default, after the giving of notice, if any, the passage of time, if any, or the occurrence of such other event, if any, specified in the subsection describing such default, is hereby defined as and declared to be and to constitute an "event of default":

(a) Failure to make payment of any installment of interest upon any Bond when the same shall have become due and payable;

(b) Failure to make due and punctual payment of the principal of any Bond when the same shall have become due and payable, whether at the Stated Maturity thereof, upon redemption or upon the maturity thereof by declaration;

(c) The occurrence of an "event of default" under Section 6.1(b) or (c) of the Agreement, other than an "event of default" relating to Unassigned Rights; or

(d) The occurrence of an "event of default" referred to in Section 6.1(d) of the Agreement.

Section 802. Acceleration.

(a) Upon occurrence and continuation of any event of default described in clauses (a), (b) or (c) of Section 801 the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of Bonds then outstanding the Trustee shall, by notice in writing delivered to the Airline with copies of such notice being sent to the City, and upon the occurrence and continuation of any event of default described in clause (d) of Section 801 above without notice to the Airline, declare the principal of all Bonds then outstanding and the interest accrued thereon immediately due and payable and shall be paid on such date of declaration, and such principal and interest shall thereupon become and be immediately due and payable

and shall be paid on such date of declaration, and interest thereon shall cease to accrue if payment is made on the date of such declaration.

(b) Upon any such declaration, the Trustee shall (1) declare all amounts payable under Section 4.2 of the Agreement to be immediately due and payable in accordance with Section 6.2 of the Agreement, and (2) immediately give notice of acceleration to the Bondholders in accordance with Section 904 hereof.

(c) The above provisions of this Section are subject to the condition that if, after the principal of all Bonds then outstanding shall have been so declared to be due and payable, all arrears of interest upon such Bonds, and interest on overdue installments of interest (to the extent permitted by law) at the rate borne by the Bonds, and the principal of all Bonds then outstanding that shall have become due and payable otherwise than by acceleration, and all other sums payable under this Indenture, except the principal of and interest on the Bonds that by such declaration shall have become due and payable, shall have been paid by or on behalf of the City, together with the reasonable expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred, and any and all other defaults then existing hereunder shall have been cured or waived in accordance with the provisions hereof, then and in every such case, but only if the Owners of not less than 25% in aggregate principal amount of the Bonds then outstanding shall have made the written request specified in paragraph (a) of this Section, the express prior consent of the Owners of a majority in aggregate principal amount of Bonds then outstanding, the Trustee may annul such declaration of maturity and its consequences, which annulment shall be binding upon all Bondholders; but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon. In the case of any such annulment, the Airline, the City, the Trustee and the Bondholders shall be restored to their former positions and rights under this Indenture.

Section 803. Remedies; Rights Of Bondholders.

(a) Upon the occurrence and continuation of an event of default the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Bonds then outstanding, and to enforce and compel the performance of the duties and obligations of the City as herein set forth. In addition, except as otherwise provided in the Agreement, the Trustee may, with notice to the City, exercise any and all remedies afforded the City under Article VI of the Agreement, except as limited in said Article VI, in its name or the name of the City without the necessity of joining the City.

(b) If an event of default shall have occurred and be continuing and if requested so to do by the Owners of not less than 25% in aggregate principal

amount of Bonds then outstanding and indemnified as provided in Section 901 hereof, the Trustee shall be obliged to exercise such one or more of the rights and powers conferred by this Section 803 and Section 802 hereof as the Trustee being advised by Counsel shall deem most expedient in the interests of the Bondholders.

(c) No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any event of default shall impair any such right, power or remedy or shall be construed to be a waiver of any such event of default or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. No waiver of any event of default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon.

Section 804. Right Of Bondholders To Direct Proceedings.

Anything in this Indenture to the contrary notwithstanding, the Owners of not less than a majority in aggregate principal amount of Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Section 805. Application Of Moneys.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, and expenses, liabilities and advances incurred or made by, the Trustee and its Counsel, be deposited in the Bond Fund and all such moneys in the Bond Fund shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of any kind, ratably, according to the amounts due and payable on such Bonds for principal and interest, respectively, to the persons entitled thereto without any discrimination or privilege.

(b) Except upon acceleration, (1) whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine; (2) whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue; and (3) the Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date. In the event of an acceleration pursuant to Section 802 hereof, interest on the Bonds shall cease to accrue as provided in Section 802(a) or Section 802(b), as the case may be.

(c) Whenever all principal of and interest on all Bonds have been paid under the provisions of this Section 805 and all expenses, fees and charges of the Trustee have been paid, any balance remaining in the Bond Fund shall be paid the Airline as provided in Section 413 hereof.

Section 806. Remedies Vested In Trustee.

All rights of action (including the right to file proofs of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall be for the equal and ratable benefit of the Owners of the Outstanding Bonds.

Section 807. Rights And Remedies Of Bondholders.

No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified or is deemed to have, or required to take, notice pursuant to subsection (g) of Section 901 hereof, (b) such default shall have become an event of default and be continuing, (c) the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee either to proceed to exercise the powers herein granted or to institute such action, suit or proceeding in its own name, and shall have offered and, if requested, provided to the Trustee indemnity as provided in Section 901, and (d) the Trustee shall for sixty (60) days after such notice, request and offer and provision of indemnity fail or refuse to exercise the powers herein granted, or to institute such action, suit or

proceeding in its own name; and such notification, request, offer and provision of indemnity and sixty-day period are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution by the Trustee, at the direction of the Bondholders, pursuant to the provisions of this Section 807 of the powers and trusts of this Indenture (except that indemnification for the declaration of acceleration under Section 802(b) hereof shall not be so conditioned), and to any action or cause of action for the enforcement of this Indenture, or for any other remedy hereunder. No one or more Owners of the Bonds shall have any right in any manner whatsoever to enforce any right hereunder except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the Owners of all Bonds. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on his Bond at and after the maturity hereof.

Section 808. Termination Of Proceedings.

If the Trustee shall have proceeded to enforce any right under this Indenture, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 809. Waivers Of Events Of Default.

The Trustee may in its discretion waive any event of default hereunder and rescind its consequences and shall do so upon the written request of the Owners of not less than a majority in aggregate principal amount of all Bonds then outstanding; provided that there shall not be waived (a) any event of default in the payment of the principal of any outstanding Bonds when due (whether at maturity or by redemption), or (b) any event of default in the payment when due of the interest on any such Bonds, unless before such waiver and rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest and all arrears of principal when due, as the case may be, together with the reasonable expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred, shall have been paid or provided for. In the case of any such waiver and rescission, or if any proceeding taken by the Trustee on account of any such default shall have been discounted or abandoned or determined adversely, then and in every such case the City, the Trustee, and the Bondholders shall

be restored to their former positions and rights hereunder, respectively, but no such waiver and rescission shall extend to any subsequent or other default, or impair any right consequent thereon. All waivers under this Indenture shall be in writing and copy thereof shall be delivered to the City and to the Airline.

Section 810. Opportunity Of The City And The Airline To Cure Defaults.

(a) As long as the Airline is not in default under the Agreement, after a reasonable request by the Airline, whenever the City shall fail, refuse or neglect to give any direction to the Trustee to require the Trustee to take any other action that the City required to have the Trustee take pursuant to the provisions of the Agreement or this Indenture, the Airline instead of the City may give any such direction to the Trustee or require the Trustee to take any such action. Upon receipt by the Trustee of a written notice signed by an Authorized Airline Representative stating that the Airline has made reasonable request of the City, and that the City has failed, refused or neglected to give any direction to the Trustee or to require the Trustee to take any such action, the Trustee is hereby irrevocably empowered and directed to accept such direction from the Airline as sufficient for all purposes of his Indenture. The Airline shall have the direct right to cause the Trustee to comply with any of the Trustee's obligations under his Indenture to the same extent that the City is empowered so to do.

(b) Certain actions or failures to act by the City under his Indenture may create or result in an event of default under his Indenture and the City hereby grants the Airline full authority, to the extent permitted by law, for the account of the City to perform or observe any covenant or obligation of the City alleged in a written notice to the City and the Airline from the Trustee not to have been performed or observed, in the name and stead of the City with full power to do any and all things and acts to remedy any default.

Article IX.

The Trustee.

Section 901. Acceptance Of The Trusts.

The Trustees hereby jointly and severally accept the trusts imposed upon them by this Indenture, and each of them represents and covenants that it is fully empowered under the applicable laws and regulations of the United States of America and the State to accept said trusts, and agrees to perform

said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee may execute any of the trusts or powers hereof and perform all of its duties by or through attorneys, agents or employees and shall not be responsible for the acts of the attorneys or agents appointed by it in good faith (including, without being limited to, any co-bond registrar, and any co-trustee), and shall be entitled to advice of Counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys and agents as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of Counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) Except for its certificate of authentication on the Bonds, the Trustee shall not be responsible for any recital herein or in the Bonds, or the validity, priority, recording, or re-recording, filing, or refiling of this Indenture, the Agreement or any financing statement, amendments to this Indenture or the Agreement, or continuation statements, or for the validity of the execution by the City of this Indenture, the Agreement or of any supplements hereto or thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article V hereof, including, without limitation, any loss suffered in connection with the sale of any investment pursuant to Article V hereof.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the Owner of Bonds with the same rights which it would have if it were not Trustee.

(d) The Trustee shall be protected in acting in good faith upon any notice, request, resolution, consent, certificate, affidavit, letter, telegram or other paper or document, or oral communication or direction, believed to be genuine and correct and to have been signed or sent or given by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond shall be conclusive and binding upon all future Owners of the same and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(e) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee

shall be entitled to rely upon a certificate signed on behalf of the City by its Executive Officer as sufficient evidence of the facts therein contained, and before the occurrence of a default of which the Trustee is deemed to have or required to take notice or has been notified as provided in subsection (g) of this section, or subsequent to the waiver, rescission or annulment of a default as provided in Article VIII hereof, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate signed on behalf of the City by its Executive Officer or Recording Officer to the effect that a resolution or ordinance in the form therein set forth has been adopted by the City as conclusive evidence that such resolution or ordinance has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be liable in the performance of its obligations hereunder except for its gross negligence or willful misconduct.

(g) Except for the failure to receive payments required by Section 4.2 of the Agreement, the Trustee shall not be required to take notice or be deemed to have notice of a default under Section 801(c) or Section 801(d) hereof unless an officer in the Corporate Trust Department of the Trustee shall be specifically notified in writing of such default by the Airline, the City, or the Owners of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then outstanding.

(h) The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder.

(i) The Trustee may require that a satisfactory indemnity bond be furnished by the Owners of the Bonds for the reimbursement of all expenses so that it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct in connection with any action so taken.

(j) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received and shall not be commingled with the general funds of the Trustee but need not be segregated from other funds except to the extent required by law. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(k) The Trustee, before the occurrence of an event of default specified in Section 801 of this Indenture and after the during of all events of default that may have occurred, undertakes to perform such duties and only such

duties as are specifically set forth in this Indenture and, in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture. If an event of default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances.

(l) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own gross negligent action, its own gross negligent failure to act, or its own willful misconduct, except that:

(i) This subsection shall not be construed to limit the effect of subsection (k) of this section;

(ii) The Trustee shall not be liable for any error of judgment made in good faith by an officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(iii) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in aggregate principal amount of the Bonds outstanding relating to the time, method and place of conducting any proceeding or any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(m) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by terms hereof required as a condition of such action by the Trustee, deemed desirable for the purpose of establishing the right of the City to the

authentication of any Bonds, the withdrawal of any cash, or as a condition to the taking of any other action by the Trustee.

Every provision of this Indenture that in any way relates to the Trustee is subject to all the foregoing paragraphs of this section.

Section 902. Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder, which shall be a banking corporation or national banking association organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers and having a corporate trust office in Chicago, Illinois, authorized to accept and exercise the trusts herein provided, having a combined capital and surplus of at least \$100,000,000 (and if there are two Trustees, the other Trustee shall have a combined capital and surplus of at least \$5,000,000 and meet all of the other requirements of this Section 902), and subject to supervision or examination by federal or state authority. If such corporation or national banking association publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 902, the combined capital and surplus of such corporation or national banking association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time either Trustee shall cease to be eligible in accordance with the provisions of this section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article, and shall immediately provide notice of such resignation by registered or certified mail to the City, the Airline, and the Owner of each Bond.

Section 903. Fees, Charges And Expenses Of Trustee.

The Trustee shall be entitled to payment and/or reimbursement from the Airline for reasonable fees for its Ordinary Services, including reimbursement for fees and expenses of any co-trustee or co-Bond registrar, rendered hereunder and all advances, Counsel fees and disbursements and other Ordinary Expenses reasonably and necessarily made or incurred by the Trustee in connection with such Ordinary Services hereunder and, if it should become necessary that the Trustee perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor from the Airline, and to reimbursement from the Airline for reasonable and necessary Extraordinary Expenses in connection therewith; provided that if such Extraordinary Services or Extraordinary Expenses are occasioned by the gross negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be

entitled to payment and reimbursement from the Airline for reasonable fees and charges of the Trustee as Bond Registrar and paying agent for the Bonds. The Trustee shall be entitled to indemnification from Airline for, and to be held harmless against, any loss, liability or expense incurred without gross negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. Upon the occurrence of an event of default and during its continuance, the Trustee shall have a first lien with right of payment before payment on account of interest on or principal of any Bond secured by this Indenture upon all moneys in its possession under any provisions hereof, for the foregoing advances, fees, costs and expenses incurred. All such amounts shall be payable as provided in Section 4.2(b) of the Agreement.

Section 904. Notice To Owners Of Bonds And City If Default Occurs.

(a) If a default occurs of which the Trustee is by subsection (g) of Section 901 hereof required to take or deemed to have notice or if notice of default be given as in said subsection (g) provided, the Trustee shall, within fifteen (15) days thereafter, give written notice thereof by registered or certified mail (unless such default is cured or waived), to each Owner of Bonds then outstanding.

(b) If a default occurs of which the Trustee is by subsection (g) of Section 901 hereof required to take or deemed to have notice or if notice of default be given as in said subsection (g) provided, the Trustee shall give the City immediate telephonic notice of such default regardless of whether such default is cured, waived or rescinded, with written confirmation of such notice to follow within three (3) Business Days thereafter.

(c) Copies of each notice given by the Trustee pursuant to paragraph (a) or paragraph (b) of this Section 904 shall be given by the Trustee concurrently to the City, which shall not in any event be obligated to take any action as a result of the receipt of such notice.

Section 905. Intervention By Trustee.

In any judicial proceeding to which the City is a party that, in the opinion of the Trustee and its Counsel, has a substantial bearing on the interests of the Owners of the Bonds, the Trustee may intervene on behalf of the Owners

of the Bonds and subject to the provisions of Section 901(i), shall do so if requested in writing by the Owners of majority in aggregate principal amount of all Bonds then outstanding.

Section 906. Successor Trustee.

Any corporation or national banking association into which either Trustee may be merged, or with which it may be consolidated, or to which it may sell, lease or transfer its corporate trust business and assets as a whole or substantially as a whole, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument on the part of any of the parties hereto.

Section 907. Resignation By The Trustee.

Either Trustee may at any time resign from the trusts hereby created by giving sixty (60) days' written notice by registered or certified mail to the City, the Airline, and the Owner of each Bond, and such resignation shall take effect at the appointment of a successor Trustee pursuant to the provisions of Section 909 hereof and acceptance by the successor Trustee of such trusts.

Section 908. Removal Of The Trustee.

Either Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Trustee, the City, and the Airline and signed by the Owners of a majority in aggregate principal amount of Bonds then outstanding.

Section 909. Appointment Of Successor Trustee.

If either Trustee hereunder shall:

- (a) resign pursuant to Section 902 or 907 hereof;
- (b) be removed pursuant to Section 908 hereof; or

(c) be dissolved, taken under the control of any public officer or officers or of a receiver appointed by a court, or otherwise become incapable of acting hereunder, a successor shall be appointed by the City with the written agreement of the Airline; provided that if a successor Trustee is not so appointed within thirty (30) days after notice of resignation is mailed or instrument of removal is delivered as provided under Sections 902, 907 and 908 hereof, respectively, or within ten (10) days of the City's knowledge of any of the events specified in (c) hereinabove, and there is no Trustee hereunder meeting the requirements of section 902 hereof, then the Owners of a majority in aggregate principal amount of Bonds then outstanding, by an instrument or concurrent instruments in writing signed by or on behalf of such Owners, may designate a successor Trustee. Every such successor Trustee appointed pursuant to the provisions of this section shall be a trust company or bank in good standing, shall have a corporate trust office in Chicago, Illinois, and shall be eligible to serve as Trustee under the applicable laws of the State, having a reported capital and surplus of not less than \$100,000,000 (or \$5,000,000, if there shall already be a Trustee hereunder meeting all the other requirements under this Section 909) and willing to accept the trusteeship under the terms and conditions of this Indenture. If at any time the sole remaining Trustee shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article IX before the date specified in the notice of resignation as the date when such resignation shall take effect, the Owner of any Bond or the resigning Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Section 910. Concerning Any Successor Trustee.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City and the Airline an instrument in writing accepting such appointment hereunder, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor. Notwithstanding the foregoing sentence, (1) such predecessor shall, on the written request of the City, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder and (2) such predecessor shall upon payment of its charges deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City at the expense of the Airline.

Section 911. No Transfer Of Rights Under Agreement By Trustee; Exception.

Except as required to effect an assignment to a successor Trustee, the Trustee shall not sell or transfer its rights under the Agreement.

Section 912. Designation Of Trustee As Paying Agent.

The Trustee shall be the paying agent for the Bonds.

Section 913. Appointment Of Co-Trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Agreement, and in particular in case of the enforcement thereof on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any action that may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this section are adopted to these ends.

(b) If the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies and only to the extent that the Trustee by the laws of any jurisdiction (including particularly the State) is incapable of exercising such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

(c) Should any instrument in writing from the City be required by the separate or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights,

powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City at the expense of the Airline; provided that if an event of default shall have occurred and be continuing, if the City does not execute any such instrument within fifteen (15) days after request therefor, the Trustee shall be empowered as an attorney-in-fact for the City to execute any such instrument in the City's name and stead. If any separate or co-trustee or a successor to either shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate or co-trustee.

(d) The Trustee shall be entitled to remove any co-trustee so appointed by the Trustee upon written notice to such co-trustee, the City and the Airline.

Section 914. Trustee Protected In Relying Upon Resolution, Etc.

The resolutions, ordinances, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 915. Dealing In Bonds.

The Trustee, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City or the Airline, and may act as depository, trustee, or agent for any committee or body of Bondholders secured hereby or other obligations of the City as freely as if it did not act in any capacity hereunder.

Article X.

Supplemental Indenture.

Section 1001. Supplemental Indentures And Amendments Not Requiring Consent Of Bondholders.

Subject to Section 1003 hereof, the City and the Trustee may without the consent of, or notice to, any of the Bondholders enter into an indenture or

indentures supplemental to this Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) to create, and provide the applicable terms and conditions herein with respect to, any Series of Bonds in addition to the Series 1990 Bonds;

(b) to add to the covenants and agreements of, and limitations and restrictions upon, the City in this Indenture other covenants, agreements, limitations and restrictions to be observed by the City that are not contrary to or inconsistent with this Indenture as theretofore in effect;

(c) to grant to or confer or impose upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted, conferred or imposed and that are not contrary to or inconsistent with this Indenture as theretofore in effect;

(d) to cure any ambiguity or omission in or to cure, correct or supplement any defective provision of this Indenture or otherwise to amend or supplement this Indenture in such manner as shall not impair the security hereof or adversely affect the Bondholders;

(e) to evidence the appointment of a separate Trustee or a co-trustee, authenticating agent or co-bond registrar or to evidence the succession of a new Trustee hereunder;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(g) to subject to this Indenture additional revenues, properties or collateral;

(h) to provide for a paying agent in addition to the Trustee;

(i) to change the definition of "Investment Securities" set forth in Section 101 hereof; and

(j) to make any other change that shall not be to the prejudice of the Bondholders or the Trustee.

Section 1002. Supplemental Indentures Requiring Consent Of Bondholders.

(a) Exclusive of supplemental indentures covered by Section 1001 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal

amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the City and the Trustee of such other indenture or indentures supplemental hereto for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided that nothing in this section contained shall permit or be construed as permitting (a) an extension of the maturity date of the principal of or the interest on any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond, the rate of interest thereon or the amount of any premium payable on the redemption thereof, or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture.

(b) If at any time the City shall request the Trustee to enter into any such supplemental indenture for any of the purposes allowed by this Section, the Trustee shall, at the request of the City and upon being satisfactorily indemnified by the Airline with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be mailed in substantially the manner provided in Section 603 hereof with respect to redemption of Bonds. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period of time as shall be prescribed by the City following the mailing of such notice, the Owners of a majority in aggregate principal amount of the Bonds outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof. The City shall have the right to extend from time to time the period within which such consent and approval may be obtained from Bondholders. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith. The Trustee may receive an opinion of Counsel that any such supplemental indenture entered into by the City and the Trustee complies with the provisions of this Article X and is enforceable in accordance with its terms, and the Trustee may rely upon such opinion.

Section 1003. Consent To Supplemental Indentures.

(a) Anything herein to the contrary notwithstanding, a supplemental indenture under this Article X that affects any rights or obligations of the Airline shall not become effective unless and until the Airline shall have

consented to the execution and delivery of such supplemental indenture. The Airline shall be given prior written notice of the proposed execution and delivery of any supplemental indenture whether or not its rights or obligations are affected. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture together with a copy of the proposed supplemental indenture to be mailed by certified or registered mail to the Airline at least fifteen (15) days before the date of the mailing of notice of the proposed execution of such supplemental indenture as hereinbefore in Section 1002 provided. The Airline shall be deemed to have consented to the execution and delivery of any such supplemental indenture if the Trustee does not receive at its principal corporate trust office (Attention: []) a letter of protest or objection thereto signed by or on behalf of the Airline on or before 4:30 P.M., Chicago time, on the fifteenth day after the mailing of said notice and a copy of the proposed supplemental indenture.

(b) The Trustee may, but shall not be obligated to, enter into any supplemental indenture that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Article XI.

Amendment Of Agreement.

Section 1101. Amendments, Etc., To Agreement Not Requiring Consent Of Bondholders.

The City and the Airline may, with the written consent of the Trustee, but without the consent of or notice to any of the Bondholders, enter into any amendment, change or modification of the Agreement as may be required (a) by the provisions of the Agreements or this Indenture, (b) for the purpose of curing any ambiguity, formal defect or formal omission or in connection with any other change therein, provided that no such action is to the prejudice of the Trustee or the Owners of the Bonds, or (c) so as to add additional rights acquired in accordance with the provisions of the Agreement; provided that any amendment to Exhibit A to the Agreement contemplated in Section 3.1 of the Agreement, shall not be deemed to be an amendment of the Agreement for any purpose of this Article XI.

Section 1102. Amendments, Etc., To Agreement Requiring Consent Of Bondholders.

Except for the amendments, changes or modifications as provided in

Section 1101 hereof, neither the City nor the Airline shall enter into any other amendment, change or modification of the Agreement without mailing of notice and the written approval or consent of both the Owners of not less than a majority in aggregate principal amount of the Bonds at the time outstanding, given and procured as provided in this section; provided that nothing in this section or Section 1101 hereof shall permit or be construed as permitting (a) an extension of the time of the payment of any amounts payable under Section 4.2 of the Agreement, or (b) a reduction in the amount of any payment or in the total amount due under Section 4.2 or of the Agreement. If at any time the City and the Airline shall request the consent of the Trustee to any such proposed amendment, change or modification of the Agreement, the Trustee shall, at the request of the City and upon being satisfactorily indemnified with respect to expenses' cause notice of such proposed amendment, change or modification to be mailed in the same manner as provided by Section 602 hereof with respect to redemption of Bonds. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Bondholders. If, within sixty (60) days, or such longer period as shall be prescribed by the City, following the mailing of such notice, both the Owners of a majority in principal amount of the Bonds outstanding at the time of the execution of any such amendment, change or modification shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof or to enjoin or restrain the Airline or the City from executing the same or from taking any action pursuant to the provisions thereof, or the Trustee from consenting thereto. The City shall have the right to extend from time to time the period within which such consent and approval may be obtained from the Bondholders. Upon the execution of any such amendment, change or modification as in this Section permitted and provided the Agreement shall be and be deemed to be modified, changed and amended in accordance therewith.

Section 1103. Reliance On Opinion Of Counsel.

The City and the Trustee may rely upon an opinion of Counsel to the effect that any such proposed amendment, change or modification will comply with the provisions of this Article XI and is enforceable in accordance with its terms.

Section 1104. No Consent For Assignment Of Agreement By Airline.

Nothing in this Article XI or elsewhere in this Indenture shall be construed as requiring the consent or approval of the Trustee or any of the

Bondholders to an assignment of the Agreement in whole or in part by the Airline in accordance with Section 5.6 of the Agreement.

Section 1105. Consent Of Trustee.

The Trustee may, but shall not be obligated to, consent to any amendment, change or modification of the Agreement that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Article XII.

Discharge Of Indenture.

Section 1201. Discharge Of Lien Of Indenture.

(a) If the City shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Owners of the Bonds of the principal or redemption price (including any premium) of and interest due or to become due on the Bonds at the times and in the manner stipulated therein and if the City shall pay or cause to be paid to the Trustee all sums of money due or to become due according to the provisions hereof to the extent provided herein, and if the Trustee shall be furnished with an opinion of Counsel to the effect that all conditions precedent to the satisfaction and discharge of this Indenture have been fulfilled, then these presents and the estate and rights hereby granted shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of this Indenture and execute and deliver to the City such instruments in writing as shall be requisite to cancel and discharge the lien of this Indenture, and reconvey, release, assign and deliver unto the City any and all the estate, right, title and interest in and to any and all property conveyed, assigned or pledged to the Trustee or otherwise subject to this Indenture, except for amounts required to be paid to the Airline under Section 413 hereof, which shall be so paid, and except for moneys or securities held by said Trustee for the payment of the principal of and interest on the Bonds.

(b) Any Bond shall be deemed to be paid within the meaning of this Article when payment of the principal or redemption price (including any premium) of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as

provided in this Indenture, or otherwise), either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment, (i) moneys sufficient to make such payment, and/or (ii) Governmental Obligations (provided that the Trustee shall have received an opinion of Bond Counsel to the effect that such deposit will not affect the tax-exempt status of the interest on any of the Bonds nor cause any of the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code) maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made and all other liabilities of the Airline under the Agreement shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Indenture, except for the purpose of any such payment from such moneys or Governmental Obligations (including earnings therefrom).

(c) No Bonds in respect of which a deposit under clause (b)(2)(ii) above has been made shall be deemed paid within the meaning of this Article unless the Trustee is satisfied, based upon a verification report prepared by a firm of independent certified public accountants, that the amounts deposited are sufficient to make all payments that might become due on the Bonds.

(d) Any moneys so deposited with the Trustee as provided in this Article may at the direction of the Airline also be invested and reinvested in Governmental Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Governmental Obligations in the hands of the Trustee pursuant to this Article that is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Special Facility Revenue Fund, as appropriate, as and when realized and collected for use and application as are other moneys deposited in that fund.

(e) Anything in Article XI hereof to the contrary notwithstanding, if moneys or Governmental Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of Bonds and the interest thereon and such Bonds and the interest thereon shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Owner of each of the Bonds affected thereby.

(f) Notwithstanding the foregoing, those provisions relating to the maturity of Bonds interest payments and dates thereof, and the dates and notice requirements for optional and mandatory redemption and the Trustee's remedies with respect thereto, and provisions relating to exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost, stolen or undelivered Bonds, the safekeeping and

cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, and repayments to the Airline from any Funds pursuant to Section 413 hereof and the duties of the Trustee in connection with all of the foregoing and the fees, expenses and indemnities of the Trustee, shall remain in effect and shall be binding upon the Trustee, the City, the Airline, and the Bondholders notwithstanding the release and discharge of the lien of this Indenture.

Article XIII.

Miscellaneous.

Section 1301. Consents, Etc., Of Bondholders.

(a) Any consent, approval, direction or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, approval, direction or other instrument or of the writing appointing any such agent, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely:

(1) The fact and date of the execution by any Person of any such instrument or writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgements within such jurisdiction that the Person signing such instrument or writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution or in any other manner satisfactory to the Trustee; and

(2) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the City maintained by the Trustee pursuant to Section 205 hereof.

(b) For all purposes of this Indenture and of the proceedings for the enforcement hereof, such Person shall be deemed to continue to be the Owner of such Bond until the Trustee shall have received notice in writing to the contrary, which notice shall be made in the manner prescribed in this Section.

(c) In determining whether the Owners of a requisite aggregate principal amount of Outstanding Bonds have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of this Indenture, Bonds that are owned by the Airline or any affiliate thereof, and that are known to be so owned by an officer of the Trustee assigned to its [Corporate Trust Division], shall be disregarded and deemed not to be Outstanding hereunder for the purpose of any such determination unless all Bonds are owned by the Airline or any affiliate thereof, in which case such Bonds shall be considered Outstanding for the purpose of such determination. Notwithstanding the foregoing, Bonds so owned that have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Airline or any affiliate of the Airline.

(d) Any such consent, approval, direction or other instrument shall be binding upon the Owner of the Bond giving such consent and, anything in this Section 1301 to the contrary notwithstanding, upon any subsequent Owner of such Bond and of any Bond issued in exchange therefor or on registration of transfer thereof (whether or not such subsequent Owner thereof has notice thereof), unless such consent, approval, direction or other instrument is revoked in writing by the Owner of such Bond giving such consent or by a subsequent Owner thereof by filing with the Trustee, before the taking by the Trustee of any action on the basis of such consent, approval, direction or other instrument, such revocation. At any time after the Owners of the required percentage of Bonds shall have filed their consents to any action permitted hereby to be taken by the Owners of such percentage of Bonds, the Trustee shall make and file with the City a written statement that the Owners of such required percentage of Bonds have filed such consents. Such written statement shall be conclusive evidence that such consents have been so filed.

Section 1302. Limitation Of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied for this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Airline, and the Owners of the Bonds any legal or equitable right, remedy or claim under or in respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties hereto, the Owners of the Bonds, and the Airline as herein provided.

Section 1303. Severability.

If any provision of this Indenture shall be invalid, inoperative or

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

Section 1304. Notices.

Except as otherwise provided herein, all notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given to the parties required hereunder to receive such notice, certificate or communication when mailed by registered or certified mail, postage prepaid, addressed as follows (provided that notices hereunder to the Trustee shall be effective when received by the Trustee):

If To The City:

City of Chicago
Office of Comptroller
Room 501, City Hall
121 North LaSalle Street
Chicago, Illinois 60602

Attention: City Comptroller

With A Copy To:

City of Chicago
Department of Aviation
20 North Clark Street
Suite 3000
Chicago, Illinois 60602

Attention: Commissioner of the
Department of Aviation

If To The Airline
Mailing Address:

Compagnie Nationale Air France
888 Seventh Avenue
New York, New York 10106

Express Deliveries:

Attention: Legal Services Manager

If To The Trustee:

Independence Bank of Chicago
7936 South Cottage Grove Avenue
Chicago, Illinois 60619

Attention:

If by reason of the suspension of mail service, it shall be impracticable to give notice by mail of any event to the Owner of any Bonds, to the City or to the Airline when such notice is required to be given to any provisions of this Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of notice.

Section 1305. Holidays.

If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Indenture and no interest shall accrue for the period after such date.

Section 1306. Counterparts.

This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1307. Applicable Law.

This Indenture shall be governed exclusively by and construed in accordance with the laws of the State applicable to contracts made and to be performed in the State.

Section 1308. City's Obligations Limited.

Anything in this Indenture to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that (a) the City may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the City by the Trustee or the Airline as to

the existence of any fact or state of affairs required hereunder to be noticed by the City; (b) the City shall not be under any obligation hereunder to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed either by the Trustee or the Airline; and (c) none of the provisions of this Indenture shall require the City to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless it shall first have been adequately indemnified to its satisfaction against the cost, expenses and liability which may be incurred thereby. Notwithstanding anything herein contained to the contrary, any obligation that the City may incur under this Indenture or under any instrument executed in connection herewith that shall entail the expenditure of money shall not be a general obligation of the City but shall be a limited obligation payable solely from Special Facility Revenues.

Section 1309. Immunity Of Officers, Employees, Agents And Members Of Governing Body Of City.

No recourse shall be had for the enforcement of any obligation, promise or agreement of the City contained in the Agreement, this Indenture or in any Bond issued hereunder for any claim based thereon or otherwise in respect thereof, against any officer, employee or agent, or member of the Governing Body, as such in his individual capacity, past, present or future of the City or of any successor thereto, either directly or through the City or any successor thereto, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that the Indenture, the Bonds and the Agreement are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any officer, employee or agent, or member of the Governing Body as such, past, present or future, of the City or any successor thereto, either directly or through the City or any successor thereto, under or by reason of any of the obligations, promises or agreements entered into between the City and the Airline neither contained in the Agreement or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such officer, employee or agent, or member of the Governing Body, of the City is, by the execution of the Agreement and this Indenture, and as a condition of, and as part of the consideration for, the execution of the Agreement and this Indenture, expressly waived and released.

Section 1310. Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Indenture.

In Witness Whereof, The City has caused these presents to be signed in its

name and behalf by its City Comptroller and its corporate seal to be hereunto affixed and attested by its City Clerk, and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf by one of its [Vice Presidents] and attested by one of its [Assistant Secretaries], all as of the first day of October, 1990.

City of Chicago

By: _____
City Comptroller

(Seal)

Attest:

City Clerk

Independence Bank of Chicago, as
Trustee

By: _____

Attest:

The First National Bank of Chicago,
as Trustee

By: _____

Attest:

Exhibit "A" attached to this Indenture of Trust reads as follows:

Exhibit "A"
Form Of Bond.

[Form Of Face Of Bond]

Registered
No. R-

Registered
\$

Interest Rate: Maturity Date: Dated Date: C.U.S.I.P.:

Registered Owner:

Principal Amount:

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bond

(Compagnie Nationale Air France Project)

Series _____.

The City of Chicago (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay, from the sources and in the manner hereinafter provided, to the Registered Owner identified above or registered assigns, upon presentation and surrender of this Bond the Principal Amount identified above on the Maturity Date identified above, unless the Bond shall earlier have been called for redemption and payment of the redemption price (including any premium) shall have been duly made or provided for, and to pay the Registered Owner hereof interest thereon from the Dated Date identified above to the Maturity Date or earlier redemption of this Bond, at the Interest Rate identified above payable on [Payment Month], [Payment Day], [Year] and semiannually thereafter on each [Anniversary Month], [Payment Day] and [Payment Month], [Payment Day] (each an "Interest Payment Date") until the City's obligation with respect to the payment of such Principal Amount shall be discharged, at the principal corporate trust office in the City of Chicago, State of Illinois of the Trustee hereinafter mentioned. Principal of and interest and redemption premium, if any, on this Bond are payable in lawful money of the United States of America.

This Bond is one of a duly authorized issue of bonds by the City designated as its "Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project)" (the "Bonds") issued and to be issued in one or more series pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, and certain ordinances of the City Council of the City, and executed under an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie

Nationale Air France Project) (the "Indenture") dated as of October 1, 1990, from the City to the Trustee, for the purpose of providing funds to finance the costs of certain improvements constituting a cargo facility at Chicago-O'Hare International Airport and further improvements and other accessions thereto for use by Compagnie Nationale Air France, a corporation organized under the laws of the Republic of France (the "Airline"), and for paying costs and expenses incidental thereto and to the issuance of the Bonds. Payments sufficient to provide for the payment when due of the principal of and interest and redemption premium, if any, on the Bonds are required to be made directly to the Trustee for the account of the City by the Airline under the terms of a Special Facility Use Agreement dated as of October 1, 1990 (the "Agreement"), between the City and the Airline relating to the Bonds. The Bonds are all issued under and equally and ratably secured by and entitled to the security of a pledge and assignment of the revenues and receipts derived by the City pursuant to the Agreement, and all receipts of the Trustee credited under the provisions of the Indenture against such payments, and from certain other moneys held by the Trustee under the Indenture for such purpose, and there shall be no recourse against the City or any property now or hereafter owned by it other than against said revenues and receipts. In addition, the Airline has delivered to the Trustee its Guaranty unconditionally guaranteeing the payment of principal of and interest on the Bonds and the redemption price of the Bonds in the event of a mandatory redemption under the Indenture, as the same shall be due and payable, and all payments under such Guaranty shall be remitted directly to the Trustee for the account of the City under the Indenture. The Agreement, and the obligations of the Airline, thereunder, may under certain circumstances be assigned in whole or in part by the Airline, without the necessity of obtaining the consent of either the Trustee or the Bondholders.

The Bonds shall not constitute an indebtedness of the City of a loan of credit thereof within the meaning of any constitutional or statutory provision of the State of Illinois. Neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision thereof is pledged to the payment of the principal or redemption price (including any premium) of the Bonds, or the interest thereon, or other costs incident thereto. The Bonds are payable solely from the special facility revenues in the Indenture pledged to such payment and no owner or owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof nor to enforce the payment of the Bonds against any property of the City, the State of Illinois or any such political subdivision. The Project (as defined in the Indenture) is not security for the Bonds, and the Bonds are not secured by any other property or improvements at Chicago-O'Hare International Airport or the revenues derived by the City from the operation of said Airport generally.

As provided in the Indenture, Bonds may be issued from time to time pursuant thereto in one or more Series, in various principal amounts, may

mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture. The aggregate principal amount of Bonds which may be issued pursuant to the Indenture is not limited and all Bonds issued and to be issued pursuant to the Indenture are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Indenture.

This Bond is one of a series of Bonds designated "Series _____ Bonds" (the "Series Bonds"), issued in the aggregate principal amount of \$ _____ pursuant to the Indenture, for the purposes authorized by the Indenture. Copies of the Indenture and the Agreement are on file at the office of the City Clerk and at the principal corporate trust offices of Independence Bank of Chicago and The First National Bank of Chicago in Chicago, Illinois, jointly and severally as trustee under the Indenture, or their successors as trustee (the "Trustee"), and reference to the Indenture and any and all supplemental indentures thereto and to the Agreement and any and all modifications and amendments thereof is made for a complete description of the pledges and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies thereof is made for a description of the pledges and covenants securing the Bonds, the nature extent and manner of enforcement of such pledges, and the rights and remedies of the Registered Owners of the Bonds with respect thereto.

Reference Is Hereby Made To The Further Provisions Of This Bond Set Forth On The Reverse Hereof And Such Further Provisions Shall For All Purposes Have The Same Effect As If Set Forth Here.

It Is Hereby Certified, Recited And Declared, That all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture unless and until the certificate of authentication hereon shall have been duly executed by the Trustee.

In Witness Whereof, The City of Chicago has caused this Bond to be executed in its name by the facsimile signature of its Mayor and the facsimile of its corporate seal to be printed hereon and attested by the facsimile signature of its City Clerk.

Dated: _____

City of Chicago

By: [Facsimile Signature]
Mayor

Attest:

[Facsimile Signature]
City Clerk

[Facsimile Seal]

[Form Of Trustee's Certificate Of Authentication]

This Bond is one of the Bonds described in the within-mentioned Indenture of Trust.

_____, as Trustee

By: _____
Authorized Signature

[Form Of Reverse Of Bond]

This Bond is transferable as provided in the Indenture, only upon the books of the City kept for that purpose at the principal corporate trust office

of the Trustee, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Registered Owner or such duly authorized attorney. Upon the surrender for registration of transfer hereof, the City shall execute and the Trustee shall authenticate a new Bond or Bonds registered in the name of the transferee of the same aggregate principal amount, maturity and interest rate as the surrendered Bond. The City, the Trustee, and any agent of the City or the Trustee may treat the person in whose name this Bond is registered as the owner hereof for the purpose or receiving payment as herein and in the Indenture provided and for all other purposes, whether or not this Bond is overdue, and neither the City, the Trustee, nor any such agent shall be affected by notice to the contrary.

The Series _____ Bonds are issuable solely in the form of registered Bonds in the denomination of \$5,000, or any integral multiple thereof. Upon the payment of the charges if any, this Bond, upon surrender at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Registered Owner or his attorney duly authorized in writing, may, at the option of the Registered Owner thereof, be exchanged for an equal aggregate principal amount of Bonds of any other authorized denominations.

Payments of interest alone on any Interest Payment Date shall be made to the Registered Owner hereof as of the close of business on the [Record Date 1] or [Record Date 2] immediately before such Interest Payment Date (each a "Record Date"), and shall be (i) paid by check or draft mailed to such Registered Owner hereof at his address as it appears on the registration books of the City maintained by the Trustee as Bond Registrar (or any co-registrar appointed pursuant to the provisions of the Indenture), or (ii) made by wire transfer to such Registered Owner upon written request indicating the applicable wire transfer address in the continental United States by such Registered Owner to the Trustee given not less than [] days before such Record Date; provided that such Registered Owner shall, as of the close of business on such Record Date, own [Wire Transfer Minimum Ownership] or more in aggregate principal amount of the Bonds. If any Interest Payment Date is not a Business Day (as defined in the Indenture), then the applicable interest payment shall be made on the first Business Day thereafter. Interest on the Bonds shall be computed on the basis of a year of 360 days comprising twelve 30-day months.

[Insert applicable redemption terms]

The Bonds are subject to optional and mandatory redemption under certain conditions, in addition to those described above, as provided in the Indenture. Notice of any such redemption must be given to the Registered Owners of the Bonds by registered or certified mail not less than thirty (30)

days nor more than sixty (60) days before the redemption date. Any notice mailed as provided in the Indenture shall be conclusively presumed to have been given, whether or not Registered Owners of the Bonds receive the notice.

This Bond and all other Bonds of the issue of which it forms a part are issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and pursuant to an ordinance adopted by the City Council of the City, which ordinance authorizes the execution and delivery of the Indenture. This Bond and the issue of which it forms a part are limited obligations of the City payable solely from the amounts derived under the Agreement and pledged under the Indenture consisting of: (i) all amounts payable from time to time by the Airline with respect to the Bonds pursuant to the Agreement (except for amounts payable with respect to Unassigned Rights as defined in the Indenture) and all receipts of the Trustee credited under the provisions of the Indenture against said amounts payable, (ii) any portion of the net proceeds of the Bonds deposited with the Trustee under the Indenture, and (iii) any amounts paid into the Bond Fund created in the Indenture from the Construction Fund created in the Indenture, including moneys attributable to Bond proceeds or the income from the temporary investment thereof.

No recourse shall be had for the payment of the principal of or interest or redemption premium, if any, on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future officer, employee or agent, or member of the City Council of the City, or any successor to the City, as such, either directly or through the City, or any successor to the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, employee or agent, or member of the City Council, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. If an event of default as defined in the Indenture occurs and is continuing, the principal of all Bonds then outstanding issued under the Indenture may be declared due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

The Indenture prescribed the manner in which it may be discharged and after which the Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except as provided in the Indenture and for the purposes of registration and exchange of Bonds and of such payment,

including a provision that the Bonds shall be deemed to be paid if Governmental Obligations, as defined therein, maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay the principal of and interest on the Bonds and all necessary and proper fees, compensation and expenses of the Trustee shall have been deposited with the Trustee.

Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

[Form Of Assignment]

For Value Received, the undersigned sells, assigns and transfers unto _____ (Name and Address of Assignee) the within Bond of the City of Chicago and does hereby irrevocably constitute and appoint attorney to transfer said Bond on the books kept for registration thereof with full power of substitution in the Premises.

Dated: _____

Signature Guaranteed:

Notice: The signature subscribed to this assignment must be guaranteed by a commercial bank or trust company or by a member of The New York Stock Exchange, Inc.

Notice: The signature subscribed to this assignment must correspond to the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN.COM. -- as tenants in common

TEN.ENT. -- as tenants by the entireties

JT.TEN. -- joint tenants with right of survivorship and not as tenants in common

UNIF.GIFT.MIN.ACT. --

_____ as Custodian for _____
(Cust) (Minor)

under Uniform Gifts to Minors Act of _____
(State)

Additional abbreviations may also be used though not in the above list.

Variable Rate Demand Bond Provisions

For Insertion Into The

Indenture Of Trust

Securing Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Compagnie National Air France Project).

[If the Series 1990 Bonds are to be issued as variable rate demand bonds, the following provisions need to be inserted into the Indenture. Where Section numbers or defined terms already exist in the form of Indenture, the provisions below are to replace the existing provisions.]

General.

[References to payment of "principal of and interest and redemption premium, if any, on" shall be changed to "principal and purchase price upon tender, if any, and interest and redemption premium, if any, on".]

Definitions.

["Administrative Expenses" shall include fees and expenses of any

Remarketing Agent or Tender Agent.]

"Bond Purchase Date" means, for any Bond of a Series of Bonds which may become Tendered Bonds, (i) each Business Day selected by the Registered Owner of such Bond pursuant to the provisions of this Indenture which permit the tender of such Bond for purchase and (ii) each Business Day upon which such Bond is required to be tendered for purchase by the Registered Owner thereof by the provisions of this Indenture.

"Bond Purchase Fund" means the Fund created by Section 417 of this Indenture.

"Conversion Date" means any date on which the Interest Rate Mode of part or all of any Series of Bonds changes.

"Credit Agreement" means, for any Credit Facility and Credit Provider, the agreement or instrument between such Credit Provider and the Airline or the City, as the case may be, which governs the rights, duties and obligations of such parties with respect to the issuance and maintenance of such Credit Facility, as such agreement or instrument may be amended or supplemented.

"Credit Facility" means, for part or all of any Series of Bonds, the guaranty, irrevocable letter of credit, line of credit bond purchase agreement, bond insurance or other form of credit enhancement or liquidity support, if any, from time to time in effect whether the original Credit Facility or any alternate or replacement Credit Facility, as each may from time to time be transferred, assigned, reissued or extended in accordance with its terms, for such Bonds specified in this Indenture with respect to such Series of Bonds. The issuance by the Credit Provider of a new form of its Credit Facility pursuant to its Credit Agreement which effects one or more of the following changes and makes no other amendments or change to such Credit Facility shall be considered for purposes of this Indenture to continue to be such Credit Facility, rather than an alternate or replacement Credit Facility; (i) an extension of the regularly scheduled expiration date; (ii) a change in the fees and expenses to be paid to such Credit Provider; (iii) changes to any of the addresses set forth therein; (iv) a change in the amount of interest, the payment of which is secured by such Credit Facility, whether by increasing or decreasing the number of days for, or the rate of interest at, which such interest is to be payable for purposes of determining such amount of interest; and (v) the addition or deletion of coverage by such Credit Facility of premium payable with respect to the Bonds for which such Credit Facility was furnished.

"Credit Facility Termination Date" means, for any Credit Facility, the date on which such Credit Facility is to expire by its terms.

"Fixed Interest Rate" means the fixed rate of interest to be applicable to part or all of any Series of Bonds following exercise by the Airline of its option to convert such Bonds to the Fixed Interest Rate Mode pursuant to the provisions of this Indenture.

"Fixed Interest Rate Mode" means the mode in which the interest rate on part or all of any Series of Bonds is determined and in effect for the remaining term of such Bonds.

"Fixed Rate Conversion Date" means, (i) for Bonds of any Series which are in a Variable Interest Rate Mode, the date, determined in accordance with the provisions of this Indenture, upon which any Bonds of such Series begin to bear interest at a Fixed Interest Rate, and (ii) for Bonds of any Series issued in a Fixed Interest Rate Mode, the date of initial issuance thereof.

"Initial Interest Rate Period" means, for any Series of Bonds, the period from the date of initial issuance of such Bonds through and including the first Interest Rate Adjustment Date with respect to such Bonds.

"Initial Rate" means, for any Series of Bonds, the interest rate on such Bonds for the Initial Interest Rate Period for such Bonds.

"Interest Payment Date" means, for any Series of Bonds, each date on which interest on such Bonds is payable and, in the case of any Bonds of any Series in the Fixed Interest Rate Mode, shall mean the first (1st) day of each May and November, beginning with the first of such dates to occur after the issuance of such Bonds, or, if such day is not a Business Day, then the first Business Day thereafter, unless otherwise specified with respect to a particular Series of Bonds in this Indenture.

"Interest Rate Adjustment Date" means, for any Series of Bonds, each date, which shall be a Business Day, on which part or all of the Bonds of such Series will begin to bear interest at a rate announced on an Interest Rate Determination Date for such Bonds and shall be the date set forth in the provisions of this Indenture applicable to such Series and to the particular Interest Rate Mode for such Bonds.

"Interest Rate Determination Date" means, for any Series of Bonds, each date, which shall be a Business Day, on which interest on such Bonds is determined and announced by the Remarketing Agent for such Series of Bonds and shall be the date set forth in the provisions of this Indenture applicable to such Series and to the particular Interest Rate Mode for such Bonds.

"Interest Rate Mode" means, for part or all of the Bonds of any Series, as the case may be, the mode in which the Interest Rate for such Bonds is being determined, and includes the Fixed Interest Rate Mode, the Variable

Interest Rate Mode and any other mode in which the Interest Rate of any Bonds shall be determined pursuant to the provisions of this Indenture.

"Mandatory Purchase Date" means any of the dates specified in this Indenture on which Bonds of any Series are subject to Mandatory Purchase.

"Mandatory Purchase" means the mandatory purchase of Bonds of any Series upon the occurrence of certain events as provided by the provisions of this Indenture applicable to such Series.

"Purchase Price" means, with respect to any Tendered Bonds, 100% of the principal amount of such Bonds, plus, in the case of Bonds in the Weekly Interest Rate Mode, accrued and unpaid interest on such Bonds.

"Remarketing Agent" means any person meeting the qualifications of Section [917] designated from time to time to act as Remarketing Agent for any Series of Bonds under Section [916].

"Tender Agent" means any person meeting the qualifications of and designated to act as Tender Agent for any Series of Bonds under Section [921].

"Tender Agency Agreement" means, for any Series of Bonds, the agreement pursuant to which the Tender Agent for such Series agrees to accept the duties of Tender Agent provided under Section [921].

"Tendered Bonds" means Bonds of any Series tendered to the Trustee or the Tender Agent, pursuant to the provisions of this Indenture permitting or requiring such tender, by the Registered Owners thereof for purchase other than by the City pursuant to provisions of the Indenture for optional or mandatory redemption.

"Undelivered Bond" means any Bond which is deemed tendered but which is not actually delivered for purchase on the applicable Bond Purchase Date.

"Unremarketed Bonds" means Bonds purchased with moneys drawn or otherwise furnished under a Credit Facility for such Bonds which are being held for the benefit of the Credit Provider of such Credit Facility pursuant to the provisions of this Indenture, the Credit Agreement for such Credit Facility or any pledge or similar agreement or instrument with respect to such Bonds entered into in connection with such Credit Facility.

"Variable Interest Rate Mode" means any Interest Rate Mode in which the rate of interest on Bonds of any Series is reset from time to time, and includes the Weekly Interest Rate Mode.

"Weekly Interest Rate Mode" means the mode in which the interest rate on part or all of the Bonds of any Series is reset on a periodic basis

approximating one week as provided in the applicable provisions of this Indenture.

"Weekly Interest Rate Period" means the period of time in which part or all of the Bonds of any Series bear interest in the Weekly Interest Rate Mode as provided in the applicable provisions of this Indenture.

[Section 204.]

[Paragraph (a) shall be modified to reflect the designation of the Series 1990 Bonds as "Variable Rate Demand Series 1990", that the form of the Bond will include the optional redemption, tender for purchase and transfer or exchange provisions in insertions to Exhibit A below consistent with the provisions herein, and that Authorized Denominations for the Series 1990 Bonds shall be integral multiples of \$100,000 until the Fixed Rate Conversion Date, and integral multiples of \$5,000 thereafter.]

(c) From the date on which the Series 1990 Bonds are issued to [December], 199[0], (the initial Interest Rate Adjustment Date), the interest rate on all of the Series 1990 Bonds shall be [Initial Interest Rate]% per annum. Thereafter, the Series 1990 Bonds shall bear interest at the Weekly Interest Rate announced by the Remarketing Agent for the Series 1990 Bonds, which shall initially be [Smith Barney, Harris Upham & Co., Incorporated] on each Interest Rate Determination Date, until the Fixed Rate Conversion Date.

(d)

(1) As long as the Series 1990 Bonds bear interest in a Weekly Interest Rate Mode, the Series 1990 Bonds are subject to optional redemption by the City, at the direction of the Airline and upon compliance with the terms of the Credit Agreement with the Credit Provider for the Series 1990 Bonds, on any Interest Rate Adjustment Date, in whole or in part in Authorized Denominations, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued and unpaid interest to the date set for redemption.

(2) From and after the Fixed Rate Conversion Date, Series 1990 Bonds are subject to optional redemption by the City, upon the written direction of the Airline, beginning with the [third] anniversary of the Fixed Rate Conversion Date, in whole at any time or in part on any Interest Payment Date, at the applicable redemption prices (expressed as percentages of the principal amount of the Bonds to be so redeemed) set forth in the following table, plus accrued interest to the date set for redemption:

Redemption Dates (Dates Inclusive)	Redemption Price
First Interest Payment Date following the [Third] anniversary of the Fixed Rate Conversion Date to but excluding the [Seventh] anniversary of the Fixed Rate Conversion Date	[103%]
First Interest Payment Date following the [Seventh] anniversary of the Fixed Rate Conversion Date to but excluding the [Eighth] anniversary of the Fixed Rate Conversion Date	[102%]
First Interest Payment Date following the [Eighth] anniversary of the Fixed Rate Conversion Date to but excluding the [Ninth] anniversary of the Fixed Rate Conversion Date	[101%]
First Interest Payment Date following the [Ninth] anniversary of the Fixed Rate Conversion Date to the Stated Maturity of the Series 1990 Bonds	[100%]

(f) The City hereby designates [] to act as Tender Agent for the Series 1990 Bonds. The City hereby authorizes and directs the Trustee to execute and deliver such agreements and instruments as shall be reasonably required to authorize such appointment and to evidence acceptance and assumption of the duties of Tender Agent for the Series 1990 Bonds pursuant to the provisions of Section 921 hereof.

(g) The principal of the Series 1990 Bonds shall be payable to the Registered Owners thereof upon presentation and surrender of such Bonds, when due, at the principal office of the Trustee or such other office as the Trustee may designate from time to time in writing to the Bondholder. The interest on the Series 1990 Bonds shall be paid by check or draft drawn upon the Trustee, made payable to the order of the Registered Owners thereof as of the close of business on the relevant Record Date, and mailed to the address of the Registered Owner shown on the registration books of the Trustee. Owners of \$1,000,000 or more in aggregate principal amount of the Series 1990 Bonds may submit to the Trustee not later than 15 days before the Record Date a written request that interest be payable by wire transfer to such Owner of the Bonds. Payment as aforesaid shall be made in lawful money of the United States of America. The term "Record Date", as used with respect to any Series 1990 Bonds while such Bonds are in the Weekly

Interest Rate Mode, means the Business Day before an Interest Payment Date.

Section 212. Interest Rates On Bonds.

(a) While the Bonds of any Series bear interest in any Variable Interest Rate Mode, the interest rate for a particular Interest Rate Period will be the rate announced by the Remarketing Agent on the Interest Rate Determination Date, which (except under certain circumstances described below) shall also be the Interest Rate Adjustment Date. Such interest rate is effective beginning on the Interest Rate Adjustment Date for the succeeding Interest Rate Period. The interest rate announced by the Remarketing Agent on the Interest Rate Determination Date will be that rate of interest per annum announced and confirmed in writing to the Trustee on the Interest Rate Determination Date by the Remarketing Agent to be the minimum interest rate per annum necessary, during the Interest Rate Period beginning on the Interest Rate Adjustment Date, in the judgment of the Remarketing Agent, to produce a par bid in the secondary market for the affected Bonds on the Interest Rate Determination Date.

(b) If (i) the Remarketing Agent has been removed or has resigned and no successor has been appointed, or (ii) the Remarketing Agent has failed to announce the appropriate interest rate on the Interest Rate Determination Date for whatever reason, or (iii) the appropriate interest rate cannot be determined for whatever reason, the interest rate then in effect for any affected Bonds, without adjustment, will continue for the next Interest Rate Period and the Interest Rate Mode will not be changed.

(c) The interest rate on the Bonds of any Series shall not exceed [fifteen percent (15%)] per annum.

(d) On each Interest Rate Determination Date for any Series of Bonds, the Remarketing Agent will give the Airline, the Book-Entry Depository and the Trustee notice by facsimile transmission or by telephone, confirmed in writing, of the interest rate to be borne by the affected Bonds for the following Interest Rate Period. After any Interest Rate Determination Date any Registered Owner of affected Bonds may contact the Trustee or the Remarketing Agent in order to be advised of the applicable interest rate. Not later than the Business Day following the Interest Rate Determination Date, the Trustee shall notify the City, the applicable Credit Provider, the Book-Entry Depository, and the Tender Agent of the Interest Rate. No notice of the applicable interest rate will be sent to the Registered Owners of affected Bonds. The interest rate announced by the Remarketing Agent, absent manifest error, is binding and conclusive upon the Registered Owners of the affected Bonds, the Airline, the City and the Trustee.

Section 213. Interest Rate Modes, Interest Rate Determination Date, Interest Rate Periods.

(a) Weekly Interest Rate Period.

(1) Each Interest Rate Period during a Weekly Interest Rate Mode for any Series of Bonds shall be for a period of approximately one week beginning on Wednesday and ending on the day preceding the first day of the next Interest Rate Period; provided that if any Wednesday is not a Business Day, the Interest Rate Period shall begin on the next succeeding Business Day.

(2) Each Interest Rate Determination Date shall be not later than [11:00 A.M., Chicago, Illinois time] on the Interest Rate Adjustment Date; provided that if any Interest Rate Adjustment Date is the first Business Day of a month, the Interest Rate Determination Date shall be the first Business Day before such Interest Rate Adjustment Date.

(3) The Interest Rate Adjustment Date for any Weekly Interest Rate Mode shall be the first day of each successive Interest Rate Period, as set forth in paragraph (i) above.

(b) Fixed Interest Rate Period.

(1) The Interest Rate Period for any Fixed Interest Rate Mode shall begin on the Fixed Rate Conversion Date and continue through the stated Maturity of the Bonds.

(2) Except for any Series of Bonds initially issued in a Fixed Rate Interest Mode, the Interest Rate Determination Date shall be not later than 2:00 P.M. Chicago, Illinois time on the day which is 15 calendar days before the Fixed Rate Conversion Date.

(3) The Interest Rate Adjustment Date for any Series of Bonds in a Fixed Rate Interest Mode shall be the Fixed Rate Conversion Date.

Section 214. Conversion Between Interest Rate Modes.

The Interest Rate Mode applicable to some or all Bonds of any Series may be changed, at the election of the Airline in the manner described below.

(a) Conversion To Fixed Interest Rate Mode.

(1) On any Interest Rate Adjustment Date while Bonds of any Series bear interest at a Variable Interest Rate, the Interest Rate on some or all of such Bonds may, at the direction of the Airline, be converted to the Fixed Interest Rate Mode. The date of such conversion shall be the Fixed Rate Conversion Date. After the Fixed Rate Conversion Date, the adjustable rate, purchase and tender features of such Bonds shall be permanently terminated. From and after the Fixed Rate Conversion Date, such Bonds shall bear interest at the Fixed Interest Rate determined in the manner provided herein. In order to exercise its option, the Airline shall deliver a notice to the Trustee, the Remarketing Agent and the Book-Entry Depository specifying such Conversion Date, which shall be a Business Day not less than 45 days following the date such notice is sent. On or before the 20th day before the Fixed Rate Conversion Date, the Airline may specify that such Bonds may be secured by a different Credit Facility from the Credit Facility theretofore in effect, including bond insurance or changes to or deletions of the Credit Facility; provided that such designation shall be effective only if it does not adversely affect the ability of Bond Counsel to render the opinion described below.

(2) The Fixed Interest Rate shall be established by the Remarketing Agent on or before the 15th day preceding the Fixed Rate Conversion Date. Upon determining the Fixed Interest Rate the Remarketing Agent shall immediately notify the Airline, the Trustee, the City and the Tender Agent of such Fixed Interest Rate, by telephone, promptly confirmed in writing.

(3) Not less than 25 days before the Fixed Rate Conversion Date stated in the notice from the Airline, the Trustee shall prepare and send notice by first class mail to each Bondholder and/or to the Book-Entry Depository by facsimile stating:

(i) that the affected Bonds are proposed to be converted to the Fixed Rate Interest Mode on the Fixed Rate Conversion Date specified in such notice;

(ii) that the adjustable rate, purchase and tender features of such Bonds will terminate on the Fixed Rate Conversion Date and that, from and after the Fixed Rate Conversion Date, the interest rate(s) on such Bonds will become fixed;

(iii) the Interest Rate Determination Date for such Bonds;

(iv) that after the Fixed Rate Conversion Date the Bondholders will no longer have the right to tender Bonds to the Tender Agent for purchase;

(v) that in connection with the Fixed Rate Conversion Date the Credit Facility will expire and will no longer secure such Bonds or that it will continue and that the security provisions thereof may be revised;

(vi) that all such Bonds shall be subject to mandatory purchase on the Fixed Rate Conversion Date, and all information required to be included in a notice of mandatory purchase pursuant to Section 919, including that any Bonds so required to be purchased which are not delivered to the Tender Agent on or before 10:30 A.M. on the Fixed Rate Conversion Date shall be deemed purchased in accordance with the provisions of Section 919;

(vii) that any bond credit ratings then applicable to such Bonds may change or be withdrawn on or after the Fixed Rate Conversion Date;

(viii) that during the fixed Rate Period, such Bonds may be issued in denominations of \$5,000 or integral multiples thereof; and

(ix) that such Conversion may be rescinded on or before the Interest Rate Determination Date at the option of the Airline, or thereafter if all conditions to Conversion are not satisfied, or in the circumstances described in paragraph (4) of this Subsection (b).

No other notice of the foregoing shall be provided. If the Airline determines on or before the Interest Rate Determination Date to rescind the conversion or thereafter determines in good faith at any time on or before the Fixed Rate Conversion Date that it is unable to meet the conditions set forth herein to convert such Bonds to the Fixed Interest Rate(s), the Airline will promptly so notify the Trustee and the Trustee will give prompt written notice to the Bondholders that such Bonds will not be converted to the Fixed Interest Rate on such Fixed Rate Conversion Date, but rather will be converted to the Weekly Interest Rate Mode, but such Bonds shall nevertheless be subject to mandatory purchase on such conversion date.

(4) The right of the Airline to consummate the fixed rate conversion option shall be contingent (i) upon its ability to obtain on or before the date of the notice required to be given by the Trustee to the Bondholders pursuant to (3) above, an opinion of Bond Counsel, dated as of the date of such notice, to be reaffirmed as of the Fixed Rate Conversion Date, that following the Fixed Rate Conversion Date, the Bonds continue to be the valid and binding obligations of the City and that the exercise of the conversion option will not adversely affect the excludability of the interest on the Bonds from gross income for federal income tax purposes, and (ii) upon its ability to effect, on or before the 15th day before the Fixed Rate Conversion Date, the execution of a contract of purchase relating to the Bonds between the Airline and the Remarketing Agent or other underwriter or institutional investor, providing for the simultaneous

purchase of all such Bonds including all Unremarketed Bonds. The Airline's exercise of the fixed rate conversion option shall be deemed rescinded if all of the foregoing conditions are not satisfied or if the obligations incurred by the purchaser under the contract of purchase described in (ii) above are not fulfilled on the proposed Fixed Rate Conversion Date for any reason, in which event the Bonds shall remain in or be converted to the Weekly Interest Rate Mode and the Trustee shall promptly notify all Bondholders and the Credit Provider of such rescission. In the event of such rescission all such Bonds shall remain subject to mandatory purchase on the proposed Fixed Rate Conversion Date. In such event such Bonds shall be remarketed as Bonds in the Weekly Interest Rate Mode.

(5) Any Bond purchased by the Tender Agent pursuant to the terms of this Indenture from the date notice is required to be given by the Trustee to the Bondholders pursuant to paragraph (3) above to and including the proposed Fixed Rate Conversion Date shall not be remarketed unless the purchaser thereof has acknowledged receipt of a form of notice of conversion conforming to the requirements of paragraph (3) above. The Owner of each such Bond, by its purchase and acceptance of such Bond, irrevocably appoints the Tender Agent as its duly authorized attorney-in-fact for the purposes of assignment, endorsement, certification, execution or acknowledgement that such Owner is holding the Bond for the benefit of the purchaser or purchasers, registration of transfers and delivery of Bonds in the event of a mandatory purchase of such Bonds. The Tender Agent's power of attorney is coupled with an interest.

In the event of any purchase, any Undelivered Bond shall no longer evidence the debt of the City, and the holder thereof shall be entitled only to payment of the Purchase Price for the Undelivered Bond upon delivery thereof from the funds held in the Bonds Purchase Fund maintained by the Trustee.

(c) Conversion to Fixed Interest Rate Mode Final. After the Bonds have been converted to a Fixed Interest Rate Mode, no further conversions between Interest Rate Modes may be made with respect to the Bonds.

Section 215. Book-Entry System.

(a) The Trustee with the consent of the Airline, is hereby authorized to enter into a custody agreement with the Depository Trust Company as described below and establish a book-entry system for the registration of ownership of Bonds.

(b) Upon execution of the custody agreement referred to above, the Depository Trust Company ("D.T.C."), New York, New York, will act as

Book-Entry Depository for the Bonds. The ownership of one fully registered Bond for each stated Maturity of Bonds, each in the aggregate principal amount of such stated Maturity, will be registered in the name of Cede & Co., as nominee for D.T.C. Based upon D.T.C.'s representations, D.T.C. is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. Based upon D.T.C.'s representations, D.T.C. was created to hold securities of its participants (the "D.T.C. Participants") and to facilitate the clearance and settlement of securities transactions among D.T.C. Participants in such securities through a electronic book-entry changes in accounts of D.T.C. Participants, thereby eliminating the need of physical movement of securities certificates. Based upon D.T.C.'s representations, D.T.C. Participants include securities brokers and dealers, banks, trust companies that clear through or maintain a custodial relationship with a D.T.C. Participant, either directly or indirectly (the "Indirect Participants").

(c) Based upon D.T.C.'s representations, the book-entry system will operate as follows: the D.T.C. Participants shall receive a credit balance in the records of D.T.C. The ownership interest of each actual purchaser of each Bond (the "Beneficial Owner") will be recorded through the records of the D.T.C. Participant. Beneficial Owners will receive a written confirmation of their purchase providing details of the Bonds acquired. Transfers of ownership interests in the Bonds will be accomplished by book-entries made by D.T.C. and, in turn, by the D.T.C. Participants who act on behalf of the Beneficial Owners. Beneficial Owners will receive certificates representing their ownership interest in the Bonds, except as specifically provided in this Indenture.

(d) So long as Cede & Co. is the Registered Owner of the Bonds, as nominee of D.T.C., references herein to the Bondholders, holders of Bonds or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds.

(e) D.T.C. may determine to discontinue providing its service with respect to the Bonds at any time by giving notice to the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, Bond certificates are required to be delivered as described in this Indenture. The Beneficial Owner, upon registration of certificates held in the Beneficial Owner's name, will become the Registered Owner of the Bonds.

(f) The Trustee, with the consent of the Airline may determine that continuation of the system of the book-entry transfers through D.T.C. (or a successor securities depository) is not in the best interests of the respective Beneficial Owners. In such event, Bond certificates will be delivered to the Registered Owners in accordance with instruction from D.T.C.

(g) The Trustee will recognize D.T.C. or its nominee as the Bondholder for all purposes, including notices and voting. Conveyance of notices and other communications by D.T.C. to D.T.C. Participants and Indirect Participants and by D.T.C. Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

(h) Principal, redemption, interest and purchase price payments on the Bonds will be made to D.T.C. or its nominee, Cede & Co., as Registered Owner of the Bonds. Upon receipt of moneys, D.T.C.'s current practice is to immediately credit the accounts of the D.T.C. Participants in accordance with their respective holdings shown on the records of D.T.C. Payments by D.T.C. Participants and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such D.T.C. Participants or Indirect Participants and not of D.T.C., the Trustee, the Airline or the City, subject to any statutory and regulatory requirements as may be in effect from time to time.

Section 416. Credit Facility.

(a) The Credit Provider has delivered to the Trustee the Credit Facility for the Series 1990 Bonds which the Trustee hereby acknowledges is held for the equal and ratable benefit of the holders from time to time of the Series 1990 Bonds. The Credit Facility will not secure payment of any premium due and owing on optional redemption of the Series 1990 Bonds, unless the Credit Facility then in effect provides for draws thereunder to pay such premiums.

(b) As long as Bonds of any Series are in a Variable Interest Rate Mode, the Airline shall have the option from time to time to provide the Trustee with an alternate or replacement Credit Facility. Any alternate or replacement Credit Facility shall be effective on or before the Credit Facility Termination Date applicable to the Credit Facility being replaced and shall have a term ending at least fifteen (15) days after an Interest Payment Date for the Bonds secured by such Credit Facility and not sooner than one year after its date of issuance. On or before the delivery of any alternate or replacement Credit Facility to the Trustee, the Airline shall furnish to the Trustee (i) an opinion of Bond Counsel stating that delivery of such alternate or replacement Credit Facility to the Trustee is authorized under this Indenture, complies with the terms of this Indenture, and will not adversely affect the exclusion from gross income for purposes of federal income taxation of interest on the affected Bonds, (ii) written evidence from Moody's or S. & P. (if such Bonds are then rated) to the effect that such rating agency has reviewed the proposed alternate or replacement Credit Facility and that

the substitution of such alternate or replacement Credit Facility for the existing Credit Facility will not, by itself, result in a reduction of such rating agency's current rating on such Bonds or result in a rating of less than A-1 from S. & P. or P-1 from Moody's, and (iii) an opinion of counsel to the Credit Provider of such alternate or replacement Credit Facility that such alternate or replacement Credit Facility has been duly executed and delivered and is the legal, valid and binding obligation of such Credit Provider enforceable in accordance with its terms and addressing such other matters which the Trustee or the Remarketing Agent may reasonably request in form and substance reasonably acceptable to the Trustee and the Remarketing Agent. Upon receipt of notice of the Airline's intent to deliver an alternate or replacement Credit Facility, the Trustee shall give notice to the affected Bondholders of such event and effect a mandatory purchase of the Bonds pursuant to this Indenture simultaneously with acceptance of such alternate or replacement Credit Facility.

(c) If at any time there shall have been delivered to the Trustee an alternate or replacement Credit Facility, together with the other documents and opinions required by this Section 416, then the Trustee shall accept such alternate or replacement Credit Facility and promptly surrender the previously held Credit Facility to the Credit Provider thereof for cancellation. If at any time there shall cease to be any Bonds Outstanding under the Indenture secured by any Credit Facility, the Trustee shall promptly surrender the Credit Facility to the Credit Provider thereof for cancellation. The Trustee shall comply with the procedures, if any, set forth in the Credit Facility or the Credit Agreement therefor relating to the termination of such Credit Facility. The Trustee shall give written notice of such acceptance to all holders of affected Bonds, by first-class mail, postage prepaid, addressed to the last known address of each holder as shown on the bond register maintained by the Trustee, within thirty (30) days following such acceptance.

(d) The City agrees to cooperate to the extent necessary with the Airline, the Credit Provider and the Trustee in their defense of the Trust Estate against the claims and demands of any person, and will do, execute, acknowledge and deliver or cause to be done, such further acts, instruments and transfers as the Trustee or the Credit Provider may reasonably require for the better granting of the Trust Estate, including without limitation, execution and delivery of any financing statements and continuation statements.

Section 417. Creation And Use Of The Bond Purchase Fund.

(a) There is hereby created and ordered established with the Trustee a fund to be designated "Chicago-O'Hare International Airport Special Facility Revenue Bond Fund (Compagnie Nationale Air France Project)"

(the "Bond Fund") as a separate fund not pledged for the payment of any Series of the Bonds, but held solely for the purpose of paying the Purchase Price of Bonds tendered for purchase on a Bond Purchase Date.

(b) Moneys in the Bond Purchase Fund shall be derived:

first -- from funds received from or on the direction of the Remarketing Agent from its sale of Bonds,

second -- from the proceeds of a draw on or other disbursement from any Credit Facility, and

third -- from payments by the Airline.

(c) Moneys held in the Bond Purchase Fund may be invested at the direction of the Airline in Investment Securities described in clauses (i) and (ii) of the definition thereof or otherwise rated not less than the then current rating on the Bonds that would enable the Trustee to pay any and all moneys in the Bond Purchase Fund by the end of the Business Day if presented with Tendered Bonds no later than [10:30 A.M.] New York City time on such Business Day or the next Business Day if presented after [10:30 A.M.] New York City time.

[One or more of the following defaults may be added to Section 801:]

(d) Failure to pay the Purchase Price of any Bond tendered for purchase in accordance with Section 919 hereof;

(e) Receipt by the Trustee of written notice from the Credit Provider within 10 days of a drawing on the Credit Facility that the amount available to pay interest on the Bonds is not being reinstated by the Credit Provider;

(f) Receipt by the Trustee of a notice from the Credit Provider stating that an Event of Default under the Credit Agreement has occurred and is continuing and that such notice is being delivered pursuant to this Section 801(f);

(g) An [Act of Bankruptcy] of the Credit Provider or if the Credit Facility becomes unavailable to the Trustee for any reason other than a wrongful dishonor by the Credit Provider of a draft on the Credit Facility by the Trustee; provided that no such occurrence shall constitute an event of default unless the Airline, within 60 days thereafter, shall fail to provide for an alternate or replacement Credit Facility meeting the requirements of this indenture; and provided further that the declaration of an Event of Default under this subsection and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of Federal bankruptcy law

affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation, or reorganization proceedings; or

(h) Wrongful dishonor by the Credit Provider of a draft on or other request for payment under the Credit Facility by the Trustee which has not been cured within five (5) Business Days.

[Section 802 is to reflect that acceleration may be subject to the consent of the Credit Provider. Such provisions are usually negotiated with the Credit Provider, and the provisions herein are typical rather than definitive.]

[Section 803]

(d) Obligations of Trustee to Draw Under Credit Facility. Following acceleration of the Bonds and before exercising any remedy under this Indenture or the Agreement, or any other remedy available to the Trustee, the Trustee shall draw or request payment under the Credit Facility. Unless the Credit Provider has wrongfully dishonored a draft drawn by the Trustee under the Credit Facility, the Trustee shall accept the direction of the Credit Provider with respect to any other right or remedy available to the Trustee or the Bondholders under the Indenture. Notwithstanding any provision in this Indenture to the contrary, if there occurs an Event of Default described in Section 801(g) or (h) (i) any consents required of the Credit Provider before the taking of any action by the Trustee shall no longer be required, (ii) any directions which the letter of Credit Bank may give to the Trustee pursuant to this Indenture shall not be binding on the Trustee and (iii) any consent required of the Credit Provider which does not also require the consent of the Trustee shall only require the consent of the Trustee.

(e) Subject always to the provisions of paragraph (d), and without limiting the mandatory obligations of the Trustee under paragraph (d) and Section 802 (including the requirement to obtain the consent of the Credit Provider to accelerate the Bonds) upon the occurrence and during the continuance of any event of default, the Trustee shall have the power to, but unless requested in writing by the holders of at least a majority in aggregate principal amount of the Bonds then Outstanding and furnished with reasonable security and indemnity shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the Trust Estate under the Indenture by any acts which may be unlawful or in violation of the Indenture and such suits and proceedings as the Trustee may be advised by Counsel shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

[Section 805.]

(d) After the Bonds have been paid in full with a draw upon the Credit Facility, any remaining moneys shall be paid to the Credit Provider to the extent necessary to reimburse the Credit Provider pursuant to the Reimbursement Agreement.

Section 810. Trustee And City Required To Accept Actions And Directions Of Airline And The Credit Provider.

(a) Whenever after a reasonable request by the Airline or the Credit Provider, the City shall fail to direct or to require the Trustee to take any other action which the City is required or permitted to have the Trustee take pursuant to the Agreement or the Indenture, the Airline or the Credit Provider instead of the City may so direct or require the Trustee to take any such action, and the Trustee is hereby irrevocably empowered and directed to accept such direction from the Airline or the Credit Provider as sufficient for all purposes of the Indenture. The Airline or the Credit Provider shall have the direct right to cause the Trustee to comply with its obligations under this Indenture to the same extent that the City is empowered so to do.

(b) The City and Trustee acknowledge that certain actions or failures to act by the City under the Indenture may create or result in an Event of Default under the Indenture and the City hereby agrees that the Airline or the Credit Provider may perform (but shall not be required to perform) any and all acts or take such action as may be necessary for and on behalf of the City to prevent or correct said Event of Default and the Trustee agrees that it shall take or accept such performance by the Airline or the Credit Provider as performance by the City in such event.

Section 811. Credit Facility.

(a) In the event of a declaration of acceleration under Section 802 of this Indenture, the Trustee shall draw on the Credit Facility on the same day the declaration of acceleration is made in the amount equal to the lesser of the amount available under the Credit Facility or in an amount required in order to provide for the timely payment in full of the principal and interest on the Bonds due or to become due by reason of interest on the Bonds due or to become due by reason of such acceleration and shall promptly take such actions and give such notice as may be required to pay or redeem the outstanding Bonds entitled to the benefits of such Credit Facility. By its terms a draw on the Credit Facility shall be honored no later than the Business Day after the date of the draw provided the draw is made in accordance with the time specified in the Credit Facility.

(b) Whether or not an Event of Default or a Default has occurred or is continuing, if the Trustee presents a draft under the Credit Facility for payment of principal of or interest on the Bonds but not for payment of the Purchase Price of Bonds which draft is honored by the Credit Provider and there are moneys in the Bond Fund, such moneys shall be paid to the Credit Provider for application against the obligations of the Airline under the Credit Agreement.

(c) If at any time during the term of the Credit Facility a successor Trustee shall be appointed and qualified under this Indenture and the Credit Facility is not transferable to the successor Trustee, the resigning Trustee shall request from the Credit Provider a substitute Credit Facility identical to the prior Credit Facility but addressed to and running in favor of the successor Trustee for the benefit of the holders of the available credit. If the resigning Trustee fails to make this request, the successor Trustee shall do so before accepting its appointment. Upon issuance of the substitute Credit Facility to the successor Trustee, the prior Credit Facility shall be returned and cancelled.

Section 916. Remarketing Agent.

The Airline shall appoint the Remarketing Agent for the Bonds, subject to the conditions set forth in Section 917 hereof. The Remarketing Agent shall designate to the Trustee its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the City and the Trustee.

Section 917. Qualifications Of Successor Remarketing Agent.

(a) Any Successor Remarketing Agent shall be a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$15,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture and shall be acceptable to the Credit Provider, which shall not unreasonably withhold its consent. The Remarketing Agent may resign and be discharged of the duties and obligations created by this Indenture by giving at least thirty (30) days notice to the City, the Airline, the Credit Provider, any rating agency then rating the Bonds, if any, and the Trustee. The initial Remarketing Agent may without consent of the other parties hereto, but upon thirty (30) days' notice to the City, the Airline, the Credit Provider, the Trustee, Moody's and the Tender Agent assign its rights, duties and obligations hereunder to [Smith Barney, Harris Upham & Co., Incorporated], upon which event [Smith Barney, Harris Upham & Co., Incorporated] shall become the Remarketing Agent hereunder with all rights, duties and obligations attached hereto. The Remarketing Agent may

be removed by the Airline, by a certificate furnished to the City and the Trustee designating a successor Remarketing Agent, subject to the provisions of the Remarketing Agent, shall mail notice to each of the Registered Owners of the Bonds.

(b) In the event of the resignation or removal of the Remarketing Agent, the departing Remarketing Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

(c) If the Remarketing Agent shall resign, or be dissolved, or if the property or affairs of the Remarketing Agent shall be taken under the control of any state or federal court of administrative body because of bankruptcy or insolvency, or for any other reason, and the Airline shall not have appointed its successor as Remarketing Agent, the Trustee, notwithstanding the provisions of the first paragraph of this Section 917, shall ipso facto be deemed to be the Remarketing Agent for all purposes of this Indenture until the appointment by the Airline of the successor Remarketing Agent; provided that the Trustee, in its capacity as Remarketing Agent, shall not be required to remarket Bonds.

Section 918. Adjustment Of Interest Rate.

So long as any Series of Bonds bear interest in a Variable Interest Rate Mode and before conversion to the Fixed Interest Rate Mode, on each Interest Rate Determination Date, the Remarketing Agent shall determine the interest Rate to be borne by such Bonds for the next succeeding Interest Period in accordance with Section 213 hereof. The Remarketing Agent shall communicate this rate telephonically or by facsimile on the Interest Rate Determination Date for such Bonds, with prompt written confirmation, to the Trustee, the Book-Entry Depository and the Airline. On the Business Day after the Trustee receives the Interest Rate on such Bonds, the Trustee shall notify the City, the Credit Provider and the Book-Entry Depository of the Interest Rate. Thereafter the Remarketing Agent and the Trustee shall provide the Interest Rate upon request.

Section 919. Purchases Of Bonds.

(a) Demand Purchase Option for Bonds in the Weekly Interest Rate Mode. Any Bond in the Weekly Interest Rate Mode (other than an Unremarketed Bond) shall be purchased, on the demand of the holder thereof, on any Business Day selected by the Holder as hereinafter provided, at the Purchase Price of par plus accrued interest, only upon irrevocable written notice to the Remarketing Agent, received at its principal corporate office on a Business Day not later than seven (7) days before the specified purchase

date (provided that if the seventh (7th) day succeeding the day the notice is received is not a Business Day, the purchase date may be set in said notice as the preceding Business Day). Such written notice shall (1) state the registration number and principal amount (or portion thereof) of such Bond to be purchased; (2) state the purchase date on which such Bond shall be purchased pursuant to this Section 919(a) and (3) irrevocably request such purchase. Any Bond to be so purchased must be delivered to the Tender Agent (with an appropriate transfer of registration executed in blank in form satisfactory to the Tender Agent and, if the holder desires payment of the Purchase Price by wire transfer, the wire transfer instructions on or before [10:30 A.M.] New York City time on the Purchase Date in order to receive same day payment of the Purchase Price. Any Bond not so delivered shall nevertheless be deemed purchased as provided below. Bonds may be required to be purchased pursuant to such notice in any Authorized Denomination, and Bonds of denominations in excess of the minimum Authorized Denomination may be so required to be purchased in part, provided, that no Bond may be so required to be purchased in part if such partial purchase would result in the principal amount of any Bond being outstanding in other than an Authorized Denomination. The Remarketing Agent shall promptly, but in no event later than [12:00 Noon] on the Business Day following the day such notice was received, provide the Trustee with facsimile notice of the receipt of the notice referred to in the preceding paragraph.

(b) **Mandatory Purchase of Bonds under Certain Circumstances.** On and before the Fixed Rate Conversion Date applicable to Bonds of any Series which bear interest in a Variable Rate Interest Mode, all of such Bonds, other than Unremarketed Bonds, are subject to mandatory purchase on any of the following Mandatory Purchase Dates:

(1) On the fifth day before the stated Credit Facility Termination Date (other than any expiration date resulting solely from the conversion of such Bonds to a Fixed Interest Rate and any expiration date when an alternate or replacement Credit Facility has been approved pursuant to Section 416 hereof and has become effective), or if such day is not a Business Day, the next preceding Business Day;

(2) On any Conversion Date with respect to such Bonds;

(3) On the fifth Business Day following receipt by the Trustee of a notice from the Credit Provider for such Bonds that an event of default under and as defined in the Credit Agreement of such Credit Provider has occurred and directing the Trustee to give notice of the mandatory purchase of all such Bonds; or

(4) On the fifth day before the applicable Credit Facility Termination Date when an alternate or replacement Credit Facility has been provided

pursuant to Section 416 hereof and has become effective, or, if such day is not a Business Day, on the next preceding Business Day.

Notice of mandatory purchase pursuant to clause (1) or (4) of this Section 919(b) shall be mailed by the Trustee, not less than fifteen (15) days before the Mandatory Purchase Date. Notice of mandatory purchase pursuant to clause (3) of this Section 919(b) shall be communicated by the Trustee on the first Business Day after receipt by the Trustee from such Credit Provider of the notice described therein. In each case notice shall be mailed or otherwise communicated to the respective Owners of the affected Bonds at their addresses as maintained on the registration books. Each notice of mandatory purchase shall state the Mandatory Purchase Date and the place of Mandatory Purchase (which shall be the principal corporate office of the Tender Agent) and, with respect to mandatory purchases pursuant to clause (4) of this Section 919(b), that the holders may waive purchase upon filing of the instrument specified in paragraph (d) below. If the notice is given pursuant to clause (4) of this Section 919(b), the notice shall also describe the alternate or replacement Credit Facility and that the ratings assigned to the Bonds may be changed or withdrawn as a result of the substitution of the alternate or replacement Credit Facility. Each such notice or communication shall also state that on said date there will become due and payable on said Bonds the Purchase Price and that from and after the mandatory Purchase Date, in the absence of the receipt of a valid Notice of Waiver of Purchase pursuant to paragraph (c) below (in the case of clause (4) above), interest thereon shall cease to accrue to the prior holder of the Bond to be purchased, and shall require such Bonds be then surrendered and shall state that, if not so surrendered, the Bonds will be deemed purchased in accordance with paragraph (e) below.

The owner of each such Bond, by its purchase and acceptance of such Bond, irrevocably appoints the Tender Agent as its duly authorized attorney-in-fact for the purposes of assignment, endorsement, certification, execution or acknowledgment that the owner is holding such Bond for the benefit of the purchaser or purchasers, registration of transfers and delivery of Bonds in the event of a mandatory purchase of such Bonds. The Tender Agent's power of attorney is coupled with an interest.

In the event of any purchase, any Undelivered Bond shall no longer evidence the debt of the City, and the holder thereof shall be entitled only to payment of the Purchase Price for the Undelivered Bond upon delivery thereof from the funds held in the Bond Purchase Fund maintained by the Trustee.

(c) Waiver of Purchase. Any Owner may waive a purchase of a Bond on a Mandatory Purchase Date established or determined pursuant to clause (4) of Section 919(b), by delivery to the principal corporate office of the Remarketing Agent not later than the fifth day preceding such Mandatory Purchase Date, a written Notice of Waiver of Purchase of such Owner (1)

directing that such Bond (or a portion thereof in any Authorized Denomination) not be purchased on such Mandatory Purchase Date, (2) agreeing not to sell such Bond before such Mandatory Purchase Date, (3) when applicable, agreeing not to exercise any tender option available to such Bond before such Mandatory Purchase Date, (4) acknowledging that such waiver is irrevocable, and (5) acknowledging that the rating assigned to the Bonds may be changed or withdrawn as a result of such change. Notwithstanding the foregoing, no waiver for any Mandatory Purchase Date occurring after the redemption date may be made with respect to any Bond that has been called for redemption.

(d) Remarketing of Unremarketed Bonds. Unremarketed Bonds may be remarketed in any Authorized Denomination at any time, provided that Bonds may only be remarketed as Bonds in the Interest Rate Mode then in effect for such Series of Bonds and provided that Unremarketed Bonds will not be released for remarketing until the Credit Facility has been reinstated (if the Credit Facility is still in effect) with respect to such Unremarketed Bonds.

(e) Undelivered Bonds. Any Bonds with respect to which the holder has given a notice of purchase to the Tender Agent as specified in Section 919(a) or which are required to be tendered for a purchase on a Mandatory Purchase Date to the Tender Agent that are not delivered on the Purchase Date, and for the payment of which there has been irrevocably deposited in trust in the Bond Purchase Fund an amount of money sufficient to pay the Purchase Price and any interest owing on the Purchase Date with respect to that Bond shall be deemed to have been purchased pursuant to this section, and shall be Undelivered Bonds. In the event of a failure by a Bondholder (other than a Bondholder who has given a valid and effective Notice of Waiver of Purchase as provided herein) to tender its Bonds on or before the required date, said holder of such Undelivered Bonds shall not be entitled to any payment other than the Purchase Price and any unpaid interest due on the Purchase Date and Undelivered Bonds in the hands of such non-delivering holder shall no longer accrue interest or be entitled to the benefits of this Indenture, except for the payment of the Purchase Price and any unpaid interest due on the Purchase Date; provided, however, that the indebtedness represented by such Bonds shall not be extinguished, and the Tender Agent shall transfer, authenticate and deliver such Bonds as provided below. The Tender Agent shall give telephonic or facsimile notice to the Trustee, promptly confirmed by mail, of all Undelivered Bonds. With the respect to any Undelivered Bond, the Tender Agent, acting hereunder and pursuant to the power of attorney granted by such Bondholder herein, shall do the following:

(1) Assign and register the transfer of such Bond to the purchaser or purchasers thereof;

(2) Authenticate and deliver a new Bond or Bonds, as appropriate, to the purchaser or purchasers thereof including the Airline, if appropriate;

(3) Execute and deliver to the Trustee an acknowledgement that the holder of Undelivered Bonds holds such Undelivered Bonds for the benefit of the new purchaser or purchasers thereof, who shall be identified in such acknowledgement;

(4) Promptly notify by first class mail the holder of such Undelivered Bond that:

(i) the Tender Agent has acted pursuant to such power of attorney to transfer the Undelivered Bond and to perform the other acts set forth in this Section;

(ii) the Undelivered Bond is no longer Outstanding; and

(iii) funds equal to the applicable Purchase Price plus any unpaid interest due on the Purchase Date for such Bond are being held on behalf of such holder pending presentation of the Undelivered Bond, without interest, in the Bond Purchase Fund established for such purpose by the Trustee;

(5) Notify the Trustee for entry on the Bond Register that the Undelivered Bond is no longer Outstanding;

(6) By Noon, on any Business Day on which an Undelivered Bond is presented to the Tender Agent, requisition the Trustee for the amounts necessary to pay the Purchase Price including, as to Bonds in the Weekly Interest Rate Mode, any unpaid interest due on the Purchase Date to such holder tendering such certificate. Bonds presented on or before 10:30 A.M., New York City time on any Business Day are to be paid on or before the close of business on that day. Bonds presented after 10:30 A.M. are to be paid on the next succeeding Business Day.

(7) The Tender Agent shall pay the Purchase Price to the tendering bondholder by wire transfer if wire transfer instructions have been received or by check or draft or by such other means satisfactory to the Tender Agent and such holder.

By or before the close of business the Trustee shall pay the Purchase Price to the Tender Agent by wire transfer from money in the Bond Purchase Fund.

Prior holders of Bonds purchased or deemed purchased pursuant to this Section 919 shall not be entitled to interest thereon which accrues on and

after the related Purchase Date; provided moneys are on hand in the Bond Purchase Fund to pay the Purchase Price and any unpaid interest due on the Purchase Date.

(g) Purchase of Tendered Bonds. On any Purchase Date (all times New York time):

(1) By or before [10:30 A.M.] the Remarketing Agent shall give facsimile notice to the Trustee, of the principal amount of Bonds of any Series subject to purchase on the Purchase Date which have not been remarketed by the Remarketing Agent at the time of notice.

(2) By [12:00 Noon] the Trustee, shall submit to the Credit Provider at the place specified in the Credit Facility appropriate documentation for a drawing or drawings under the Credit Facility in the amount equal to the Purchase Price of the Bonds required to be purchased on such Purchase Date which were not remarketed by the Remarketing Agent at the time of the notice provided pursuant to paragraph (1) above.

(3) By or before [10:30 A.M.] the Remarketing Agent shall notify the Tender Agent of the names, addresses, and delivery instructions for the purchaser of remarketed Bonds and the principal denominations of such Bonds.

(4) By or before [2:30 P.M.] the Credit Provider shall pay by wire transfer in immediately available funds the amount of the drawings properly made on such date to the Trustee for deposit in the Bond Purchase Fund.

(5) By or before [11:30 A.M.] the Remarketing Agent shall pay or cause to be paid by wire transfer of immediately available funds the purchase price of remarketed Bonds to the Tender Agent for payment to the tendering Bondholder as described below. Such payment for such remarketed Bonds will be effected by a delivery versus payment transaction between the purchaser and the Tender Agent.

(6) By or before [1:30 P.M.] the Tender Agent shall wire transfer the Purchase Price of remarketed Bonds which have not been tendered to the Trustee for deposit into the Bond Purchase Fund.

(7) In the case of Bonds not being settled by book-entry through the Book-Entry Depository by or before Noon, the Tender Agent shall notify the Trustee of all Tendered Bonds which have been delivered to the Tender Agent for purchase on such Purchase Date.

(8) Bonds purchased by the Tender Agent with proceeds of a draft drawn under the Credit Facility and not remarketed by the Remarketing Agent shall be owned by the Airline and be held by the Trustee in pledge

for the benefit of the Credit Provider. For Bonds not remarketed but which have been tendered with the Tender Agent, (i) in the case of delivery via the Book-Entry Depository, the Tender Agent shall cause to be delivered such Bonds versus payment to the Trustee (or agent of the Credit Provider) such Bonds to be held in pledge hereunder, or (ii) in the case of physical delivery, the Tender Agent shall cancel the purchased certificates and immediately advise the Trustee of such act, upon which the Trustee shall authenticate and register the Bonds, such Unremarketed Bonds to be registered by the Trustee in the name of the Credit Provider or its designee as Pledgee by the close of business that day.

(9) By or before the close of business the Tender Agent shall deliver such Bonds to the purchasers in accordance with the direction of the Remarketing Agent or such purchasers.

(10) By or before the close of business the Trustee shall pay the Purchase Price to the Tender Agent by wire transfer from money in the Bond Purchase Fund.

(11) The Tender Agent shall pay the Purchase Price to the tendering Bondholder by wire transfer if wire transfer instructions have been received or by check or draft or by such other means satisfactory to the Tender Agent and such holder.

(h) Unremarketed Bonds. On the date of the remarketing of any Unremarketed Bonds:

(1) By or before [10:30 A.M.] the Remarketing Agent shall notify the Trustee of the names, addresses, and delivery instructions for the purchasers of Unremarketed Bonds and the principal denominations of such Bonds.

(2) By or before [11:30 A.M.] the Remarketing Agent shall pay or cause to be paid by wire transfer of immediately available funds the purchase price of remarketed Unremarketed Bonds to the Trustee for deposit in the Bond Purchase Fund. In the case of book-entry settlement via the Book-Entry Depository, such payment for remarketed Unremarketed Bonds will be effected by a delivery versus payment transaction between the purchaser and the Trustee.

(3) The Trustee shall wire transfer such purchase price of remarketed Unremarketed Bonds to the Credit Provider to the extent the Credit Provider has not been reimbursed for the draw on the Credit Facility used to purchase such Unremarketed Bonds. Any remaining moneys after the Credit Provider has been reimbursed in full with respect to such remarketed Unremarketed Bonds shall be paid to the Airline.

If the Unremarketed Bonds are remarketed at less than par the Airline shall wire to the Trustee by [11:00 A.M.], Chicago, Illinois time, any moneys necessary to fully reinstate the Credit Facility upon the remarketing of such Unremarketed Bonds. The Trustee shall not register remarketed Bonds to the new bondholders unless it has been notified by the Credit Provider that the Credit Facility has been reinstated as to such Bonds.

Payment of the Purchase Price for Bonds tendered for purchase or deemed tendered for mandatory purchase shall be made on the relevant Bond Purchase Date as applicable only with the funds in the Bond Purchase Fund in the order described in Section 417; provided that upon receiving direction from the Credit Provider to purchase bonds pursuant to clause (3) of Section 819(b) hereof, the Trustee shall draw upon the Credit Facility and use such proceeds to purchase Bonds.

Bonds remarketed by the Remarketing Agent shall be delivered to the purchasers thereof. In each case the Tender Agent shall authenticate the Bonds delivered to the purchasers thereof.

The Remarketing Agent may, but is not obligated to, acquire for its own account any Bonds delivered to the Tender Agent but not resold. The Remarketing Agent may sell and/or purchase any Bonds for its own account at any time.

Section 920. Remarketing And Sale Of Bonds.

(a) Except as otherwise provided in the Remarketing Agreement, and with respect to all Unremarketed Bonds and all Bonds subject to purchase on a Bond Purchase Date other than Bonds subject to Mandatory Purchase pursuant to Section 919 which are not to be remarketed unless and until, in the case of any Mandatory Purchase Date arising pursuant to Section 919(b)(1) an alternate or replacement Credit Facility has become effective, or in the case of Section 919(b)(3) the Credit Provider has reinstated the Credit Facility, the Remarketing Agent shall offer for sale and use its best efforts to sell all such Bonds at a price equal to the principal amount thereof plus accrued interest, if any, and with an interest rate determined as provided in Section 212; provided that the Unremarketed Bonds may be remarketed at prices other than par, but no Unremarketed Bond shall be remarketed unless the Credit Facility has been or, upon receipt of remarketing proceeds, will be reinstated in the amount equal to the principal amount of all outstanding Bonds (other than Bonds remaining as Unremarketed Bonds) and [] days interest at the rate of []% per annum. The Remarketing Agent shall promptly notify the Airline, the Tender Agent and the Trustee by telephone, confirmed in writing, of the remarketing of Unremarketed Bonds.

(b) The Trustee shall notify the Remarketing Agent promptly of any Event of Default and the Remarketing Agent may rely upon such notice absent manifest error in it. Any Bond purchased pursuant to Section 819 hereof during the period following notice of Conversion pursuant to Section 214 hereof or a notice of redemption pursuant to Section 602 hereof shall not be remarketed except to a purchaser who has acknowledged receipt of a form of notice of conversion or notice of redemption to the same effect as the notice to be given Bondholders pursuant to Section 214 hereof or Section 602 hereof, as the case may be.

(c) The proceeds of sale of any Bonds (other than Unremarketed Bonds) sold by the Remarketing Agent pursuant to Section 919(f) hereof shall be transferred by or at the direction of the Remarketing Agent by wire transfer in immediately available funds to the Trustee, for application in accordance with this Indenture. The proceeds of the remarketing of Unremarketed Bonds shall be transferred by or at the direction of the Remarketing Agent to the Credit Provider in immediately available funds on the date of remarketing in the manner as shall be specified by the Bank to the Remarketing Agent.

Anything in this Indenture to the contrary notwithstanding, there shall be no remarketing of Bonds which have been tendered or deemed tendered for purchase to this Article IX if there shall have occurred and be continuing an event of default under the Indenture.

Section 921. Tender Agent.

(a) The Tender Agent shall:

(1) Hold all Bonds delivered to it for purchase hereunder as agent and bailee of, and in escrow for the benefit of, the respective Bondholders who have so delivered such Bonds until moneys representing the Purchase Price of such Bonds have been delivered to or for the account of or to the order of such Bondholders.

(2) Hold all moneys delivered to it hereunder for the purchase of Bonds as agent and bailee of, and in escrow for the benefit of, the person or entity which shall have so delivered such moneys, without liability for interest thereon, until the Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity or such moneys have been returned to the Trustee pursuant to Section 919(f)(5) hereof. All moneys received by the Tender Agent pursuant to this Indenture shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, shall be segregated from other funds and shall remain uninvested until applied for the purpose for which they are held by the Tender Agent.

(b) The Tender Agent may act upon any instrument or other writing believed by it in good faith to be genuine and to have been signed or presented by the proper person and shall not be liable to any person in connection with the performance of its duties hereunder, except for its own willful misconduct, negligence or bad faith. The Tender Agent's duties shall be determined only with reference to this Indenture or the Tender Agency Agreement dated as of even date herewith and applicable laws and no implied covenants or obligations shall be read into this Indenture against the Tender Agent. If in doubt as to its duties and responsibilities hereunder, the Tender Agent may consult with counsel of its choice and shall be protected in any action taken or omitted in connection with such duties and responsibilities upon the advice or opinion of such counsel, except as provided above with respect to its own willful misconduct, negligence or bad faith.

(c) The Tender Agent may at any time resign and be discharged of the duties and obligations created hereunder by giving at least 60 days, written notice to the Airline, the Trustee, the Remarketing Agent, the Credit Provider, the Rating Agency then rating the Bonds and the City, specifying the date upon which such termination shall take effect. The Tender Agent may be removed at any time by the Airline by a written instrument filed with the Airline, the Trustee, the Remarketing Agent, the Credit Provider and the City. Upon the resignation or removal of the Tender Agent, the Tender Agent shall promptly pay over, deliver and assign any moneys and Bonds held by it in such capacity to its successor, or, if there is no such successor, to the Trustee.

(d) The Tender Agent consents and agrees to perform such duties and only such duties as are specifically set forth in this Indenture and the Tender Agency Agreement; provided that the Tender Agent shall use reasonable care in the custody and preservation of Bonds in its physical possession. The Tender Agent shall not be liable for loss, theft, damage or destruction of Bonds in the course of delivery, acceptance or transmission except when such Bonds are in the Tender Agent's physical possession. The Tender Agent shall not be liable for any negligence, default or insolvency of any agent or subagent of the Tender Agent. None of the provisions contained in this Indenture and the Tender Agency Agreement shall require the Tender Agent to expend or risk its own funds or otherwise incur personal financial liability in the performance of any duties or in the exercise of any rights or powers hereunder or to take any actions not specifically set forth in this Agreement unless it shall have received reasonable security or indemnity against the costs, expenses and liabilities which would be incurred by its taking of such action.

(e) The Tender Agent may, in the course of performing its duties hereunder, make reasonable use of the United States Postal Service, insured and bonded private courier services and securities and funds processing,

delivery and communication services and facilities provided by the Board of Governors of the Federal Reserve System, the Book-Entry Depository, the National Securities Clearing Corporation and other clearing agencies, as defined in the Securities Exchange Act of 1934 as amended. In addition, the Tender Agent may perform any duties hereunder either directly or through agents or attorneys.

(f) The Tender Agent and its officers, directors and employees may acquire and hold, or become the pledgee of, the Bonds and otherwise deal with the Airline in the same manner and to the same extent and with like effect as though it were not the Tender Agent hereunder.

(g) If any dispute shall arise with respect to the delivery, ownership, right of possession and/or disposition of Bonds delivered to the Tender Agent hereunder or should any bona fide claim be made thereon by a third party, the Tender Agent, upon receipt of written notice of such dispute by the Airline or by a third party, is authorized and directed to retain possession of all or any such Bonds and/or proceeds until such dispute shall have been settled either by mutual agreement of the parties involved or by final order, decree or judgment of any court in the United States.

(h) The recitals contained herein and in the Bonds shall be taken as the statements of the Airline, and the Tender Agent assumes no responsibility for their accuracy or correctness. The Tender Agent makes no representations or warranties as to the validity or sufficiency of the Bonds or the Indenture and shall not have any liability under the terms and provisions of any other agreement other than this Indenture or the Tender Agency Agreement. The Tender Agent shall not be accountable for the use or application by the Airline of the Bonds or the proceeds thereof, or for the use of application of any moneys paid over by the Tender Agent to a Bondholder in accordance with any provisions of this Indenture or the Agreement. The Tender Agent's duties hereunder are ministerial in nature and payments to the Bondholders shall only be made if and to the extent that funds are made available under this Indenture.

(i) The Tender Agent may execute any of its power or responsibilities hereunder and exercise any rights hereunder either directly or by or through its agents or attorneys. Nothing in this Indenture or the Tender Agency Agreement shall be deemed to impose upon the Tender Agent any duty to qualify to do business or to act as fiduciary or otherwise in any jurisdiction other than the State of New York.

*Special Facility Use Agreement
(Cargo Facility)*

Dated As Of October 1, 1990

By And Between

City Of Chicago

And

Compagnie Nationale Air France.

The rights of the City of Chicago and the amounts payable to the City under this Special Facility Use Agreement (except the City's Unassigned Rights as defined in the Indenture of Trust hereinafter described and amounts payable to the City in respect thereof) have been pledged and assigned to Independence Bank of Chicago and The First National Bank of Chicago, as Trustees under the Indenture of Trust dated as of October 1, 1990, from the City to said Trustees, securing the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project).

This Special Facility Use Agreement, dated as of October 1, 1990, between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois (the "City"), and Compagnie Nationale Air France, a corporation organized and existing under the laws of the Republic of France (the "Airline").

Witnesseth:

Whereas, The City owns and operates the Airport (defined in the

Indenture hereinafter described) known as Chicago-O'Hare International Airport, and the City has the power to grant rights and privileges with respect thereto; and

Whereas, The Airline is the holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958 as amended, authorizing it to operate in foreign air transportation to and from the City of Chicago and so operates at the Airport; and

Whereas, The City is in the process of implementing a major redevelopment of the Airport; and

Whereas, In relation to such redevelopment the City and the Airline now desire to provide for the payment of the costs of certain improvements constituting a cargo facility and certain at the Airport (the "Project"), as more fully described in Exhibit A hereto, which have been provided by the City or are to be designed, constructed and installed by the Airline on behalf of the City and are to be leased, used and occupied by the Airline pursuant to the Site Lease; and

Whereas, By ordinance adopted by the governing body of the City in the exercise by the City of its powers as a home rule unit of local government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, the City has authorized and undertaken to issue its Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project) in one or more Series (the "Bonds"), under and pursuant to the provisions of, and to be secured by, an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project) dated as of October 1, 1990 (as it may be supplemented or amended, the "Indenture") from the City to Independence Bank of Chicago and The First National Bank of Chicago as Co-Trustees (as more fully hereinafter defined, collectively the "Trustee") for the purpose of financing part or all of the costs of the Project and, if hereafter deemed necessary or desirable by the City and the Airline and as authorized by amendment of or supplement to such ordinance, further improvements and other accessions thereto ("Additions"), including without limitation costs and expenses incidental to the Project and any Additions and to the issuance of each Series of the Bonds; and

Whereas, The City and the Airline have entered into a Cargo Building Site Lease dated as of [October 1], 1990, (as it may be amended, the "Site Lease") relating to the design, construction, installation, lease, use and occupancy of the Project; and

Whereas, The Airline has agreed under this Agreement to make payments hereunder sufficient to pay when due (whether at stated maturity, upon redemption, by acceleration or otherwise) the principal and purchase price

upon tender, if any, of and interest and redemption premium, if any, on the Bonds; and

Whereas, The Airline has further agreed under this Agreement to make payments hereunder sufficient to pay when due the purchase price of any Bonds tendered by the holders thereof for purchase (whether optionally at the election of such holders or mandatorily) pursuant to the provisions of the Indenture permitting or requiring such tender, if any;

Now, Therefore, In consideration of the respective representations and agreements herein contained, the parties hereto agree as follows:

Article I.

Definitions.

All terms used herein that are defined in the Indenture shall have the same meanings assigned them in the Indenture unless otherwise defined herein or unless the context otherwise requires.

Article II.

Representations.

Section 2.1. Representations And Covenants By The City.

The City makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The City is a municipal corporation and home rule unit of local government, duly organized and existing under the laws of the State.

(b) The City is duly authorized and empowered by the provisions of Article VII, Section 6(a) of the 1970 Constitution of the State to enter into the transactions contemplated by this Agreement, the Site Lease and the Indenture and to carry out its obligations hereunder and thereunder, including the issuance and sale of the Bonds. By enactment of the Authorizing Ordinance of its Governing Body, the City has been duly authorized to execute and deliver this Agreement, the Site Lease, the Indenture and the Tax Documents to which it is a party, and to issue and sell the Bonds.

(c) To provide for the financing of all or a portion of the costs of the Project and, if hereafter deemed necessary or desirable by the City and the Airline and as authorized by amendment of or supplement to the Authorizing Ordinance, Additions thereto, including without limitation costs and expenses incidental to the Project and any additions and to the issuance of each Series of the Bonds, the City intends to issue its Bonds in one or more Series on the terms and conditions specified in Article II of the Indenture.

(d) The Bonds are to be issued under and secured by the Indenture, pursuant to which certain of the City's interests in this Agreement and the Special Facility Revenues derived by the City pursuant to this Agreement (except Unassigned Rights and amounts derived by the City in respect thereof) will be pledged and assigned to the Trustee as security for payment of principal of and interest and redemption premium, if any, on the Bonds.

(e) Neither the execution and delivery of this Agreement, the Site Lease and the Indenture, the issuance and sale of the Bonds, the consummation of the transactions contemplated hereby and thereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, the Site Lease, the Indenture or the Bonds conflicts with or results in a material breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) The City has not assigned and will not assign any interest in this Agreement other than pursuant to the Indenture to secure the Bonds.

(g) In reliance on the reproduction of the Airline in Section 2.2(c) hereof, when duly executed by the authorized officers of the City and the Airline, this Agreement and the Site Lease will each constitute a valid, binding and enforceable obligation of the City, subject, as to enforceability, to applicable bankruptcy, moratorium, reorganization and other similar laws affecting creditors' rights generally and to applicable principles of equity (regardless whether such enforcement is sought in a proceeding in equity or at law).

(h) To the best knowledge of the City, no person holding office with the City, either by election or appointment, is in any manner interested, either directly and indirectly, in his own name or in the name of any other person, association, trust or corporation, in any contract or the performance of any work, or has represented, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for, any of the contract of purchase with respect to the Series 1990 Bonds, the Indenture, the Site Lease or this Agreement, or any other document in connection with the foregoing upon which such officer may be called upon to act or vote.

(i) The City confirms its representations and covenants in Section 503 of the Indenture and in the Tax Documents, which relate, without limiting the foregoing, to the exemption of interest on the Bonds from inclusion in the gross income of Bondholders for federal income tax purposes.

(j) The City has duly granted the Airline, the Project and the Bonds an allocation of [Equipment Bond Amount] (1) with respect to obligations described in Section 1317(5)(B) of the Tax Reform Act of 1986 (P.L. 99-514), and (2) with respect to the volume cap applicable to certain private activity bonds as described in Section 146 of the Code.

Section 22. Representatives By The Airline.

The Airline makes the following representatives as the basis for the undertakings on its part herein contained:

(a) The Airline is a corporation duly incorporated and in good standing under the laws of the Republic of France, is the holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958 as amended, authorizing it to operate in foreign air transportation to and from the City of Chicago, has the power to enter into this Agreement and the Site Lease and by proper action has authorized the execution of this Agreement and the Site Lease.

(b) Neither the execution and delivery of this Agreement and the Site Lease, the consummation of the transactions contemplated hereby or thereby, not the fulfillment of or compliance with the terms and conditions of this Agreement and the Site lease, will result in a material breach of or will constitute a default under any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Airline is now a party or by which it or any of its property is bound, or will constitute a default under any of the foregoing, or will result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Airline prohibited under the terms of any instrument or agreement.

(c) In reliance on the representation of the City in Section 2.1(g) hereof, when executed by the authorized officers of the City and the Airline, this Agreement and the Site Lease will each constitute a valid, binding and enforceable obligation of the Airline, subject, as to enforceability, to applicable bankruptcy, moratorium, reorganization and other similar laws affecting creditors' rights generally and to applicable principles of equity (regardless whether such enforcement is sought in a proceeding in equity or at law).

(d) The Project is to be located at the Airport, wholly within the boundaries of the Demised Premises (as defined in the Site Lease), except for parts of the fuel hydrant system and certain improvements by the City common to the Demised Premises and other nearby facilities.

(e) To the best knowledge of the Airline, no person holding office with the City, either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in any contract or the performance of any work, or has represented, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for, any of the contract of purchase with respect to the Series 1990 Bonds, the Indenture, the Site Lease or this Agreement, or any other document in connection with the foregoing upon which such officer may be called upon to act or vote.

(f) The Project consists and will consist of the capital improvements described in Exhibit A attached hereto and incorporated herein by this reference and no changes shall be made in the Project except as permitted by Section 3.1 hereof.

(g) The Airline has acquired or will acquire the use of the Project or portions thereof sufficient for its purposes.

(h) The Airline confirms its representations and covenants in Articles IV and XV of the Site Lease, which relate, without limiting the foregoing, to nondiscrimination and affirmative action in its use of the Demised Premises, in the construction of the Project, or in furnishing any of its services as a foreign air carrier.

Article III.

Acquisition And Completion Of The Project; Issuance Of The Bonds.

Section 3.1. Agreement To Acquire.

(a) The Airline agrees to cause the Project to be designed, constructed and installed, such design, construction and installation to be in accordance with Exhibit A attached hereto, the Site Lease and Exhibits C and D attached thereto and the Plans and Specifications. If there is any supplement or amendment to the description of the Project in accordance with Exhibit C to the Site Lease or otherwise, the Commissioner and the Airline shall amend Exhibit A to this Agreement to reflect such supplement or amendment,

which supplement or amendment shall not be considered as an amendment to this Agreement for the purposes of Article XI of the Indenture.

(b) Nothing contained in this Section or in Exhibit A hereto shall (i) relieve the Airline from making the payments required to be paid pursuant to Article IV hereof, or (ii) permit the Airline to make any supplements or amendments to the description of the Project or the Plans and Specifications (including additions thereto or deletions therefrom) if such supplement or amendment would result in less than 95% of the proceeds of the Bonds being used to provide Qualified Airport Facilities.

Section 3.2. Agreement To Issue Bonds; Application Of Bond Proceeds.

(a) In order to provide for the financing of the Costs of the Project and any Additions, the City intends to sell and cause to be delivered to the purchasers thereof, against payment therefor, Bonds in an initial Series in the aggregate principal amount of [Initial Bond Amount] and, if hereafter deemed necessary or desirable by the City and the Airline and as authorized by amendment of or supplement to such ordinance, one or more additional Series of Bonds on the terms and conditions specified in the Indenture.

(b) Upon receipt of the proceeds from the sale of the Bonds (less any underwriters' discount and original issue discount), the City agrees to deposit such proceeds in the Construction Fund and the accounts and sub-accounts therein, the Debt Service Reserve Fund, the Bond Fund and any other applicable Fund, as provided in the Indenture.

Section 3.3. Disbursements From The Construction Fund.

(a) The City has authorized and directed the Trustee to disburse the moneys in the Construction Account of the Construction Fund to or at the direction of the Airline for the purpose of paying part or all of the Costs of the Project and any Additions.

(b) The Airline agrees that it will direct the Trustee to disburse moneys in the Construction Account of the Construction Fund to reimburse the City for expenditures relating to any items constituting part of the Costs of the Project and any Additions incurred by the City, whether before or after the date of issuance of any Series of Bonds.

(c) The Airline shall have the right to direct that all moneys remaining in the Construction Account of the Construction Fund (or any sub-account thereof) after the Completion Date of the Project or any Additions whose Costs are payable therefrom and after payment or provision for payment of

all other items included in Costs of the Project or such Additions, all as the case may be, shall be used in accordance with Section 305 of the Indenture.

Section 3.4. Certificate Of Completion; Obligation Of Airline To Complete.

(a) The Airline agrees to notify the City and the Trustee promptly of the completion of the Project and of any Additions. Each Completion Date shall be evidenced to the Trustee and the City by a certificate signed by the Authorized Airline Representative setting forth the Cost of the Project or such Additions and stating:

(i) that construction of the Project or such Additions has been completed substantially in accordance with the Plans and Specifications applicable thereto and work orders therefor and all labor, services, materials and supplies used in such construction for which payment is due have been paid for, and the date of such completion;

(ii) that all other facilities necessary in connection with the Project or such Additions have been constructed, acquired and installed in accordance with Plans and Specification applicable thereto and work orders therefor and all Costs incurred in connection therewith (other than Costs for which the Airline has withheld payment or for which payment is not yet due) have been paid; and

(iii) that at least 95% of the Aggregate Cost of the Project or such Additions, after taking into account amounts theretofore paid or reimbursed from the Construction Fund and amounts, if any, to be paid or reimbursed from the Construction Fund after the date of such certificate, is Qualified Costs of Construction.

Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or that may subsequently come into being. It shall be the duty of the Airline to cause such certificate to be furnished to the Trustee and the City within a reasonable time after the Project or any Additions shall have been completed.

(b) If, after taking into account the proceeds of all Bonds issued or authorized to be issued therefor, the aggregate amount of moneys in the Construction Account in the Construction Fund (or the applicable sub-account therein) available for payment of the Costs of the Project or any Additions should not be sufficient to pay the costs thereof in full, the Airline agrees to pay directly, or to deposit in the Construction Fund moneys sufficient to pay, the costs of completing the Project or such Additions as may

be in excess of the aggregate amount of moneys available therefor in the Construction Fund (or the applicable sub-account therein). The City does not make any warranty, either express or implied, that the moneys that will be paid into the Construction Fund and that, under the provisions of this Agreement or otherwise, will be available for payment of the Costs of the Project or such Additions, will be sufficient to pay all the costs that will be incurred in that connection. The Airline agrees that if after exhaustion of the moneys in the Construction Fund the Airline should so pay, or deposit moneys in the Construction Fund for the payment of, any portion of the said Cost of the Project or such Additions pursuant to the provisions of this Section, it shall not be entitled to any reimbursement therefor from the City or from the Trustee or from the owners of any of the Bonds, nor shall it be entitled to any diminution of the amounts payable under Section 4.2 hereof.

Section 3.5. Authorized Airline Representative.

Before or concurrently with the sale of the Bonds and from time to time thereafter the Airline shall appoint a person as an Authorized Airline Representative for the purpose of taking all actions and making all certificates required to be taken and made by the Authorized Airline Representative under the provisions of this Agreement, and shall appoint one or more alternate Authorized Airline Representatives to take any such action or make any such certificate if the same is not taken or made by the person serving as the Authorized Airline Representative. If at any time no person is serving as the Authorized Airline Representative, the chief financial officer of the Airline in the United States shall be deemed to be the Authorized Airline Representative. Whenever under the provisions of this Agreement the approval of the Airline is required or the City is required to take some action at the request of the Airline, such approval or such request shall be made by the Authorized Airline Representative unless otherwise specified in this Agreement, and the City or the Trustee shall be authorized to act on any such approval or request and the Airline shall have no complaint against the City or the Trustee as a result of any such action taken.

Section 3.6. Investment Of Construction Fund And Bond Fund Moneys Permitted.

(a) As and to the extent provided in Section 501 of the Indenture, an Agreement may direct, which direction may be oral but shall be confirmed in writing, that any moneys held as a part of any of the Funds under the Indenture, other than the Rebate Fund, shall be invested or reinvested by the Trustee in Investment Securities as specified from time to time in such direction. The Airline shall not direct the Trustee to make any investments

or reinvestments other than those permitted by law. In making any such investments, the Trustee may rely on directions delivered to it pursuant to this Section by an Authorized Airline Representative or, in the case of oral directions, by a person representing himself to be an Authorized Airline Representative, and the Trustee shall be relieved of all liability with respect to making such investments in accordance with such directions.

(b) The Airline is hereby granted the right to purchase for cash investments on deposit in the Construction Fund at the prices and in the manner set forth in Section 501 of the Indenture. For the purposes of this section, any interest-bearing deposits, including certificates of deposit, issued by or on deposit with the Trustee shall be deemed to be investments and not deposits.

Section 3.7. Tax Covenants.

(a) The Airline covenants not to take any action, or omit to take any action which is lawful and within its power to take, and which, if taken or omitted, would cause interest on the Bonds to become includable in the gross income of the holders of the Bonds for federal income tax purposes, other than a holder who is a "substantial user" or "related person" within the meaning of such terms as defined in the Code.

(b) The Airline further covenants that it will not take any action or omit to take any action with respect to the investment of the proceeds of any Series of Bonds or with respect to Special Facility Revenues (including the payments derived under Section 4.1 of this Agreement) which would result in causing Bonds of any Series to constitute "arbitrage bonds" within the meaning of such term as defined in the Code.

(c) In furtherance of the covenants in this section, the Airline will execute any Tax Documents or amendments or supplements to this Agreement with respect to any Series of Bonds containing such representations and covenants as are deemed necessary or advisable in the opinion of Bond Counsel to insure that the Airline complies with the provisions of this Section.

(d) As and to the extent permitted by Section 3.6 hereof and Section 501 of the Indenture, the Airline reserves the right to direct any investment of moneys in any of the Funds under the Indenture, other than the Rebate Fund, permitted by State law, if, when and to the extent that Section 148 of the Code or regulations promulgated thereunder or any similar or successor provisions thereto shall be repealed or relaxed or shall be held void by final judgment of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation or decision would not, in the written opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

(e) The Airline agrees to notify the Trustee and the City of the occurrence of any event of which the Airline has notice that would require the Airline to prepay the amounts due hereunder in accordance with Section 7.2 hereof.

Section 3.8. Use Of Leased Premises.

It is acknowledged that the City and the Airline have entered into the Site Lease providing for the lease by the Airline of the Leased Premises (including the Airline's right to use and occupy the Project) and that the Site Lease provides for the rental payments applicable to the Leased Premises and the rights of the Airline with respect to the Leased Premises. The Airline hereby confirms to the City, its representations, warranties, agreements and covenants under the Site Lease. Nothing herein shall limit the City's exercise of any right or remedy under the Site Lease in the event of a default thereunder by the Airline.

Article IV.

Payments Under This Agreement.

Section 4.1. Issuance Of Bonds And Other Obligations.

(a) In order to provide for the financing of the Project and any Additions, including Costs and expenses incidental thereto and to the issuance of the Bonds, the City hereby agrees to cause the proceeds received from the sale of any Series of Bonds to be deposited, disbursed and applied in accordance with Article III hereof.

(b) For and in connection with the right to lease, use and occupy the Project and any Additions under the Site Lease, and without affecting or diminishing in any manner or to any extent the payments required to be made by the Airline under and pursuant to the Site Lease, the Airline agrees to make all payments when due under Sections 4.2(a) and 7.3(b) hereof, which payments shall be sufficient to pay the principal of and interest and redemption premium, if any, on the Bonds.

Section 4.2. Amounts Payable.

(a) The Airline agrees to make payments to the Trustee for the account of the City in the following amounts and on the following dates:

(i) with respect to any Series of outstanding Bonds, no later than 12:00 Noon, Chicago time, on each Interest Payment Date or other date upon which interest on such Series is payable, a sum (in funds immediately available to the Trustee) that, together with other moneys available therefor in the Capitalized Interest Account in the Construction Fund, the Interest Account in the Bond Fund, and in the Special Facility Revenue Fund, will equal the interest to be paid on such outstanding Bonds on such date;

(ii) with respect to any Series of outstanding Bonds, no later than 12:00 Noon, Chicago time, on each date on which principal of such Series is payable, at Stated Maturity, upon redemption, by acceleration or otherwise, a sum (in funds immediately available to the Trustee) that, together with other moneys available therefor in the Principal Account in the Bond Fund and in the Special Facility Revenue Fund, will equal the principal of and redemption premium, if any, on such outstanding Bonds that will become due and payable on such date; and

(iii) no later than 12:00 Noon, Chicago time, on the fifth (5th) Business Day after the Trustee shall have notified the City and the Airline that the balance in the Debt Service Reserve Fund (or any applicable Series Account therein) shall have become less than the Debt Service Reserve Requirement then in effect (whether for the Debt Service Reserve Fund as a whole or for such applicable Series Account therein), a sum (in funds immediately available to the Trustee) that, together with other moneys available therefor in the Debt Service Reserve Fund and the Special Facility Revenue Fund, will equal such Debt Service Reserve Requirement then in effect, provided that, if such deficiency shall arise solely as a result of a redetermination by the Trustee of the value of obligations or other investments in the Debt Service Reserve Fund (or such applicable Series Sub-Account therein) pursuant to Section 400(e) of the Indenture, the Airline shall not be required to make such payment unless, until and to the extent that such deficiency shall remain in existence on the first anniversary of such redetermination; provided that the obligation of the Airline to make any payment under clause (i) or clause (ii) above shall be reduced by the amount of any reduction under the Indenture of the amount of the corresponding payment required to be made by the City on the Bonds. If pursuant to Section 409 of the Indenture the Airline shall furnish a letter of credit or surety bond policy for deposit in the Debt Service Reserve Fund in satisfaction of all or any portion of the Debt Service Reserve Requirement, the obligation described in clause (iii) above may be satisfied by restoring the deficit in the amount available under such letter of credit or surety bond policy in lieu of a cash payment.

(b) The Airline agrees to pay to the Trustee, promptly after receipt of any statement of the Trustee therefor, until the principal of and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture: (i) an

amount equal to the annual fee of the Trustee for the Ordinary Services (including reimbursement for fees and expenses of any co-trustee, authenticating agent or co-bond registrar) rendered by it and Ordinary Expenses, including legal fees and expenses, incurred by it under the Indenture, as and when the same become due, (ii) the reasonable fees, charges and expenses of the Trustee, as Bond Registrar and Paying Agent, as and when the same become due, (iii) the reasonable fees, charges and expenses of the Trustee for reasonable and necessary Extraordinary Services and Extraordinary Expenses, including legal fees and expenses, as and when the same become due (provided that if such Extraordinary Services or Extraordinary Expenses are occasioned by the neglect or misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor), (iv) the printing and engraving costs of any Bond required by the Trustee from time to time, and (v) the amount of any indemnity to which the Trustee may from time to time be entitled pursuant to the provisions of Section 903 of the Indenture.

(c) The Airline will pay as and when the same become due, to the extent not paid from proceeds of the Bonds, to the City, the reasonable costs and expenses, including legal fees, that may be incurred by the City in connection with this Agreement or in connection with the performance of any covenants, duties or obligations under this Agreement or the Indenture, including without limitation any obligations pursuant to Article VII of the Indenture, provided that nothing contained in this Section 4.2(c) or in Section 4.2(d) or Section 5.4 hereof shall require that the Airline pay, or indemnify or reimburse the City for the payment of, legal fees or expenses paid or incurred by the City if and to the extent that such legal fees or expenses shall have resulted from the active negligence or willful misconduct of the City, nor shall any such legal fees or expenses be deemed Administrative Expenses hereunder or under the Indenture.

(d) The Airline will pay as and when the same become due, to the extent not paid from proceeds of any Series of Bonds, all other Administrative Expenses not included in subsections (b) and (c) above hereinafter arising pursuant to this Agreement or the Indenture, including without limitation the reasonable fees, charges and expenses of any Tender Agent with respect to any Bonds which may from time to time become Tendered Bonds.

(e) If for any reason moneys in the Rebate Fund on any date on which amounts are to be paid therefrom pursuant to the provisions of the Tax Documents are insufficient to pay the amounts then due, the Airline shall pay, and hereby unconditionally agrees to pay, to the Trustee for the account of the City for deposit into the Special Facility Revenue Fund, until the principal of and interest on such Series shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, in funds immediately available to the Trustee, (i) such sum as shall be necessary, together with other moneys in the Bond Fund available for the purpose, to pay the amount payable on any such date as interest on such Series as provided in the Indenture, and (ii) such sum as shall be

necessary, together with other moneys in the Bond Fund available for the purpose, to pay the amount payable on any such date as principal of such Series as provided in the Indenture.

(f) If the Airline shall fail to make any of the payments required in this Article IV with respect to any Bonds, the payment so in default shall continue as an obligation of the Airline until the amount in default shall have been fully paid and the Airline will pay interest on any overdue principal and, to the extent permitted by law, on overdue interest, at the rates borne by the Bonds during such time until paid.

Section 4.3 Payments Pledged And Assigned.

It is understood and agreed that all payments required to be made by the Airline pursuant to Section 4.2 hereof (except payments to be made to the Trustee pursuant to Section 4.2(b) hereof and payments to be made to the City pursuant to Section 4.2(c) hereof) and certain rights of the City hereunder (except its Unassigned Rights) are pledged and assigned to the Trustee by the Indenture. The Airline consents to such pledge and assignment. The City hereby directs the Airline and the Airline hereby agrees to pay or cause to be paid to the Trustee all such amounts required to be paid by or for the account of the Airline pursuant to Section 4.2 hereof (except payments to be made to the City pursuant to Section 4.2(c) hereof). Neither the Site Lease nor the Leased Premises will constitute any part of the security for the Bonds.

Section 4.4 Obligations Of Airline Hereunder Unconditional.

The obligations of the Airline to make the payments required in Section 4.2 and Section 4.6 hereof and to perform and observe the other covenants on its part contained herein shall be absolute and unconditional and shall not be subject to any defense (other than payment) or any right of set-off, counterclaim, abatement or otherwise and until such time as the principal of and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, the Airline (i) will not suspend or discontinue, or permit the suspension or discontinuance of, any payments provided for in Section 4.2 and Section 4.6 hereof, (ii) will perform and observe all of its other covenants contained in this Agreement, and (iii) will not suspend the performance of its obligations hereunder for any cause, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, failure of or a defect of title to the Leased Premises or any part thereof, eviction or constructive eviction, destruction of or damage to the Leased Premises, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the

United States of America or the State or any political subdivision of either, or any failure of the City to perform and observe any covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement. Nothing contained in this Section shall be construed to release the City from the performance of any of the covenants on its part herein contained; and if the City shall fail to perform any such covenant on its part, the Airline may institute such action against the City as the Airline may deem necessary to compel performance, provided that no such action shall (a) violate the covenants on the part of the Airline contained in the first sentence of this Section 4.4, or (b) diminish the payments and other amounts required to be paid by the Airline pursuant to Section 4.2 and Section 4.6 hereof. The Airline may, however, at its own cost and expense and in its own name or in the name of the City (provided the City is a necessary party), prosecute or defend any action or proceeding or take any other action involving third persons that the Airline deems reasonably necessary in order to secure or protect its rights hereunder; and in such event the City agrees to cooperate fully with the Airline and to take all action necessary to effect the substitution of the Airline for the City in any such action or proceeding if the Airline shall so request.

Section 4.5 Payment And Redemption Of The Bonds From Payments Hereunder.

(a) The Bonds shall be payable from payments made by the Airline to the Trustee, as assignee of the City, under Section 4.2(a) hereof. Payments of principal of or interest or redemption premium, if any, on any Series of Bonds with moneys in the Bond Fund, the Construction Fund or the Debt Service Reserve Fund constituting proceeds from the sale of the Bonds or earnings on investments made under the provisions of the Indenture shall be deemed to be like payments with respect to the amounts due under Section 4.2(a) hereof and shall be credited against the obligation to pay amounts due under Section 4.2(a) hereof.

(b) Whenever any Bonds are redeemable in whole or in part at the option of the Airline, the Trustee, on behalf of the City, shall redeem the same upon the request of the Airline and such redemption shall constitute payment of amounts due under Section 4.2(a) hereof equal to the aggregate principal amount of and redemption premium, if any, on Bonds so redeemed and payment of amounts due under Section 7.3(b) hereof equal to the redemption price (including any premium) of such Bonds.

(c) Whenever payment or provision therefor has been made in respect of the principal of or interest or redemption premium, if any, on all or any portion of any Series of Bonds in accordance with the Indenture (whether at Stated Maturity or upon redemption or acceleration or upon provision for payment in accordance with Article XII of the Indenture), the amounts due under Sections 4.2(a) and 7.3(b) hereof shall be deemed paid to the extent

such payment or provision therefor has been made and is considered to be a payment of principal of or interest or redemption premium, if any, on such Series. If Bonds of such Series are thereby deemed paid in full, the Trustee shall notify the Airline that such payment requirements have been satisfied. Subject to the foregoing, or unless the Airline is entitled to a credit under this Agreement or the Indenture, all payments shall be in the full amounts required under Sections 4.2(a) and 7.3(b) hereof.

Section 4.6. Additional Payment Obligations Of The Airline; Credit Facility.

(a) In addition to the payments required to be made by the Airline pursuant to Section 4.2 hereof, the Airline agrees to pay to the Trustee, no later than [12:00 Noon], New York City time, amounts sufficient to pay the Purchase Price of any Tendered Bonds on the date such Tendered Bonds are to be purchased pursuant to the applicable provisions of the Indenture; provided that the obligation of the Airline to make such payment hereunder with respect to the Purchase Price of Tendered Bonds shall be reduced by the amount of any moneys available for such payment from the remarketing of such Tendered Bonds. All such payments shall be made to the Trustee at its designated office in lawful money (immediately available) of the United States of America. The Airline directs the Trustee to apply such amounts to reimburse the Credit Provider for any such Series of Bonds for amounts drawn or otherwise provided under the Credit Facility for such Series to purchase such Tendered Bonds to the extent provided in the Indenture; otherwise, to apply such amounts for the purpose for which they are paid. The Airline agrees that it shall not purchase, or permit any affiliate to purchase, any Bonds being remarketed by the Remarketing Agent.

(b) From the date of the original issuance and delivery of any Series of Bonds which may be Tendered Bonds to and including the Conversion Date whereupon no Bonds of such Series may thereafter become Tendered Bonds, the Airline agrees to provide for the payment of the amounts to be paid by the Airline pursuant to Section 4.6(a) by delivery to the Trustee of a Credit Facility for such Series of Bonds satisfying the requirements therefor provided in the Indenture with respect to such Series simultaneously with the original issuance and delivery of such Series. The Airline hereby authorizes and directs the Trustee to draw or otherwise obtain moneys under any such Credit Facility in accordance with the provisions of the Indenture to the extent necessary to make payments of the Purchase Price of Bonds of any such Series when such Purchase Price is from time to time due and payable.

(c) With respect to any Series of Bonds or portion thereof for which the applicable provisions of the Indenture shall so require, the Airline agrees to deliver to the Trustee simultaneously with the original issuance and delivery of such Series a Credit Facility for such Series of Bonds satisfying

the applicable requirements of the Indenture and to maintain such Credit Facility, or to provide an alternate or substitute Credit Facility for such Series of Bonds satisfying such applicable requirements at all times as long as the Indenture shall so require. Any alternate or substitute Credit Facility for any Series of Bonds shall be effective on or before the date of expiration of the prior Credit Facility for such Series, and shall have a term ending at least fifteen (15) days after an Interest Payment Date and no sooner than one year after its date of issuance. In connection with furnishing any alternate or substitute Credit Facility for any Series of Bonds, the Airline agrees to provide such opinions of Bond Counsel and Counsel to the Credit Provider of such Credit Facility and such written evidence from the Rating Agency rating the Bonds of such Series, if any, with respect to the effect of the furnishing of such alternate or substitute Credit Facility on the rating of the Bonds of such Series as shall be required pursuant to the Indenture. The Airline shall not be required to maintain or provide a Credit Facility to secure the payment of the Purchase Price of any such Series of Bonds after such Conversion after which no Bonds of such Series may become Tendered Bonds.

Article V.

Special Covenants.

Section 5.1. No Liability Of City.

The Bonds shall be limited obligations of the City payable solely out of the Special Facility Revenues derived from this Agreement. No holder of any Bond shall have the right to compel any exercise of the taxing power of the City or the State or any political subdivision thereof to pay the Bonds or the interest thereon, and the Bonds shall not constitute an indebtedness of the City or the State or any political subdivision thereof or a loan of credit thereof within the meaning of any constitutional or statutory provision or limitation of indebtedness applicable to the City.

Section 5.2. Financial Information Of Airline.

The Airline agrees to furnish to the City and the Trustee a copy of its audited annual report setting forth its financial statements prepared in following accepted accounting principles (in accordance with the French Chart of Accounts, the Act of April 30, 1983, the implementing Decree of November 29, 1983 and the 4th Directive of the European Economic Community) on a basis consistent with its audited annual report for the year ended December 31, 1989 and the report of the independent public

accountants with respect thereto. Such annual report shall be furnished to the City and the Trustee as soon as it becomes publicly available, but in no event later than 270 days after the end of the Airline's fiscal year. The Airline also agrees to furnish to the City and the Trustee a copy of each of its unaudited semi-annual reports prepared following generally accepted accounting principles (in accordance with the new French Chart of Accounts, the act of April 30, 1983, the implementing Decree of November 29, 1983 and the 4th Directive of the European Economic Community) on a basis consistent with its audited annual reports as soon as each such report becomes publicly available, but in no event later than 180 days after the end of the applicable semi-annual fiscal period of the Airline. Upon request of the City or the Trustee, the Airline will furnish copies of any other of its financial statements and reports which it makes publicly available. The Airline agrees that it will furnish all of the foregoing to the Trustee in a sufficient number of copies to permit the Trustee to distribute copies thereof to all holders of the Bonds that from time to time request such copies.

Section 5.3. Airline To Maintain Its Corporate Existence; Conditions Under Which Exceptions Permitted.

The Airline agrees that during the term of its Agreement it will maintain in good standing its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more corporations to consolidate with or merge into it, unless the resulting, surviving or transferee corporation, as the case may be, is a solvent corporation and, concurrently with such transaction, if the Airline is not such resulting, surviving or transferee corporation, (a) irrevocably and unconditionally assumes in writing, by means of an instrument delivered to the City and the Trustee, and agrees to perform, all of the obligations of the Airline herein, and, (b) if such corporation is not organized and existing under the laws of the United States or any State or territory or the District of Columbia, delivers to the City an irrevocable consent to service of process and jurisdiction substantially similar to Section 8.9 hereof.

Section 5.4. Indemnification Covenant.

(a) The Airline hereby confirms its obligations pursuant to Section 10.03 of the Site Lease and further agrees that such obligations shall extend in addition (1) to any and all liabilities, losses, damages, costs and expenses (including reasonable attorney's fees and expenses), causes of action, suits, claims, demands, judgments, awards and settlements arising out of any violation by the Airline of any agreement, warranty, covenant or condition of this Agreement or of any other document executed and delivered by the Airline pursuant to the Indenture or in connection with the issuance,

payment, administration or maintenance of the Bonds and (2) to the Trustee, its agents, representatives and employees (except, in each case, to the extent caused by the active negligence or willful misconduct of the City or the Trustee or both of them, their agents, representatives or employees as determined by a final judicial proceeding).

(b) The City or the Trustee, as the case may be, shall promptly notify the Airline in writing of any claim or action brought against the City or the Trustee, as the case may be, in respect of which indemnity may be sought against the Airline pursuant to the foregoing subsection (b), setting forth the particulars of such claim or action, and the Airline will assume the defense thereof, including the employment of Counsel, and the payment of all expenses. The City or the Trustee, as the case may be, may employ separate Counsel in any such action and participate in the defense thereof, but the fees and expenses of such Counsel shall not be payable by the Airline unless (1) such employment has been specifically authorized by the Airline or (2) the City or the Trustee, as the case may be, shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Airline (in which case the Airline shall not have the right to assume the defense of such action on behalf of the City or the Trustee, as the case may be).

(c) The indemnity provided for in this Section 5.4 shall be independent of any indemnities to which the City may be entitled under the provisions of the purchase agreement with respect to any Series of Bonds and any other agreements between the City and the Airline.

Section 5.5. Redemption Of Bonds.

If the Airline is not in default in the payments under Section 4.2 and Section 4.6, hereof, the City, upon reasonable assurance from the Airline that the Airline shall make sufficient moneys available to pay the redemption price (including any premium) of any Bonds designated by the Airline for redemption, at the request at any time of the Airline and if the same are then callable, shall forthwith take all steps that may be necessary under the provisions of the Indenture to effect redemption of all or a portion of the then outstanding Bonds, as may be specified by the Airline, on the earliest redemption date on which such redemption may be made under such applicable provisions.

Section 5.6. Assignment.

This Agreement may be assigned in whole or in part by the Airline only in conjunction with a corresponding assignment of the Site Lease pursuant to

Section 1.05 thereof and with the written consent of the City, subject, however, to each of the following conditions:

(a) No assignment (other than pursuant to Section 5.3 hereof with respect to the Airline) shall relieve the Airline from liability for any of its obligations hereunder, and in the event of any such assignment the Airline shall continue to remain liable for payment of the amounts specified in Section 4.2 and Section 4.6 hereof and for performance and observance of the other covenants, warranties, representations and agreements on its part herein provided to be performed and observed to the same extent as though no assignment had been made;

(b) The assignee shall assume, in writing, the obligations of the Airline hereunder to the extent of the interest assigned; and

(c) The Airline shall, at least five (5) days before any such assignment, provide the City and the Trustee with written notice thereof and promptly, but in any event no later than thirty (30) days, after any such event, furnish or cause to be furnished to the City and to the Trustee a true and complete copy of such assignment and two (2) executed counterparts of an assumption of obligations agreement.

Section 5.7. Taxes On The Special Facility Revenues.

If any taxes, assessments or other charges are levied on the City with respect to the moneys and other payments to be paid to the City under Section 4.2 hereof, which taxes create a lien thereon that is before the lien of the Trustee pursuant to the Indenture, the Airline agrees to pay the same promptly and to hold the City harmless therefrom. If the Airline shall pay any such tax, assessment or other charge, the Airline shall be subrogated to the City's right, if any, to contest the validity of the levy of such tax, assessment or other charge and shall be entitled to recovery, as compensatory damages, of an amount up to the amount of such tax, assessment or other charge so paid by the Airline plus, to the extent permitted by law, the amount of legal fees incurred in connection with such contest.

Section 5.8. Insurance; Damage Or Destruction Of The Demised Premises.

The City and the Airline confirm their agreements and covenants with respect to insurance set forth in Article VIII of the Site Lease.

Section 5.9. Condemnation.

(a) Cooperation of Parties. The City and the Airline shall cooperate in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Leased Premises.

(b) Net Proceeds. The Airline acknowledges that it is required to use any proceeds of any condemnation award or other amount received by the Airline on account of or in connection with any condemnation, taking or other proceeding that deprives the Airline of the use and occupancy of all or part of the Leased Premises, to the extent such proceeds are not used to rebuild, or to acquire any comparable facility to replace such part or all of the Leased Premises, to redeem Bonds pursuant to Section 7.2 hereof and Section 601(c) of the Indenture.

Section 5.10. Certain Reimbursements By The City.

The Airline hereby recognizes that pursuant to Section 4.01 of the Site Lease, the Airline may receive reimbursement for the Airline's cost of installing certain Common Improvements (as defined in the Site Lease), which cost is or shall be intended to be paid out of the proceeds of the sale of Bonds. The Airline hereby covenants and agrees that, if and when the Airline receives any such reimbursement, the Airline will pay to the Trustee, as soon as practicable after receipt of such reimbursement, for optional prepayment of the amounts payable hereunder and redemption of the Bonds pursuant to Section 601(a) of the Indenture, on the earliest date on which Bonds are redeemable at a price of 100% of the principal amount thereof (and without premium), to the extent such reimbursement relates to Costs of the Project for which moneys in the Construction Account of the Construction Fund were disbursed pursuant to Section 304 of the Indenture, the excess, if any, of (a) the aggregate amount of all such reimbursements related to such Costs of the Project over (b) the aggregate amount of moneys not obtained through the issuance of Bonds which the Airline has applied, or intends to apply, to payment of such Costs of the Project. Notwithstanding the foregoing sentence, the Airline shall not be obligated to apply any such reimbursements to prepayment of amounts payable hereunder with respect to, and to the redemption of, any Series of Bonds the proceeds of which shall not have been used or be intended to be used for payment of such costs.

Article VI.

Events Of Default And Remedies.

Section 6.1. Events Of Default Defined.

The occurrence of any one or more of the events described in the following subsections (a) through (d) of this Section 6.1 shall constitute a "default" for all purposes of this Agreement; and each such default shall, after the giving of notice, if any, passage of time, if any, or occurrence of an event, if any, specified in the subsection describing such default, constitute an "event of default" for all purposes of this Agreement:

(a) If the Airline fails to pay when due any amounts required to be paid in accordance with clauses (i) and (ii) of Section 4.2(a), Section 4.6(a) and Section 7.3(b) hereof, which failure continues for a period of five (5) Business Days and results in an event of default under subparagraph (a) or subparagraph (b) of Section 801 of the Indenture; or

(b) If the Airline fails to pay when due any amounts required to be paid or to otherwise satisfy its obligations pursuant to clause (iii) of Section 4.2(a) hereof, which failure continues for a period of five (5) Business Days; or

(c) If the Airline fails to provide or maintain in effect any Credit Facility required by the Indenture for any Series of Bonds, and such failure results in an event of default under Section 801 of the Indenture; or

(d) If the Airline materially breaches any of its representations or warranties made in this Agreement or fails to observe and perform any of its covenants, conditions or agreements made on its part to be observed or performed hereunder, other than as referred to in subsections (a) and (b) of this Section, for a period of sixty (60) days after written notice specifying such breach or failure and requesting that it be remedied, given to the Airline by the Trustee or, with regard to Unassigned Rights, the City, unless (i) the Trustee or, with regard to Unassigned Rights, the City, shall agree in writing to an extension of such time before its expiration, or (ii) if the breach or failure be such that it can be corrected but not within the applicable period, corrective action is instituted by the Airline within the applicable period and is being diligently pursued; or

(e) If the Airline is dissolved or liquidated, or admits in writing its inability to meet its debts as they mature, or makes an assignment for the benefit of its creditors, or enters into an agreement of composition with its creditors, or files a voluntary petition in bankruptcy or commences any

similar proceeding with respect to adjudicating or adjusting the rights of its creditors or any similar relief from its obligations before any court, governmental agency or other tribunal having jurisdiction over the bankruptcy, insolvency or reorganization of the Airline or the rights of its creditors generally (a "Bankruptcy Tribunal"); or if an order for relief under Title 11 of the United States Code, as the same may from time to time be hereafter amended, or any similar act by any other Bankruptcy Tribunal is entered, taken or issued against the Airline; or if a petition or answer or equivalent instrument proposing the entry of an order for relief against the Airline under Title 11 of the United States Code, as the same may from time to time be hereafter amended, or proposing the reorganization, arrangement, or debt readjustment of the Airline under any present or future bankruptcy act or any similar federal or state law in any court or under any similar law of the Republic of France in any other Bankruptcy Tribunal is filed or a similar proceeding is commenced with respect to the Airline and such petition or answer or proceeding is not discharged or denied within ninety (90) days after such filing or the commencement of such proceeding; or if a custodian (including, without limitation, a receiver, trustee, liquidator or similar fiduciary) is appointed for all or a substantial part of the property of the Airline, and is not discharged within ninety (90) days after such appointment; or if any such custodian takes possession of the Airline or a substantial part of its property, and such taking fails to be discharged within ninety (90) days thereafter; or if the Airline consents to or acquiesces in or takes any action in furtherance of any of the foregoing. The term "dissolution or liquidation of the Airline," as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Airline resulting from a merger or consolidation of the Airline into or with another corporation or a dissolution or liquidation of the Airline following a transfer of all or substantially all of its assets, under the conditions permitting such actions contained in Section 5.3 hereof.

The foregoing provisions of Section 6.1(d) are subject to the following limitations: If by reason of force majeure the Airline is unable in whole or in part to carry out its agreements on its part herein contained other than the obligations on the part of the Airline contained in Article IV, Section 4.6 and Section 5.4 hereof the Airline shall not be deemed in default during the continuance of such inability. The Airline agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Airline from carrying out its agreements; provided that the settlement of strikes, lockouts and other disturbances shall be entirely within the discretion of the Airline and the Airline shall not be required to make settlement of strikes, lockouts and other disturbances by acceding to the demands of the opposing party or parties when such course is in the sole judgment of the Airline unfavorable to the Airline; and provided further that a breach of the covenants set forth in Section 3.7 hereof or of any other covenant with respect to the tax exempt status of interest on the Bonds shall not constitute an event of default subject to acceleration hereunder.

Section 6.2. Remedies On Default.

(a) Whenever any event of default referred to in Section 6.1 hereof shall have occurred and be continuing, the Trustee, as assignee of the City (other than with respect to Unassigned Rights):

(i) shall, by notice in writing to the Airline upon the occurrence and continuation of an event of default described in clause (a), clause (b), or clause (c) above and without notice to the Airline upon the occurrence and continuation of an event of default described in clause (d) above, declare all amounts payable under this Agreement to be due and payable immediately, but only if concurrently with or before such notice the unpaid principal amount of the Bonds shall have been declared to be due and payable, and upon any such declaration the same (being an amount sufficient, together with other moneys available therefor in the Special Facility Revenue Fund, the Debt Service Reserve Fund and the Bond Fund, to pay the unpaid principal of and interest and redemption premium, if any, accrued on the Bonds) shall become and shall be immediately due and payable; and

(ii) may take whatever action at law or in equity may appear necessary or desirable to collect the payments and other amounts then due and thereafter to become due hereunder or to enforce performance and observance of any obligation, agreement or covenant of the Airline under this Agreement; provided that the Trustee, assignee pursuant to the Indenture of certain of the City's rights hereunder, shall not have or be entitled to exercise any rights of entry, re-entry, eviction, reletting, or similar rights with respect to the Project or the Leased Premises, all such rights generally being exercisable solely by the City pursuant to the Site Lease, except to the extent of certain rights to cure certain defaults and replace the Airline with another tenant of the Leased Premises provided in Section 12.01(c) of the Site Lease. The Airline acknowledges that rents payable by any such replacement tenant shall be applied first to satisfy its obligations under the Site Lease and only the excess, if any, shall be available for payment of its obligations hereunder with respect to payment of principal and interest on the Bonds, as provided in such section of the Site Lease. The City and the Airline agree that any such excess rents may be deemed Special Facility Revenues under the Indenture and this Agreement and, to the extent they are paid to the Trustee, shall be deposited in the Special Facility Revenue Fund and credited against the amounts payable by the Airline pursuant to Section 4.2(a) hereof.

(b) Any amounts collected pursuant to action taken under this section shall be paid into the Special Facility Revenue Fund (unless otherwise provided in this Agreement) and applied in accordance with the provisions of

the Indenture. No action taken pursuant to this Section 6.2 shall relieve the Airline from the Airline's obligations pursuant to Section 4.2 hereof.

(c) Notwithstanding the foregoing provisions of this Section 6.2, if and to the extent that any event of default referred to in Section 6.1(c) hereof shall have resulted from the failure on the part of the Airline to observe or perform any covenant, condition or agreement on its part to be observed, or performed pursuant to the provisions of this Agreement relating to the City's Unassigned Rights, the City shall be entitled in its own name and for its own account, to the exclusion of any exercise by the City of any other remedy provided for in this Agreement or now or hereafter existing at law or in equity or by statute (but without affecting or limiting any of the City's rights or remedies under the Site Lease), to institute such action against the Airline as the City may deem necessary to compel performance or observance of such covenant, condition or agreement or to recover damages for the Airline's non-performance or non-observance of the same.

Section 6.3. No Remedy Exclusive.

Except as otherwise provided in Section 6.2(c) hereof, no remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the City hereunder shall also extend to the Trustee as assignee of the City (other than with respect to Unassigned Rights), and the Trustee and the owners of the Bonds, subject to the provisions of the Indenture, shall be entitled to the benefit of the covenants and agreements herein contained.

Section 6.4. Agreement To Pay Fees And Expenses Of Counsel.

If the Airline should default under any of the provisions of this Agreement and the City or the Trustee should employ Counsel or incur other expenses for the collection of the amounts due hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Airline herein contained, the Airline agrees that it will on demand therefor pay to the Trustee, the City or, if so directed by the City or Trustee, to the

Counsel for the City or the Trustee, the reasonable fee of such Counsel and such other expenses so incurred by or on behalf of the City or the Trustee.

Section 6.5. No Additional Waiver Implied By One Waiver; Consents To Waivers.

If any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be effective unless in writing and signed by the party making the waiver. The City shall have no power to waive any default hereunder by the Airline, except a default with respect to Unassigned Rights (which the City may waive unilaterally), without the consent of the Trustee to such waiver. The Trustee shall have power to waive any default by the Airline hereunder, except a default with respect to Unassigned Rights, without the prior written concurrence of the City. Notwithstanding the foregoing, if after the acceleration of the maturity of the outstanding Bonds by the Trustee pursuant to Section 802 of the Indenture, all arrears of interest on the outstanding Bonds and interest on overdue installments of interest (to the extent permitted by law) at the rate of interest borne by the Bonds and the principal of all Bonds then outstanding that have become due and payable otherwise than by acceleration, and all other sums payable under the Indenture, except the principal of and the interest on such Bonds that by such acceleration shall have become due and payable, shall have been paid, any and all other "events of default" under the Indenture shall have been cured or waived in accordance with the provision of the Indenture, there shall have been paid the reasonable fees and expenses of the Trustee and of the owners of such Bonds, including reasonable attorneys' fees paid or incurred and such event of default under the Indenture shall be waived in accordance with Section 809 of the Indenture with the consequence that such acceleration under Section 802 of the Indenture is rescinded, then the Airline's default hereunder shall be deemed to have been waived and its consequences rescinded and no further action or consent by the Trustee or the City shall be required.

Article VII.

Option And Obligations Of Airline To Prepay.

Section 7.1. Option To Prepay.

The Airline shall have, and is hereby granted, the option to prepay the

amounts payable hereunder in whole at any time or in part from time to time (a) to provide for the redemption of the Bonds pursuant to the provisions of Section 601(a) of the Indenture, including any such prepayment and redemption required pursuant to Section 5.10, or (b) to provide for the defeasance of the Bonds pursuant to Article XII of the Indenture. If the Airline elects to provide for the redemption of Bonds as permitted by this Section, the Airline shall notify and instruct the Trustee in accordance with Section 7.3 hereof to redeem all or any portion of the Bonds in advance of maturity.

Section 7.2. Obligations To Prepay.

The Airline agrees that if all or any part of the Bonds are called for redemption in accordance with the Indenture (other than as described in Section 7.1 hereof) or become subject to mandatory redemption, it will prepay the amounts due and to become due hereunder in whole or in part in an amount sufficient to redeem such Bonds on the date fixed for the redemption of the Bonds pursuant to Section 601(b) or (c) or any other applicable provisions of the Indenture.

Section 7.3. Notice Of Prepayment; Amount To Be Prepaid.

(a) Unless otherwise provided in Section 7.1 or Section 7.2 hereof, following either (i) the exercise of the options granted to the Airline in Section 7.1 hereof, or (ii) the occurrence of an event described in Section 7.2 hereof giving rise to the obligation to prepay the amounts due hereunder, the Airline shall give written notice of prepayment of such amounts to the City and to the Trustee if any of the Bonds shall then be unpaid or provision for payment shall not have been made in accordance with the provisions of the Indenture. The notice shall provide for the date of the application of the prepayment to be made by the Airline hereunder to the redemption of Bonds in whole or in part pursuant to call for redemption and shall specify the redemption date. On or before 12:00 Noon, Chicago time, on [the Business Day before] the date fixed by the Trustee for redemption of the Bonds after receipt of such notice, the Airline shall deposit with the Trustee as required by Section 7.1 or Section 7.2 hereof, as appropriate, for payment into the Special Facility Revenue Fund the amount required in Section 7.3(b).

(b) The amount payable by the Airline hereunder upon either (1) the exercise of the option granted to the Airline in Section 7.1 hereof, or (2) the occurrence of events specified in Section 7.2 hereof shall be, to the extent applicable and except as otherwise provided in Article XII of the Indenture, the sum of the following:

(i) the amount of money that, when added to the moneys on deposit in the Special Facility Revenue Fund before the prepayment being made, will be sufficient to provide all moneys necessary to redeem the Bonds or portions thereof to be redeemed on the date selected for such redemption, including, without limitation, principal and all interest accrued and to accrue to said redemption date and redemption expenses; plus

(ii) if all of the Bonds are to be retired, an amount of moneys equal to the Trustee's and Bond Registrar's fees and expenses under the Indenture accrued and to accrue until the final payment and redemption of the Bonds; minus

(iii) the amount of money by which the balance in the Debt Service Reserve Fund would exceed the Debt Service Requirement in effect after such redemption if no moneys in the Debt Service Reserve Fund would be available for such redemption (it being understood that such excess amount of money will be transferred from the Debt Service Reserve Fund and deposited in the Bond Fund in order to effectuate such redemption).

(c) Any prepayment made pursuant to Section 7.1 or Section 7.2 hereof shall be deposited into the Special Facility Revenue Fund. No prepayment or investment of the proceeds thereof (including for this purpose proceeds from the reinvestment thereof) shall be made that shall cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 7.4. Relative Position Of Options And Indenture.

The options granted to the Airline in this Article shall be and remain prior and superior to any rights of the City to redeem all or a portion of the Bonds as may be provided in the Indenture and except as the contrary is expressly provided herein may be exercised whether or not the Airline is in default hereunder.

Section 7.5. Cancellation At Expiration Of Term.

At the acceleration, termination or expiration of the term of this Agreement and following full payment of the Bonds or provision for payment thereof and of all other fees and charges in accordance with the provisions of this Agreement and the Indenture, the City shall deliver to the Airline any documents and take or cause the Trustee to take such actions as may be requested of it to effectuate the cancellation and evidence the termination of this Agreement. Termination of this Agreement shall not affect the respective rights and obligations of the City and the Airline under the Site

Lease or the survival of the Airline's obligations hereunder to the extent provided in Section 8.10 hereof.

Article VIII.

Miscellaneous.

Section 8.1. Binding Effect.

This Agreement shall inure to the benefit of and shall be binding upon the City, the Airline and their respective successors and assigns, subject, however, to the limitations contained in Section 5.3 and Section 5.6 hereof.

Section 8.2. Execution Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 8.3. Amendments, Changes And Modifications.

After the issuance of the Bonds and before payment or provision for the payment of the Bonds in full (including interest thereon) in accordance with the provisions of the Indenture, this Agreement may not be amended, changed, modified, altered or terminated by the City and the Airline except as provided in Section 3.1 hereof and Article XI of the Indenture.

Section 8.4. Severability.

If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.5. Amounts Remaining In Certain Funds.

Any amounts remaining in the Special Facility Revenue Fund, the Bond Fund, and the Debt Service Reserve Fund, after payment in full of the Bonds

(or provision for payment thereof having been made in accordance with the provisions of the Indenture) and the fees, charges and expenses of the City and the Trustee and all other amounts required to be paid under this Agreement and the Indenture, shall be paid promptly to the Airline by the Trustee as overpayment of the amounts due hereunder.

Section 8.6. Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given to the parties required hereunder to receive such notice, certificate or communication when mailed by registered or certified mail, postage prepaid (provided that notices hereunder to the Trustee shall be effective when received by the Trustee), addressed as follows:

If To The City:

City of Chicago
Office of Comptroller
Room 501, City Hall
121 North LaSalle Street
Chicago, Illinois 60602

Attention: City Comptroller

With A Copy To:

City of Chicago
Department of Aviation
20 North Clark Street
Suite 3000
Chicago, Illinois 60602

Attention: Commissioner of the
Department of Aviation

If To The Airline
Mailing Address:

Compagnie Nationale Air France
888 Seventh Avenue
New York, New York 10106

Express Deliveries:

Attention: Legal Services Manager

If To The Trustee:

Independence Bank of Chicago
7936 South Cottage Grove Avenue
Chicago, Illinois 60619

Attention: L. Irene Jackson,
Trust Administrator

And To:

The First National Bank of Chicago
One First National Plaza
Suite []
Chicago, Illinois 606[]

Attention:

A duplicate copy of each notice, certificate or other communication given hereunder by either the City or the Airline to the other shall also be given to the Trustee. The City, the Airline, and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. No notice need be given to any party listed in this Section 8.6 if such party is no longer a party to the transactions contemplated by this Agreement.

Section 8.7. Further Assurances.

Except as otherwise required by law, the Airline agrees that it will not enter into any contract or take any action by which the rights of the Trustee or the Bondholders under the Indenture may be impaired, and that it will, from time to time, execute and deliver such further instruments and take such further action as may be reasonably required to carry out the purpose of this Agreement and the Indenture. The Airline agrees and undertakes to perform any and all obligations of the Airline contained in and pursuant to the Indenture and agrees to be bound by the provisions thereof. The City and the Airline covenant that each, as appropriate, will do, execute, acknowledge, and deliver, or cause to be done, executed, acknowledged, and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assigning, pledging and confirming unto the Trustee the Trust Estate assigned and the Special Facility Revenues pledged thereunder.

Section 8.8. Applicable Law.

This Agreement shall be governed exclusively by and construed in accordance with the laws of the State applicable to contracts made and to be performed in the State.

Section 8.9. Consent To Service Of Process And Jurisdiction.

All judicial proceedings brought against the Airline with respect to this Agreement may be brought in any federal court of competent jurisdiction having situs within the boundaries of the Northern District of Illinois, and by execution and delivery of this Agreement, the Airline accepts, for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available. The Airline has irrevocably designated and appointed the representative designated on the signature page of the Site Lease under the heading "Designation of Agent for Service of Process", as its agent in Chicago, Illinois to receive on its behalf service of all process in any such proceedings in any such court (which representative shall be available to receive such service at all times), such service being hereby acknowledged by such representative to be effective and binding service in every respect. The Airline irrevocably waives any objection (including without limitation any objection of the laying of venue or based on the grounds of forum non conveniens) which it may now or hereafter have to the bringing of any action or proceeding with respect to this Agreement in the jurisdiction set forth above and any objection or defense it may have to any such proceedings on the grounds of sovereign immunity, except that the Airline reserves the right to cause any proceedings brought against the Airline in the courts of any jurisdiction except the federal court district of the Northern District of Illinois to be removed to any federal court having situs within the Northern District of Illinois. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of City to bring proceedings against the Airline in the courts of any other jurisdiction.

Section 8.10. City's Obligations Limited.

Anything in this Agreement to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that:

(a) The City may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the City by the

Trustee or the Airline as to the existence of any fact or state of affairs required hereunder to be noticed by the City;

(b) The City shall not be under any obligation hereunder to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed either by the Trustee or the Airline; and

(c) None of the provisions of this Agreement shall require the City to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless it shall first have been adequately indemnified to its satisfaction against the costs, expenses and liability that may be incurred thereby.

(d) Any obligation that the City may incur under this Agreement or under any instrument executed in connection herewith that shall entail the expenditure of money shall not be a general obligation of the City but shall be a limited obligation payable solely from Special Facility Revenues.

Section 8.11. Term Of The Agreement.

This Agreement shall be in full force and effect from its date to and including such date as all of the Bonds issued under the Indenture shall have been fully paid or retired, and all amounts owing the City and the Trustee have been paid (or provision for such payment shall have been made as provided in the Indenture); provided that the Airline's obligations under Section 4.2 hereof shall survive in the event of a redemption of any or all of the Bonds pursuant to Section 601(b) of the Indenture until all of the Bonds issued under the Indenture shall have been fully paid or retired or provision for such payment shall have been made as provided in the Indenture; and provided further that the covenants of the Airline relating to the City's Unassigned Rights shall survive termination of this Agreement.

Section 8.12. Relationship To Site Lease.

Nothing contained in this Agreement is intended or shall be construed to preclude or limit in any way the exercise by the City or the Airline of its respective rights or remedies under the Site Lease nor to give to the Airline any separate right to use or occupy the Project or any other part of the Airport.

Section 8.13. Sales Of Materials To Contractors For Incorporation Into City-Owned Real Estate.

The City acknowledges that portions of the Project will be, or will be affixed to, real estate owned by the City. Accordingly, the City agrees that it will furnish written confirmation of factual matters with respect to its ownership of such portions of the Project to any applicable taxing authority at the reasonable request of the Airline in connection with any application of the Airline for an exemption from retailers' occupation tax for all purchases of building materials to be incorporated into the Project, use tax and all similar taxes for which such an exemption is appropriate.

In Witness Whereof, The City and the Airline have caused this Agreement to be executed in their respective corporate names and attested by their duly authorized officers, all as of the date first above written.

City of Chicago

By: _____
City Comptroller

(Seal)

Attest:

Assistant Secretary

Compagnie Nationale Air France

By: _____

Witness:

[Exhibit "A" attached to this Special Facility Use Agreement
unavailable at time of printing.]

Preliminary Official Statement Dated December ____, 1990.

New Issue -- Full Book-Entry.

\$ _____

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Compagnie Nationale Air France Project)

Series 1990.

Dated: December 1, 1990.

Due: _____, 2018.

The Series 1990 Bonds are limited obligations of the City of Chicago (the "City") and will be payable (except to the extent payable from proceeds of such Bonds and certain other moneys pledged therefor) solely from and secured by a pledge of payments to be made pursuant to a Special Facility Use Agreement dated December 1, 1990 between the City and

Compagnie Nationale Air France.

[The payment of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds also has been unconditionally guaranteed by Compagnie Nationale Air France.]

Interest on the Series 1990 Bonds will be payable semi-annually on each June 1 and December 1, commencing June 1, 1991. The Series 1990 Bonds will be issued as fully registered bonds and will be registered in the name of the nominee of Midwest Securities Trust Company, Chicago, Illinois ("M.S.T.C."). M.S.T.C. will act as securities depository of the Series 1990 Bonds. Purchases will be made in book-entry form through M.S.T.C. participants only in the principal amount of \$5,000 or any integral multiple thereof and no physical delivery of Series 1990 Bonds will be made to purchasers. Payments of principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be made to purchasers by M.S.T.C. through its participants.

The Series 1990 Bonds are subject to optional and mandatory redemption prior to maturity as described herein.

In the opinion of Burke, Wilson & McIlvaine, Chicago, Illinois, and John H. Stroger, Jr., Chicago, Illinois ("Co-Bond Counsel"), under existing statutes, regulations, judicial decisions and if there is continuing compliance with certain agreements and requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Series 1990 Bonds, except as described under the caption "Tax Matters" in this Official Statement, is excludable from gross income for federal income tax purposes, except that no opinion is expressed as to the exclusion from gross income of interest on the Series 1990 Bonds for any period during which any such Bonds are owned by a person who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code. However, interest on the Series 1990 Bonds will be treated as a preference item in calculating the alternative minimum tax on individuals and corporations and the environmental tax imposed on corporations by the Code. Co-Bond Counsel is also of the opinion that under the laws of the State of Illinois, as presently enacted and construed, interest on the Series 1990 Bonds is not exempt from Illinois income tax. See "Tax Matters" for further discussion of the tax implications of ownership of the Series 1990 Bonds.

[__% Series 1990 Bonds Due _____, 2018 -- Price ____% (Plus Accrued Interest from December 1, 1990).]

The Series 1990 Bonds are offered when, as and if issued by the City and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, the approving legal opinions of Burke, Wilson & McIlvaine, Chicago, Illinois, and John H. Stroger, Jr., Chicago, Illinois, Co-Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by its Corporation Counsel and by Hopkins & Sutter, Chicago, Illinois, Special Counsel to the City. Certain legal matters will be passed upon for Compagnie Nationale Air France by Joan Gabel, its Legal Services Manager/U.S.A., and for the Underwriters by their co-counsel, Gardner, Carton & Douglas, Chicago, Illinois, and Richard H. Newhouse, Jr., Chicago, Illinois. Confirmations of book-entries are expected to be mailed by M.S.T.C. participants on or about December ____, 1990.

Smith Barney, Harris Upham & Co.,

Incorporated

George K. Baum & Company

Goldman, Sachs & Co.

Pryor, McClendon, Counts & Co., Inc.

Smith, Mitchell &
Associates, Inc.

[End Of Official Statement Cover Page.]

City Of Chicago

Chicago-O'Hare International Airport

Mayor

Richard M. Daley

City Treasurer

Miriam Santos

City Clerk

Walter S. Kozubowski

City Council Committee On Finance

Edward M. Burke, Chairman

City Chief Financial Officer

Edward J. Bedore

City Comptroller

Walter K. Knorr

Budget Director

Sidonie J. Walters-Lawrence

Corporation Counsel

Kelly R. Welsh

Department Of Aviation

Jay R. Franke, Commissioner

Department Of Public Works

David S. Williams, Jr., Commissioner

Special Counsel To The City

Hopkins & Sutter, Chicago, Illinois

Co-Bond Counsel

Burke, Wilson & McIlvaine, Chicago, Illinois

John H. Stroger, Jr., Esq.

Chicago, Illinois

The information contained in this Official Statement (which term shall be deemed to include the Summary Statement, the Appendices to this Official Statement and all documents incorporated or referred to herein by reference), has been obtained from the City, Compagnie Nationale Air France (the "Airline"), and other sources deemed reliable. The information concerning M.S.T.C. has been obtained from M.S.T.C. No representation is made, however, as to the accuracy or completeness of such information, and nothing contained in this Official Statement is, or shall be relied upon as, a promise or representation by the Underwriters. This Official Statement is submitted in connection with the sale of securities described in it and may not be reproduced or used, in whole or in part, for any other purposes. The information contained in this Official Statement is subject to change without notice and neither the delivery of this Official Statement nor any sale made by any means of it shall, under any circumstances, create any implication that there have not been changes in the affairs of the City or the Airline since the date of this Official Statement.

No broker, dealer, sales representative or any other person has been authorized by the City, the Airline or the Underwriters to give any information or to make any representation other than as contained in this Official Statement in connection with the offering described in it and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than those described on the cover page, nor shall

there be any offer to sell, solicitation of an offer to buy or sale of such securities by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Prices And Other Terms Respecting The Offering And Sale Of The Series 1990 Bonds May Be Changed From Time To Time By The Underwriters After The Series 1990 Bonds Are Released For Sale, And The Series 1990 Bonds May Be Offered And Sold At Prices Other Than The Initial Offering Prices, Including Sales To Dealers Who May Sell The Series 1990 Bonds Into Investment Accounts. In Connection With The Offering, The Underwriters May Overallot Or Effect Transactions Which Stabilize Or Maintain The Market Price Of The Series 1990 Bonds At A Level Above That Which Might Otherwise Prevail In The Open Market. Such Stabilizing, If Commenced, May Be Discontinued At Any Time.

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Summary Statement.

This Summary Statement is subject in all respects to more complete information contained in this Official Statement (which term shall be deemed to include the cover page, this Summary Statement, and the Appendices). The offering of the Series 1990 Bonds to potential investors is made only by means of the entire Official Statement. No person is authorized to detach this Summary Statement from this Official Statement or otherwise to use it without the entire Official Statement.

The City.

The City of Chicago (the "City") is a municipal corporation and a home rule unit of local government under the Constitution of the State of Illinois, and owns and operates Chicago-O'Hare International Airport (the "Airport"). See "The City" and "The Airport."

The Series 1990 Bonds.

The \$ _____ City of Chicago, Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project), Series 1990 (the "Series 1990 Bonds"), issued in the amount, maturity and interest rate set forth on the cover page of this Official Statement, are the first series of bonds (all such bonds herein called "Bonds") issued and authorized pursuant to the Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project), dated as of December 1, 1990 (the "Indenture"), from the City to Independence Bank of Chicago and the First National Bank of Chicago, as trustees (collectively, the "Trustee"). [Payment of principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be guaranteed by the Airline, pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty").] The Series 1990 Bonds will be subject to optional and mandatory redemption prior to maturity, in each case at the redemption prices, in the manner and at the times set forth in this Official Statement. See "The Series 1990 Bonds -- Redemption Prior to Maturity".

Book-Entry Only System.

When the Series 1990 Bonds are issued, ownership interests will be available to purchasers only through a book-entry system maintained by Midwest Securities Trust Company, Chicago, Illinois ("M.S.T.C."), in integral multiples of \$5,000, and no physical delivery of Series 1990 Bonds will be made to purchasers. Payments of principal of and interest and redemption premium, if any, will be made to purchasers by M.S.T.C. through its participants. See "The Series 1990 Bonds -- Book-Entry Only System".

The Airport.

The Airport was, in 1989, the busiest airport in the world, as measured by total passengers and by total aircraft operations. The Airport provides

international service to eight counties in Illinois (Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will) and two counties in Indiana (Lake and Porter) (collectively, the "Chicago Region"), and to other regions by virtue of hub operations at the Airport by American Airlines and United Airlines. The population of the Chicago region was 8,025,000 in 1988. Scheduled commercial non-stop service is offered to 202 airports (167 domestic and 35 foreign). Total air cargo volume was 1,056,708 tons in 1989. See "The Airport".

The Project.

A portion of the net proceeds of the Series 1990 Bonds will be used to finance the design, construction, installation and equipping of an approximately [116,000] square foot air freight facility and related improvements (the "Project") at the Airport. The Project will be used by Compagnie Nationale Air France (the "Airline"), pursuant to a Cargo Facility Site Lease dated as of December ____, 1990, between the Airline and the City. The Airline will agree to make payments sufficient to pay when due the principal of and interest and redemption premium, if any, on the Series 1990 Bonds pursuant to a Special Facility Use Agreement (Cargo Facility) dated as of December 1, 1990 (the "Agreement") between the Airline and the City. The Series 1990 Bonds will not be secured by the Project, but will be payable solely from payments made by the Airline under the Agreement [and the Guaranty]. See "The Project", "Security for the Series 1990 Bonds", "The Agreement", "The Site Lease" and "The Guaranty".

The Airline.

The Airline is 99.377% owned by the Republic of France. The international scheduled airline services of the Airline rank second in the world in terms of numbers of passengers carried and third in the world in terms of air cargo tons carried. As of September 30, 1990, the Airline served 198 airports in 77 countries, including 10 airports in the United States. Additional information concerning the Airline is contained in Appendix A.

Plan Of Finance.

The proceeds from the sale of the Series 1990 Bonds received by the City, together with interest earnings thereon, will be used to finance: (i) the Project; (ii) the interest on the Series 1990 Bonds during the construction of the Project; (iii) the Debt Service Reserve Requirement (as defined in the

Indenture) for the Series 1990 Bonds; and (iv) the costs of issuance related to the Series 1990 Bonds. See "Plan of Finance."

Security.

The Series 1990 Bonds will be limited obligations of the City payable solely from Special Facility Revenues (as defined in the Indenture), which will be derived primarily from payments to be made by the Airline pursuant to the Agreement [and the Guaranty]. In order to secure the payment of the principal of and interest and redemption premium, if any, on all Bonds outstanding from time to time, a pledge will be made in the Indenture of the Special Facility Revenues and all moneys on deposit in the funds and accounts under the Indenture other than the Rebate Fund. The Series 1990 Bonds will not be general obligations of the City, and neither the full faith and credit nor the taxing power of the City will be pledged for their payment. Neither the Project nor any additions thereto will serve as security for the Series 1990 Bond or any other Bonds, and the Series 1990 Bonds will not be secured by any other properties or improvements at the Airport or the Revenues (as defined in the City's 1983 General Airport Revenue Bond Ordinance, as amended or supplemented) or any other revenues (other than the Special Facility Revenues) derived by the City from the operation of the Airport generally. See "Security for the Series 1990 Bonds," "Bondholders' Risks" and "Enforceability of Remedies".

Debt Service Reserve Requirement.

As security for the registered owners of the Series 1990 Bonds, a Debt Service Reserve Fund will be established under the Indenture and funded concurrently with the issuance of the Series 1990 Bonds. The Indenture will require that the balance in the Debt Service Reserve Fund be maintained in an amount equal to the least of (i) 10% of the original aggregate principal amount of the Series 1990 Bonds, or (ii) the maximum amount of interest payable on the Series 1990 Bonds on any two consecutive interest payment dates, or (iii) the maximum amount permitted under the Internal Revenue Code of 1986, as amended. In lieu of maintaining a cash deposit in the Debt Service Reserve Fund, the Debt Service Reserve Requirement for the Series 1990 Bonds may be satisfied by the deposit of one or more irrevocable letters of credit or irrevocable surety bond policies. The moneys held in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available as security for any other series of Bonds. See "Security for the Series 1990 Bonds -- Debt Service Reserve Fund".

Additional Bonds.

Additional series of bonds may be issued pursuant to the Indenture on a parity with the Series 1990 Bonds for the purposes described under the caption "Security for the Series 1990 Bonds -- Additional Bonds". The moneys held in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available as security for any series of additional Bonds.

Official Statement.

\$ _____

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Compagnie Nationale Air France Project)

Series 1990.

Introductory Statement.

This Official Statement, including the cover page, the table of contents, the Summary Statement and the Appendices, is provided to furnish information in connection with the sale by the City of Chicago (the "City") of its Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project), Series 1990 in the aggregate principal amount of \$_____ (the "Series 1990 Bonds"). The Series 1990 Bonds will be issued pursuant to and secured by an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project) dated as of December 1, 1990 (the "Indenture") between the City and Independence Bank of Chicago and The First National Bank of Chicago, as trustees (collectively, the "Trustee").

The Series 1990 Bonds are being issued to provide funds to finance (i) the design, construction, installation and equipping of an approximately 116,000 square foot air freight facility and related improvements (the "Project") at Chicago-O'Hare International Airport (the "Airport"); (ii) the interest on the Series 1990 Bonds during the construction of the Project; (iii) the Debt Service Reserve Requirement (as defined in the Indenture), for the Series 1990 Bonds; and (iv) the costs of issuance related to the Series 1990 Bonds. Under and pursuant to a Special Facility Use Agreement (Cargo Facility) dated as of December 1, 1990 (the "Agreement"), Compagnie Nationale Air France (the "Airline"), will agree to pay amounts sufficient to pay the principal of and interest and redemption premium, if any, on the Series 1990 Bonds. [Payment of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be guaranteed by the Airline, pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty")]. The Series 1990 Bonds will not be secured by the Project, but will be payable solely from payments made by the Airline under the Agreement, [and the Guaranty], funds on deposit under the Indenture and interest earnings thereon. The City and the Airline also will enter into a Cargo Facility Site Lease dated as of December ____, 1990 (the "Site Lease"), pursuant to which the Airline will lease the land underlying the Project (the "Site") and the improvements thereon from the City.

The Series 1990 Bonds will be dated December 1, 1990 and will mature on ____ 1, 2018. The Series 1990 Bonds will bear interest at the rate set forth on the cover page of this Official Statement, and will be subject to mandatory and optional redemption prior to maturity as described under the caption "The Series 1990 Bonds -- Redemption Prior to Maturity". Interest on the Series 1990 Bonds will be payable semiannually on June 1 and December 1 of each year (an "Interest Payment Date") commencing on June 1, 1991. The Series 1990 Bonds will be issued only in book-entry form in the name of a nominee of Midwest Securities Trust Company ("M.S.T.C."), as securities depository. No physical delivery of Series 1990 Bonds will be made to purchasers. See "The Series 1990 Bonds -- Book-Entry Only System".

Additional Bonds (the "Additional Bonds") may be issued from time to time by the City under the Indenture for the purposes described under the caption "Security For The Series 1990 Bonds -- Additional Bonds". The term "Bonds" shall mean the Series 1990 Bonds and any Additional Bonds issued pursuant to the Indenture.

Brief descriptions of the City, the Series 1990 Bonds, the Agreement, the Indenture, the Site Lease and [the Guaranty] are included in this Official Statement. Appendix A to this Official Statement furnishes, or refers to, information with respect to the Airline. Appendix B to this Official Statement sets forth the form of opinions of Co-Bond Counsel.

The descriptions herein of the Agreement, the Indenture, the Site Lease [and the Guaranty] are qualified in their entirety by reference to such documents, and the descriptions herein of the Series 1990 Bonds are qualified in their entirety by reference to the form thereof and the information with respect thereto included in the aforesaid documents. Copies of such documents may be obtained during the initial offering period from the principal offices of the Underwriters and, after the initial delivery of the Series 1990 Bonds, at the principal corporate trust office of the Trustee in Chicago, Illinois.

The City.

The City is a municipal corporation and a home rule unit of local government under the 1970 Constitution of the State of Illinois. The Series 1990 Bonds are being issued under the authority and power granted to the City as a home rule unit by Article VII, Section 6(a) of the 1970 Constitution.

The Airport.

The Airport is owned and operated by the City. The Airport serves as the principal air terminal for the greater Chicago area, as well as a transfer and connecting point for numerous domestic and international flights. Measured by total passengers, the Airport was the busiest airport in the world in 1989 for the twenty-eighth consecutive year. In 1989, it also was the busiest airport in the world as measured by total aircraft operations. The Airport is located 18 miles northwest of the City's central business district and occupies 6,965 acres of land. The Airport is served by a network of highways, including several regional expressways, and is directly linked to the central business district and other parts of Chicago by a rapid transit rail system.

In 1989, total domestic and international passengers at the Airport numbered 59,215,032; aircraft operations numbered 794,546; and air cargo volume was 1,056,708 tons. In order to improve and expand existing facilities at the Airport, the City has developed an airport development plan (the "Airport Development Plan") which includes a series of substantial improvements to the Airport, most of which have already been completed. The Project is consistent with and will be coordinated with the Airport Development Plan.

See "Litigation" and "Regulatory Proceedings and Proposed State Actions" for a discussion of certain pending litigation and regulatory proceedings relating to the Airport.

The Project.

The Project will include the following components: (i) a warehouse containing approximately 107,530 square feet; (ii) a two-story office building containing approximately 9,280 square feet; (iii) a basement containing approximately 3,870 square feet; (iv) approximately 91,360 square feet of aircraft parking (including service roadways) equipped with a fuel hydrant system; (v) approximately 106,300 square feet of parking area for trucks, cars and other vehicles; and (vi) various fixtures and equipment to be used for handling cargo in the warehouse, including an aircraft pallet storage and handling system and rack storage systems. In addition, the Project also will include reimbursement of the City and another air carrier for the costs of certain common off-site capital improvements to the Airport's cargo area, including the relocation of a roadway and utilities and the construction of a common taxiway. The total cost of the design, construction, installation and equipping of the Project is estimated to be \$16,000,000. See "Plan of Finance".

*Plan Of Finance.**Sources Of Funds For The Project.*

The net proceeds from the sale of the Series 1990 Bonds, except amounts received from the purchasers of the Series 1990 Bonds as accrued interest, will be deposited in the Construction Fund and the Debt Service Reserve Fund established under the Indenture. Amounts received from the purchasers of the Series 1990 Bonds as accrued interest will be deposited in the Bond Fund under the Indenture. The initial deposits into these funds, together with the anticipated interest earnings thereon, are expected to be sufficient to pay the costs of the Project, to pay interest on the Series 1990 Bonds through May 1992 (the estimated completion date of the Project), to satisfy the Debt Service Reserve Requirement under the Indenture for the Series 1990 Bonds and to pay the costs of issuance related to the Series 1990 Bonds. If Project costs increase, the completion date is delayed or interest earnings decrease below present estimates, the City may issue Additional Bonds to provide additional funds. See "Security for the Series 1990 Bonds -- Additional Bonds".

Estimated Application Of Series 1990 Bond Proceeds.

The proceeds from the sale of the Series 1990 Bonds (exclusive of \$_____ in accrued interest, which will be deposited in the Interest

Account in the Bond Fund established under the Indenture) are estimated to be applied as follows:

Project Costs	\$
Capitalized Interest	
Debt Service Reserve Fund	
Underwriters' Discount and Other Costs of Issuance	_____
Principal Amount of Series 1990 Bonds	\$ <u> </u>

Debt Service Schedule For The Series 1990 Bonds.

Bond Year Ending April 1	Principal Payments	Interest	Total Debt Service
1991			
1992			
1993			
1994			
1995			
1996			
1997			
1998			
1999			
2000			

12/5/90

REPORTS OF COMMITTEES

27287

Bond Year Ending April 1	Principal Payments	Interest	Total Debt Service
2001			
2002			
2003			
2004			
2005			
2006			
2007			
2008			
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018			

The Series 1990 Bonds.

General.

The Series 1990 Bonds will be dated December 1, 1990 and will mature on June 1, 2018. Interest on the Series 1990 Bonds will be payable semiannually on each June 1 and December 1, commencing June 1, 1991. The Series 1990 Bonds will bear interest from December 1, 1990 at the rate per annum set forth on the cover page hereof.

Redemption Prior To Maturity.

Optional Redemption. The Series 1990 Bonds will be subject to redemption in whole or in part on any business day on or after _____, if the Airline exercises its option under the Agreement to prepay the payments due thereunder in whole or in part and thereby effect redemption of such Series 1990 Bonds at the following redemption prices (expressed as a percentage of the principal amount of the Series 1990 Bonds to be redeemed) plus accrued interest to the date fixed for redemption:

Redemption Period (dates inclusive)

Redemption Price

If the Airline is reimbursed pursuant to the Site Lease for the cost of certain common improvements financed from the proceeds of the Series 1990 Bonds, the Airline will agree to apply such reimbursements to the optional redemption of Bonds on the earliest date on which Bonds are redeemable at a price of 100% of the principal amount thereof (and without premium), but only to the extent that the amount of such reimbursement exceeds the amount of moneys not obtained through the issuance of Bonds which the Airline has applied, or intends to apply, to costs of the Project.

Mandatory Redemption upon Determination of Taxability. The Series 1990 Bonds will be subject to mandatory redemption in whole, or, as described below, in part, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium, but with accrued interest thereon to the redemption date, which redemption

date will be not more than 90 days following the receipt by the Airline of written notice from a registered owner ("Owner") of the Series 1990 Bonds or former Owner or from the Trustee of a final determination of the Internal Revenue Service or a court of competent jurisdiction to the effect that the interest paid or payable on any Series 1990 Bond to other than a "substantial user" of the Project or a "related person" (within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code")) is or was includible in the gross income of the Owner thereof for federal income tax purposes under the Code; provided that no such determination will be considered final unless (a) the Owner or former Owner involved in such proceeding or action (i) gives the Airline and the Trustee prompt notice of the commencement thereof, and (ii) (if the Airline agrees to pay all expenses in connection therewith and to indemnify such Owner or former Owner against all liabilities in connection therewith), offers the Airline the opportunity to control unconditionally the defense thereof, and (b) either (i) the Airline does not agree within 30 days of receipt of such offer to pay such expenses and liabilities and to control such defense, or (ii) the Airline shall exhaust or choose not to exhaust all available proceedings for the contest, review, appeal or rehearing of such decree, judgment or action that the Airline determines to be appropriate. Fewer than all the Series 1990 Bonds may be redeemed if redemption of fewer than all Series 1990 Bonds would result in the interest payable on the Series 1990 Bonds remaining outstanding being not includible in the gross income for federal income tax purposes of any Owner other than a "substantial user" of the Project or a "related person" (within the meaning of Section 147(a) of the Code). Selection of Series 1990 Bonds for such partial redemption will be in such manner as the Trustee determines or in such manner acceptable to the Trustee as is specified in a written opinion of bond counsel, and in such amount as bond counsel determines is necessary to accomplish such result. After the receipt by the Trustee of notice from the Airline pursuant to the Agreement, the Trustee will give notice of redemption as provided below. Upon the giving of such notice, the Series 1990 Bonds called for redemption will become due and payable on such redemption date at the redemption price together with the accrued interest to the redemption date, and such Series 1990 Bonds will be redeemed and cancelled by the Trustee on such redemption date.

If The Lien Of The Indenture As To The Series 1990 Bonds Has Been Defeased Before A Final Determination Of Taxability, The Series 1990 Bonds Will Not Be Subject To Mandatory Redemption In The Manner Described Above. See "The Indenture -- Discharge Of Indenture."

Mandatory Redemption upon Condemnation of Project and Site. The Series 1990 Bonds will be subject to mandatory redemption in part or in whole, as the case may be, on any date before their maturity at a redemption price equal to 100% of the principal amount thereof, without premium, but with accrued interest thereon to the redemption date, which redemption date will be not more than 90 days following the receipt by the Airline, pursuant to the Agreement, of its allocable portion of the net proceeds of any

condemnation award received on account of any condemnation or taking of all or part of the Project and the Site. The Series 1990 Bonds will be redeemed pursuant to the first sentence of this paragraph in part in an aggregate principal amount equal to the highest integral multiple of \$5,000 not exceeding the amount of such net proceeds received by the Airline, or, if such net proceeds are sufficient therefor, in whole. After receipt by the Trustee of notice from the Airline pursuant to the Agreement, the Trustee will give notice of such redemption as provided below. Upon the giving of such notice, the Series 1990 Bonds called for redemption will become due and payable on such redemption date at the redemption price, together with the accrued interest to the redemption date, and such Series 1990 Bonds will be redeemed and canceled by the Trustee on such redemption date. Neither the condemnation of the Project and the Site, nor the receipt of any condemnation proceeds, will affect the Airline's obligations under the Agreement [or the Guaranty].

Notice and Effect of Redemption. Notice of redemption of the Bonds will be mailed by the Trustee not less than 30, nor more than 60, days prior to the redemption date, by registered or certified mail to the Owner of each Bond to be redeemed in whole or in part. Each notice of redemption will among other things: (i) specify the Bonds (or portions thereof) to be redeemed, the redemption date, the place or places of redemption and the redemption price, and (ii) state that the interest on the Bonds (or portions thereof) designated for redemption in such notice will cease to accrue from and after such redemption date.

If less than all of the Bonds are called for redemption, the Trustee will be required to select, in its sole discretion, the Bonds or portions thereof to be redeemed from Bonds outstanding and not previously called for redemption, in such manner as in the Trustee's sole discretion it deems appropriate and fair, whether by lot or otherwise.

If the Owner of any Bond called for redemption, in whole or in part, fails to present such Bond to the Trustee for payment (and exchange for a substitute Bond in the principal amount of the portion not called for redemption), such Bond will, nevertheless, become due and payable on the date fixed for redemption to, and only to, the extent of the portion called for redemption, and interest will cease to accrue after such date on such Bond or portion thereof.

If notice of redemption is given as described above and if sufficient funds for the payment of the principal of and interest and redemption premium, if any, on the Bonds (or portions thereof) to the redemption date are held for the purpose of such payment by the Trustee, then the Bonds (or portions thereof) so called for redemption will, on the redemption date, cease to bear interest and will no longer be deemed outstanding under or secured by the lien of the Indenture.

Book-Entry Only System.

Series 1990 Bonds in Book-Entry. When the Series 1990 Bonds are issued, ownership interests will be available to purchasers only through a book-entry system (the "Book-Entry System") maintained by Midwest Securities Trust Company, Chicago, Illinois ("M.S.T.C."). The following discussion will not apply to Series 1990 Bonds if issued in physical form because of discontinuance of the Book-Entry System.

The information in this section concerning M.S.T.C. and M.S.T.C.'s Book-Entry System has been obtained from sources the City believes to be reliable, but neither the City nor the Underwriters take any responsibility for the accuracy or completeness thereof.

The Series 1990 Bonds will be registered under a book-entry only system, with bond certificates immobilized at M.S.T.C. and not available for distribution to the public, evidencing ownership of the Series 1990 Bonds in maturing amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of M.S.T.C. and its participating organizations ("Participants") pursuant to rules and procedures established by M.S.T.C. Payments of principal and redemption price (including any premium) of and interest on the Series 1990 Bonds will be paid to M.S.T.C. or its nominee as the Owner of the Series 1990 Bonds. Transfers of payments of principal, and redemption price (including any premium) of and interest on the Series 1990 Bonds to Participants will be the responsibility of M.S.T.C. Transfers of payments of principal and redemption price (including any premium) of and interest on the Series 1990 Bonds to beneficial Owners by Participants will be the responsibility of such Participants and other nominees of beneficial Owners. Participants are responsible for furnishing confirmations of purchase of Series 1990 Bonds to the beneficial Owners. For every exchange or transfer among beneficial Owners of the Series 1990 Bonds, M.S.T.C. or the applicable Participants may charge a fee sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

The Indenture provides for the Trustee to perform certain duties with respect to the Series 1990 Bonds. The Trustee will perform certain fiduciary duties for the Owners, such as maintaining the funds and accounts established under the Indenture. The foregoing notwithstanding, the duties of the Trustee to the Owners will run solely to M.S.T.C. or its nominee as the Owner of the Series 1990 Bonds.

M.S.T.C. has advised the City that it is a limited-purpose trust company organized under the laws of the State of Illinois, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Illinois Uniform Commercial Code, as amended, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of

1934, as amended. M.S.T.C. was created to hold securities of its Participants and to facilitate the clearance and settlement of securities transactions among M.S.T.C. Participants in such securities through electronic book-entry changes in accounts of the M.S.T.C. Participants, thereby eliminating the need for physical movement of securities certificates when ownership of securities is transferred. M.S.T.C. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the M.S.T.C. system is also available to others such as banks, brokers, dealers and trust companies that clear securities transactions through or maintain a custodial relationship with an M.S.T.C. Participant, either directly or indirectly.

As long as M.S.T.C. is the securities depository of the Series 1990 Bonds, the Series 1990 Bonds will be registered in the name of Kray & Co., as the nominee of M.S.T.C., and the certificates for the Series 1990 Bonds will be held by M.S.T.C. Interests in the Series 1990 Bonds may be purchased by or through Participants. Such Participants and the persons for whom they acquire interests in the Series 1990 Bonds as nominees are referred to herein as Beneficial Owners." Beneficial Owners will not receive bond certificates representing their interest in the Series 1990 Bonds. Such interests will be recorded and transferred only on the computerized Book-Entry System operated by M.S.T.C.

As long as M.S.T.C. is the securities depository of the Series 1990 Bonds, the Trustee and the City will treat M.S.T.C. or its nominee as the sole and exclusive Owner of the Series 1990 Bonds for all purposes. Accordingly, the Trustee and the City will make payments of principal, and redemption price (including any premium) of and interest on the Series 1990 Bonds, and will give any notices permitted or required to be given to Owners under the Indenture, only to M.S.T.C. The remittance of such payments and the transmittal of such notices to Participants and their customers are the obligations of M.S.T.C. and Participants, respectively.

Neither The Trustee Nor The City Will Have Any Responsibility Or Obligation To Any Participant, Any Person Claiming A Beneficial Ownership Interest In Any Series 1990 Bond Under Or Through M.S.T.C. Or Any Participant, Or Any Other Person Which Is Now Shown On the Registration Books Of The Trustee As Being An Owner, With Respect To The Accuracy Of Any Records Maintained By M.S.T.C. Or Any Participant, The Payment By M.S.T.C. Or Any Participant Of Any Amount In Respect Of The Principal Or Redemption Price (Including Any Premium) Of Or Interest On Any Series 1990 Bond, Any Notice Which Is Required To Be Given To Owners Under The Indenture, The Selection By M.S.T.C. Or Any Participant Of Any Person To Receive Payment In The Event Of A Partial Redemption Of The Series 1990 Bonds, Or Any Consent Given Or Other Action Taken By M.S.T.C. Or Its Nominee As The Registered Owner Of The 1990 Bonds.

The City may determine in its sole discretion that (i) M.S.T.C. is unwilling or unable to discharge its responsibilities as securities depository, or (ii) it is in the best interest of the City that the Beneficial Owners of the 1990 Bonds be able to obtain certificates for such Series 1990 Bonds. In addition, M.S.T.C. may determine to discontinue providing its service with respect to the Series 1990 Bonds at any time by giving notice to the City and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, the City may appoint a successor securities depository, and M.S.T.C., the Trustee and the City will cooperate to arrange for such other securities depository to maintain custody of certificates evidencing such Series 1990 Bonds. If a successor securities depository is appointed, that successor or its nominee will be treated by the Trustee and the City as the sole and exclusive Owner of such Series 1990 Bonds and, as in the case of M.S.T.C., the responsibilities and obligations of the Trustee and the City will be solely to that successor securities depository or its nominee and not to any Participant in the successor or any person claiming a beneficial ownership interest in any such Series 1990 Bonds. If there is no successor securities depository, the City and the Trustee will be obligated to deliver certificates for such Series 1990 Bonds in physical form as described in the Indenture, and the Trustee and the City will cooperate to make such certificates available. If such certificates are issued, the provisions of the Indenture will apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates.

Effect on Series 1990 Bonds of Discontinuance. The following three paragraphs apply to the Series 1990 Bonds only when not in the Book-Entry System:

(a) The Series 1990 Bonds will be issuable only as fully registered bonds in denominations which are integral multiples of \$5,000. Exchanges and transfers will be made without charge to the Owners, except that, in each case the Trustee will require the payment by the Owner requesting exchange or transfer of any tax or governmental charge required to be paid with respect thereto.

(b) Principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be payable upon presentation and surrender when due at the principal corporate trust office of the Trustee. Interest on the Series 1990 Bonds will be payable by check or draft mailed to the Owners thereof at the close of business on the 15th day of May or December immediately before each Interest Payment Date (the "Record Date") or, at the option of any owner of not less than \$500,000 principal amount of the Series 1990 Bonds, by wire transfer to any address in the continental United States on the applicable Interest Payment Date to the Owner as of the applicable Record Date, if such Owner provided the Trustee with written notice of such wire transfer address at least 15 days prior to such Record Date, (which notice may provide that it will remain in effect with

respect to subsequent interest Payment Date unless and until changed or revoked by subsequent notice).

(c) Each Series 1990 Bond will be dated and bear interest from the Interest Payment Date next preceding its date of authentication and delivery unless (i) it is authenticated and delivered before June 1, 1991, in which case it will be dated and bear interest from December 1, 1990, or (ii) it is authenticated and delivered on any Interest Payment Date, in which event it will be dated and bear interest from such date; provided, that if at any time interest due on such Series 1990 Bond shall not have been paid in full, then such Series 1990 Bond will be dated and bear interest from the date to which interest on such Series 1990 Bond shall have been paid in full.

Use Of Certain Terms In Other Sections Of This Official Statement. In reading this Official Statement it should be understood that, while the Series 1990 Bonds are in the Book-Entry System, references in other sections of this Official Statement to Owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through M.S.T.C. and the Book-Entry System and (ii) notices that are to be given to Owner by the City or the Trustee will be given only to M.S.T.C. M.S.T.C. will be required to forward (or cause to be forwarded) the notices to the Participants by its usual procedures, so that such Participants may forward (or cause to be forwarded) such notices to the Beneficial Owners.

Security For The Series 1990 Bonds.

Payments By The Airline Under The Agreement.

The Series 1990 Bonds are limited obligations of the City payable solely from Special Facility Revenues (as defined in the Indenture), which will be derived primarily from payments to be made by the Airline pursuant to the Agreement [and the Guaranty]. In order to provide for the payment of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds, the City will pledge and assign to the Trustee under the Indenture certain of its rights and interests under the Agreement, including the Special Facility Revenues and all moneys on deposit in the funds and accounts under the Indenture other than the Rebate Fund. The Airline will be required under the Agreement to make payments sufficient in amount to pay when due (whether at stated maturity, upon redemption or upon acceleration) the principal of and interest and redemption premium, if any, on the Series 1990 Bonds. The Series 1990 Bonds will not be secured by the Project. The Trustee, as assignee under the Indenture of certain of the City's rights under the Agreement, will not be entitled to exercise any rights of

entry, re-entry, eviction, reletting, or any similar rights with respect to the Project, all such rights being exercisable solely by the City pursuant to the Site Lease, except to the extent of certain rights to cure certain defaults and replace the Airline with another tenant as provided in the Site Lease. The Airline will acknowledge in the Agreement that rents payable by any such replacement tenant shall be applied first to satisfy its obligations under the Site Lease and only the excess, if any, will be available for the payment of principal of and interest on the Bonds. The Airline will remain liable for its obligations under the Agreement [and the Guaranty] even if a replacement tenant is obtained for the Project. See "The Agreement -- Remedies", "The Site Lease -- Defaults and Remedies", "Bondholders' Risks" and "Enforceability of Remedies".

Debt Service Reserve Fund.

The Trustee is required to deposit \$_____ of the proceeds from the issuance of the Series 1990 Bonds into the Debt Service Reserve Fund established under the Indenture and maintain therein available funds in an amount equal to the Debt Service Reserve Requirement for the Series 1990 Bonds, which shall equal the least of: (i) 10% of the original aggregate principal amount of the Series 1990 Bonds or (ii) the maximum amount of interest payable on the Series 1990 Bonds on any two consecutive Interest Payment Dates or (iii) the maximum amount permitted under the Code. Moneys in the Debt Service Reserve Fund shall be deposited by the Trustee on any Interest Payment Date, or any other date on which interest on or principal of the Series 1990 Bonds is payable, in the Interest Account or the Principal Account in the Bond Fund, in that order, to the extent available, in an amount necessary, in each case, to provide moneys in such account in the Bond Fund, together with moneys already deposited therein, sufficient to pay interest on or the principal of the Series 1990 Bonds on such date. The Airline will be required under the Agreement to make payments to the Trustee sufficient to maintain the balance in the Debt Service Reserve Fund in an amount equal to the Debt Service Reserve Requirement for the Series 1990 Bonds. Moneys held in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available to pay principal of or interest on any other series of Bonds.

The Airline will be permitted to satisfy the Debt Service Reserve Fund Requirement for the Series 1990 Bonds in whole or in part by depositing into the Debt Service Reserve Fund one or more irrevocable letters of credit or irrevocable surety bond policies issued by a bank or bond insurance company with one of the three highest credit ratings available from a Rating Agency (as defined in the Indenture). Such letters of credit or surety bond policies must have a term of at least five years and meet other requirements, including the availability of funds thereunder for all purposes for which moneys in the Debt Service Reserve Fund may be applied.

Additional Bonds.

In accordance with the Indenture, the City will be permitted to issue Additional Bonds without limitation as to amount, except as may be limited by law, for the purposes of (a) the payment or reimbursement of the costs of the Project or one or more additions thereto, or (b) the funding of any fund or account established under the Indenture. Under the Indenture, each series of Additional Bonds will be equally and ratably secured with the Series 1990 Bonds under the Indenture by the pledge of the Special Facility Revenues, except that moneys on deposit in the Debt Service Reserve Fund as security for the Series 1990 Bonds will not be available to pay principal of and interest on any other series of Bonds.

Issuance of Additional Bonds will be subject to a number of conditions set forth in the Indenture, including a provision that, at the time of issuance of such Additional Bonds, no event of default shall have occurred and remain continuing under the Indenture. Before the issuance of Additional Bonds, the Trustee and City must first receive certification by an Independent Airport Consultant (as defined in the City's 1983 Chicago-O'Hare International Airport General Airport Revenue Bond Ordinance) that the estimated rentals, debt service or other charges to be derived by the City under the Agreement will be at least sufficient to pay the principal of, premium, if any, and interest on, such Additional Bonds as they mature and become due, all costs of operating and maintaining the Project or additional project to be financed by such Additional Bonds and for which no mechanism for reimbursement has been established and all sinking and other reserve fund payment requirements required by the City's ordinance authorizing such Additional Bonds. See "The Agreement -- Assignment, Merger, and Assumption of Obligations of the Airline; Ability of Airline to Incur Debt."

Limited Obligations.

The Series 1990 Bonds, together with interest thereon, will be limited obligations of the City giving rise to no pecuniary liability of the City nor a charge against its general credit or taxing power, will be payable solely from the Special Facility Revenues and other moneys pledged therefor under the Indenture, and will be a valid claim of the respective Owners thereof only against the Bond Fund, the Construction Fund, the Debt Service Reserve Fund, the Special Facility Revenues and the moneys held by the Trustee under the Indenture. The Series 1990 Bonds will not in any respect be a general obligation of the City, nor are they payable in any manner from revenues raised by taxation. The Project will not be security for the Series 1990 Bonds, and the Series 1990 Bonds will not be secured by any other properties or improvements at the Airport or the Revenues (as defined in the City's General Airport Revenue Bond Ordinance) or any other revenues

(other than Special Facility Revenues) derived by the City from the operation of the Airport generally.

[The Guaranty.]

[The Owners of the Series 1990 Bonds will be entitled to benefits of the Guaranty from the Airline to the Trustee, whereby the Airline will unconditionally guarantee to the Trustee for the benefit of the Owners of the Series 1990 Bonds payment of the principal and redemption price (including any premium) of and interest on the Series 1990 Bonds when and as due and payable. See ["The Guaranty", "Bondholders' Risks" and "Enforceability of Revenues".]

The Agreement.

The following statements are a summary of certain provisions of the Agreement and do not purport to be complete. Reference is made to the Agreement for the complete provisions thereof.

Issuance Of The Series 1990 Bonds.

The Agreement will provide that the City will issue the Series 1990 Bonds to provide moneys for deposit and application as described under the captions "Plan of Finance" and "The Indenture".

Payments.

Pursuant to the Agreement, the Airline will agree to pay to the Trustee amounts sufficient to pay when due the principal of and interest and redemption premium, if any, on the Series 1990 Bonds. Such payments will be made in the amounts and in the manner provided in the Indenture for the payment of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds whether at maturity, upon acceleration or upon redemption.

In addition, the Airline will agree to pay the reasonable expenses of the City incurred in connection with the City's duties and obligations under the Indenture and the reasonable fees and expenses of the Trustee in connection with the Series 1990 Bonds.

Obligations Absolute And Unconditional.

The Airline's obligations under the Agreement to pay the amounts due thereunder with respect to the Series 1990 Bonds will be absolute and unconditional and will not be subject to any defense other than payment or to any right of setoff, counterclaim, abatement or otherwise. See "Security for the Series 1990 Bonds -- Payment by Airline under the Agreement", "Bondholders' Risks" and "Enforceability of Remedies".

Assignment, Merger And Assumption Of Obligations Of The Airline; Ability Of Airline To Incur Debt.

Upon a valid assignment by the Airline of its rights under the Site Lease, the Airline will be permitted to assign the Agreement in whole or in part with the prior consent of the City, but without obtaining the consent of the Trustee, provided that (i) no assignment (other than as described in the next paragraph) will relieve the Airline from liability for any of its obligations under the Agreement [or the Guaranty]; (ii) the assignee will assume in writing the obligations of the Airline under the Agreement to the extent of the interest assigned; and (iii) the Airline will, at least five days prior to any such assignment, provide the City and the Trustee with written notice thereof.

The Airline will be permitted to consolidate with or merge into another corporation, provided that (i) the resulting, surviving or transferee corporation is a solvent corporation and assumes in writing all of the obligations of the Airline under the Agreement, and (ii) if such corporation is not organized and existing under the laws of the United States or any State or territory thereof or the District of Columbia, it delivers to the City an irrevocable consent to service of process and jurisdiction.

Neither the Site Lease, the Agreement, nor the Indenture [nor the Guaranty] will contain any restriction on the ability of the Airline to incur debt or, except as described in the preceding paragraphs, to sell or otherwise transfer any portion of its assets.

Tax Covenants.

The Airline will covenant that, so long as any of the Series 1990 Bonds remain outstanding, moneys on deposit in any Indenture fund in connection with the Series 1990 Bonds, whether or not such moneys were derived from the proceeds of the sale of the Series 1990 Bonds or from any other source, will not be used in a manner which will cause the Series 1990 Bonds to be "arbitrage bonds" within the meaning of the Code.

The Airline will covenant that it will not knowingly take or authorize or permit, to the extent such action is within its control, any action to be taken with respect to the Project, or the proceeds of the Series 1990 Bonds, insurance, condemnation, or any other proceeds derived directly or indirectly in connection with the Project, which will result in the loss of the exclusion of interest on the Series 1990 Bonds from the federal gross income of the Owners of the Series 1990 Bonds under Section 103 of the Code (except for any Series 1990 Bond during any period that such Series 1990 Bond is held by a person referred to in Section 147(a) of the Code). The Airline also will not knowingly omit or take any action in its power which, if omitted, would cause the above result.

Defaults.

The Agreement will provide that the occurrence of any one or more of the following events shall constitute a "default" thereunder and each such default after the giving of notice, if any, the passage of time, if any, or the occurrence of an event, if any, specified below, shall constitute an "event of default":

(a) failure by the Airline to pay amounts with respect to principals of or interest or redemption premium, if any, on the Bonds when due, which failure continues for a period of five business days and results in an event of default under the Indenture attributable to the failure to pay principal of or interest or redemption premium, if any, on the Bonds when due;

(b) failure by the Airline to restore the required balance in the Debt Service Reserve Fund on the fifth business day after the Trustee notifies the Airline of such deficiency;

(c) any material breach by the Airline of any of its representations or warranties made in the Agreement or failure by the Airline to observe or perform any of its covenants, conditions, or agreements made on its part to be observed or performed under the Agreement, other than as referred to in paragraphs (a) and (b) above, for a period of 60 days after written notice specifying such breach or failure and requesting that it be remedied, from the Trustee, unless (i) the Trustee or, with regard to certain rights, the City, shall agree in writing to an extension of such time prior to its expiration, or (ii) if the breach or failure is such that it can be corrected but not within the applicable period, corrective action is instituted by the Airline within such period and is being diligently pursued; or

(d) certain events of bankruptcy, dissolution, liquidation or reorganization with respect to the Airline.

The foregoing provisions of paragraph (c) will be subject to the following limitations: If by reason of "force majeure" (as defined in the Agreement) the Airline is unable in whole or in part to carry out its agreements on its part contained in the Agreement, other than the obligations on the part of the Airline to make payments under the Agreement, the Airline will not be deemed in default during the continuance of such inability. The Airline will agree, however, to remedy with all reasonable dispatch the cause or causes preventing the Airline from carrying out its agreement; provided that the settlement of strikes, lockouts and other disturbances will be entirely within the discretion of the Airline and the Airline will not be required to make settlement of strikes, lockouts and other disturbances by acceding to the demands of the opposing party or parties when such course is in the sole judgment of the Airline unfavorable to the Airline; and provided further that a breach of the covenants set forth in the Agreement with respect to the tax-exempt status of interest on the Bonds will not constitute an event of default subject to acceleration hereunder.

Remedies.

The Agreement will provide that, upon the occurrence and continuation of an "event of default", except as provided in the following paragraph with respect to Unassigned Rights, the Trustee, as assignee of the City, (a) shall declare all amounts payable under the Agreement to be immediately due and payable if concurrently with or prior to such declaration, the unpaid principal amount of the Bonds has been declared to be due and payable, and (b) may take whatever action at law or in equity may appear necessary or desirable to enforce the Agreement; provided that the Trustee, as assignee pursuant to the Indenture of certain of the City's rights under the Agreement, will not have or be entitled to exercise any rights of entry, re-entry, eviction, reletting, or similar rights with respect to the Project, all such rights generally being exercisable solely by the City pursuant to the Site Lease, except to the extent of certain rights to cure certain defaults and replace the Airline with another tenant as provided in the Site Lease. The Airline will acknowledge that rents payable by any such replacement tenant will be applied first to satisfy its obligations under the Site Lease and only the excess, if any, will be available for payment of its obligations under the Agreement with respect to payment of principal of and interest on the Bonds. The City and the Airline will agree that any such excess rents may be deemed Special Facility Revenues under the Indenture and the Agreement and, to the extent they are paid to the Trustee, shall be deposited in the Special Facility Revenue Fund established under the Indenture and credited against the amounts payable by the Airline pursuant to the Agreement.

Certain of the City's rights under the Agreement, including its rights to indemnity and to the payment of its expenses, will not be assigned to the Trustee ("Unassigned Rights") and will be enforceable by the City in its own

name and for its own account. In the enforcement of such rights the City's remedies are limited to suits for damages and specific performance and the City may not cause acceleration of payments under the Agreement to enforce such rights.

The City will have no power to waive any default by the Airline under the Agreement, except a default with respect to Unassigned Rights (which the City may waive unilaterally), without the consent of the Trustee to such waiver. The Trustee will have power to waive any default by the Airline under the Agreement, except a default with respect to Unassigned Rights, without the prior written concurrence of the City. Notwithstanding the foregoing, if after the acceleration of the maturity of the outstanding Bonds by the Trustee pursuant to the Indenture, all arrears of interest on the outstanding Bonds and interest on overdue installments of interests (to the extent permitted by law) at the rate of interest borne by the Bonds and the principal of or interest or redemption premium, if any, on all Bonds then outstanding that have become due and payable otherwise than by acceleration, and all other sums payable under the Indenture, except the principal of and the interest on such Bonds that by such acceleration shall have become due and payable, shall have been paid, any and all other events of default under the Indenture shall have been cured or waived in accordance with the provisions of the Indenture, there shall have been paid the reasonable fees and expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred and such event of default under the Indenture shall be waived in accordance with the Indenture with the consequence that such acceleration under the Indenture is rescinded, then the Airline's default under the Agreement will be deemed to have been waived and its consequences rescinded and no further action or consent by the Trustee or the City shall be required. See "The Indenture -- Defaults".

Consent To Service Of Process And Jurisdiction; Waiver Of Sovereign Immunity.

The Agreement will include the Airline's consent to service of process and federal court jurisdiction in the Northern District of Illinois and the Airline also will waive any rights that it may now or hereafter have based upon principles of sovereign immunity subject to its right to remove actions brought in other courts to federal court in the Northern District of Illinois.

Amendments.

The Agreement may be amended subject to the limitations contained in the Indenture. See "The Indenture -- Amendments to the Agreement".

The Site Lease.

The following statements are a summary of certain provisions of the Site Lease and do not purport to be complete. Reference is made to the Site Lease for the complete provisions thereof. The Project will not be security for the Series 1990 Bonds, and the Series 1990 Bonds will not be secured by any other properties or improvements at the Airport or the Revenues (as defined in the City's General Airport Revenue Bond Ordinance) or any other revenues (other than the Special Facility Revenues) derived by the City from the operation of the Airport generally. See "Security for the Series 1990 Bonds" [and "The Guaranty"].

General.

Pursuant to the Site Lease, the City will lease the Site and the improvements thereon to the Airline. The City will use reasonable efforts to deliver possession of the Site to the Airline upon completion of the service road and utilities serving the Site, which is projected to be completed by December 1, 1990, or upon such earlier date as the City and the Airline agree.

Construction Of Improvements.

After obtaining all required approvals, licenses, and permits, the Airline will construct the Project on the Site and such other related improvements as are appropriate and necessary for the Airline to conduct the business of air transportation of freight on the Site (the "Improvements"). The Improvements will be designed and constructed by the Airline in accordance with the provisions of the Site Lease. The Airline will pay its allocable share of the cost of the Improvements in certain common areas. The title to the Improvements, including the Project, will vest in the City.

Term.

The term of the Site Lease will be for a period commencing on the date on which the City delivers possession of the Site to the Airline (expected to occur no later than December 1, 1990) and terminating on May 11, 2018.

Use.

The Site Lease provides that the Site may be used by the Airline primarily for the business of the air transportation of freight. Non-cargo reservation offices and administrative offices may be located on the Site so long as such use is incidental to the primary use of air transportation of freight and does not become a primary or significant use. Passengers may be handled at the Site only in irregular operation situations.

Rent.

The Site Lease requires the Airline to pay to the City rent for the Site of \$.45 per square foot per year, one-twelfth of which will be payable not later than first business day of each month. Up to \$.10 per square foot of the rent paid by the Airline will be applied by the City to operation and maintenance expenses related to the common areas of the Airport's cargo area. Each year, the rent will be increased in proportion to that year's increase in the Producer Price Index (as defined in the Site Lease). The Airline also will pay to the City each month one-twelfth of its pro rata share of the City's costs of operating and maintaining certain common areas, in excess of an amount equal to \$.10 per square foot of the Site.

Insurance.

The Site Lease provides that the Airline will maintain, at its own expense, workers' compensation and occupational disease insurance in amounts as required by the State of Illinois; commercial general liability insurance with limits of not less than \$25 Million per occurrence, naming the City as an additional insured, and including contractual liability coverage, and if available at commercially reasonable rates, products/completed operation, independent contractors, explosion, collapse, underground, and pollution coverages; automobile liability insurance with limits of not less than \$5 Million per occurrence, naming the City as an additional insured; all risk property insurance, in the amount of the full replacement value of the Site, naming the City as an additional insured; professional liability insurance for any architects or engineers who perform work in connection with the Improvements, with limits of \$1 Million; and all risk builder's risk insurance during the construction of any improvements to the Site.

Pursuant to the Site Lease, the Commissioner of Aviation of the City (the "Commissioner") maintains the right to change these insurance requirements to address those risks that would be insured by prudent airport operators of a business similar to that operated on the Site by the Airline.

Taxes.

The Site Lease provides that the Airline will be responsible for paying directly to the appropriate taxing agency all applicable taxes levied against the Site. The Site Lease permits the Airline to contest such taxes, including those enacted or promulgated by the City.

Sublease, Assignment, Or Other Transfer Of Site.

The Airline generally may not, without the prior written consent of the Commissioner, which may be withheld in the Commissioner's sole and absolute discretion, sublet the Site or any part thereof, assign or transfer the Site Lease or allow it to be transferred, or permit the Site to be used or occupied for purposes not provided for in the Site Lease or by anyone other than the Airline.

The Airline may, with the prior written consent of the Commissioner, which may not be unreasonably withheld, sublet portions of the Site to any of its majority-owned subsidiaries engaged in the business of air transportation of freight, to any party subleasing space for the sole and exclusive purpose of providing handling services at the Site or limited amounts of space on the Site to any other party conducting the business of air transportation of freight at the Site.

Maintenance.

The Airline will be responsible for performing or causing to be performed maintenance and repair of the Improvements. The Airline will agree to replace any portion of the structure of any buildings on the Site that may be destroyed or need replacement due to use or wear and tear.

Utilities And Services.

The Site Lease provides that the Airline will be responsible for payment of all costs of water, electricity, natural gas, telephone services and all other utility services for the Site.

Defaults And Remedies.

If the Airline defaults in the prompt payment of rent or of any amount due under the Site Lease, and such default continues for 10 days after the same becomes due; or if the Airline defaults in performing any covenants or agreements under the Site Lease, and such default continues for 30 days after written notice is given to the Airline; or if the Airline files a petition in bankruptcy or certain other acts of insolvency occur; or if the Airline abandons or vacates the Site; then, with 60 days' advance notice the City may treat one or more of the foregoing events as a breach of the Site Lease, and may either terminate the Site Lease, in which case all rent will become immediately due, or terminate the Airline's right of possession and may repossess the Site by forcible entry and detainer suit, without terminating the Site Lease or releasing the Airline from payment of rent for the full term.

If the Airline defaults in its obligations as described above, the Trustee may cure such default within the provided time periods and replace the Airline with another tenant or tenants, subject to the prior written approval of the Commissioner. The rent payable by such replacement tenant will be applied first to satisfy the Airline's obligation under the Site Lease and the excess, if any, will be payable to the Owners of the Bonds.

If the City defaults in the performance of any material covenant or agreement under the Site Lease or in any other agreement between the City and the Airline relating to the Site and fails to remedy such default, or to take prompt action to remedy such default, within a period of 60 days after receipt from the Airline of notice to remedy the same, then the Airline may terminate the Site Lease, provided the Airline is not at such time in default in the payment of any amount due from it to the City and there are no other contrary restrictions on such termination in the Site Lease or any other document related to the Site.

Termination By Airline.

If the Airline is not at the time in default in the payment of any amount due from it to the City or in default of any other material obligation under the Site Lease and neither the Site Lease nor any other document related to the Site contains any contrary restrictions, the Airline may terminate the Site Lease if its business or operations are inhibited by certain governmental authorities or by court injunction. A termination of the Site Lease by the Airline will not affect the Airline's obligations under the Agreement [or the Guaranty].

Release And Indemnification.

The City will not be liable to the Airline, or the Airline's agents, representatives or employees, for any injury, death, or property damage caused by any third person in the maintenance, construction or operation of facilities at the Airport, or caused by the City or any third person using the Airport, unless due to the negligence of the City. The City will not be liable to the Airline for damage to the property of the Airline or any loss of revenues to the Airline resulting from the City's acts or omissions in the maintenance and operation of the Airport except those caused by the negligence or willful misconduct of the City.

The Airline generally will indemnify and hold the City harmless against liability resulting from injury or death or property damage, except to the extent caused by the negligence of the City, arising out of the condition of the Site or arising directly from, or in any way occurring in connection with any work done by or at the direction of the Airline for the benefit of the Site.

Amendments.

The Site Lease may be amended by the parties thereto without the consent of the Trustee or the Owners of the Series 1990 Bonds.

The Indenture.

The following is a summary of certain provisions of the Indenture and does not purport to be complete. Reference is made to the Indenture for the complete provisions thereof.

Pledge And Security.

Pursuant to the Indenture, (i) the Agreement, together with all the City's interest therein (except for Unassigned Rights), and (ii) all payments to be received by the City under the Agreement (other than with respect to Unassigned Rights) and all investment earnings thereon will be assigned and pledged to the Trustee to secure the payment of the Bonds.

Application Of Construction Fund.

As described under the caption "Plan of Finance", a portion of the net proceeds of the Series 1990 Bonds will be deposited in the Construction Fund established under the Indenture. The Construction Fund will include the following accounts: (i) the Costs of Issuance Account; (ii) the Capitalized Interest Account; and (iii) the Construction Account. Moneys held in the Capitalized Interest Account will be used for the purpose of paying interest, other than accrued interest, on the Series 1990 Bonds before the completion of the Project. Moneys in the Construction Account will be applied pursuant to the Agreement to the payment of the costs of the Project.

The Airline will covenant to complete the acquisition and construction of the Project as soon as practicable. The completion of the Project will be evidenced by the submission by the Airline to the Trustee of a completion certificate. Moneys remaining in the Construction Fund at the time such certificate is delivered may be (i) used to pay any cost of the Project or any additions thereto, as the case may be, not then due and payable, (ii) transferred to the Principal Account in the Bond Fund created under the Indenture and applied (A) to the redemption of Bonds on the earliest practicable redemption date permitted or (B) for the payment of principal of the Bonds (subject to receipt of an approving opinion of Bond Counsel as defined in the Indenture), (iii) transferred to the Construction Account in the Construction Fund and applied to the costs of other additions to the Project, (subject to receipt of an approving opinion of Bond Counsel), or (iv) transferred to (A) the Interest Account in the Bond Fund or (B) the Capitalized Interest Account in the Construction Fund and applied to the payment of interest on the Bonds (subject to receipt of an approving opinion of Bond Counsel).

Application Of Special Facility Revenue Fund.

Payments made by the Airline under the Agreement (except for certain payments to the City and the Trustee) [and under the Guaranty] will be remitted directly to the Trustee for the account of the City and deposited in the Special Facility Revenue Fund established under the Indenture. Moneys in the Special Facility Revenue Fund will be disbursed by the Trustee to the Bond Fund, the Debt Service Reserve Fund and the Rebate Fund as provided in the Indenture.

Application Of Bond Fund.

The Bond Fund, into which will be deposited (i) accrued interest on the Bonds to the date of their delivery, (ii) the amounts derived under the

Agreement with respect to the payment of principal of and interest and redemption premium, if any, on the Bonds, (iii) certain amounts transferred from the Construction Fund and the Debt Service Reserve Fund and (iv) certain other amounts specified in the Indenture, will be maintained with the Trustee. Moneys in the Bond Fund will be used solely for the payment of the principal of and interest and redemption premium, if any, on the Bonds.

All moneys required to be paid to the Trustee for the account of the Bond Fund will be held by the Trustee in trust and, except for moneys for the redemption of Bonds, notice of the redemption of which has been duly given or waived, will be part of the trust estate and will be subject to the lien of the Indenture.

Debt Service Reserve Fund.

As described under the caption "Security for the Series 1990 Bonds -- Debt Service Reserve Fund", a portion of the net proceeds of the Series 1990 Bonds will be utilized to fund the Debt Service Reserve Fund established under the Indenture, which thereafter must be maintained in an amount equal to the Debt Service Reserve Requirement for the Series 1990 Bonds.

Rebate Fund.

The Rebate Fund will be established under the Indenture and will be maintained as a separate fund free and clear of the lien of the Indenture. The Trustee will be permitted to transfer moneys on deposit in any of the funds or accounts established under the Indenture in order to satisfy the Airline's rebate obligations to the United States of America.

Investments.

Any moneys held as part of the Bond Fund, the Construction Fund, the Debt Service Reserve Fund or the Special Facility Revenue Fund will be invested by the Trustee at the direction of the Airline as provided in the Indenture. Neither the Trustee nor the City will be responsible or liable for any loss resulting from any such investments or resulting from the sale of such investments as authorized under the Indenture. The Indenture will require that the Trustee determine the value of obligations or other investments in the Debt Service Reserve Fund at least once each year. Under the Agreement the Airline will agree to restore the required balance in the Debt Service Reserve Fund no later than the fifth business day after the Trustee notifies the Airline of such deficiency.

The Airline will covenant in the Agreement that no moneys on deposit in any fund or account in connection with the Bonds, and the City, to the extent it has any control over the use of Bond proceeds, will covenant in the Indenture that no moneys held thereunder will be used in any manner that would cause the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code.

Non-Presentment Of Bonds.

In the event any Bond is not presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if moneys sufficient to pay such Bond have been deposited in the Bond Fund, all liability of the City to the Owner thereof for the payment of such Bond will cease. The Trustee will hold such moneys, without liability for interest, for the benefit of the Owner of such Bond, who will thereafter be restricted exclusively to such moneys. Such moneys will be held in a separate and segregated fund and will not be invested. Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds for at least two years after the date on which the Bonds have become due will, at the Airline's direction, be paid by the Trustee to the Airline. Thereafter, Owners will be entitled to look only to the Airline for payment, but only to the extent of the amount so repaid to the Airline. The Airline will not be liable for any interest thereon and will not be regarded as a trustee of such moneys.

The obligation of the Trustee to pay any such funds to the Airline will be subject, however, to any provisions of law applicable to the Trustee or to such funds setting forth requirements for disposition of unclaimed property.

Defaults.

The Indenture will provide that the occurrence of any one or more of the following events will constitute a "default" under the Indenture and each such default, after the giving of notice, if any, the passage of time, if any, or the occurrence of an event, if any, specified below, will constitute an "event of default":

(a) failure to make payment of any installment of interest on any Bond when due and payable;

(b) failure to make due and punctual payment of the principal of any Bond when the same shall have become due and payable, whether at the

stated maturity thereof, upon redemption thereof or upon the maturity thereof by declaration;

(c) the occurrence of an "event of default" under the Agreement as described in paragraphs (b) or (c) under the caption "The Agreement -- Defaults", other than events of default thereunder relating to the City's Unassigned Rights; or

(d) the occurrence of certain events of bankruptcy, dissolution, liquidation or reorganization relating to the Airline, as described in paragraph (d) under the caption "The Agreement -- Defaults".

If an event of default under (a), (b) or (c) above has occurred and is continuing, the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds then outstanding shall, by notice in writing to the City and the Airline, and upon the occurrence and continuation of any event of default described under (d) above without notice to the Airline, declare the principal of all of the Bonds outstanding, plus the accrued interest to the date of acceleration, to be due and payable immediately.

Upon the occurrence of an event of default, the Trustee also may pursue any remedy available to it at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Trustee may rescind an acceleration and its consequences if (i) all existing events of default have been cured or waived, (ii) all payments due the Trustee together with reasonable fees and expenses of the Trustee and Owners of the Bonds have been made and (iii) if such acceleration was at the request of the Owners of not less than 25% in aggregate principal amount of outstanding Bonds, the Owners of a majority in aggregate principal amount of outstanding Bonds consent.

The Trustee may in its discretion waive any event of default under the Indenture and rescind its consequences and shall do so upon the written request of the Owners of not less than a majority in aggregate principal amount of all outstanding Bonds; provided that there shall not be waived any event of default in the payment of the principal of or interest or redemption premium, if any, on any Bonds unless prior to such waiver and rescission all amounts in default, together with reasonable expenses of the Trustee and of the Owners of such Bonds, including reasonable attorneys' fees paid or incurred, shall have been paid or provided for.

The Owners of a majority in aggregate principal amount of the Bonds then outstanding will have the right, by written instrument delivered to the Trustee, to direct the time, method and place of conducting all remedial

proceedings to be taken by the Trustee under the Indenture, but the direction must comply with law and the Indenture.

No Owner of any Bond will have the right to pursue any remedy under the Indenture or the Bonds unless (i) an event of default has occurred and is continuing of which the Trustee has been notified or is deemed to have or is required to take notice as provided in the Indenture, (ii) the Owners of at least 25% in aggregate principal amount of the Bonds outstanding have made written request to the Trustee to pursue such remedy and have provided the Trustee with indemnity as provided in the Indenture and (iii) the Trustee does not comply with such request within 60 days after receipt of such request and offer of indemnity.

Supplemental Indentures.

The Indenture will provide that the City and the Trustee may, without notice to or the consent of any Owner of the Bonds, enter into supplemental indentures for any of the following purposes:

- (a) to create and provide the applicable terms and conditions with respect to any series of Bonds in addition to the Series 1990 Bonds;
- (b) to add to the covenants and agreements of, and limitations and restrictions upon, the City in the Indenture other covenants, agreements, limitations and restrictions to be observed by the City that are not contrary to or inconsistent with the Indenture as theretofore in effect;
- (c) to grant to or confer or impose upon the Trustee for the benefit of the Owners of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted, conferred or imposed and that are not contrary to or inconsistent with the Indenture as theretofore in effect;
- (d) to cure any ambiguity, defect or omission in or to cure, correct or supplement any defective provisions of the Indenture or otherwise correct or supplement the Indenture in such manner as will not materially impair the security of the Indenture or adversely affect the Owners of the Bonds;
- (e) to evidence the appointment of a separate Trustee or a co-trustee, authenticating agent or co-bond registrar, or to evidence the succession of a new Trustee;
- (f) to comply with the requirements of the Trust Indenture Act of 1939, as amended;
- (g) to subject to the Indenture additional revenues, properties or collateral;

- (h) to provide for a paying agent in addition to the Trustee;
- (i) to change the definition of "Investment Securities" under the Indenture; or
- (j) to make any other change that shall not be to the material prejudice of the Owners of the Bonds or the Trustee.

The Owners of not less than a majority in aggregate principal amount of the outstanding Bonds will have the right to consent to the execution by the City and the Trustee of any other supplemental indentures except that no supplemental indenture shall:

- (a) extend the maturity of the principal of or the interest on any Bond;
- (b) reduce the principal amount of, the rate of interest on or the amount of premium payable on the redemption of, any Bond; or
- (c) effect a privilege or priority of any Bond or Bonds over any other Bond or Bonds; or
- (d) reduce the principal amount of Bonds required for consent to any such supplemental indenture.

Any supplemental indenture that affects any rights or obligations of the Trustee under the Indenture will not become effective without the consent of the Trustee.

Amendments To The Agreement.

The City and the Airline may, with the written consent of the Trustee, but without the consent of or notice to the Owners of the Bonds, enter into any amendment of the Agreement as may be required (i) by the provisions of the Agreement or the Indenture, (ii) to make any changes in the Agreement, including, without limit, any change for the purpose of curing any ambiguity, formal defect or formal omission, provided that such change does not materially prejudice the Owners of the Bonds, or (iii) to add additional rights acquired in accordance with the provisions of the Agreement. Amendments to the exhibits to the Agreement may be made without the consent of the Owners or the Trustee. Neither the City nor the Airline will enter into any amendment of the Agreement other than as provided above without the mailing of notice to and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the outstanding Bonds; provided that nothing in the Indenture shall permit an

extension of the time of payments due or reduction in the amounts payable under the Agreement with respect to the principal of or interest or redemption premium, if any, on the Bonds.

Discharge Of Indenture.

The Indenture will provide that, if the City pays or causes to be paid, or there is otherwise paid or provision for payment is made by the deposit of moneys or Governmental Obligations (defined below) to or for the benefit of the Owners of the Bonds, the principal or interest or redemption premium, if any, due or to become due thereon, and if, the City pays or causes to be paid to the Trustee all sums of money due or to become due according to the provisions of the Indenture, then the estate and rights granted by the Indenture will cease and be void and the lien of the Indenture will be discharged and defeased. After that, Owners of the Bonds must look only to such deposited moneys and/or Governmental Obligations for payment of principal of or interest or redemption premium, if any, on the Bonds.

"Governmental Obligations" means (i) any bonds or other obligations of the United States of America that as to principal and interest constitute direct obligations of the United States of America for the full and timely payment of which are unconditionally guaranteed by the United States of America, are noncallable and at the time of investment are legal investments under the laws of the State of Illinois for the moneys proposed to be invested therein or (ii) securities or receipts evidencing ownership interests in obligations or portions thereof (such as principal or interest) of obligations described in clause (i).

The Guaranty.

[The following statements are a summary of certain provisions of the Guaranty and do not purport to be complete. Reference is made to the Guaranty for the complete provisions thereof.]

[Guaranty Of The Bonds].

[The Airline will execute and deliver to the Trustee the Guaranty, pursuant to which it will unconditionally guarantee to the Trustee for the benefit of the Owners of the Series 1990 Bonds: (i) the full and prompt payment of the principal of the Series 1990 Bonds when due, whether at the stated maturity thereof or upon mandatory or optional redemption or otherwise, and (ii) the full and prompt payment of interest and redemption premium, if any, on the Series 1990 Bonds when due. The obligations of the

Airline will be unconditional and will remain in effect until the entire principal of and interest on the Series 1990 Bonds shall have been paid in full or such Series 1990 Bonds have been duly redeemed.]

[Consent To Service Of Process And Jurisdiction; Waiver Of Sovereign Immunity].

[The Guaranty will include the Airline's consent to service of process and federal court jurisdiction in the Northern District of Illinois and the Airline also will waive any rights that it may now or hereafter have based upon principles of sovereign immunity, subject to its right to remove actions brought in other courts to federal court in the Northern District of Illinois.

Bondholders' Risks.

Certain Risks Related To The Airline.

The primary source of the payments of the principal of and interest and redemption premium, if any, on the Series 1990 Bonds will be the payments made by the Airline under the Agreement. See "Security for the Series 1990 Bonds -- Payments by the Airline under the Agreement". There is no assurance that the Airline will be able to meet all of its obligations under the Agreement or the Site Lease throughout their terms.

The Airline experienced a loss for the first six months of 1990. For information concerning the business and financial condition of the Airline, see "Appendix A -- Compagnie Nationale Air France", and the documents referred to therein. The information included and referred to in Appendix A has been furnished by the Airline. The City has made no independent investigation or verification of the information or opinions contained in Appendix A or to which reference is made therein. The City and the Underwriters do not represent or warrant that such information is accurate or complete for any purpose.

As described under the captions "The Agreement -- Remedies" and "The Site Lease -- Defaults and Remedies", if the Airline defaults on its obligations under the Site Lease, the Trustee may replace the Airline with another tenant and the rent payable by such replacement tenant will be applied first to satisfy the Airline's obligations under the Site Lease and the excess, if any, will be payable to the Owners of the Bonds. While the Airline's obligations under the Agreement and the Site Lease will continue even if a replacement tenant is found, there is no assurance that a replacement tenant could be found, or that the rents paid by such

replacement tenant would be sufficient to make payments of principal of and interest and redemption premium, if any, on the Series 1990 Bonds.

Bankruptcy Issues.

See "Enforceability of Remedies" for a discussion concerning certain bankruptcy risks related to the Series 1990 Bonds.

Possible Loss Of Tax-Exempt Status.

In the opinion of Bond Counsel, interest on the Bonds is excluded from gross income for federal income tax purposes under existing statutes, regulations, rulings and court decisions, except as to Series 1990 Bonds held by a "substantial user" or a "related person." See "Tax Matters". If the Series 1990 Bonds are finally determined to be taxable, the Series 1990 Bonds will be subject to mandatory redemption as described under the caption "The Series 1990 Bonds -- Redemption Prior to Maturity -- Mandatory Redemption Upon Determination of Taxability". There will be no adjustment of the rate at which the Series 1990 Bonds bear interest, and the Owners will not be indemnified against losses sustained as a result of the interest on the Series 1990 Bonds' ceasing to be excluded from gross income for federal income tax purposes.

Enforceability Of Remedies.

The remedies available to the Trustee, the City and the Owners of the Series 1990 Bonds upon an event of default under the Agreement or the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code, the remedies specified by the Agreement and the Indenture may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 1990 Bonds will be qualified as to the enforceability of the various instruments by limitations imposed by principles of equity and by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the rights of creditors generally.

If a proceeding is commenced under the United States Bankruptcy Code (the "Bankruptcy Code") with respect to the Airline, a bankruptcy court might determine that the Agreement is an executory contract pursuant to Section 365 of the Bankruptcy Code. In that event, a trustee in bankruptcy or a debtor-in-possession might reject the Agreement. Under the

Bankruptcy Code, any rejection of the Agreement could result in a claim for damages, which claim would rank as that of a general unsecured creditor. The amount of such claim could be limited to the amounts payable under the Agreement, without acceleration, for the greater of one year or 15% of the remaining term of the Agreement, but not in excess of three years, following the date of the commencement of the bankruptcy case, plus any delinquent payments under the Agreement, without acceleration, as of the commencement date. Moreover, the ability of the Trustee to recover on the Guaranty could be limited or restricted under the Bankruptcy Code. [Certain bankruptcy courts have held in situations where lessees also have guaranteed their payment obligations that the guaranties will not be enforced to allow the claimant to recover more than the statutory limit of damages under executory contracts. A bankruptcy court similarly could consider the Guaranty to be part of an overall leasing transaction, in which case the Trustee could have only a limited ability to recover against the Airline on account of the Guaranty. Further, the Trustee's claim against the Airline of the Guaranty could be disallowed by the bankruptcy court if it found such claim to be duplicative of claims made by the City against the Airline.]

Litigation.

Except for those matters described below, there is no litigation pending or threatened against the City relating to the Airport other than various legal proceedings arising out of the ordinary course of business of the Airport and having no material impact on the financial condition of the Airport. Upon the delivery of the Series 1990 Bonds, the City will furnish a certificate to the effect that, among other things, there is no litigation pending in any court seeking to restrain or enjoin the issuance or delivery of the Series 1990 Bonds, or in any way contesting the validity or enforceability of the Series 1990 Bonds the Agreement [, the Guaranty] or the Site Lease.

Two lawsuits are pending against the City in the United States District Court for the Northern District of Illinois, each concerning the City's regulation of ground transportation to and from the Airport. The complaints allege, among other things, violations of the Sherman Antitrust Act and seek damages and certain other relief relating to such regulation.

The following three lawsuits against the City contain claims based on noise and other effects of aircraft operations arising out of the operation of the Airport. These lawsuits are more fully described as follows:

1. *Bieneman v. City of Chicago, et al.* (United States District Court for the Northern District of Illinois) No. 84 C 10388. This civil action, filed December 4, 1984, as a class action on behalf of all people affected by the Airport sought damages for personal injuries and property damage

allegedly resulting from operations at the Airport, primarily from noise and air pollution associated with airplane operations. The complaint, as amended, alleged that the class of plaintiffs included "several hundred thousand members" and alleged damages related to civil rights claims in an amount in excess of \$10,000 for each member. Punitive damages and awards based upon inverse condemnation were also sought. Plaintiff also sought an injunction requiring implementation of alternatives to increased aircraft operations at the Airport and requiring mitigation measures at the Airport to reduce the continuing injuries which plaintiff claimed. The personal injury count is based on the Civil Rights Act, 42 U.S.C. Section 1983. The property damage claim was based on the theory of inverse condemnation. Another count sought relief against various airline defendants. Relief was also sought on a variety of other state law and constitutional theories. By memorandum opinion and order dated June 8, 1987, the district court granted the City's motion to dismiss. Plaintiff appealed this judgment to the United States Court of Appeals. On February 3, 1988, the United States Court of Appeals dismissed this appeal for lack of jurisdiction because the District Court had not disposed of the class allegations. On June 24, 1988, the District Court ruled that the suit cannot be maintained as a class action and entered a final judgment order dismissing the case. On December 13, 1988, the United States Court of Appeals affirmed the judgment of the District Court to the extent that it found all claims under the United States Constitution to be barred, rejected claims under 42 U.S.C. Section 1983 and held that class certification should be denied, but vacated the District Court judgment to the extent that it held that claims under state law are preempted, and remanded the case to the District Court with instructions to relinquish jurisdiction so that the plaintiff "may pursue his state-law contentions in state court". The effect of the Court of Appeals decision is complete dismissal of this case on all grounds. The court's holding with respect to preemption leaves open the possibility that the plaintiff in this case can proceed to state court and seek damages there under state tort law theories. The United States Supreme Court denied certiorari and this litigation is concluded.

2. *Biddison v. City of Chicago, et al.* (United States District Court for the Northern District of Illinois) No. 85 C 10295. On December 11, 1985, plaintiff filed an eight-count complaint against the City, officials of the City and seven domestic airlines which is virtually the same as the first amended complaint in *Bieneman*. Plaintiff seeks unspecified actual damages against the City in excess of \$10,000. On June 8, 1987, by memorandum opinion and order, District Court granted the City's motion to dismiss all claims except as to the count based upon an inverse condemnation claim. As to the count, the City has filed a motion for summary judgment based upon the statute of limitations. On July 28, 1989, the District Court granted the City's motion for summary judgment, and dismissed all remaining counts of the complaint. As a result, all proceedings in the District Court in this case have been concluded. Plaintiff has appealed to the U. S. Court of Appeals for the Seventh Circuit

from the District Court's order granting summary judgment for the City. The matter has been briefed by the parties. Oral arguments were heard on October 2, 1990. No date has been set for decision.

3. *People of the State of Illinois ex rel. James E. Ryan, State's Attorney of DuPage County, et al. v. The City of Chicago, et al.* (Circuit Court for the Eighteenth Judicial Circuit, Du Page County, Wheaton, Illinois) No. 89 MR 0314. This Complaint for Declaratory Judgment, Damages and Other Relief was filed on June 12, 1989, by the People of the State of Illinois by the State's Attorney, the Regional Board of School Trustees of Du Page County, the Superintendent of Schools of Du Page County and several Du Page County school districts. The defendants are the City and six of the airlines which provide service at the Airport. The Complaint has 11 counts alleging deprivation of students' rights to education, interference with and impairment of statutory and regulatory obligations, continuing nuisance, taking of property in violation of the Constitution of Illinois, and damaging of property. The suit also seeks a declaratory judgment that certain defenses relied upon by the City in prior litigation are invalid. In addition to declaratory relief, damages in excess of \$1,000,000 are claimed and injunctive relief is requested. On August 30, 1989, the City filed a motion to dismiss the seven counts of the Complaint seeking relief against the City (the airline defendants have filed a motion to dismiss the counts seeking relief against them). On October 9, 1989, the City filed its brief in support of its motion to dismiss. Plaintiff's brief was filed on March 30, 1990. The City's reply brief was filed on April 30, 1990. The City's motion has been set for hearing on September 18, 1990. No date for decision has been set. On May 16, 1990, United Airlines, a co-defendant in the case, filed a motion for change of venue, which motion was denied on August 21, 1990, without prejudice to the refileing of the motion at a later time.

The *Biddison* and *Ryan* suits will be vigorously defended by the City. As of the date of this Official Statement, however, the City and its Special Counsel, Hopkins & Sutter, are unable to predict whether such litigation might result in the delay, modification or prevention of the implementation of the Project or the Airport Development Plan, or might result in substantial changes in the operation of the Airport or the flight operations it will handle, or whether any damages will be awarded against the City and the Airline defendants, or if such damages are awarded, the amount thereof. A judgment in the amounts claimed in these lawsuits would not have a substantial impact on the various Airport fees and charges, but if the principles of law on which Plaintiffs' claims are based are established by the courts, subsequent lawsuits based on those principles could result in aggregate damages which could have a substantial impact on the various fees and charges. The airline defendants are responsible for defending these lawsuits and for reimbursing the City for any resulting judgment.

In addition, there are, from time to time, lawsuits which arise out of the various construction contracts entered into in connection with various construction projects at the Airport.

Regulatory Proceedings And Proposed State Actions.

Federal Aviation Administration.

Since 1969, the Airport has operated under the F.A.A.'s "High Density Rule", which imposed limits on hourly aircraft operations. The F.A.A. amended the Rule effective June 1, 1984, increasing the number of operations permitted at the Airport from 135 operations per hour to 155 operations per hour while extending the hours during which restrictions are applicable. The amendment also resulted in a modification of the allocation of hourly operations among the three classes of users -- air carriers, commuter airlines and other categories. The F.A.A. has the power to regulate the number of operations at the Airport by various means in addition to the High Density Rule and has from time to time exercised those powers. It is not possible to predict whether, or the extent to which, the F.A.A. may from time to time modify, replace or remove operational limits applicable to the Airport.

Proposed State Actions.

A regulatory proceeding considering the issuance of proposed aircraft noise regulations was begun in 1977 and is still pending before the Illinois Pollution Control Board. On April 10, 1986, the Board issued a Proposed Opinion and Order of the Board which includes definitive proposed regulations. The Board may or may not adopt these regulations in the form proposed. However, if enacted in their present form, the proposed regulations could severely restrict operations at the Airport. The City's Special Counsel, Hopkins & Sutter, is of the opinion that the proposed regulations in their present form raise significant issues under existing case law and that portions of the proposed regulations may be found unenforceable by state or federal courts.

In 1988 the Illinois Department of Transportation ("I.D.O.T.") proposed to locate the planned Elgin-O'Hare expressway along the southwestern boundary of the Airport. Through November, 1989, I.D.O.T. and the City discussed the preferred alignment that the expressway should take. The City would not accept any alignment that would compromise or preclude future Airport development options. No agreement was reached regarding the Elgin-O'Hare expressway proposal. Although discussions are presently suspended, they are expected to revive at some time in the future. The

resolution of this matter will not have an impact on completion of the Airport Development Plan.

Proposed Airport Oversight Board.

The Illinois General Assembly has in recent sessions considered, but failed to adopt, various proposed bills which, if adopted, would have created an airport authority with membership comprised of suburban and City representatives and having certain oversight authority over the Airport, or which would have had the effect of restricting operations at the Airport. Similar legislation can be expected to be introduced in future sessions of the General Assembly. It is expected that the City will continue to oppose such legislation.

Third Airport Feasibility.

In July, 1988, a study (the "1988 Study") sponsored by I.D.O.T., was completed concerning the advisability and feasibility of either constructing an additional airport or expanding an existing airport to service the Chicago Region. The 1988 Study concluded that unless an additional airport is built, a portion of total passenger demand in the Chicago Region by (or before) the year 2020 will not be accommodated at the City's airports. In order to evaluate the preliminary recommendation of the 1988 Study, I.D.O.T., in conjunction with the Federal Aviation Administration, has selected a consultant to conduct a second study relative to a site selection and master plan for a third airport (the "Site Study"). This Site Study will include a review of the forecasts of aviation demand developed in the 1988 Study and will include a report to a committee comprised of representatives of Illinois, Indiana and the City of Chicago as a result of the July 1990 Memorandum of Understanding (the "Bi-State Committee") which will evaluate the consultant's report taking into consideration environmental, financial feasibility, airspace, human resource implications, ground access, cost, and service capability factors and make a recommendation on a final site.

In February 1990, the City, on the basis of a feasibility study commissioned by the City, announced its support for the construction of a third commercial airport in the Lake Calumet area on the City's southeast side, approximately 14 miles southeast of the City's central business district. The Lake Calumet Airport may replace Midway Airport as a commercial air carrier facility and is anticipated to service domestic and international passenger and cargo traffic on a scale similar to that of the Airport. The Lake Calumet airport is projected to begin operations in the year 2010. It is not possible to predict at this time what impact the Lake Calumet Airport might have on the Airport.

On July 10, 1990, the states of Illinois and Indiana and the cities of Chicago, Illinois and Gary, Indiana, in cooperation with the U.S. Department of Transportation, jointly announced the expansion of the membership of the Bi-State Committee from eight to twelve members with three of the additional members being selected by the City of Chicago and the fourth member, who will serve as Committee chairman, being selected by the unanimous agreement of the Governors of Illinois and Indiana and the Mayor of Chicago. In addition, it was announced that the Site Study will now include in its evaluation the City's Lake Calumet airport site, along with the four other sites previously identified as possible locations for a third airport in the Chicago Region.

Tax Matters.

Tax Exemption.

Co-Bond Counsel are of the opinion that under existing statutes, regulations and judicial decisions, the interest on the Series 1990 Bonds is excludable from the gross income of the Owners thereof for federal income tax purposes, except that no opinion is expressed as to the exclusion from gross income of interest on any Series 1990 Bond during any period while a Series 1990 Bond is held by a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code. It should be noted, however, that such interest is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and the environmental tax imposed on corporations prior to January 1, 1992 under Section 59A of the Code. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City and Airline comply with the Code and all of their representations, warranties and covenants set forth in the Indenture and the Arbitrage Compliance Agreement dated as of October 1, 1990 between the Airline, the City and the Trustee that must be satisfied subsequent to the issuance of the Series 1990 Bonds in order that interest thereon be, or continue to be, excludable from the gross income of the Owners thereof for federal income tax purposes. In the opinion of Co-Bond Counsel, the Code, other applicable law and such representations, warranties and covenants establish procedures which, if followed, enable interest on the Series 1990 Bonds to be, and continue to be, excludable from the gross income of the Owners thereof for federal income tax purposes. Failure to comply with the Code, other applicable law and such representations, warranties and covenants may cause the interest on the Series 1990 Bonds to become includible in the gross income of the Owners thereof for federal income tax purposes, retroactively to the date of issuance of the Series 1990 Bonds. In that event, the Indenture does not contain any provisions for acceleration of the Series 1990 Bonds nor provide that any additional interest or penalty be paid to the Owners of the Series 1990 Bonds. However, the Series 1990 Bonds will be subject to mandatory

redemption, in whole or in part, upon a determination of taxability as described under the caption "The Series 1990 Bonds-- Redemption Prior to Maturity -- Mandatory Redemption Upon Determination of Taxability". Further, in the opinion of Co-Bond Counsel, under the laws of the State of Illinois as presently enacted and construed, interest on the Series 1990 Bonds and any gain from the sale thereof are not exempt from Illinois income tax. In rendering their opinions, Co-Bond Counsel will rely in part on the City's election to apply the provisions of Section 1317(5)(B) of the Tax Reform Act of 1986 to the Series 1990 Bonds. Section 1317(5)(B) permits up to \$500,000,000 of bonds to be issued for improvements at the Airport without regard to certain restrictions otherwise applicable to bonds issued for airport purposes on or after August 15, 1986. Co-Bond Counsel express no opinion regarding other federal tax consequences arising with respect to the Series 1990 Bonds. Co-Bond Counsel are further of the opinion that interest on the Series 1990 Bonds is not exempt from Illinois income tax. See "Appendix B -- Form of Opinion of Co-Bond Counsel".

The City will agreed in the Indentures (1) not to take any action, or omit to take any action which is lawful and within its power to take, and which, if taken or omitted, would cause interest on the Series 1990 Bonds to become includible in the gross income of the Owners of the Series 1990 Bonds for federal income tax purposes, other than an Owner who is a "substantial user" or "related person" within the meaning of Section 147(a) of the Code, and (2) not to take any action, or omit to take any action, with respect to the investment of the proceeds of the Series 1990 Bonds that would result in causing the Series 1990 Bonds to constitute "arbitrage bonds" within the meaning of Sections 103(b)(2) or 148 of the Code.

Other Tax Matters.

Prospective purchasers of the Series 1990 Bonds should also be aware that (i) Section 265 of the Code denies a deduction for interest on indebtedness incurred or contained to purchase or carry the Series 1990 Bonds or, in the case of a financial institution, that portion of an Owner's interest expense allocated to interest on the Series 1990 Bonds, (ii) life insurance companies must include tax-exempt interest in computing the amount of income or deductible expense for federal income tax purposes with respect to certain insurance reserves and with respect to property and casualty insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the Series 1990 Bonds, (iii) for taxable years ending after December 31, 1986, in the case of banks and certain other financial institutions, the determination of the amount of interest expense attributable (and therefore not deductible) to ownership of tax-exempt obligations such as the Series 1990 Bonds is generally based upon the ratio of the taxpayer's average adjusted basis in tax-exempt bonds to the average adjusted basis for all assets of the taxpayer, (iv) interest on

the Series 1990 Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (v) passive investment income, including interest on the Series 1990 Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year, if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income and (vi) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining taxability of such benefits, receipts or accruals of interest on the Series 1990 Bonds. Co-Bond Counsel expresses no opinion as to any collateral federal income tax consequences and prospective purchasers of the Series 1990 Bonds should consult their tax advisors as to the applicability of these or any other collateral consequences.

Certain Legal Matters.

Legal matters incident to the authorization, issuance and sale by the City of the Series 1990 Bonds are subject to the approving legal opinions of Burke, Wilson & McIlvaine, Chicago, Illinois, and John H. Stroger, Jr., Esq., Chicago, Illinois, Co-Bond Counsel. The proposed form of the opinions of Co-Bond Counsel is included as Appendix B, and the final opinions will be delivered with the Series 1990 Bonds.

Certain legal matters will be passed upon for the City by the Corporation Counsel of the City and by Hopkins & Sutter, Chicago, Illinois, Special Counsel to the City, for the Underwriters by their co-counsel, Gardner, Carton & Douglas, Chicago, Illinois, and Richard H. Newhouse, Jr., Chicago, Illinois, and for the Airline by Joan Gabel, Legal Affairs Manager/U.S.A. of the Airline, Haight, Gardner, Poor & Havens, special United States counsel to the Airline, and Monsieur Fernand Garnault, French counsel to the Airline.

Underwriting.

A group of underwriters (the "Underwriters"), on behalf of which Smith Barney, Harris Upham & Co., Incorporated and the other co-managers shown on the cover page have agreed, jointly and severally, to purchase the Series 1990 Bonds pursuant to a Contract of Purchase between the City and the Underwriters dated the date of this Official Statement, subject to certain conditions, at a price of _____ (representing an underwriting discount of \$ _____ and an original issue discount of \$ _____), plus accrued interest. The Underwriters will be obligated to purchase all the Series 1990 Bonds, if any Series 1990 Bonds are purchased.

The prices and other terms respecting the offering and sale of the Series 1990 Bonds may be changed from time to time by the Underwriters after such Series 1990 Bonds are released for sale, and the Series 1990 Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Series 1990 Bonds into investment accounts. In connection with the offering of the Series 1990 Bonds, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Series 1990 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Airline has agreed to indemnify the Underwriters and the City against certain liabilities, including liabilities under the Securities Act of 1933, and to contribute in respect thereof.

[Ratings]

[To Come, If Any]

*Requirements Of Florida's Department Of
Banking And Finance.*

Regulations of the Florida Department of Banking and Finance require that offering circulars for state and local government bonds sold in initial offerings to the general public in Florida set forth detailed information about any bonds of the issuer which are in default (whether or not the default relates to the bonds being sold). Information which is believed not to be material may, nevertheless, be deleted if the reason for the deletion is set forth in the offering circular. The City has outstanding \$101 Million in aggregate principal amount of Calumet Skyway Toll Bridge Revenue Bonds (the "Skyway Bonds") which were issued in 1955 and 1957 to finance construction of an elevated tollway linking the City to the Indiana Toll Road. The documents pursuant to which the Skyway Bonds were issued provide that the Skyway Bonds are payable solely from the net revenues of the Skyway. Although Skyway net revenues have been insufficient in the past to enable interest on the Skyway Bonds to be paid on a current basis, all past due interest, including penalties, has been paid. The City has been paying interest on a current basis on the Skyway Bonds since July 1, 1989. No scheduled sinking fund redemptions of the Skyway Bonds have been made, and no deposits have been made for such purpose or for the payment of principal of the Skyway Bonds. The Skyway Bonds mature in 1995. Further details concerning the Skyway Bonds and litigation concerning them is available from the City. However, that detailed information, in the view of the City, is not material to the sale of the Series 1990 Bonds because the

Series 1990 Bonds are payable from an entirely separate source of revenue than the Skyway Bonds.

In addition, the City has issued non-Airport industrial development bonds and multi-family housing revenue bonds for the benefit of private users that are payable primarily or entirely from payments made by such users. The City makes no representation as to whether any such bonds are or are not in default. In the view of the City, disclosure of defaults of industrial development or multi-family housing revenue bonds, if any, would not be appropriate or material to the sale of the Series 1990 Bonds because the Series 1990 Bonds are payable entirely from a separate source of revenues.

Miscellaneous.

The summaries or descriptions in this Official Statement of provisions in the Indenture, the Agreement, the Site Lease [and the Guaranty] and all references to other materials not purporting to be quoted in full, are only brief outlines of certain provisions and do not constitute complete statements of such documents or provisions. Reference is made to the complete documents relating to such matters for further information, copies of which will be furnished by the City upon written request delivered to the office of the City Comptroller, City Hall, Room 501, 121 North LaSalle Street, Chicago, Illinois 60602.

Any statements made in this Official Statement indicated to involve matters of opinion or estimates are represented as opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated.

Authorization.

The City has authorized the distribution of this Official Statement.

This Official Statement has been duly executed and delivered by the City Comptroller on behalf of the City of Chicago.

City of Chicago

By: _____
City Comptroller

Appendices "A" and "B" attached to this Preliminary Official Statement read as follows:

Appendix "A".

Compagnie Nationale Air France

Statement Of Available Information.

The Airline has made publicly available in France each of the following documents:

1. Audited Consolidated Financial Statements of the Airline and its Consolidated Subsidiaries for the Fiscal Years Ended December 31, 1987, 1988 and 1989, respectively (presented in English);
2. 1989 Annual Report of the Airline (presented in French);
3. Statement of Selected Financial Information of the Airline and its Consolidated Subsidiaries for the Fiscal Year Ended December 31, 1989 (presented in English);
4. Unaudited Consolidated Interim Financial Statements of the Airline and its Consolidated Subsidiaries for the Six-Month Period Ended June 30, 1990 (presented in English).

The Airline will provide without charge to each person to whom this Official Statement is delivered, upon the written request of such person, a copy of any or all of the foregoing documents related to it. During the offering period for the Series 1990 Bonds, requests for such documents should be directed to any of the Underwriters.

General.

The Airline is 99.377% owned by the Republic of France, and its principal subsidiaries include Union des Transports Aeriens ("U.T.A."), Air Inter, Meridien Hotels, Air Charter, Servair, Saresco and Sotair. The Airline and its subsidiaries are herein referred to as the "Air France Group." The international scheduled airline services of the Airline rank second in the

world in terms of numbers of passengers carried and third in the world in terms of air cargo tons carried.

As of June 30, 1990, the Airline served 198 airports in 77 countries, including 10 airports in the United States, 23 in the rest of the Americas, 30 in Asia, 28 in Africa, and 108 in Europe. As of June 30, 1990, the Airline employed approximately 37,000 persons including more than 5,000 outside of France and about 7,500 in flight staff. In 1989, the Airline operated with a fleet of 113 aircraft: 7 Concorde, 27 Boeing 747, 22 Boeing 727, 16 Boeing 737, 15 Airbus A300, 9 Airbus A310, 9 Airbus A320 and 8 Boeing 747 Cargo.

The Airline accounted for over ____% of Air France Group's assets, operating revenues and expenses in 1989.

The address for the principal executive office of the Airline in the United States is 888 Seventh Avenue, New York, New York 10106 (telephone: (212) 830-4000).

Recent Developments.

Expansion of Fleet. In 1989, the following decisions were made concerning expansion and replacement of the Airline's fleet of airplanes:

- the order of 28 new aircraft (4 Airbus A310-300, 1 Airbus A320, 7 Airbus A340-300, 12 Boeing 737-500, 4 Boeing 737-500 and 4 Boeing 747-400 Cargo); and
- the taking of options on 14 aircraft (4 Airbus A340-300, 6 Boeing 737-500 and 4 Boeing 747-400).

In 1989, the Airline spent 11.8 Billion French Francs (\$_____) to expand its fleet. At year end 1989, it had ordered for the next 10 years 112 aircraft: 60 under purchase commitment, and 52 under purchase options. To finance these acquisitions in part, the Airline issued subordinated notes in the principal amount of 1.8 Billion French Francs (\$_____) during 1989 and debt instruments in the principal amount of 1 Billion French Francs, (\$_____) in June, 1990. The Airline expects that it will require approximately ____ French Francs (\$_____) in external financing during 1991.

During 1990, the Airline will take delivery of 8 of the new aircraft described above: 2 Boeing 747-200 Cargo planes, 1 Airbus A310-300, and 5 Airbus A320. During 1990, 6 Boeing 737s will be retired. At year end 1990, the consolidated fleet of the Airline will have 127 aircraft (including 14 Airbus A320 aircraft).

Expansion of Network: New Products. The Airline continues to expand its network by opening new routes and selecting new destinations. In 1989, the Airline opened 10 destinations, 7 new routes and 20 new services. The plans for 1990 include 5 new destinations, 12 new routes and an increase in flight frequency to some 40 destinations.

The Airline also launched a series of commercial innovations including, in 1989, the opening of new terminal facilities of Charles de Gaulle Airport in Paris, the first non-smoking French flights, new fares for senior citizens, and in 1990, a new line of "Le Club" products for business passengers and a new policy regarding relations with the Company's most loyal and high-yield customers, renovating its "Club 2000" and "Service Plus" programs.

Acquisition of U.T.A. and Air Inter. On January 12, 1990, the Airline acquired a 54.8% controlling interest in U.T.A., another international airline based in France. Subsequent purchases of U.T.A. stock by the Airline increased its ownership stake in U.T.A. to 71%, acquired for a total price of 4.9 Billion French Francs. At the time of the transaction, U.T.A. held a 35.4% interest in Air Inter, the French domestic airline, in addition to the 36.5% interest in Air Inter already held by the Airline. As a result of the acquisition of U.T.A., the Airline also owns, directly or indirectly, 61.6% of Air Inter.

The European Community Commission's (the "E.C.") competition office has announced that it is reviewing the Airline's acquisitions of U.T.A. and Air Inter. In addition, the E.C. currently is considering how its competition rules should be applied to the airline industry. It is not possible to predict the outcome of these actions by the E.C., or their impact on the Airline.

The Air France Group now operates, with a fleet of 196 aircraft, in a worldwide system covering 246 destinations, backed by a coordinated domestic network. The Airline believes that extensive economics of scale will thus be made possible, particularly in respect to maintenance, fuel purchasing, cockpit crews and computer applications.

New Reservations Systems. In 1990, the European computerized reservations system, "Amadeus, founded on May 27, 1988 by the Airline, Iberia, Lufthansa German Airlines and S.A.S., will reach the final stages before becoming fully operational in early 1991. The system will then link up a network of 15,000 travel agents, representing 90 million passengers flown and at least 60% of the European air travel market.

Concurrently, the Airline, Cathay Pacific, Japan Airlines and Lufthansa German Airlines have decided to pool their technical and financial resources to examine the feasibility of a common computer system to be used in the cargo sector, the "Global Logistic System" (G.L.S.).

Cost-Cutting Program. In September 1990 the Airline's board of directors announced a cost-cutting program that was adopted in response to the Airline's loss for the first half of 1990 and oil-related difficulties expected in the second half of 1990. The Airline's board also delayed until 1991 any non-aircraft investments and imposed a hiring freeze. See "Recent Operating Results -- Six Months Ended June 30, 1990", below.

Recent Operating Results.

Year Ended December 31, 1989. The Airline and Air France Group achieved a net income of French Francs _____ Million (\$ _____ Million), and French Francs _____ Million (\$ _____ Million), respectively, in 1989 compared with net income of French Francs _____ Billion (\$ _____ Million), and French Francs _____ Billion (\$ _____ Million), respectively, in 1988. The Airline attributed the decline in its 1989 net income to a ground personnel strike in late 1988/early 1989 and increased fuel and labor costs. Fiscal 1989 was a year of growth in terms of international air traffic, but disappointing in terms of economic results. The disparity between traffic development and operating profits is largely explained by higher costs, which the increase in revenue was unable to compensate in the same proportions. Increased competition, fuel price increases and the rise of the dollar exchange rate all contributed to the Airline's decline in profits.

Turnover (revenues) for the Airline and Air France Group during 1989 increased 11.2% and 11.8%, respectively, amounting to French Francs 34.8 Billion (\$5.4 Billion) and French Francs 39.6 Billion (\$6.2 Billion), respectively. More than 50% of this turnover is generated from France. In 1989, the Airline accounted for over 85% of the turnover and 99% of the investments of Air France Group, amounting to French Francs 6.8 Billion (\$1.1 Billion), 45% more than 1988.

Six Months Ended June 30, 1990. In the first half of 1990, the Airline and Air France Group incurred a loss of French Francs _____ Million (\$ _____ Million), and French Francs _____ Million (\$ _____ Million), respectively, compared with net income of French Francs _____ Million (\$ _____ Million) and French Francs _____ Million (\$ _____ Million), respectively, for the same period in 1989. First half turnover (revenues) _____ % for the Airline and _____ % for Air France Group to French Francs _____ (\$ _____) and French Francs _____ (\$ _____), respectively, compared with French Francs _____ (\$ _____) and French Francs _____ (\$ _____), respectively for the same period in 1989. The 1990 first half results for Air France Group reflect the acquisition of U.T.A. and Air Inter in January 1990 [Quantify].

Additional Information. See the [Presentation of the Financial Results of the Year 1989] included as part of the Airline's 1989 Annual Report, and the unaudited Consolidated Interim Financial Statements of the Airline and its Consolidated Subsidiaries for the Six-Month Period Ended June 30, 1990, for additional information concerning the business and financial condition of the Airline and Air France Group. Information concerning exchange rate conversion and differences between French and United States generally accepted accounting principles is contained in Notes 3-5 of the audited financial statements for the Airline and Air France Group.

Operating Information.

Passenger Operating Information (in millions except percentages):

Year	1989	1988	1987
Passengers carried	16.1	14.8	13.4
Available seat miles	32.5	30.5	28.3
Revenue passenger -- miles	22.8	21.4	19.7
Passenger load factor	70.5%	70.1%	69.5%

Cargo Operating Information (in millions except percentages):

Year	1989	1988	1987
Revenue metric ton -- miles	4.1	3.9	3.7
including air mail	0.074	0.064	0.064
on composite flights	41.4%	43.7%	45.7%
on cargo flights	58.6%	56.3%	54.5%

Capital And Revenue (\$ Millions).

Air France Group.

Year	1989	1988	1987
Capital	\$ 545.2	\$ 520.9	\$ 520.9
Total operating revenue	6,399.6	6,139.4	5,609.1
including: airline	4,803.5	4,651.2	4,189.3
other revenues	1,596.1	1,488.2	1,419.8
net profit	131.5	193.7	202.5
cash flow	308.9	607.2	443.3

*Apendix "B".**Form Of Opinions Of Co-Bond Counsel.*

\$ _____

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Compagnie Nationale Air France Project)

Series 1990.

Contract of Purchase.

City of Chicago
City Hall
121 North LaSalle Street
Chicago, Illinois 60602

December ____, 1990.

Ladies and Gentlemen:

The undersigned underwriters, for whom Smith Barney, Harris Upham & Co., Incorporated (the "Senior Manager") and George K. Baum & Company, Goldman, Sachs & Co., Pryor, McClendon, Counts & Co., Inc. and Smith, Mitchell & Associates, Inc. are acting as the representatives (collectively with the Senior Manager the "Representatives"), acting on behalf of themselves and on behalf of the other underwriters, if any, named in the list attached hereto as Schedule I (the Representatives and any such other underwriters as finally determined being hereinafter called the "Underwriters"), offer to enter into the following agreement with the City of Chicago, a municipal corporation and a home rule unit of local government duly organized and existing under the laws of the State of Illinois (the "City"), which upon the City's acceptance of this offer, will be binding upon the City and upon the Underwriters. This offer is made subject to your acceptance of this Contract of Purchase on or before 5:00 P.M., Chicago time, on December ____, 1990. If no other Underwriters are listed in Schedule I, then the terms "Underwriters" and "Representatives" shall be deemed to have the same meaning herein.

1. **Purchase Price.** Upon the terms and conditions and in reliance upon the representations, warranties and covenants set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the City, and the City hereby agrees to sell to the Underwriters, all (but not less than

all) of the \$ _____ in aggregate principal amount of Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project), Series 1990 (the "Bonds"), dated, maturing, bearing interest and having the further terms set forth in the Official Statement of the City, substantially in the form attached hereto as Exhibit A and made a part hereof (such Official Statement, including the cover page, the Summary Statement and all appendices attached thereto, is hereinafter called the "Official Statement", except that if the Official Statement shall have been amended with the Senior Manager's and the City's approval between the date hereof and the Closing (as defined in Section 6), the term "Official Statement" shall refer to the Official Statement as so amended), at the purchase price of \$ _____, plus any interest accrued on the Bonds from their date to the date of the Closing. The Underwriters agree to make a bona fide public offering of all of the Bonds at the initial offering price (or yield) set forth on the cover page of the Official Statement, it being understood and agreed that after the initial offering the Senior Manager reserves the right to establish such public offering price (or yield) as it deems necessary in connection with the marketing of the Bonds. Except as otherwise defined herein, terms used herein which are defined in the Official Statement shall have the same meanings herein as therein. Attached hereto as Exhibit B is a copy of the Preliminary Official Statement of the City dated December ____, 1990, relating to the Bonds (the "Preliminary Official Statement").

2. Official Statement. At the time of the City's acceptance of this Contract of Purchase, or at such later time as shall be agreeable to the Senior Manager, the City shall deliver to the Representatives five executed copies of the Official Statement. The City authorizes the Underwriters to use the Official Statement and the documents referred to therein in connection with the public offering and the sale of the Bonds. The City ratifies and consents to the use by the Underwriters, prior to the date hereof, of the Preliminary Official Statement. The City shall deliver, or cause to be delivered, at its expense, to the Underwriters within seven business days from the date of this Contract of Purchase sufficient quantities of the Official Statement which in the reasonable judgment of the Senior Manager are sufficient to comply with their obligations under paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "1934 Act") and the rules of the Municipal Securities Rulemaking Board.

3. Authorization. The Bonds are authorized to be issued pursuant to an ordinance adopted by the City Council of the City on October ____, 1990 (the "Ordinance"), and will be described in, and issued and secured under and pursuant to, an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project), dated as of December 1, 1990 (the "Indentures"), from the City to Independence Bank of Chicago and The First National Bank of Chicago, Chicago, Illinois, as trustee (collectively, the "Trustee"). The Bonds are being issued for the purpose of financing (i) the Project, as defined in the Special Facility Use Agreement (Cargo Facility) dated as of December 1,

1990 (the "Agreement"), by and between the City and Compagnie Nationale Air France (the "Airline"); (ii) the interest on the Bonds during the construction of the Project; (iii) a debt service reserve fund established under the Indenture; and (iv) the costs of issuance related to the Bonds. The Project will be located at Chicago-O'Hare International Airport (the "Airport") and will occupy a site leased to the Airline pursuant to a Cargo Facility Site Lease dated as of December ____, 1990 (the "Site Lease") between the City and the Airline. [Payment of principal of and interest and redemption premium, if any, on the Bonds will be guaranteed by the Airline, pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty").] The Airline, the City and the Trustee will enter into an Arbitrage Compliance Agreement dated as of December 1, 1990 (the "Tax Agreement") and the City will deliver its General Tax Certificate and its Non-Arbitrage Certification, each dated as of the Closing (collectively with the Tax Agreement, the "City Tax Agreements"). The Airline will deliver its Project Cost and Tax Certificate dated as of the Closing (collectively with the Tax Agreement, the "Airline Tax Agreements"). Concurrently with the execution and delivery of this Contract of Purchase, the Airline shall execute and deliver to the City and the Underwriters its Letter of Representation, dated the date hereof (the "Letter of Representation"), substantially in the form included as Exhibit C hereto. [The Bonds will be remarketed by Smith Barney, Harris Upham & Co. Incorporated, as Remarketing Agent (the "Remarketing Agent"), pursuant to a Remarketing Agreement to be dated the date of issuance of the Bonds (the "Remarketing Agreement") between the Company and the Remarketing Agent. The Airline, the City, the Remarketing Agent, the Trustee and _____ (the "Tender Agent") will enter into a Tender Agent Agreement dated as of December 1, 1990 (the "Tender Agent Agreement") pursuant to which the Tender Agent will act as tender agent, co-paying agent and co-bond registrar for the Bonds.] The Agreement, the Bonds, the City Tax Agreements, the Indenture, the Site Lease and [the Tender Agent Agreement] are referred to herein as the "City Documents".

4. Representations and Warranties of the City. The City represents and warrants to the Underwriters as of the date hereof (and it shall be a condition of the obligation of the Underwriters to purchase and accept delivery of the Bonds at the Closing that the City shall so represent and warrant as of the date of the Closing) that:

(a) The City is a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois.

(b) In connection with the issuance of the Bonds, the City has complied in all respects with the Constitution and laws of the State of Illinois.

(c) The City Council has (i) duly adopted the Ordinance and authorized, ratified and approved the execution and delivery of the City Documents,

(ii) duly authorized and approved the Official Statement and authorized the use of the Preliminary Official Statement prior to the date hereof in connection with the offering and sale of the Bonds, (iii) duly authorized and approved the execution and delivery of this Contract of Purchase and the acceptance of the Letter of Representation, and (iv) duly authorized and approved the performance by the City of its obligations contained in the Ordinance, the City Documents and this Contract of Purchase.

(d) The City has full legal right, power and authority (i) to enter into this Contract of Purchase, (ii) to issue, sell and deliver the Bonds to the Underwriters pursuant to the Ordinance as provided herein, and (iii) to carry out and consummate the transactions contemplated by this Contract of Purchase, the Ordinance, the City Documents and the Official Statement. The City is not in breach of or default under the Ordinance, the City Documents, any applicable law or administrative regulation of the State of Illinois or the United States of America, or any applicable judgment or decree, or any loan agreement, note, resolution, ordinance, or other agreement or instrument to which the City is a party or is otherwise subject, including, without limitation, the 1983 Chicago-O'Hare International Airport General Airport Revenue Bond Ordinance ("G.A.R.B.O."), which breach or default is reasonably likely to materially adversely affect the operation of the Airport or the authorization or issuance of the Bonds, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such a breach or default. Neither the adoption of the Ordinance and compliance with the provisions thereof nor the execution and delivery of and performance by the City of its obligations under the Agreement, the City Documents or this Contract of Purchase violates any applicable law or administrative regulation of the State of Illinois or of any department, division, agency or instrumentality thereof or of the United States, or any applicable judgment or decree to which the City is subject, or conflicts with or constitutes a breach of or default under any loan agreement, note, resolution, ordinance, indenture, agreement or other instrument to which the City is a party or is otherwise subject, including, without limitation, G.A.R.B.O. The City has not received any judicial or administrative notice which in any way questions the federal tax-exempt status of interest on the Bonds and has not been notified of any listing or proposed listing of it by the Internal Revenue Service as a bond issuer whose arbitrage certifications may not be relied upon.

(e) Except as stated in the Official Statement, or as otherwise disclosed in writing to the Underwriters, the City is not, to the best of its knowledge, in default with respect to any bond, note or other evidence of indebtedness, whether of a general obligation, revenue or other nature which default is reasonably likely to materially and adversely affect the Bonds, the ability of the City to issue the Bonds or the City's ability to operate the Airport.

(f) All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a

condition precedent to the performance by the City of its obligations hereunder and under the Ordinance and the City Documents and which can reasonably be obtained at this time have been obtained. To the best knowledge of the City, there is no public vote or referendum pending or proposed, the results of which could in any way adversely affect the transactions contemplated by this Contract of Purchase, the Ordinance or the City Documents or the validity or enforceability of the Bonds.

(g) The Site Lease conforms to the description thereof contained in the Official Statement; and the Bonds, when issued and delivered in accordance with the Indenture, will be validly issued and outstanding limited obligations of the City payable from the Special Facility Revenues described in, and entitled to the benefit of, the Indenture. The Indenture creates a valid pledge of the grant of security interest in the Special Facility Revenues purported to be pledged thereby, subject to no prior pledges or security interests other than those granted to the Bonds, but subject to application as provided in the Indenture.

(h) The information contained in the Official Statement under the captions "Summary Statement -- The City" and "--The Airport", "The City", "The Airport", "The Site Lease", "Litigation", "Regulatory Proceedings and Proposed State Actions", "Requirements of Florida's Department of Banking and Finance" and "Authorization", as the Official Statement may be amended or supplemented with the approval of the Senior Manager, is true and correct in all material respects and such information does not and as of the date of Closing will not include any untrue statement of a material fact or omit to state a material fact necessary to make the statements made under such captions, in the light of the circumstances under which they are or were made, not misleading. The Preliminary Official Statement is an official statement deemed final as of its date within the meaning of Rule 15c2-12 under the 1934 Act, except that no representation or warranty is made with respect to the information contained in the Preliminary Official Statement concerning the Airline or the Project.

(i) Except as specifically set forth in the Official Statement, no litigation is pending or, to the knowledge of the City, threatened in any court which in any way affects the existence of the City, the City's operation of the Airport, or seeks to restrain or enjoin the issuance, sale and delivery of the Bonds, or the right, power and authority of the City to collect Special Facility Revenues generally or other moneys pledged or to be pledged to pay the principal of and interest on the Bonds, or the validity and binding effect of the Ordinance, this Contract of Purchase or the City Documents or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the power of the City or its authority with respect to the Ordinance, this Contract of Purchase or the City Documents or contesting in any way the exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

(j) The signatures of the officials executing this Contract of Purchase, the Letter of Representation, the Official Statement and the documents delivered pursuant to the foregoing on behalf of the City are true and genuine and such officials have been duly authorized to execute the same.

5. Covenants of the City. In connection with the purchase and sale of the Bonds pursuant to this Contract of Purchase, the City hereby covenants that:

(a) The City will make available such information, execute such instruments and take such other action in cooperation with the Representatives as the Senior Manager may reasonably request to qualify the Bonds for offer and sale under the securities laws and regulations of such states and other jurisdictions of the United States as the Senior Manager may designate; provided that nothing in this clause (a) shall require the City to consent to service of process in any state or jurisdiction other than the State of Illinois.

(b) The City will use its best efforts to make available such information, execute such instruments and take such other reasonable action in cooperation with the Underwriters as the Senior Manager may reasonably request to assist the Underwriters in attempting to qualify the Bonds with [Midwest Securities Trust Company ("M.S.T.C.")].

(c) If between the date of this Contract of Purchase and the date of the Closing any event shall occur related to the City and known to the City which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the City shall notify the Senior Manager in writing thereof and if, in the opinion of the City and the Senior Manager such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will at the Airline's expense supplement or amend the Official Statement in a form and in a manner approved by the Senior Manager. After the Closing, and so long as any Underwriter or any participating dealer shall be offering the Bonds which constitute the whole or a part of their unsold participations until the earlier of (i) 90 days from the date of Closing or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository (but in no event later than 25 days from the date of the Closing), the City agrees to advise the Senior Manager in writing of any development related to the City and known to the City that impacts the accuracy and completeness of the key representations contained in the Official Statement, within the meaning of Rule 15c2-12 under the 1934 Act. During that period the City will not

adopt any amendment of, or supplement to, the Official Statement except with the written consent of the Senior Manager; and if any event relating to or affecting the City shall occur as the result of which shall make it necessary, in the opinion of the Senior Manager and the City, to amend or supplement the Official Statement in order to make it not misleading in the light of the circumstances existing at that time, the City shall forthwith prepare and furnish to the Underwriters, at the expense of the "Airline, a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Senior Manager, so that the Official Statement then will not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances existing at that time, not misleading.

(d) Between the date of this Contract of Purchase and the Closing, the City will not, without the prior written consent of the Underwriters, issue any bonds, notes or other obligations for borrowed money payable from the Special Facility Revenues.

6. The Closing. The payment for the Bonds (the "Closing") shall take place on December ____, 1990 at the offices of Burke, Wilson & McIlvaine, 500 West Madison Street, Chicago, Illinois 60606 or on such other date or at such other place as shall have been mutually agreed upon as the date on or place at which the Closing shall occur. At [10:00 A.M.], Chicago time on the date of the Closing, the City will cause the Bonds in definitive form, duly executed and authenticated, to be delivered to the principal office of [M.S.T.C.], [Chicago, Illinois]. Simultaneously with such delivery and provided that all conditions to the obligations of the Underwriters set forth in paragraph 7 hereof have been satisfied and are in form and substance satisfactory to the Senior Manager, the Underwriters shall cause the purchase price of the Bonds plus accrued interest to be paid in [clearing house] funds to the order of the Trustee for the account of the City in accordance with the Indenture. The Bonds, bearing proper CUSIP numbers, shall be in the definitive form of one fully registered Bond and in the name in which [M.S.T.C.] requests that the Bonds be registered, and shall be made available for inspection and checking by the Underwriters at the offices of [M.S.T.C.], not later than [10:00 A.M.] on the business day prior to the date of the Closing.

7. Conditions to the Obligations of the Underwriters. The Representatives have entered into this Contract of Purchase on behalf of themselves and the other Underwriters in reliance upon the representations and warranties of the City contained herein and to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the City of its obligations hereunder and under the aforesaid documents and instruments at or prior to the date of the Closing. Accordingly, the Underwriters' obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the Bonds are subject to the

performance by the City of its obligations to be performed hereunder and under such aforesaid documents and instruments at or prior to the date of the Closing, and are also subject to the following conditions:

(a) The representations and warranties of the City contained herein and in the Ordinance will be true, complete and correct on the date hereof and on and as of the date of the Closing with the same effect as if made on the date of the Closing.

(b) At the time of the Closing, (i) the Ordinance, the City Documents and the Airline Documents will be in full force and effect, and will not have been amended, modified or supplemented since the date hereof, unless agreed to in writing by the Senior Manager, and the Official Statement will not have been amended, modified or supplemented, except as may have been agreed to by the Senior Manager; (ii) the representations and warranties of the City contained in the City Documents will be true, complete and correct; and (iii) all necessary action on the part of the City relating to issuance of the Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented, except with the consent of the Senior Manager.

(c) The Senior Manager has the right to terminate the Underwriters' obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the Bonds by notifying the City of its election to do so if, after the execution hereof and prior to the Closing: (i) a committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation, which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the City or by any similar body or including in gross income for federal tax purposes interest received by the owners thereof on obligations of the general character of the Bonds or the Bonds (except to the extent that Bonds are held by a "substantial user" of the facilities financed by the Bonds or any "related persons" within the meaning §147(a) of the Code), which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; (ii) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted by the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States, or the Tax Court of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income

taxation, or any other event shall have occurred which would result in the imposition of federal income taxation, upon the Special Facility Revenues pledge to the payment of the Bonds or other income of the general character of the Special Facility Revenues to be derived by the City or by any similar body or including in gross income for federal tax purposes interests received by the owners thereof on obligations of the general character of the Bonds or the Bonds (except to the extent that Bonds are held by a "substantial user" of the facilities financed by the Bonds or any "related persons" within the meaning of §147(a) of the Code), which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; (iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of Illinois, or a decision by any court of competent jurisdiction within the State of Illinois shall be rendered which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; (iv) a stop order, ruling, regulation or official statement by, or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction over the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, the Securities Act of 1933, as amended (the "Securities Act"), or the 1934 Act, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"); (v) legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under the Securities Act or the 1934 Act or that the Indenture is not exempt from qualification under the Trust Indenture Act; (vi) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, (vii) a general banking moratorium shall have been established by United States, French, Illinois or New York authorities; (viii) a war involving the United States or France shall have been declared, or any conflict involving the armed forces of the United States or France shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; (ix) an event occurs which requires an amendment or supplement to the Official Statement as contemplated in Section 5(c) hereof or Section 2(j) of the Letter of Representation, which event, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds; [or (x) the ratings of the Bonds shall have been downgraded or withdrawn by a national rating service, which, in the Senior Manager's opinion, would materially adversely affect the market price of the Bonds].

(d) At or prior to the Closing, the Representatives have received each of the following documents:

(i) Five copies of the Official Statement of the City, manually executed by the Comptroller of the City.

(ii) Five copies, duly certified by the City Clerk of the City, of the Ordinance as adopted by the City Council of the City.

(iii) The approving opinions dated the date of the Closing and addressed to the City, of Co-Bond Counsel to the City, in substantially the form attached to the Official Statement, and letters from such counsel dated the date of the Closing and addressed to the Senior Manager on behalf of the Underwriters, to the effect that such opinions addressed to the City may be relied upon by the Underwriters to the same extent as if such opinions were addressed to them.

(iv) An opinion or opinions, dated the date of the Closing and addressed to the Senior Manager, of Co-Bond Counsel to the City, to the effect that (A) this Contract of Purchase has been duly authorized, executed and delivered by, and constitutes a valid and binding agreement of the City enforceable in accordance with its terms, assuming it is in like fashion binding upon the Underwriters, as to which no view need be expressed (but such opinion as to enforceability may be qualified with respect to bankruptcy, insolvency and other laws affecting creditors' rights or remedies and by general principles of equity); (B) the Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualifications pursuant to the Trust Indenture Act; (C) Special Facility Revenues, as defined in the Indenture, will not constitute Revenues, as defined under the G.A.R.B.O. as in effect on the date of such opinions; (D) delivery of the Preliminary Official Statement and the Official Statement by the City and use of the same by the Underwriters in connection with the sale of the Bonds have been duly authorized by the City; (E) the information contained in the Official Statement on the Cover Page relating to the opinions of Co-Bond Counsel, under the captions "Summary Statement -- The Series 1990 Bonds", "-- The Project", "-- Security", "-- Debt Service Reserve Requirement", and "-- Additional Bonds", "The Series 1990 Bonds -- Redemption Prior to Maturity", "Security for The Series 1990 Bonds -- Payments by the Airline under the Agreement", "-- Limited Obligation", "-- Debt Service Reserve Fund" and "-- Additional Bonds" and "Tax Matters" and Proposed Form of Opinions of Co-Bond Counsel, included as Appendix B, insofar as such statements constitute a summary of the matters therein set forth, are correct in all material respects and do not omit any statement which should be included or referred to therein in order to summarize fairly and accurately the matters therein set forth; (F) Special Facility Revenues and investment proceeds of the Bonds may be used to make

payments of arbitrage rebate to the United States as required by the Code, and regulations promulgated thereunder; and (G) based on the examinations which they have made as Co-Bond Counsel and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy or completeness of the statements in the Official Statement other than those described in Section (iv)(E) above, such counsel have no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for Appendix A and except for any financial, technical and statistical data included in the Official Statement and except for information regarding [M.S.T.C.] and [M.S.T.C.'s] book-entry system, in each case as to which no view need be expressed). Such opinion also shall state that the City has requested that such opinion be furnished to the Underwriters.

(v) An opinion, dated the date of the Closing and addressed to the Senior Manager, of the Corporation Counsel of the City given in an official capacity and not personally and to which no personal liability will derive from its delivery, to the effect that (A) the City is a home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois with full power and authority, among other things, to adopt and perform its duties and obligations under the Ordinance, to approve the Preliminary Official Statement, to execute and deliver this Contract of Purchase, the Official Statement and the City Documents, to authorize, issue and sell the Bonds and to operate the Airport and to maintain and collect and enforce the collection of the Special Facility Revenues as covenanted in the Indenture and the Agreement; (B) this Contract of Purchase, the City Documents and the Site Lease have been duly authorized, executed and delivered by, and the Ordinance has been duly adopted by, the City, and, assuming due authorization, execution and delivery by the other parties thereto, all such instruments constitute valid and legally binding obligations of the City enforceable in accordance with their respective terms (but such opinion as to enforceability may be qualified with respect to bankruptcy, insolvency and other laws affecting creditors' rights or remedies); (C) the Preliminary Official Statement has been duly authorized and delivered and the Official Statement has been duly authorized, executed and delivered by the City; (D) to the knowledge of such counsel, compliance with the provisions of the Ordinance, and the execution, delivery and performance of the City Documents or this Contract of Purchase does not conflict with, or constitute a breach of or default under, any applicable law, administrative regulation, court order or consent decree of the State of Illinois or any department, division, agency, or instrumentality thereof or of the United States or any loan agreement, note, resolution, ordinance, indenture, mortgage, deed of trust, agreement or other instrument to which the City is a party or may otherwise be subject; (E)

all approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute conditions precedent to the performance by the City of its obligations under this Contract of Purchase, the Ordinance and the City Documents and which can reasonably be obtained by the time of the Closing have been obtained; (F) except as set forth in the Official Statement, there is no litigation or proceeding pending or, to the knowledge of the Corporation Counsel after due inquiry, threatened in any way affecting the existence of the City, or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the right, power and authority of the City to collect Special Facility Revenues generally or other moneys pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge of the Special Facility Revenues or the other moneys, or in any way consenting or affecting the validity or enforceability of the Bonds, the Ordinance, the City Documents or this Contract of Purchase, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the City or its authority with respect to the Ordinance, the City Documents or this Contract of Purchase; and (G) based on the examination which the Corporation Counsel has caused to be made and the participation of his representatives at conferences at which the Official Statement was discussed, the Corporation Counsel has no reason to believe that the information contained in the Official Statement under the captions "Summary Statement -- The City" and "--The Airport", "The City", "The Airport", "The Site Lease", "Litigation", "Regulatory Proceedings and Proposed State Actions" (except for information appearing under the subcaption "--Federal Aviation Administration" and in the first paragraph under the subcaption "--Proposed State Action"), "Requirements of Florida's Department of Banking and Finance (except insofar as such summary relates to matters of Florida law)" and "Authorization" includes any untrue statement of a material fact or omits to state a material fact necessary to make the statements made under such captions, in light of the circumstances under which they were made, not misleading in any material respect. Such opinion also shall state that the City has requested that such opinion be furnished to the Underwriters.

(vi) An opinion of Hopkins & Sutter, special counsel to the City, dated the date of the Closing and addressed to the Senior Manager, to the effect that (A) the Bonds are "Special Facility Revenue Bonds" within the meaning ascribed to such terms in G.A.R.B.O.; (B) the Special Facility Revenues do not constitute "Revenues" within the meaning of the G.A.R.B.O.; and (C) based on the examination which they have made and their participation at conferences at which the Official Statement was discussed, such counsel has no reason to believe that (1) the information contained in the Official Statement under the caption "Regulatory Proceedings and Proposed State Actions -- Federal Aviation Administration", (2) the information contained in the Official

Statement in the first paragraph under the caption "Regulatory Proceedings and Proposed State Actions", and (3) the information contained in the Official Statement under the caption "Litigation" relating to lawsuits containing claims based on noise and other effects of aircraft operations against the City, include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading. Such opinion also shall state that the City has requested that such opinion be furnished to the Underwriters.

(vii) An opinion, dated the date of the Closing and addressed to the Senior Manager, of co-counsel for the Underwriters (which the Senior Manager agrees to request), to the effect that (A) the Bonds are exempt securities which do not require registration under the Securities Act, and the Indenture need not be qualified under the Trust Indenture Act; and (B) based upon their participation in the preparation of the Official Statement as co-counsel for the Underwriters and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, such counsel have no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial forecast, technical and statistical statements and data included in the Official Statement, and the statements and information set forth in [Appendix A and in] Appendix B to the Official Statement and except for information regarding M.S.T.C. and M.S.T.C.'s book-entry system, in each case as to which no view need be expressed).

(viii) A certificate, dated the date of the Closing of the City Comptroller to the effect that to the best of his knowledge (A) the representations and warranties of the City contained herein are true and correct in all material respects on and as of the date of the Closing with the same effect as if made on the date of the Closing; (B) no event affecting the City has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (C) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public body or board pending or threatened to restrain or enjoin the issuance or sale of the Bonds, or in any way contest the validity of or affect the power of the City to issue the Bonds, or restrain or enjoin the execution and delivery of documents in connection therewith, or contest the existence or powers of the City or contest, restrain or enjoin the right of the City and the Airline to finance the Project at the Airport as described in the Official Statement; and (D) the City has complied with all the agreements and satisfied all the

conditions on its part to be performed or satisfied at or prior to the Closing.

(ix) A certificate, dated the date of the Closing, of the Commissioner of the Department of Aviation of the City to the effect that to his knowledge the information contained in the Official Statement under the captions "Summary Statement -- The Airport", "The Airport" and "Regulatory Proceedings and Proposed State Actions" does not contain any untrue statement of a material fact or omit any statement of a material fact that should be stated therein for the purpose for which it is to be used or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

[(x) Evidence satisfactory to the Senior Manager that the Bonds have received a rating of "___" or better from Moody's Investors Service, Inc. and a rating of "___" or better from Standard and Poor's Corporation.]

(xi) Executed copies of the Certificates of Accuracy, dated as of the date of Closing given by M.S.T.C. to the effect that the information set forth on the cover page of the Official Statement and in the Official Statement under the captions "Summary Statement -- Book-Entry Only System" and "the Series 1990 Bonds -- Book-Entry Only System" is, as of the date of the Closing, accurate and does not contain any untrue statement of a material fact or omit to state a material fact that should be stated therein for the purpose for which it is to be used or that is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(xii) Two counterpart originals of a transcript of all proceedings relating to the authorization and issuance of the Bonds including in particular, all certificates, order and opinions constituting conditions precedent to the issuance of the Bonds in accordance with Section 211 of the Indenture and two manually signed copies of the Indenture and the City Tax Agreements.

(xiii) Delivery to the Senior Manager of two manually signed copies of the Airline Documents (as defined in the Letter of Representation).

(xiv) An opinion of Joan Gabel, Legal Services Manager/U.S.A. of the Airline, dated the date of the Closing and addressed to the Senior Manager to the effect that:

(A) The Airline is a duly organized and validly existing corporation and is in good standing under the laws of the Republic of France with corporate power and authority to own or lease and operate the properties now owned or leased, as the case may be, by it and to conduct the business now being conducted by it and to execute, deliver and perform its obligations under the Airline Documents and the

Letter of Representation. The Airline is duly licensed and qualified to do business and is in good standing in the United States and all states and jurisdictions within the United States wherein the failure to so qualify would have a material adverse affect on the operations or business of the Airline.

(B) The execution and delivery by the Airline of the Airline Documents and the Letter of Representation have been duly and validly authorized by the necessary corporate and governmental action, and no further authorization, approval, consent, certificate or order of any local, state or federal commission or regulatory authority is required in respect of the execution and delivery by the Airline of the Airline Documents and the Letter of Representation.

(C) Neither the execution and delivery by the Airline of the Airline Documents or the Letter of Representation nor the Airline's performance of its obligations thereunder will result in the violation of a statute or regulation, or any order or decree known to said counsel of any court or governmental authority binding on the Airline or its property or result in a default or in the creation of a lien under any of the provisions of the Airline's Statutes or, to the best of such counsel's knowledge, a material breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other instrument pursuant to which the Airline is a party.

(D) The Airline has not engaged such counsel to give substantive attention to any material pending legal or governmental proceedings which is not set forth or referred to in the Official Statement, and such counsel does not know of any contracts or documents of a character required to be described in the Official Statement which are not described or referred to as required.

(E) The statements made in the Official Statement under the captions "The Agreement", ["The Guaranty"] and "The Site Lease" insofar as they pertain to obligations of the Airline and insofar as they purport to summarize provisions of the documents specifically referred to under said captions are fair summaries.

(F) The Letter of Representation has been authorized, executed and delivered by the Airline and, assuming that it has been duly and validly authorized, executed and delivered by the other parties thereto, constitutes a valid and authorized binding obligation of the Airline enforceable in accordance with its terms except that no opinion need be expressed as to the availability of equitable remedies and except as enforceability of the indemnification provisions thereof may be limited by applicable securities laws. The enforceability of the Airline's obligations under the Letter of Representation is not subject to sovereign immunity or similar principles.

(G) The Airline Documents have been duly authorized, executed and delivered by the Airline and, assuming that the Airline Documents have been duly and validly authorized, executed and delivered by the other parties thereto, constitute valid and binding obligations of the Airline enforceable in accordance with their terms except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally, except that no opinion need be expressed as to the availability of equitable remedies and except as enforceability of the indemnification provisions thereof may be limited by public policy considerations. The enforceability of the Airline's obligations under the Airline Documents is not subject to sovereign immunity or similar principles.

(H) The Airline has duly approved the Official Statement.

(I) The officers and employees who have executed the Airline Documents and the Letter of Representation have been duly and properly authorized to do so.

(J) There is no material litigation pending or threatened against the Airline which would prohibit it from entering into the transactions contemplated by the Airline Documents or the Letter of Representation or performing the obligations undertaken by it pursuant to the Airline Documents or the Letter of Representation.

(K) The provisions of the Airline Documents and the Letter of Representation respecting governance, construction and submission to the jurisdiction of any federal court within the federal court district of the Northern District of Illinois as specified in the Agreement and the Letter of Representation are valid under the laws of the Republic of France.

(L) A judgment obtained in any such court against the Airline would be enforceable in the courts of the Republic of France.

Such opinion shall also state that, based upon such counsel's participation in conferences with representatives of the Airline, its accountants and its other counsel, but without having made any independent verification of factual matters, such counsel have no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that such counsel need express no opinion as to financial statements and other financial data included therein or as to the information appearing under the captions "Summary Statement -- The City", "-- Book-Entry Only System", "-- The Airport" and "-- Plan of Finance", "The City", "The Airport", "Underwriting", "Tax Matters", "Litigation",

"Regulatory Proceedings and Proposed State Actions" and "Requirements of Florida's Department of Banking and Finance" and in Appendix B). Such opinion also shall state that the Airline has requested that such opinion be furnished to the Underwriters.

(xv) Opinions of Haight, Gardner, Poor & Havens, United States counsel to the Airline, and Me. Fernand Garnault, French counsel to the Airline, addressed to the Senior Manager, covering the matters described in subparagraphs (xiv) (F), (G), (K) and (L), above. Each such opinion shall state the Airline has requested that such opinion be furnished to the Underwriters.

(xvi) Letters of _____, the Airline's independent accountants, dated respectively at the time of execution of this Contract of Purchase and on the date of the Closing, in form and scope satisfactory to the Senior Manager.

(xvii) A certificate, dated the date of the Closing, signed by the _____ or any _____ and a principal financial or accounting officer of the Airline, in which such officers, to the best of their knowledge after reasonable investigation, state that:

(A) the representations and warranties of the Airline in the Letter of Representation, the Airline Documents are true and correct, the Airline has complied with all agreements and satisfied all conditions on its part to be performed or satisfied under this Contract of Purchase and the Letter of Representation at or prior to the date of the Closing and there has been no breach by the Airline of the covenants in the Agreement;

(B) the Airline has duly performed all of its obligations under the Agreement to be performed at or prior to the Closing;

(C) there has been no material adverse change in the condition of the Airline, financial or otherwise, or in the earnings, affairs or business prospects of the Airline, whether or not arising in the ordinary course of business, from that set forth in or contemplated by the Official Statement;

(D) (1) the Airline has not sustained since the date of the latest audited financial statements included or referred to in the Official Statement any loss or interference material to the Airline and its subsidiaries, taken as a whole, with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Official Statement,

and (2) since the respective dates as of which information is given in the Official Statement, neither the Airline nor any of its subsidiaries has incurred any liabilities or obligations, direct or contingent, or entered into any transactions, not in the ordinary course of business, which are material to the Airline and its subsidiaries, taken as a whole, and there has not been any material change in the consolidated equity capitalization or long-term debt of the Airline or any of its subsidiaries or any material change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Airline and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Official Statement.

(xviii) Evidence, satisfactory to the Senior Manager, that the Letter of Representation, in the form attached hereto as Exhibit C and approved by the Senior Manager, has been duly authorized, executed and delivered, has not been amended, modified or rescinded and is in full force and effect as of the Closing.

(xix) A certificate, dated the date of Closing, signed by an Independent Airport Consultant (as defined in G.A.R.B.O.), satisfying the requirements of Section 903 of G.A.R.B.O.

(xx) Such additional legal opinions, certificates, instruments and other documents as Co-Bond Counsel may reasonably deem necessary or desirable, or as the Senior Manager may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the representations, warranties and covenants of the City contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Contract of Purchase will be deemed to be in compliance with the provisions hereof if, but only if, they are in substance reasonably satisfactory to the Senior Manager.

8. Termination. If the City or the Airline is unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Contract of Purchase, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds are terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase will terminate and neither the Underwriters nor the City will be under further obligation or have any

further liability hereunder, except as to the obligations set forth in paragraph 9 hereof.

9. Expenses. The Underwriters shall be under no obligation to pay any expenses incident to the performance of the obligations of the City hereunder. All such expenses, including but not limited to: (i) the cost of the preparation and reproduction and mailing or delivery of the Ordinance, the Airline Documents, the City Documents, the Preliminary Official Statement (including any amendments or supplements thereto) and the Official Statement (including any amendments or supplements thereto prepared prior to the Closing); (ii) the cost of the preparation and printing, if any, of the Bonds; (iii) the fees and disbursements of Co-Bond Counsel to the City; (iv) the fees and disbursements of any accountants and advisors of the City and of any consultants retained by the City; (v) fees for any bond ratings; (vi) fees for state securities law filings, if any; (vii) the fees of [M.S.T.C.], (viii) all fees and expenses relating to any credit enhancement obtained in support of the Bonds; and (ix) any other expenses incurred in connection with the issuance of the Bonds and not specifically assumed by the Underwriters hereunder, shall be paid by the Airline out of the proceeds of the Bonds or otherwise. The City shall be under no obligation to pay, and the Underwriters shall pay: (i) the cost of preparation and reproduction of the Agreement Among Underwriters and this Contract of Purchase; (ii) the costs of preparation and reproduction of the Blue Sky Memorandum and Legal Investment Survey; (iii) all advertising expenses in connection with the public offering of the Bonds; (iv) an amount, if any, required to be paid to the Municipal Securities Rulemaking Board as its special assessment; and (v) all other expenses incurred by them or any of them in connection with their public offering and distribution of the Bonds, including the fees and disbursements of counsel retained by them.

10. Notices. Any notice or other communication to be given to the City under this Contract of Purchase must be given by delivering the same in writing at the address of the City set forth above, Attention: City Comptroller, Room 501, and any notice or other communication to be given to the Underwriters under this Contract of Purchase must be given by delivering the same in writing to: Smith Barney, Harris Upham & Co., Incorporated, Three First National Plaza, Suite 5200, Chicago, Illinois 60603, Attention: Public Finance Department, or such other address as the Senior Manager shall specify in writing.

11. Parties and Interests; Successors; Survival of Representations, and Warranties and Covenants. This Contract or Purchase is made solely for the benefit of the City and the Underwriters (including the successors or assigns of any Underwriter), and no other person may acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and covenants of the City contained in this Contract of Purchase will remain operative and in full force and effect regardless of (i) any investigations made by or on behalf of any of the Underwriters or (ii) delivery of and payment for their Bonds pursuant to this Contract of Purchase.

12. Time of the Essence. Time is of the essence in consummation of the transactions contemplated by this Contract of Purchase.

13. Counterparts. This Contract of Purchase may be executed in any number of counterparts, each of which, when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same Contract of Purchase.

14. Governing Law. This Contract of Purchase shall be governed by and construed in accordance with the laws of the State of Illinois.

15. Anti-Apartheid Compliance. Each of the Underwriters have executed the appropriate Anti-Apartheid Affidavit (the "Affidavit") attached to this Contract of Purchase as Exhibit D and incorporated into this Contract of Purchase by this reference.

The Underwriters understand and acknowledge that the City may declare a default and terminate all existing contracts with the Underwriters if the Underwriters violate any provision of Chapter 3-68 of the Municipal Code of Chicago (as applicable), including but not limited to (i) a violation of the certifications contained in the Affidavit; and (ii) the concealment of an existing contractual relationship or entering into a contractual relationship with (a) South Africa, (b) a South African business, or (c) any business or corporation for the express purpose of assisting operations in, or trading with any private or public entity located in South Africa. This right of termination is supplemental to any other remedy which the City may have under this Contract of Purchase, at law or in equity, and shall entitle the City to direct, indirect, special and consequential damages and any other applicable legal or equitable remedy.

Further, the Underwriters understand and acknowledge that any person who violates any provision of Chapter 3-68 of the Municipal Code of Chicago shall be subject to a fine of not less than \$500 and not more than \$1,000 for each offense. This fine shall be in addition to the remedy of termination enumerated above, and any other remedy available under applicable law.

16. Effectiveness. This Contract of Purchase will become effective upon the execution and the acceptance hereof by the appropriate officers of the City and will be valid and enforceable as of the time of such acceptance.

Very truly yours,

Smith Barney, Harris Upham & Co.,
Incorporated

George K. Baum & Company

Goldman, Sachs & Co.

Pryor, McClendon, Counts & Co.,
Inc.

Smith, Mitchell & Associates, Inc.

By: Smith Barney, Harris Upham
& Co., Incorporated

By: _____
Vice President
on behalf of the Representatives

The foregoing is hereby
accepted as of the date
first written above:

City of Chicago

By: _____
City Comptroller

Concur:

By: _____
Chairman, Committee on
Finance, Chicago, City
Council

[Exhibits "A", "B" and "C" attached to this Contract of Purchase constitute the Official Statement, Preliminary Official Statement and Letter of Representation, respectively, to the ordinance.]

Exhibit "D" and Schedule "I" attached to this Contract of Purchase read as follows:

Exhibit "D".

Anti-Apartheid Affidavit.

Schedule "I".

Other Underwriters.

\$ _____

City Of Chicago

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

(Compagnie Nationale Air France Project)

Series 1990.

Letter Of Representation.

December ____, 1990.

City of Chicago
City Hall
121 North LaSalle Street
Chicago, Illinois 60602

and

Smith Barney, Harris Upham
& Co., Incorporated
1345 Avenue of the Americas
New York, New York 10105
As Manager of the several Underwriters
under the Purchase Contract
hereinafter defined

Ladies and Gentlemen:

1. Introduction. This Letter of Representation is being executed and delivered by Compagnie Nationale Air France (the "Airline"), in order to induce Smith Barney, Harris Upham & Co., Incorporated (the "Manager"), George K. Baum & Company, Goldman, Sachs & Co., Pryor, McClendon, Counts & Co., Inc. and Smith, Mitchell & Associates, Inc. (the

"Underwriters"), and the City of Chicago, Illinois (the "City") to enter into a Contract of Purchase (the "Purchase Contract"), a copy of which has been delivered to the Airline, relating to the purchase by the Underwriters of \$ _____ in aggregate principal amount of the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project), Series 1990 (the "Bonds"). The Bonds shall be dated, mature, bear interest and have the further terms as set forth in the Official Statement of the City dated the date hereof such Official Statement, including the cover page, Summary Statement and all appendices attached thereto is hereinafter called the "Official Statement", except that if the Official Statement is amended with the approval of the Manager between the date hereof and the Closing (as defined in the Purchase Contract), the term "Official Statement" shall refer to the Official Statement as so amended). The Bonds are to be issued pursuant to and secured by an Indenture of Trust Securing Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project) dated as of December 1, 1990 (the "Indenture") between the City and Independence Bank of Chicago and The First National Bank of Chicago, as trustees (collectively, the "Trustee"). The proceeds from the sale of the Bonds will be used, together with interest earnings thereon, to finance (i) the Project, as defined in the Special Facility Use Agreement (Cargo Facility) dated as of December 1, 1990 (the "Agreement"), by and between the City and the Airline; (ii) the interest on the Bonds during the construction of the Project; (iii) a debt service reserve fund established under the Indenture; and (iv) the cost of issuance related to the Bonds. The land underlying the Project will be leased by the City to the Airline pursuant to a Cargo Building Site Lease dated as of December ____, 1990 (the "Site Lease"). [Payment of the principal of and interest and redemption premium, if any, on the Bonds will be guaranteed by the Airline pursuant to a Guaranty from the Airline to the Trustee dated as of December 1, 1990 (the "Guaranty").] The Airline, the City and the Trustee will enter into an Arbitrage Compliance Agreement dated as of December 1, 1990 and the Airline will deliver its Project Cost and Tax Certificate dated as of the Closing (collectively, the "Tax Agreement"). [The Bonds will be remarketed by Smith Barney, Harris Upham & Co., Incorporated, as Remarketing Agent (the "Remarketing Agent"), pursuant to a Remarketing Agreement to be dated the date of issuance of the Bonds (the "Remarketing Agreement") between the Company and the Remarketing Agent. The Airline, the City, the Remarketing Agent, the Trustee and _____ (the "Tender Agent") will enter into a Tender Agent Agreement dated as of December 1, 1990 (the "Tender Agent Agreement") pursuant to which the Tender Agent will act as tender agent, co-paying agent and co-bond registrar for the Bonds.] The Agreement, [the Guaranty], the Site Lease [and] the Tax Agreement [the Remarketing Agreement and the Tender Agent Agreement] are referred to herein as the "Airline Documents".

2. Representations, Warranties and Covenants of Airline. In consideration of the execution and delivery of the Purchase Contract by the

City and the Underwriters, the Airline represents, warrants and covenants to and with the City and the Underwriters as follows:

(a) (i) The Airline is a corporation duly organized, validly existing and in good standing under the laws of the Republic of France and more than 99% of the issued and outstanding voting stock of the Airline is owned by the Republic of France; (ii) the Airline has due corporate authority to carry on the business in which it is engaged and to own or lease and operate properties used by it in such business, as described in the Official Statement; and (iii) the Airline is duly authorized and qualified to do business and is in good standing as a foreign corporation authorized to do business in all nations, states and jurisdictions wherein the failure so to qualify would have a material adverse effect on the operations or business of the Airline; and (iv) except as set forth in the Official Statement, the Airline has all material authorization and approvals required at the date hereof to conduct its business as described or referred to in the Official Statement.

(b) The financial statements of the Airline referred to or included in the Official Statement, including the notes thereto, present fairly the financial position of the Airline as of the dates indicated and the results of its operations for the periods specified, and such financial statements have been prepared in conformity with the new French Chart of Accounts, the Act of April 30, 1983, the implementing Decree of November 29, 1983 and the 4th Directive of the European Economic Community, applied on a consistent basis for the periods involved, and since the date of such financial statements, there has been no material adverse change in the condition, financial or otherwise, of the Airline.

(c) With respect solely to the information contained therein related to the Airline, the Project and the Airline's obligations under the Airline Documents, at the time of the Airline's execution of this Letter of Representation, the Official Statement is, and the Preliminary Official Statement dated December __, 1990 (the "Preliminary Official Statement") as of its date of issue was, accurate in all material respects for the purposes for which its use is or was authorized. Except for the information contained in the Official Statement under the captions "Summary Statement -- The City", "-- Book-Entry Only System" and "-- The Airport", "The City", "The Airport", "Plan of Finance", "Bondholders' Risks -- Bankruptcy Issues" and "-- Possible Loss of Tax-Exempt Status", "Enforceability of Remedies", "Litigation", "Regulatory Proceedings and Proposed State Actions", "Tax Matters", "Underwriting", "Requirements of Florida's Department of Banking and Finance", "Miscellaneous" and "Authorization", and in Appendix B entitled "Form of Opinions of Co-Bond Counsel", as to which no view is expressed, the Official Statement, insofar as it relates to the Airline, the Project and the Airline's obligations under the Airline Documents, does not, and the Preliminary Official Statement, insofar as it relates to the Airline, the Project and the Airline's

obligations under the Airline Documents, as of its issue date did not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Airline authorizes the Underwriters to use the information related to the Airline, the Project and the Airline's obligations under the Airline Documents contained in the Official Statement, and consents to the use of the information related to the Airline, the Project and the Airline's obligations under the Airline Documents contained in the Preliminary Official Statement by the Underwriters prior to the date hereof, in connection with the public offering and sale of the Bonds. The Preliminary Official Statement, insofar as it relates to the Airline, the Project and the Airline's obligations under the Airline Documents, is an official statement deemed final as of its date within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "1934 Act"). The Airline confirms that it approves the purchase price to be paid by the Underwriters for the Bonds, as well as the other terms of the Bonds and all of the terms and conditions of the issuance, sale and delivery of the Bonds, as set forth in the Purchase Contract, and the offering price for the Bonds and the interest rate to be borne by the Bonds as set forth in the Official Statement.

(d) Neither the Airline nor any of its subsidiaries has sustained since the date of the latest audited financial statements referred to or included in the Official Statement any loss or interference material to the Airline and its subsidiaries, taken as a whole, with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Official Statement; and, since the date as of which information is given in the Official Statement, neither the Airline nor any of its subsidiaries has incurred any liabilities or obligations, direct or contingent, or entered into any transactions, not in the ordinary course of business, which are material to the Airline and its subsidiaries, taken as a whole, and there has not been any material change in the equity capitalization or long-term debt of the Airline or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Airline and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Official Statement.

(e) (i) The Airline has full power and authority to execute and deliver this Letter of Representation and the Airline Documents and to perform its obligations hereunder and thereunder and engage in the transactions contemplated by this Letter of Representation, the Airline Documents, the Indenture and the Official Statement, and this Letter of Representation and the Airline Documents have been duly authorized by the Airline and, when executed, will constitute legal, valid and binding obligations of the Airline enforceable in accordance with their respective terms, subject to

applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights and remedies generally and the application of equitable principles and except to the extent that the indemnification provisions of this Letter of Representation may be held to be unenforceable by applicable securities law or public policy; (ii) the Airline has taken all actions necessary to enter into this Letter of Representation and the Airline Documents and to carry out its obligations hereunder and thereunder and to approve the Bonds, the Indenture and the Official Statement; (iii) the execution, delivery and performance by the Airline under this Letter of Representation and the Airline Documents and consummation of the transactions contemplated hereby and thereby and by the Indenture and Official Statement, and the fulfillment of, and compliance with, the terms thereof will not conflict with, or result in a breach or violation of or default under, any of the terms, provisions or conditions of the Airline's status or any existing law, court or administrative regulation, judgment, decree, order, agreement, indenture, mortgage, deed of trust, resolution, note agreement, lease or other agreement or instrument to which the Airline or any of its property or assets is bound and will not cause any debt of the Airline to become subject to acceleration; (iv) the enforceability of the Airline's obligations under this Letter of Representation and the Airline Documents is not subject to sovereign immunity or similar principles; (v) the officers and employees of the Airline who have executed this Letter of Representation and the Airline Documents have been duly and properly authorized to do so; (vi) the provisions of this Letter of Representation and the Agreement respecting governance, construction and submission to jurisdiction of any federal court within the federal court district of the Northern District of Illinois are valid under the laws of the Republic of France; and (viii) a judgment obtained in any such court against the Airline would be enforceable in the courts of the Republic of France.

(f) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, board or body, other than as described in the Official Statement, known to the Airline to be pending or threatened against or affecting the Airline, nor to the best knowledge of the Airline, is there any basis therefor, wherein a decision, ruling or finding would materially adversely affect the transactions contemplated by the Indenture, the Bonds, the Airline Documents, the Purchase Contract, this Letter of Representation or the Official Statement or the business or condition, financial or otherwise, of the Airline or which would adversely affect the validity or enforceability of the Indenture, the Bonds, the Airline Documents, the Purchase Contract, or this Letter of Representation.

(g) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission required to be obtained by the Airline in connection with the execution and delivery by the Airline of the Airline Documents and this Letter of Representation or the consummation of the other transactions contemplated by this Letter of

Representation, the Airline Documents or the Official Statement or the absence of which would materially adversely affect the due performance by the Airline of its obligations under the Airline Documents or this Letter of Representation have been duly obtained, other than approvals that may be required under state securities laws.

(h) The representations and warranties of the Airline contained in Section 2.2 of the Agreement are and will be at the Closing true and correct and there will at the Closing have been no breach by the Airline of the covenants contained in the Agreement.

(i) The Airline will not take or omit to take any action which action or omission would in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Airline Documents and the Indenture.

(j) The Airline will notify the Underwriters and the City if, prior to the date of the Closing, any event occurs which is material to the business or condition, financial or otherwise, of the Airline or which makes any statement in the Official Statement with respect to the Airline, the Project or the Airline's obligations under the Airline Documents untrue in any material respect or which requires the making of any change in the Official Statement, in order to make the statements therein with respect to the Airline, the Project or the Airline's obligations under the Airline Documents not misleading, and the Airline will thereupon diligently cooperate with the Underwriters and the City and make any changes in the Official Statement which are reasonably requested by the Underwriters. After the Closing, and so long as any Underwriter or any participating dealer shall be offering the Bonds which constitute the whole or a part of their unsold participations until the earlier of (i) 90 days from the date of the Closing or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository (but in no event later than 25 days from the date of the Closing), the Airline agrees to advise the Manager and the City in writing of any development that impacts the accuracy and completeness of the key representations with respect to the Airline, the Project or the Airline's obligations under the Airline Documents contained in the Official Statement, within the meaning of Rule 15c2-12 under the 1934 Act. During that period the Airline will not adopt any amendment of, or supplement to, the Official Statement except with the written consent of the Manager and the City; and if any event relating to or affecting the Airline or the Project shall occur the result of which shall make it necessary, in the opinion of the Manager, to amend or supplement in the Official Statement in order to make it not misleading in the light of the circumstances existing at that time, the Airline and the City shall forthwith prepare and furnish to the Underwriters, at the expense of the Airline, a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Manager, so that the Official Statement then will not contain an untrue

statement of a material fact with respect to the Airline, the Project or the Airline's obligations under the Airline Documents or omit to state a material fact with respect to the Airline, the Project or the Airline's obligations under the Airline Documents necessary to make the statements therein, in light of the circumstances existing at that time, not misleading.

(k) The Airline will diligently cooperate with the Underwriters to qualify the Bonds for offer and sale under the securities laws of such states as the Underwriters may reasonably request; provided that in no event shall the Airline be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action which would subject it to the general service of process in any jurisdiction where it is not now so subject.

(l) The Airline agrees to take all actions and perform and observe all of the obligations and covenants required to be taken, performed and observed by it in the Purchase Contract, subject to all of the terms and conditions set forth therein, including the delivery of all documents required to be delivered by it to the Underwriters at the Closing.

(m) Subject to the terms and conditions of the Purchase Contract, the Airline agrees to pay the expenses contemplated to be paid by the Airline pursuant to paragraph 9 thereof. If the Purchase Contract shall be terminated by the Underwriters because of any failure or refusal on the part of the City or the Airline to comply with the terms or to fulfill any of the conditions of the Purchase Contract or this Letter of Representation, or if for any reason the City shall refuse to enter into the Purchase Contract in the form referred to in paragraph 1 of this Letter of Representation by 5:00 P.M., Chicago time, on December ____, 1990, or the City shall be unable to perform the obligations or comply with the conditions respectively on its part contemplated to be performed or complied with under the Purchase Contract, or if for any reason the Airline shall be unable to perform the obligations or comply with the conditions on its part contemplated to be performed or complied with under the Purchase Contract or this Letter of Representation, the Airline agrees to reimburse the Underwriters for all out-of-pocket expenses (including the fees and disbursements of their counsel) incurred by the Underwriters in connection with Airline Documents, the Purchase Contract, the Official Statement, this Letter of Representation and the offering of the Bonds contemplated thereunder and hereunder. To the extent that the City takes the necessary and timely action to authorize and approve the Official Statement, the Airline shall cause to be delivered to the Underwriters within seven business days hereof sufficient quantities of the Official Statement to enable the Underwriters to comply with their obligations under paragraph (b)(4) of Rule 15c2-12 under the 1934 Act and the rules of the Municipal Securities Rulemaking Board.

(n) Any certificate signed by an authorized officer of the Airline and delivered to the City or the Underwriters or their respective counsel shall be deemed a representation and warranty hereunder by the Airline to the City and the Underwriters as the matters covered thereby.

3. Agreement of Underwriters. The Underwriters jointly and severally agree with the Airline that subject to the execution and delivery of the Purchase Contract by 5:00 P.M., Chicago time, on December ____, 1990 by the City and the Manager, on behalf of the Underwriters, the Underwriters will perform and observe all the obligations and agreements made or undertaken by them in the Purchase Contract, subject to all of the terms and conditions set forth therein.

4. Indemnification. (a) The Airline agrees to indemnify and hold harmless the Underwriters, each person, if any, who controls any Underwriter within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), the 1934 Act or otherwise and the City and its officers and employees, against any and all losses, claims, damages, liabilities, joint or several, and expenses (including legal fees and expenses, expenses of investigation or other expenses reasonably incurred in connection with and any amount paid in settlement of, any action, suit or proceeding or any claim asserted) caused by any untrue or misleading or alleged untrue or misleading statement of a material fact within the written information furnished by the Airline and referred to or contained in the Preliminary Official Statement or the Official Statement including, without limitation, Appendix A in its entirety, or in any amendment or supplement thereto, or caused by any omission or alleged omission to state, within the written information furnished by the Airline and referred to or contained in the Preliminary Official Statement or the Official Statement, or in any amendment or supplement thereto, a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided that the indemnity with respect to the Preliminary Official Statement shall not inure to the benefit of any Underwriter or any person who controls any Underwriter on account of any loss, claim, damage, liability or expense arising from the sale of the Bonds by any Underwriter to any person (i) if a copy of the Official Statement shall not have been sent or given to such person concurrently with the written confirmation of the sale of such Bonds to such person, and (ii) if either (A) the Official Statement corrected the statement or omission giving rise to and forming the basis for the loss, claim, damage, liability or expense asserted by such person, or (B) the Airline or the City, acting at the request or direction of the Airline, shall have furnished to the Manager at least twenty-four hours prior to written confirmation of the sale by such Underwriter, proposed amendments or supplements to the Official Statement relating to the untrue or misleading or alleged untrue or misleading statement or omission or alleged omission with respect to which indemnity is sought and the Official Statement, if it had been so amended or supplemented, would

have corrected the statement or omission giving rise to and forming the basis for the loss, claim, damage, liability or expense asserted by such person. It is understood that the Manager shall be responsible for providing any such proposed amendments or supplements to the Official Statement to the other Underwriters on a timely basis. This indemnity agreement under this subparagraph 4(a) shall extend upon the same terms and conditions to each officer, director or partner of the Underwriters, to each officer, director or partner of any person who controls any Underwriter, to each employee of any Underwriter, to each employee of any person who controls any Underwriter, and to each officer and employee of the City. This indemnity agreement will be in addition to any liability that the Underwriters otherwise may have.

(b) The Underwriters agree to indemnify and hold harmless the Airline, each person, if any, who controls the Airline within the meaning of the Securities Act, the 1934 Act or otherwise and the City, against any and all losses, claims, damages, liabilities, joint or several, and expenses (including legal fees and expenses, expenses of investigation or other expenses reasonably incurred in connection with and any amount paid in settlement of any action, suit or proceeding or any claim asserted) caused by any untrue or misleading or alleged untrue or misleading statement of a material fact within the written information furnished by the Underwriters for use in the Preliminary Official Statement or the Official Statement, or in any amendment or supplement thereto, or caused by any omission or alleged omission to state, within the written information furnished by the Underwriters for use in the Preliminary Official Statement, the Official Statement, or any amendment or supplement thereto, a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. This indemnity agreement under this subparagraph 4(b) shall extend upon the same terms and conditions to each officer, director, employee or partner of any person who controls the Airline and to each officer and employee of the City. This indemnity agreement will be in addition to any liability that the Airline otherwise may have.

(c) If any action or claim (including any governmental investigation) shall be brought or asserted against any indemnified party based upon the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, and in respect of which indemnity may be sought from an indemnifying party under subparagraph (a) or (b) above, such indemnified party shall promptly notify the indemnifying party in writing, and the indemnifying party shall assume the defense thereof, including the employment of counsel and the payment of all expenses. Such indemnified party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of each indemnified party unless (i) employment thereof has been specifically authorized by the indemnifying party, (ii) the indemnifying party has failed to assume the defense and employ counsel, or (iii) the named parties to any such action (including any impleaded parties)

include any such indemnified party, and the indemnifying party and such indemnified party shall have been advised by its counsel that there are one or more legal defenses available to it which are different from or additional to those available to the indemnifying party and that representation of such indemnified party and the indemnifying party by counsel representing the indemnifying party would be inappropriate under applicable standards of professional conduct (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party); provided that the indemnifying party shall not be liable, in connection with any one such action or separate but substantially similar or related actions arising out of the same general allegations or circumstances, for the fees and expenses of more than (A) one separate firm of attorneys at any point in time for all the Underwriters and persons controlling the Underwriters (which firm shall be designated in a written notice to the indemnifying party signed by the Manager on behalf of the Underwriters), (B) one separate firm of attorneys for the City (which firm shall be designated in a written notice to the indemnifying party signed by the City) and (C) one separate firm of attorneys for the Airline and persons controlling the Airline (which firm shall be designated in a written notice to the indemnifying party signed by the Airline). Notwithstanding the foregoing, the indemnifying party shall not be liable in connection with any such action or separate but substantially similar actions arising out of the same general allegations or circumstances, for the fees and expenses of more than one separate firm of attorneys (which firm shall be designated in a written notice to the indemnifying party signed by the indemnified party), at any point in time for such indemnified party, unless any such indemnified party shall have been advised by its counsel to the effect that there are one or more legal defenses available to it which are different from or additional to those available to another indemnified party (which advice shall have been concurred with by counsel representing such other indemnified party), and that representation of such indemnified parties by a single firm of attorneys would be inappropriate under applicable standards of professional conduct. An indemnifying party shall not be liable for any settlement of such action without its consent, but if settled with the consent of the indemnifying party, or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

(d) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in subparagraph (a) or (b) above is due in accordance with its terms but is for any reason held by a court to be unavailable on grounds of policy or otherwise, the Airline and the Underwriters shall contribute to the aggregate losses, claims, damages and liabilities (including legal and other expenses reasonably incurred in connection with investigating or defending same) to which the Airline and the Underwriters may be subject (i) in such proportion as is appropriate to reflect the relative benefits received by the Airline and the Underwriters from the offering of the Bonds or (ii) if the allocation provided by clause (i)

above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above, but also the relative fault of the Airline or the Underwriters in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Airline and the Underwriters shall be deemed to be in the same respective proportions as the net proceeds from the offering (before deducting expenses) utilized by the Airline and the underwriting discount received by the Underwriters, in each case as set forth in the Official Statement, bear to the aggregate public offering price of the Bonds. The relative fault of the Airline and the Underwriters shall be determined by a reference to, among other things, whether the untrue or alleged untrue statement of a material fact relates to written information supplied by the Airline or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Airline, the City and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subparagraph (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the foregoing provisions of this subparagraph (d). Notwithstanding the provisions of this subparagraph (d), (x) in no case shall any Underwriter be responsible for any amount in excess of the aggregate underwriting discount applicable to the Bonds purchased by such Underwriter hereunder and (y) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this subparagraph (d) are several (and not joint) in proportion to the respective principal amount of Bonds to be purchased by each Underwriter. For purposes of this paragraph 4, each officer, partner or employee of the Underwriters and each person, if any, who controls the Underwriters within the meaning of the Securities Act, the 1934 Act or otherwise shall have the same rights to contribution as the Underwriters, each person, if any, who controls the Airline within the meaning of the Securities Act, the 1934 Act or otherwise, each officer and each director of the Airline shall have the same rights to contribution as the Airline, and each employee of the City involved in the preparation of the Preliminary Official Statement and the Official Statement and each person who controls the City within the meaning of the Securities Act, the 1934 Act or otherwise shall have the same rights to contribution as the City, subject in each case to clauses (x) and (y) of this subparagraph (d). Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this subparagraph (d), notify such party or parties from whom contribution may be sought, but the omission to so notify such party or parties shall not relieve the party or parties from whom contribution may be sought from any other

obligation it or they may have hereunder or otherwise than under this subparagraph (d).

(e) The indemnity, contribution and other agreements contained in this Letter of Representation and the representations and warranties of the Airline set forth in this Letter of Representation shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Underwriter, any person controlling any Underwriter, the Airline or the City, (ii) any termination of the Airline Documents or this Letter of Representation, and (iii) the delivery and sale of the Bonds. Any successor of any Underwriter or the City, as the case may be, shall be entitled to the benefit of the indemnity and contribution agreements contained in this paragraph 4. The term "successor" shall not include any purchaser of Bonds from any Underwriter merely because of such purchase.

5. Parties and Interests; Successors. This Letter of Representation is made solely for the benefit of the Underwriters, persons controlling any Underwriter and the City, and their respective successors and assigns, and no other person, partnership, association or corporation shall acquire or have any right under or by virtue hereof. The terms "successors" and "assigns" shall not include any purchaser of Bonds from any Underwriter merely because of such purchase.

6. Approval of Purchase Contract. The execution and delivery of this Letter of Representation by the Airline shall constitute the Airline's approval of and consent to the entering into, acceptance and execution of the Purchase Contract and performance thereunder by the Underwriters and the City.

7. Notices. Any notice or other communication to be given under this Letter of Representation may be given by delivering the same in writing to the Airline, to the Legal Services Manager/USA at Compagnie Nationale Air France, 888 Seventh Avenue, New York, New York 10106; if to the Underwriters, at their respective addresses set forth on Schedule I attached hereto; and if to the City, to the address set forth on the first page hereof, Attention: City Comptroller. The Airline, the City and the Underwriters shall each be fully entitled to rely upon notice given pursuant to this paragraph 7 and to act thereon.

8. Effectiveness. This Letter of Representation shall become effective upon execution hereof. Subject to subparagraph 4(e) hereof, this Letter of Representation shall terminate if the Purchase Contract is not executed on or before December ____, 1990.

9. Governing Law; Consent to Service of Process and Jurisdiction. The validity, interpretation and performance of this Letter of Representation shall be governed by the laws of the State of Illinois. All judicial proceedings brought against the Airline with respect to this Letter of Representation may be brought in any federal court of competent

jurisdiction having situs within the boundaries of the federal court district of the Northern District of Illinois, and by execution and delivery of this Letter of Representation, the Airline accepts, for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available. The Airline has irrevocably designated and appointed the representative designated on the signature page of the Site Lease under the heading "Designation of Agent for Service of Process," as its agent in Chicago, Illinois to receive on its behalf service of all process in any such proceedings in any such court (which representative shall be available to receive such service at all times), such service being hereby acknowledged by the Airline to be effective and binding service in every respect. The Airline irrevocably waives any objection (including without limitation any objection of the laying of venue or based on the grounds of forum non conveniens) which it may now or hereafter have to the bringing of any action or proceeding with respect to this Letter of Representation in the jurisdiction set forth above. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of the Underwriters of the City to bring proceedings against the Airline in the courts of any other jurisdiction.

10. Waiver of Sovereign Immunity. The Airline waives any rights of sovereign immunity that it may now or hereafter possess under the United States Foreign Sovereign Immunities Act or otherwise with respect to the enforceability of its obligations under this Letter of Representation, except that the Airline reserves the right to cause any proceedings brought against the Airline in the courts of any jurisdiction except the federal court district of the Northern District of Illinois to be removed to any federal court having situs within the Northern District of Illinois.

11. Counterparts. This Letter of Representation may be executed in several counterparts, which together shall constitute one and the same instrument.

Very truly yours,

Compagnie Nationale Air France

Witness:

By: _____

Title: _____

By: _____

Title: _____

Accepted and confirmed as of
the date first above written:

Accepted and confirmed as of
the date first above written:

This _____ of December, 1990

This _____ of December, 1990

Smith Barney, Harris Upham
& Co., Incorporated
George K. Baum & Company
Goldman, Sachs & Co.
Pryer, McClendon, Counts & Co., Inc.
Smith, Mitchell & Associates, Inc.

City of Chicago

By: _____

Its: City Comptroller

By: Smith Barney, Harris Upham
& Co., Incorporated

By: _____

Title: _____

On behalf of the Underwriters,

Schedule "I" attached to this Letter of Representation reads as follows:

Schedule "I".

Smith Barney, Harris Upham & Co.,
Incorporated
1345 Avenue of the Americas
New York, New York 10105

George K. Baum & Company
54 West Hubbard Street
Suite 400
Chicago, Illinois 60610

Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004

Pryer, McClendon, Counts & Co., Inc.
307 North Michigan Avenue
Chicago, Illinois 60601

Smith, Mitchell & Associates, Inc.
1201 Western Avenue
Suite 502
Seattle, Washington 98101

General Tax Certificate

City Of Chicago.

\$ __,000,000 .

Chicago-O'Hare International Airport

Special Facility Revenue Bonds,

Series 1990.

(Compagnie Nationale Air France Project)

The Undersigned, Walter K. Knorr, hereby certifies that he is the duly qualified and acting City Comptroller of the City of Chicago (the "City"), and further certifies in connection with the issuance and sale of \$ _____ aggregate principal amount of Chicago-O'Hare International Airport Special Facility Revenue Bonds, Series 1990 (Compagnie Nationale Air France Project) (the "Bonds"), as follows:

1. Authorization For The Bonds; Definition Of Code And Regulations.

The Bonds are authorized and are being issued pursuant to an ordinance duly adopted by the City Council of the City on _____, 1990 (the "Bond Ordinance"). The Bonds are secured under an Indenture of Trust, dated as of _____ (the "Indenture"), from the City to Independence Bank of Chicago, a banking corporation organized, existing and authorized under the laws of the State of Illinois, as Trustee (the "Trustee"). For purposes of this Certificate, the term "Code" means, except as otherwise expressly provided, the Internal Revenue Code of 1986, as amended, and the term "Regulations" means applicable Income Tax Regulations promulgated thereunder, including, to the extent applicable to the Bonds, the Income Tax Regulations promulgated under the Internal Revenue Code of 1954, as amended.

2. Purpose Of The Bonds.

2.1. The Bonds are being issued in order to finance a portion of the cost of the acquisition, construction and equipping of certain capital improvements (the "Project") at Chicago-O'Hare International Airport (the "Airport") for the benefit of Compagnie Nationale Air France, a corporation organized and existing under the laws of the Republic of France (the "Airline"). The Project is described in Exhibit A provided by the Airline and attached hereto.

2.2. Concurrently with the delivery of the Bonds, the City and the Airline will enter into a Special Facility Use Agreement (Cargo Facility) dated as of _____ (the "Special Facility Use Agreement"), providing for the use of the Project by the Airline and the payment by the Airline of amounts sufficient to pay the principal of and interest on the Bonds.

3. Application Of Bond Proceeds.

3.1. The proceeds derived from the sale of the Bonds will be applied for the purposes, and deposited in the funds held under the Indenture, as follows:

Fund	Purpose	Amount
Construction Fund	Pay Project costs and financing costs	

Fund	Purpose	Amount
Debt Service Reserve Fund	Establish a reasonably required reserve fund	

4. Exempt Facility.

4.1. A. Based on representations of the Airline and to the best knowledge of the City, no part of the acquisition, construction, or equipping of the Project commenced prior to the adoption by the City Council of the City of an ordinance (the "Inducement Ordinance") on July 19, 1990, taking official action with respect to the Project. A copy of the Inducement Ordinance is attached hereto as Exhibit B.

4.2. Reference is hereby made to the Airline's Project Cost and Tax Certificate, dated the date hereof, stating, among other things, that (a) the Costs of Issuance of the Bonds to be financed by the Bonds will not exceed an amount equal to 2% of the proceeds derived from the sale of the Bonds, and (b) not less than ninety-five percent (95%) of the Net Proceeds derived from the sale of the Bonds will be used to provide facilities that qualify as "airports", or facilities functionally related and subordinate thereto, within the meaning of Section 142(a)(1) of the Code and the Regulations. A copy of the Airline's Project Cost and Tax Certificate is attached hereto as Exhibit C.

4.3. Based on the advice of Bond Counsel, there are no "Imputed Proceeds" of the Bonds within the meaning of the Regulations because, pursuant to Section 1.103-8(a)(7), (a) the Bonds do not have a stated rate of interest that increases over the term of the issue, and (b) the purchase price of the Bonds is at least 95% of the aggregate principal amount of the Bonds.

4.4. The Airport is, and the Project will be, available on a regular basis for use by the general public or for use by common carriers or charter carriers that directly serve the general public.

5. Public Hearing.

5.1. On _____, 1990, the Finance Committee of the City Council of the City held a hearing with respect to the issuance of the Bonds. The hearing was open to the public, and an opportunity was provided for all interested persons to comment on the proposed issuance of the Bonds. The official transcript of the meeting at which the public hearing was held is attached hereto as Exhibit D-1.

5.2. As evidenced by the publisher's affidavit attached hereto as Exhibit D-2, notice of the public hearing was published in the _____ on _____, 1990.

6. Public Approval.

6.1. On _____, 1990, the City Council of the City adopted an ordinance approving the issuance of the Bonds (the "Bond Ordinance"), which Bond Ordinance is attached hereto as Exhibit E.

6.2. The Project is situated entirely within the territorial boundaries of the City. The City is the owner and operator of the Airport and this is deemed to be the only governmental unit having jurisdiction over the Airport for purposes of Section 147(f) (3) of the Code.

7. Private Activity Bond Limit.

7.1. By the adoption of the Bond Ordinance, the City has allocated to the Bonds _____ of its "Private Activity Volume Cap" pursuant to Section 146 of the Code. Such amount equals the portion of the Bonds used to finance the Other Property as that term is defined in Section 9(D) of the Airline's Project Cost and Tax Certificate. Such amount shall be derived from the City's 1988 Private Activity Bond Volume Cap as carried forward by the City for the airport pursuant to a "Carryforward Election of Unused Private Activity Bond Volume Cap" (Form 8328). A copy of such election is attached hereto as Exhibit F. Such carriedforward amount has not heretofore been used for any other bonds issued by the City, except as set forth in Exhibit F-2.

8. Reporting Requirements.

8.1. Attached hereto as Exhibit G is a copy of Internal Revenue Service Form 8038 as completed by the City with respect to the Bonds.

8.2. The City shall file an original executed copy of said Form 8038 by depositing same with the United States Postal Service for delivery to the Internal Revenue Service Center in Philadelphia, Pennsylvania on or before the fifteenth day of the second calendar month after the close of the calendar quarter that contains the Date of Issuance as defined in the Arbitrage Compliance Agreement.

8.3. The City will provide Bond Counsel a copy of the receipt of the United States Postal Service received by the City upon such deposit.

9. Average Maturity Of The Bonds.

9.1. A report has been prepared by _____ calculating the "average reasonably expected economic life" of the assets to be financed with the proceeds of the Bonds (the "Assets"), which report is attached hereto as Exhibit H. For purposes of such report, the term "average reasonably expected economic life" has the meaning provided in Section 147(b) of the Code.

9.2. A report has been prepared by _____ calculating the "average maturity" of the Bonds, which report is attached hereto as Exhibit I. For purposes of such report, the term "average maturity" has the meaning provided in Section 147(b) of the Code.

9.3. On the basis of the reports referred to in paragraphs 9.1 and 9.2 above, the average maturity of the Bonds (_____ years) does not exceed 120% of the average reasonably expected economic life of the Assets (_____ years) and the term of the Special Facility Use Agreement is not more than 80% of the average reasonably expected economic life of the Assets.

10. Election To Use Transition Rule.

10.1. By the adoption of the Bond Ordinance, the City has expressly elected to apply to the Bonds \$ _____ of the bond authorization set forth in Section 1317(5) (B) of the Tax Reform Act of 1986.

In Witness Whereof, The undersigned has hereunto subscribed this official signature, this ____th day of _____, 1990.

City of Chicago

By: _____
City Comptroller

[Exhibits A, B, C, D-1, D-2, E, F-1, F-2, G, H and I
attached to this General Tax Certificate
unavailable at time of printing.]

Non-Arbitrage Certification.

City of Chicago.

\$____,000,000

Chicago-O'Hare International Airport

Special Facility Revenue Bonds

Series 1990.

(Compagnie Nationale Air France)

The undersigned, Walter K. Knorr, hereby certifies that he is the duly qualified and acting City Comptroller of the City of Chicago (the "City"), and further certifies in connection with the issuance and sale of \$_____ aggregate principal amount of the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds, Series 1990 (Compagnie Nationale Air France Project) (the "Bonds"), as follows:

1. General.

1.1. The undersigned, along with other officials of the City, is charged with the responsibility of issuing the Bonds.

1.2. This certification is made pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any Treasury

Regulations heretofore or hereafter promulgated thereunder, including, to the extent applicable, Sections 1.103-13, 1.103-14, 1.103-15, 1.103-15AT, 1.148-OT through 1.148-9T, 1.149(d)-IT, and 1.150-OT through 1.150-IT as amended to the date hereof (the "Regulations"). Words and phrases used herein have the same meanings as used in the Code and the Regulations unless otherwise defined herein or unless another meaning shall be apparent from the context.

1.3. The City has not been notified of any listing or proposed listing of the City by the Internal Revenue Service as a bond issuer whose certifications may not be relied upon.

1.4. This certification is based on facts, estimates and circumstances in existence on the date of issuance of the Bonds.

1.5. The facts, estimates and circumstances or any representations regarding thereto set forth herein are made in reliance upon statements and information supplied by or on behalf of the Airline (as herein defined) as of the date hereof.

1.6. To the best of my knowledge, information and belief, the conclusions, representations and expectations set out in this certification are reasonable, and there are no facts, estimates or circumstances that would materially change such conclusions, representations and expectations.

2. Definitions.

Except as otherwise defined herein, the capitalized terms used herein shall, for all purposes of this Certification, have the meanings specified in the Arbitrage Compliance Agreement unless otherwise specified in this paragraph 2, or unless the context clearly requires otherwise.

"Airline" means Compagnie Nationale Air France, a corporation organized and existing under the laws of the Republic of France, and its successors and assigns.

"Arbitrage Compliance Agreement" means the Arbitrage Compliance Agreement, dated as of _____, among the City, the Airline and the Trustee.

"Special Facility Use Agreement" means the Special Facility Use Agreement (Cargo Facility), dated as of _____, between the City and the Airline.

"Trustee" means Independence Bank of Chicago, a banking corporation organized, existing and authorized under the laws of the State of Illinois,

and its successors and assigns, as trustee under the Indenture of Trust, dated as of _____, from the City to the Trustee ("Indenture").

3. Authorization And Description Of The Bonds.

3.1. The Bonds are authorized and issued pursuant to an Ordinance entitled "An Ordinance Providing For The Financing By The City Of Chicago Of Certain Airport Related Facilities, Authorizing The Issuance Of Not To Exceed \$25,000,000 Chicago-O'Hare International Airport Special Facility Revenue Bonds (Compagnie Nationale Air France Project) Series 1990 And Confirming The Sale Thereof, Approving The Distribution Of A Preliminary Official Statement And The Execution And Distribution Of A Final Official Statement Describing Said Bonds, And Authorizing The Execution And Delivery Of A Special Facility Use Agreement, An Indenture Of Trust, A Bond Purchase Agreement And Related Documents", duly adopted by the City Council of the City on _____ (the "Bond Ordinance"). The Bonds are secured under an Indenture of Trust, dated as of _____ from the City to the Trustee.

3.2. The Bonds mature on May 1, 2018.

3.3. The Indenture contains interest rate and tender provisions that apply to the Bonds. Attached hereto as Exhibit A is a description of such interest rate and tender provisions.

4. Purpose Of Bonds.

4.1. The proceeds of the Bonds will be applied to (a) acquire, construct, and equip capital improvements at Chicago-O'Hare International Airport (including Capitalized Interest) as set forth in the Indenture (the "Project"), (b) establish and fund the Debt Service Reserve Fund, and (c) pay the Costs of Issuance of the Bonds and the initial fees and charges of the Credit Provider (as defined in the Indenture), if any. No portion of the Bonds is being issued solely for the purpose of investing the proceeds thereof at a yield which exceeds the Yield on the Bonds.

4.2. The Original Proceeds and Investment Proceeds of the Bonds do not exceed the amount required to accomplish the governmental purposes for which the Bonds are being issued. "Original Proceeds" and "Investment Proceeds", for purposes of this Certification, have the meanings given such terms in Section 1.103-13(b)(2) of the Regulations.

4.3. Attached hereto as Exhibit B is a summary of Projected Sources and Uses of Funds in connection with the Bonds.

4.4. No Replacement. The City does not have on hand any funds that are restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, for the purposes for which the Bonds are being issued which, instead of being used for such purposes, will now be invested at a yield in excess of the Yield on the Bonds.

5. Sale Of The Bonds.

5.1. The Bonds have been sold to _____, and _____, for a purchase price of _____, reflecting an underwriting discount of _____ (or _____ % of the aggregate principal amount of the Bonds). An amount equal to _____ is the initial offering price at which a substantial amount of the Bonds was sold to the public (excluding bond houses and brokers) as evidenced by the letter from _____ attached hereto as Exhibit C.

6. Expectations As To Use Of Proceeds.

6.1. The Airline has, prior to the delivery of the Bonds, incurred substantial binding obligations with respect to the Project equal to at least \$100,000. Acquisition, construction, and equipping of the improvements to be financed with the proceeds of the Bonds will proceed with due diligence. It is anticipated that in excess of eighty-five percent (85%) of the spendable proceeds of the Bonds will be expended prior to _____. On the basis of the foregoing, Bond proceeds deposited into the Construction Fund will be invested for a temporary period without restriction as to yield for the period beginning on the date of issuance of the Bonds and ending upon the expenditure thereof, but not beyond _____. After the expiration of such period, the yield realized on such investments will not exceed the Yield on the Bonds by more than one-eighth of one percent.

6.2. Proceeds of the Bonds deposited into the Construction Fund to pay Costs of Issuance are expected to be disbursed no later than _____.

6.3. Investment earnings realized from the investment of the proceeds of the Bonds may be invested without regard to yield restriction during a one-year period beginning on the date of receipt of such investment earnings. After the expiration of such one-year period, the yield realized on such investment earnings will not exceed the Yield on the Bonds by more than one-eighth of one percent.

7. Minor Portion.

7.1. The "minor portion" determined with reference to the Bonds has been calculated to be \$100,000, which is equal to the lesser of (a) 5% of the principal amount of the Bonds (_____), or (b) \$100,000.

8. Establishment Of Funds Under The Indenture.

8.1. The Indenture creates and establishes the following Funds and Accounts:

- (1) Construction Fund:
 - (a) Costs of Issuance Account
 - (b) Capitalized Interest Account
 - (c) Construction Account
- (2) Bond Fund:
 - (a) Principal Account
 - (b) Interest Account
- (3) Special Facility Revenue Fund
- (4) Debt Service Reserve Fund
- (5) Rebate Fund

8.2. The amount deposited in the Debt Service Reserve Fund does not exceed 10% of the proceeds of the Bonds. _____ (The "Underwriter") has stated in its letter attached hereto as Exhibit D that funding and maintenance of the Debt Service Reserve Fund at an amount equal to the Debt Service Reserve Fund Requirement for the Bonds (1) is necessary to successfully market the Bonds and that reserve funds similar to the Debt Service Reserve Fund are customarily used in connection with the issuance of tax-exempt bonds which are comparable to the Bonds, (2) does not exceed 125% of average annual debt service on the Bonds

(\$ _____), and (3) does not exceed the maximum annual debt service on the Bonds (\$ _____). Accordingly, the Debt Service Reserve Fund constitutes a reasonably required reserve fund for purposes of Section 1.103-14(d) of the Regulations.

9. Letter Of Credit.

The Underwriter has stated in a certificate attached hereto as Exhibit E, which the City has no reason to believe is untrue, that (i) the Letter of Credit as defined in the Indenture provided by the Bank as defined in the Indenture was essential in marketing the Bonds at the interest rate at which the Bonds were sold, (ii) the absence of the Letter of Credit would have materially affected in an adverse manner the interest rate at which the Bonds could have been sold, and (iii) the present value of the fees paid and to be paid for the Letter of Credit (including payment of its counsel's fees) is less than the present value of the interest reasonably expected to be saved over the term of the Letter of Credit as a result of using the Letter of Credit to secure the Bonds over the term of the Letter of Credit, using as the discount rate the expected yield at maturity on the Bonds treating the fees paid and to be paid for the Letter of Credit (including payment of its counsel's fees) as interest on the Bonds.

Attached hereto as Exhibit F is a letter of the Bank relating to the Bank, the Letter of Credit and its fee structure.

10. General Restriction As To Yield; Temporary Periods.

10.1. The Airline has covenanted in the Arbitrage Compliance Agreement not to permit the investment of any amounts constituting Gross Proceeds of the Bonds in Nonpurpose Investments having a Yield in excess of one-eighth ($1/8$) of one percent (1%) above the Yield on the Bonds, except as otherwise expressly permitted in paragraphs 10.2 through 10.6 hereof.

10.2. Bond proceeds and Investment Proceeds deposited into the Construction Fund will be invested for a temporary period without restriction as to yield pursuant to Section 148(c) of the Code and the applicable Regulations.

10.3. Amounts derived from sources other than the proceeds of the Bonds and deposited from time to time into the Bond Fund (other than in the Rebate Fund, as described in Section 11.2) will be invested for a temporary period without restriction as to yield pursuant to Section 148(c) of the Code and the applicable Regulations, since such amounts will be

depleted once each year (commencing upon the date of deposit therein) except for a carryover amount not to exceed 1/12 of annual debt service.

10.4. Amounts derived from sources other than the proceeds of the Bonds and deposited from time to time in the Rebate Fund will be invested without restriction as to yield, since such amounts are not pledged to pay, nor expected to be used for the payment of, principal of or interest on the Bonds.

10.5. Except as provided in Section 10.2, Investment Proceeds will be invested without restriction as to yield for a temporary period commencing upon the date of receipt thereof and ending one year thereafter.

10.6. The times and amounts of payments under the Special Facility Use Agreement to be paid to the Trustee by the Airline for the account of the City have been calculated to provide for the deposit of moneys in the Bond Fund which will be equal to the amount necessary to enable the City to pay, when due, the interest and principal payments on the Bonds. All income from the investment of the amounts held by the Trustee in the Funds established under the Indenture inures to the benefit of the Airline. The administrative costs of issuing, carrying or repaying the Bonds and (assuming the Special Facility Use Agreement is an acquired purpose obligation within the meaning of the Regulations) the costs of purchasing, carrying and selling or redeeming the Special Facility Use Agreement will be borne by the Airline and paid by the Airline either directly or by reimbursement of such payments made by the City. Under these circumstances, the undersigned has been advised by Bond Counsel that the Yield on the Special Facility Use Agreement does not exceed the Yield on the Bonds. No other obligations are to be acquired with the proceeds of the Bonds except obligations to be purchased with the proceeds of the Bonds which are to be deposited in the Construction Fund, Bond Fund, and the Debt Service Reserve Fund, established under the Indenture. It is not expected that the payments required to be paid under the Special Facility Use Agreement will be prepaid.

11. Amounts Treated As Proceeds.

The City does not expect that the City, the Trustee, or the Airline will accumulate amounts of money in a fund or series of funds which is pledged or reasonably expected to be used to pay principal of or interest on the Bonds (or to replace funds used to pay principal of or interest on the Bonds), other than the Debt Service Reserve Fund and amounts (together with any investment earnings thereon) expected to be spent within twelve (12) months from the date of receipt thereof and deposited into the Bond Fund created under the Indenture. Pursuant to the Special Facility Use Agreement, the Airline is required to pay to the Trustee, for deposit into

the Special Facility Revenue Fund, amounts which will be sufficient, together with other moneys held by the Trustee and available for such purpose, to enable the City to pay, when due, the interest and principal payments on the Bonds. The Special Facility Revenue Fund has been established to provide a proper matching of payments under the Special Facility Use Agreement with the debt service payments on the Bonds.

12. Arbitrage Compliance Agreement.

12.1. Concurrently with the execution and delivery of this Certification, the City, the Airline and the Trustee have entered into the Arbitrage Compliance Agreement with respect to the requirements of Section 148(f) of the Code.

12.2. The Indenture contemplates the creation of a Rebate Fund into which is required to be deposited all amounts calculated to be due and owing to the United States, all as set forth in the Arbitrage Compliance Agreement.

13. General Restrictions.

For purposes of determining the amount held in any Fund, investments will be taken into account at the purchase price thereof, provided that if an investment was purchased at a discount or results in interest payments for any annual period in excess of interest payments for any preceding annual period (reflecting the annual reinvestment of accrued interest as principal), the accrued amount of such discount or such excess interest, determined by treating the discount or excess interest as accruing ratably over the term of the obligation (not discounted to present value), is required to be added to the purchase price.

14. No Disposition Of Improvements.

The City has no present plan or intention to sell or otherwise dispose of all or any portion of the Project.

15. Bonds Not Part Of Another Issue.

There are no other governmental obligations (a) issued at substantially the same time as the Bonds, (b) sold pursuant to a common plan of financing with the Bonds, and (c) that will be paid out of substantially the

same source of funds (or that will have substantially the same claim to be paid out of substantially the same source of funds) as will be used to pay the Bonds.

16. No Federal Guarantee.

No portion of the payment of debt service with respect to any part of the Bonds has been guaranteed, directly or indirectly (including by means of a lease or grant or other subsidy), by the United States (or any agency or instrumentality thereof).

In Witness Whereof, The undersigned has hereunto subscribed his official signature this ____th day of _____, 1990.

City of Chicago

By: _____
City Comptroller

[Exhibits A, B, C, D, E and F attached to this Non-Arbitrage
Certification unavailable at time of printing.]

Arbitrage Compliance Agreement.

This Arbitrage Compliance Agreement (the "Agreement"), dated as of _____, is entered into by and among the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois (the "City"), Compagnie Nationale Air France, a corporation organized and existing under the laws of the Republic of France (the "Airline"), and Independence Bank of Chicago, a banking corporation, organized, existing and authorized under the laws of the State of Illinois and having its principal corporate trust office in Chicago, Illinois, as Trustee (the "Trustee").

Witnesseth:

Whereas, This Agreement is being executed and delivered in connection with the issuance of the City's Chicago-O'Hare International Airport Special Facility Revenue Bonds, Series 1990 (Compagnie Nationale Air France Project) (the "Bonds"), for the purpose of financing a portion of the cost of acquiring, constructing, and equipping capital improvements at Chicago-O'Hare International Airport (the "Project"); and

Whereas, The Bonds are issued under and secured by an Indenture of Trust, dated as of _____ (the "Indenture"), from the City to the Trustee; and

Whereas, Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations relating thereto (the "Regulations") impose certain requirements relating to the investment and use of funds held by the Trustee under the Indenture in order to preserve the exemption from Federal income taxation of interest on the Bonds; and

Whereas, The parties hereto have determined to enter into this Agreement in order to assure that such requirements as applied to the Bonds are fully satisfied on a continuous basis;

Now, Therefore, In consideration of the mutual covenants and undertakings set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, the Airline and the Trustee hereby agree as follows:

Article I.

Definitions.

Except as otherwise defined herein, the terms used herein shall for all purposes of this Agreement have the meanings specified in Article I of the Indenture, unless the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used in this Agreement shall have the following meanings:

"Accountant" means a certified public accountant or firm of certified public accountants selected by the Airline and satisfactory to the City, which may be a certified public accountant regularly employed by the Airline.

"Agreement" has the meaning specified in the recitations preceding Article I.

"Airline" has the meaning specified in the recitations preceding Article I.

"Bond Year" means the period from _____ of each year to, but not including, _____ of the next year.

"Bonds" has the meaning specified in the recitations preceding Article I.

"City" has the meaning specified in the recitations preceding Article I.

"Code" has the meaning specified in the recitations preceding Article I.

"Computation Date" means the Installment Computation Date or the Final Computation Date.

"Date of Issuance" means _____.

"Deficiency Amount" has the meaning specified in Section 2.7.

"Final Computation Date" means the date the last Bond that is part of this issue is discharged.

"Gross Proceeds" means:

(a) all amounts derived by the City from the sale of the Bonds and deposited into the Construction Fund and Investment Proceeds derived therefrom;

(b) amounts held from time to time in the Bond Fund and Investment Proceeds derived therefrom; and

(c) any other amounts that constitute "Gross Proceeds" of the Bonds under the Code and the Regulations.

"Higher Yielding Investments" has the meaning specified in Section 3.5.

"Indenture" has the meaning specified in the recitations preceding Article I.

"Initial Offering Price" means \$_____.

"Installment Computation Date" means the last day of the fifth Bond Year and the last day of each succeeding fifth Bond Year unless modified pursuant to Section 2.9.

"Investment Excess" has the meaning specified in Section 3.6.

"Investment Proceeds" means amounts earned from the investment of the Gross Proceeds of the Bonds and the reinvestment of such earnings.

"Investment Property" means any security (within the meaning of Section 165(g)(2) (A) or (B) of the Code), any obligation, any annuity contract or any property of any kind acquired for investment, provided that the term "Investment Property" shall not include Tax-Exempt Obligations.

"Investment Restriction Determination Date" means each of the following dates: (a) the last day of each Bond Year and (b) any date on which any portion of principal of the Bonds is paid prior to maturity resulting in a reduction in the scheduled debt service for the current Bond Year.

"Nonpurpose Investment" means any Investment Property acquired with Gross Proceeds of the Bonds and not acquired to carry out the governmental purpose of the issue, but shall not include the Special Facility Use Agreement.

"Nonpurpose Investment Yield Limit" equals the Yield on the Bonds as determined in Section 3.2.

"Project" has the meaning specified in the recitations preceding Article I.

"Purchase Price" means the fair market value of a Nonpurpose Investment on the date it is purchased, or, if later, the date on which the Nonpurpose Investment is pledged as security for the Bonds regardless of the amount actually paid for such Nonpurpose Investment, without taking into account fees and commissions paid in connection with the acquisition of such Nonpurpose Investment.

"Rebate Fund" means the fund of that name referred to in Section 2.5.

"Regulations" has the meaning specified in the recitations preceding Article I.

"Special Facility Use Agreement" means the Special Facility Use Agreement (Cargo Facility), dated as of _____, between the City and the Airline.

"Tax-Exempt Obligation" means (i) any obligation, the interest on which is excludible from the gross income of the owner thereof for federal income tax purposes under Section 103(a) of the Code, and (ii) any other security that is not treated as "investment property" pursuant to Treasury Regulations or an official announcement of the Internal Revenue Service.

"Trustee" has the meaning specified in the recitations preceding Article I.

"Value" in reference to a Nonpurpose Investment means the Purchase Price of the Nonpurpose Investment, unless the Nonpurpose Investment is required to be revalued periodically, in which case the Nonpurpose Investment's Value is equal to its most recent value as so periodically revalued.

"Yield" on a Nonpurpose Investment shall be determined pursuant to the Regulations and generally means the discount factor which, when used to compute the present worth of all payments of principal and interest to be paid with respect to such Investment, produces an amount equal to its Purchase Price.

Article II.

Rebate Of Excess Earnings.

Section 2.1. Covenant To Comply With Rebate Requirement.

The Airline shall make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the rebate requirements contained in Section 148(f) of the Code and the Regulations with respect to the Bonds. Without limiting the foregoing, promptly following the Completion Date and within 10 days of each Computation Date, the Airline shall calculate or cause to be calculated the amount of arbitrage rebate, if any, due to the United States as of such date and the Trustee shall transfer the amount so determined to the Rebate Account. Transfers or payments necessary at any time to comply with the application of the arbitrage rebate requirement to the Bonds may be made from any Fund or Account held under the Indenture.

Section 2.2. Rebate Regarding Debt Service Funds.

Earnings on Nonpurpose Investments held in the Bond Fund are generally taken into account for purposes of the rebate requirement imposed by

Section 148(f) of the Code and the Regulations. However, earnings in such Funds shall not be included in the computation of the amount to be paid to the United States government in Bond Years during which such earnings are less than \$100,000

Section 2.3. Accountant To Prepare Reports.

The City shall prepare and file with the Internal Revenue Service, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the issue was issued, a Form 8038 attached hereto as Exhibit A. Copies of such Form shall be furnished to the Airline and the Trustee.

Section 2.4. Trustee To Maintain Records.

The Trustee shall maintain adequate records pertaining to the funds and all transfers thereto, deposits therein, disbursements and transfers therefrom and earnings thereon, including the amount and source of each payment to, and the amount, purpose and payee of each payment from, each such fund. With respect to each Nonpurpose Investment, the Trustee shall maintain a record of the Purchase Price, purchase date, type of security, accrued interest paid, interest rate, principal amount, date of maturity, interest payment date, date of liquidation and amount received upon liquidation. If any investment becomes Gross Proceeds of the Bonds, including investments which are pledged or which are legally required or otherwise restricted to be used to pay principal of, premium, if any, or interest on the Bonds, the records required to be kept shall include the market value of such investment on the date it is so pledged or becomes so required or restricted. If any investment is retained after the date the last Bond is retired, the records required to be kept shall include the market value of such investment on the date the last Bond is retired. Amounts will be segregated wherever held in order to maintain these records. Such records shall be made available to the City promptly upon its reasonable request. The Trustee shall furnish any Accountant engaged by the Airline with such information as shall be reasonably necessary for the Accountant to perform its duties. Such records shall be retained by the Trustee for at least six (6) years following the final payment and retirement of the Bonds.

Section 2.5. Rebate Fund.

The Trustee shall create and maintain under the Indenture for the term of the Bonds a fund to be known as the "Rebate Fund". Amounts on deposit from time to time in the Rebate Fund shall be used only for the purpose of

satisfying the requirements of Section 148(f) of the Code and shall not constitute a portion of the Trust Estate created under such Indenture. The Rebate Fund need not be maintained if the Airline obtains, and delivers to the Trustee and the City, an opinion of Bond Counsel to the effect that failure to maintain the Rebate Fund will not cause the Bonds to become arbitrage bonds within the meaning of Section 148 of the Code or otherwise adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. Amounts deposited to the Rebate Fund, and any earnings attributable to the investment thereof, shall be held in trust for future payment to the United States Government to the extent required by, and in accordance with, Section 148(f) of the Code and the Regulations. Moneys held in the Rebate Fund shall not be pledged as security for the payment of the principal of, premium, if any, or interest payable on the Bonds and shall remain in the Rebate Fund until either (a) the money is disbursed to the United States or (b) a determination is made by the Trustee that such funds are not owed to the United States under the rebate requirement of Section 148(f) of the Code based on calculations by Bond Counsel or an Accountant.

Section 2.6. Investment Of Rebate Fund.

(a) The Airline will direct the Trustee to continuously invest all amounts on deposit in the Rebate Fund in any investment permitted under the Indenture other than investments for which interest thereon is excludible from gross income for federal income tax purposes. In making such investments, the Airline shall take into account prudent investment standards and the Trustee shall perform such trusts as an ordinarily prudent trustee under a corporate mortgage and the Airline and the Trustee shall take into account the date on which such moneys may be needed. Except as provided in the next sentence, all amounts that constitute Gross Proceeds and all amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable, and no amounts may be held as cash or be invested in zero yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested, other than as provided in this sentence, due to the denomination, price or availability of investments, the amounts shall be invested in an interest bearing deposit account of a bank, including the Trustee, with a yield not less than that paid to the general public or held uninvested to the minimum extent necessary.

(b) Moneys to be rebated to the United States shall be invested in investments maturing on or prior to the anticipated rebate date. All investments of Gross Proceeds and amounts in the Rebate Fund shall be bought and sold at market prices, and no transaction shall be entered into that reduces the amount to be rebated to the United States because such transaction results in a smaller profit or larger loss than would have

resulted if the transaction had been at arm's length and had the rebate requirement not been relevant to either party.

Section 2.7. Payments To The United States.

On or before the 60th day following each Installment Computation Date, the Trustee shall remit to the Internal Revenue Service an amount not less than 90% of the amount due to the United States under Code Section 148(f). On the latest of (a) the 60th day following the Final Computation Date, (b) 8 months after the Date of Issuance, and (c) the earlier of the date the City, based on the representations of the Airline, no longer reasonably expects Section 148(f)(4)(B) to apply to the issue and 14 months after the Date of Issuance, the Trustee shall remit 100% of the amount due to the United States under Code Section 148(f) to the Internal Revenue Service. Such payments shall be made from amounts on deposit in the Rebate Fund to the extent monies are available in such fund. If and to the extent sufficient amounts are not available in the Rebate Fund, or any other fund which may be transferred to the Rebate Fund, to make such payment, or otherwise fund the Rebate Fund pursuant to Section 2.1 hereof, the Trustee shall notify the Airline within fifteen (15) days following the most recent Computation Date of the amount (the "Deficiency Amount") necessary, together with amounts on deposit in the Rebate Fund, to enable the Trustee to make such payment to the United States or otherwise fund the Rebate Fund pursuant to Section 2.1 hereof. The Airline shall pay the Deficiency Amount to the Trustee within five (5) days of receipt of notice from the Trustee of the Deficiency Amount. Each such payment to the United States shall be mailed by certified mail (return-receipt requested) to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255, and shall be accompanied by Form 8038-T.

Section 2.8. Payments Of Penalty In Lieu Of Loss Of Tax Exemptions.

In addition to the Deficiency Amount, the Airline shall pay to the Trustee an amount sufficient to enable the Trustee to make all necessary payments pursuant to Regulation Section 1.148-1T(c) (3) to the extent such provision is available to avoid the loss of tax exemption of the Bonds.

Section 2.9. Yield Period Election.

If the bonds bear Interest at a variable rate, the City elects under Temp. Treas. Reg. Section 1.148-3T(b)(2)(ii)(B) to treat the last day of each Bond Year as a computation date of purposes of Section 148(f) of the Code

regarding rebate, which allows the computation of yield on the Bonds over a one-year period instead of a five-year period.

The above election is deemed part of the official transcript of the proceedings relating to the issuance of the Bonds and shall be maintained until six years after the date on which the last Bond is discharged.

Article III.

Investments And Matters Relating to Yield.

Section 3.1. Issue Price.

When relevant for purposes of this Agreement, "issue price" has the same meaning given such term by Sections 1273 and 1274 of the Code and has been calculated in the manner provided under those sections of the Code, the Regulations promulgated thereunder and under Section 1.148-8T(c) and 1.150-1T(c) (2) of the Regulations.

Section 3.2. Definitions Of Yield.

When relevant for purposes of this Agreement, "Yield on the Bonds" means the discount rate that when used in computing the present value of all of the unconditionally payable payments of principal and interest and all payments, if any, for a qualified guarantee (within the meaning of Section 1.148-3T (a) (12) of the Regulations) paid and to be paid with respect to the Bonds produces an amount equal to the present value, computed as of the date of issue of the Bonds, of the issue price of the Bonds. Yield on the Bonds has been calculated by _____ in the manner provided in Sections 1.148-3T and 1.148-9T and all other applicable Sections of the Regulations to be not less _____, as disclosed in the report attached hereto as Exhibit A.

Section 3.3. Yield-To-Maturity On The Bonds.

The Yield-to-Maturity on the Bonds does not exceed the lowest yield on the Bonds by more than one-fourth of one percentage point. For this purpose, "yield-to-maturity" means the Yield on the Bonds determined by assuming that each of the Bonds is retired on its stated maturity date for its stated retirement price on such date, and the "lowest" Yield on the Bonds is the Yield determined by assuming that each of the Bonds is retired on the

date (for the stated retirement price on the date) which produces the lowest yield.

Section 3.4. Investment Yield limitations.

(a) The City, based on representations of the Airline, and Airline reasonably expect that all Gross Proceeds, to the extent not exempted in (b) below, shall be invested at market prices and at a yield not in excess of the Yield on the Bonds plus, for amounts in the Construction Fund only, one-eighth of one percent. Without limiting the foregoing, amounts deposited in the Special Facility Revenue fund which are not reasonably expected to be transferred to the Bond Fund shall be invested at a yield not to exceed the Yield on the Bonds.

(b) Except as provided in Section 3.5 below, the following Gross Proceeds may be invested without regard to yield restrictions:

(i) amounts in the Rebate Fund;

(ii) amounts deposited in the Bond Fund, and that portion of the amounts deposited in the Special Facility Revenue Fund to be transferred to the Bond Fund, that are reasonably expected to be expended within 13 months from the date of first deposit in any fund under the Indentures and have not been on deposit thereunder for more than 13 months;

(iii) proceeds of the Bonds (including investment earnings) on deposit in the Construction Fund prior to the earlier of completion (or abandonment) of the Project or three years from the Closing;

(iv) amounts in the Debt Service Reserve Fund;

(v) earnings attributable to the investment of Gross Proceeds for a period of one year from the date of receipt; and

(vi) all amounts for the first 30 days after they become Gross Proceeds.

Section 3.5. 150% Of Debt Service Limitation.

Except as otherwise provided in Section 3.6, at no time shall the Value of Nonpurpose Investment having a Yield in excess of one-eighth of one percent (.125%) higher than the Nonpurpose Investment Yield Limit and held during a period that is not a "temporary period" specified in the Non-Arbitrage Certification relating to the Bonds ("Higher Yielding Investments") exceed 150% of the scheduled debt service for the current

Bond Year. For purposes of calculating scheduled debt service on the Bonds, the interest rate to be applied to the Bonds during the current Bond Year shall be equal to the Nonpurpose Investment Yield Limit.

Section 3.6. Required Reduction Of Certain Investment.

(A) On or prior to the fifteenth (15th) day following each Investment Restriction Determination Date, the Airline shall make, or cause to be made, the following determinations:

First, the Airline shall calculate the Value of Higher Yielding Investments held on such Investment Restriction Determination Date.

Second, if the Value of Higher Yielding Investments as of such Investment Restriction Determinate Date exceeds one hundred fifty percent (150%) of the amount of scheduled debt service during the Bond Year for which the calculation is made ("Investment Excess"), the Airline shall determine whether Higher Yielding Investments equal in Value to the amount of the Investment Excess can be liquidated without incurring a loss and, if not, the amount of such loss.

Third, if an amount of Higher Yielding Investments equal to the Investment Excess can be liquidated only at a loss, the Airline shall ascertain whether the amount of such loss is greater or less than the amount of the rebate payment to the United States which would otherwise be required as a result of such Investment Excess.

(B) If Higher Yielding Investments can be liquidated without loss, or if the loss that would be realized is less than the rebate payment to the United States which would otherwise be required as a result of such Investment Excess, the Airline shall, within thirty (30) days of such Investment Restriction Determination Date, cause the Trustee to liquidate such Higher Yielding Investments (but, in no event in an amount which exceeds the Investment Excess), and shall invest the proceeds of such liquidation at a Yield not in excess of the Nonpurpose Investment Yield Limit (including through the purchase of United States Treasury Obligations -- State and Local Government Series) or in Tax-Exempt Obligations.

(C) If, after the application of Section 3.6(B) above, Higher Yielding Investments equal in Value to the amount of the Investment Excess can be liquidated only at a loss that is greater than the amount of the rebate payment to the United States which would otherwise be required as a result of such Investment Excess, no liquidation of such Higher Yielding Investments shall be required; provided, however, that when the rebate payment to the United States is greater than the loss determined under

paragraph (A) above, the provisions of paragraph (B) above shall apply with respect to such Investment Excess.

3.7. No portion of the proceeds of the Bonds may be invested, directly or indirectly, in federally insured deposits or accounts, or otherwise cause such proceeds to be federally guaranteed, except as permitted by Section 149(b) (3) (B) of the Code.

Article IV.

Purchase And Sale Of Investment.

Section 4.1. Purchase Or Sale At Fair Market Value.

Whenever any Nonpurpose Investment is purchased or sold, such purchase or sale shall be made only at the fair market value of such Nonpurpose Investment. The fair market value of Nonpurpose Investment shall be the mean of the bid and offered prices on an established market where such Nonpurpose Investment is traded on the date of purchase or sale, or, if earlier, on the date of a binding contract to purchase or sell such Nonpurpose Investment, or, if there are no bid and offered prices on such date, on the first day preceding such date for which there are bid and offered prices. A United States Treasury obligation purchased directly from the United States Treasury is treated as satisfying these requirements. Any other Nonpurpose Investment for which there is not an established market shall not be purchased or sold, except as permitted by Section 4.2 or Section 4.3.

Section 4.2. Certificate Of Deposit.

The purchase or sale of a certificate of deposit issued by a commercial bank is permitted if the price at which it is purchased or sold is the bona fide bid price quoted by a dealer who maintains an active secondary market in such certificates of deposit. If there is no active secondary market in such certificates of deposit, the purchase or sale of a certificate of deposit is permitted only if the certificate of deposit has a Yield that is both:

(i) as high as or higher than the Yield on comparable obligations traded on an active secondary market, as certified by a dealer who maintains such a market, and

(ii) as high or higher than the Yield available on comparable obligations offered by the United States Treasury.

The certification described in the preceding sentence must be executed by a dealer who maintains an active secondary market in comparable certificates of deposit, and must be based on actual trades adjusted to reflect the size and term of that certificate of deposit and the stability and reputation of the person issuing the certificate of deposit.

Section 4.3. Investment Contracts.

Investment obligations are permitted to be purchased or sold pursuant to an investment contract only if all of the following conditions are satisfied:

(A) at least three bids on the investment contract are received from persons other than those having an interest in the Bonds,

(B) a certification is provided by the person whose bid is accepted stating that, based on that person's reasonable expectations on the date that the contract is entered into, investment obligations will not be purchased pursuant to the investment contract at a price in excess of their fair market value, or sold pursuant to the investment contract at a price less than their fair market value,

(C) the Yield on the investment contract is at least equal to the Yield offered under the highest bid received from a noninterested party, and

(D) the Yield on the investment contract is at least equal to the Yield offered on similar investment contracts (e.g., investment contracts entered into by issuers of qualified mortgage bonds).

Article V.

Miscellaneous.

Section 5.1. Appointment Of Trustee As Attorney-In-Fact.

The parties acknowledge and agree that the continued exemption of interest on the Bonds from Federal income taxation is dependent upon, among other things, full compliance from and after the date hereof with the provisions and requirements of this Agreement. Reference is hereby made

to the provisions of the Indenture which require the Trustee on behalf of the owners of the Bonds to take any and all action which may be required to assure full compliance with the terms and conditions of this Agreement. The City and the Airline each hereby irrevocably designates and appoints the Trustee as its true and lawful attorney, in its name, place and stead, to take all action which may be required to assure such full compliance. It is expressly intended by the City and the Airline that the foregoing power of attorney is irrevocable and is coupled with an interest, and shall survive the sale or assignment of the Project by the Airline.

Section 5.2. Limitation On Liability Of City.

No recourse shall be had for any claim based upon any obligation, covenant or agreement contained herein against the City or any officer, employee or agent of the City, under any rule of law or equity, statutory or constitutional provision or by the enforcement of any penalty or assessment, it being understood that the Airline and the Trustee expressly assume all responsibility for full compliance with the terms and conditions of this Agreement. The Airline agrees to indemnify and hold harmless the City against any losses, claims or liabilities, joint or several, to which the City may become subject under federal or state laws or regulations, or otherwise, insofar as such losses, claims, damages or liabilities arise as a result of, or are based upon, a breach of any obligation, covenant or agreement of the Airline contained herein.

Section 5.3. Responsibility Of Trustee.

By the execution of this Agreement, the Trustee agrees to perform such duties and take such actions as are expressly set forth herein. The Trustee's responsibilities herein shall be supplemental to those set forth in the Indenture, provided that the provisions of the Indenture relating to administration of the Indenture shall apply to this Agreement as if such provisions were fully set forth herein.

Section 5.4. Fees And Expenses Of Accountant; Appointment Of Accountant By City Or Trustee.

The Airline agrees to pay the fees, expenses and charges of any Accountant engaged by the Airline in connection with this Agreement. If the Airline fails to engage an Accountant at the times herein required, the City or the Trustee may engage an Accountant at the cost and expense of the Airline.

Section 5.5. Not A Device.

The Bonds are not and will not be part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code, or any provisions of the Regulations, by enabling the City or the Airline to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage and increasing the burden on the market for tax-exempt obligations.

Section 5.6. City Not Disqualified.

The City has not been disqualified or notified of any disqualification or proposed disqualification of it by the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.103-13(a)(2)(ii) of the Regulations.

Section 5.7. Hedge Bonds.

The City, based on representations of the Airline, and the Airline reasonably expect that 85% of the spendable proceeds of the Bonds will be spent on the Project within three years of the date of their issuance. For purposes of this paragraph, "spendable proceeds" means the proceeds received upon the sale of the Bonds minus the sum of (a) the costs of issuance paid from the Bond proceeds, (b) the amount deposited in the Debt Service Reserve Fund, (c) \$100,000 and (d) the amount deposited in the Capitalized Interest Account. Also, with respect to the Bonds, not more than 50% of the proceeds of the issue were or will be invested in Nonpurpose Investments having a substantially guaranteed yield for four years or more.

Section 5.8. Amendments.

The parties hereto agree that this Agreement shall be amended from time to time, without the consent of the owners of the Bonds, as shall be necessary, in the opinion of Bond Counsel, to preserve the federal tax exemption of interest on the Bonds. Any such amendment shall be made by a written instrument executed by the City, the Airline and the Trustee and no such amendment shall be made other than in accordance with an opinion of Bond Counsel as described in the preceding sentence.

Section 5.9. Severability.

If any clause, provision or section of this Agreement is ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof.

Section 5.10. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.11. Notices.

All notices, demands, communications and requests which may or are required to be given hereunder or by any party hereto shall be given and shall have the same effect as provided in the Special Facility Use Agreement for notices given thereunder.

Section 5.12. Successors And Assigns.

The terms, provisions, covenants and conditions of this Agreement shall bind and inure to the benefit of the respective successors and assigns of the City, the Trustee and the Airline.

Section 5.13. Headings.

The headings of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement.

Section 5.14. Governing Law.

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

In Witness Whereof, The parties have caused this Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the day first above written.

City of Chicago

By: _____
City Comptroller

Attest:

City Clerk

Compagnie Nationale Air France, a
corporation organized and existing
under the laws of the Republic of
France

By: _____
Its: _____

By: _____
Its: _____

Attest:

Its: _____

Independence Bank of Chicago,
Trustee

By: _____
Its: _____

Attest:

Its: _____

[Exhibit "A" attached to this Arbitrage Compliance Agreement
unavailable at time of printing.]

Cargo Building Site Lease

Between

The City Of Chicago

And

Compagnie Nationale Air France.

This Cargo Building Site Lease is made and entered into as of the _____
day of _____, 19____, by and between the City of Chicago, a
duly constituted and existing municipality within the meaning of Section 1
of Article VII of the 1970 Constitution of the State of Illinois (the
"Constitution") having a population in excess of 25,000, and a home rule

unit under Section 6(a) of Article VII of the Constitution ("City"), and Compagnie Nationale Air France, a corporation organized and existing under and by virtue of the laws of the Republic of France ("Airline").

Witnesseth:

Whereas, City owns and operates the Airport known as Chicago-O'Hare International Airport (the "Airport"), with the power to lease premises and facilities and to grant rights and privileges with respect thereto; and

Whereas, Airline is or wishes to become engaged in the Air Transportation of Freight and Cargo Business (as hereinafter defined) at the Airport and desires to lease for such purposes certain premises and facilities at the Airport and to obtain certain rights and privileges with respect thereto; and

Whereas, City is willing to lease to Airline such premises and facilities, and to grant to Airline such rights and privileges, upon the terms and conditions hereinafter provided.

Now, Therefore, For and in consideration of the premises and of the mutual covenants and agreements herein contained, and other valuable considerations, the parties hereto covenant and agree as follows:

Article I.

1.01 Lease Of Premises.

City hereby leases to Airline, and Airline hereby leases from City, the land depicted and described on Exhibit A hereto which consists of approximately 369,998 square feet ("Demised Premises"), and any buildings and improvements now or hereafter located thereon, together with the facilities, rights and privileges hereinafter described, subject only to a reservation of easement rights to City for access to public utilities traversing the Demised Premises for the maintenance and replacement thereof, said access by City to occur only after giving Airline reasonable prior notice. City shall use reasonable efforts to deliver possession of the Demised Premises to Airline upon completion of the service road and utilities serving the Demised Premises (projected to be December 1, 1990) or such earlier date as the parties hereto shall agree. If City is unable to deliver possession on or before said date for any reason, the Commissioner of Aviation of the City (the "Commissioner") shall give Airline written notice of the reason for such delay and the estimated revised date of delivery, and City shall not be subject to any liability for delay in giving possession. The date on which

City actually delivers possession of the Demised Premises to Airline is referred to herein as the "Delivery Date".

1.02 Early Entry.

After obtaining the prior written approval of the Commissioner in each specific instance, Airline shall have the right to go on the Demised Premises and the Common Areas (as defined in Section 3.02 below) at Airline's sole risk prior to the Delivery Date for the purpose of preparing the Demised Premises for Airline's occupancy and preparing certain portions of the Common Areas for use by Airline and other authorized tenants within the Cargo Areas (as defined in Section 3.02 below). This right shall include the right to construct Improvements and Common Improvements (as such terms are defined in Section 4.01 hereof) for which all approvals, consents and permits required by any appropriate governmental body, agency or division and by the terms of this Lease have been previously obtained. At any time that Airline enters the Demised Premises or the Common Areas prior to the Delivery Date for any purpose whatsoever, all the indemnifications and covenants of Airline contained in this Lease (except the covenant to pay rent) shall apply to such early entry, and Airline acknowledges that any early entry is at the sole risk of Airline and that the Commissioner may refuse to grant or withdraw this right of early entry at any time that the Commissioner, in his sole discretion, determines that such early entry is having or will have an adverse material impact on any construction or other operation of the Airport. Airline further acknowledges that, notwithstanding any amounts spent by Airline on Improvements or Common Improvements, City shall have no liability whatsoever for any delay in the Delivery Date. Airline shall not begin to conduct any operations on the Demised Premises in respect of its Air Transportation of Freight and Cargo Business prior to the Delivery Date unless the prior written consent of the Commissioner has been given.

1.03 Operation Of Cargo Site.

Airline is hereby granted the exclusive use of the Demised Premises, subject to the terms and provisions hereof, to all applicable laws, rules, regulations, codes, ordinances and orders as set forth herein, and to the applicable terms and provisions of the International Terminal Use Agreement (as hereinafter defined) for any and all purposes reasonably necessary or convenient in connection with the conduct by Airline, its sublessees or assigns, of the Air Transportation of Freight and Cargo Business, which shall mean the following uses and activities:

(a) The receiving, delivering, dispatching, processing, handling and storing of air cargo, mail and other property;

(b) The fueling, loading and unloading upon the Demised Premises of property, air cargo, livestock and mail upon or from aircraft by such means as may be necessary or convenient;

(c) The loading, unloading and parking of automobiles and trucks relating to its freight and air cargo operations;

(d) The maintenance and operation of buildings, facilities and equipment, including satellite and telecommunication equipment (after having obtained all required F.A.A. and other permits and approvals) and the carrying on of activities reasonably necessary or convenient in connection with its freight and air cargo operations;

(e) The installation, maintenance and operation of customer relations, security facilities and equipment, crew quarters, training facilities, operations offices, cargo reservation offices and administration offices, lockers, restrooms and related facilities, baggage, cargo and mailhandling and storage facilities and equipment, non-cargo reservation offices and administration offices, so long as such services do not become a primary or significant use but remain incidental to the primary use of the Demised Premises which shall remain the storage, handling and transshipment of air cargo, mail and other property;

(f) The maintenance and operation, by Airline or by an independent contractor, of an employees' cafeteria, the preparation and serving of foods and beverages (including the maintenance and operation of vending machines dispensing such food and beverages, tobacco products and other merchandise) for consumption by Airline's on-site employees, including the imposition of charges for such food and beverages;

(g) The enplaning, deplaning and handling of passengers upon and from aircraft in commercial or retail flights, pursuant to such terms and conditions as agreed between Airline and the Commissioner. There shall be no separate charges or fees due under this Lease for such activity although Airline may be required to pay charges or fees under other agreements such as the International Terminal Use Agreement. All passengers handled pursuant to this provision must be shuttled to a terminal area for processing. In no event shall this provision be interpreted as allowing retail passenger operations other than the incidental handling of passengers in irregular operation situations;

(h) Taxiing, parking, storing, maintaining, conditioning and repairing (to the extent such are considered routine ramp servicing) of aircraft and equipment;

(i) The receiving, dispatching, handling and storing of property for use by Airline in its cargo operations at the Airport; and

(j) The handling of air cargo of other persons engaged in the air transportation business by Airline pursuant to the provisions of Section 1.06 below.

Nothing in this Lease shall be deemed to permit the conduct by Airline of any cargo and freight business other than the operation of an Air Transportation of Freight and Cargo Business, and such business shall not include the transportation of commercial or retail passengers to and from the Demised Premises except as provided above.

Airline may use the Demised Premises for uses other than those specified in this section only upon the written approval of the Commissioner. The grant of such approval shall be in the sole discretion of the Commissioner after due consideration of Airline's request.

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 Airline to provide the services described in this Section 1.03 to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and City reserves the right to grant to others the privileges and rights to conduct any one or all of the activities described herein.

1.04 Ingress And Egress.

Subject to rules and regulations promulgated by City in accordance with Article VI hereof, Airline, its sublessees or assigns, shall have the right and privilege (i) of ingress to and egress from the Demised Premises for its or their employees, agents, guests, patrons and invitees, its or their suppliers of materials and furnishers of service, and its or their aircraft, equipment, vehicles, machinery and other property; and (ii) to provide transportation of employees of Airline to, from and within the Airport. In addition, any other party engaged in the Air Transportation of Freight and Cargo Business that is handled by Airline at the Demised Premises pursuant to the provisions of Section 1.06 below shall have the right of ingress to and egress from the Demised Premises for the sole purpose of having said party's air cargo handled by Airline. Except as otherwise specifically provided in this Lease, the International Terminal Use Agreement or any other agreement applicable to Airline's operations at the Airport, no charges, fees or tolls of any nature, direct or indirect, shall be imposed by City upon Airline, its employees, agents, guests, patrons and invitees, or its or their suppliers of materials and furnishers of service, for (i) such right of ingress and egress, (ii) the privilege of purchasing, selling or using for a purpose herein

permitted any materials or services purchased or otherwise obtained by Airline, or its sublessees or assigns, (iii) transporting, loading, unloading or handling persons, property, cargo, or mail in connection with Airline's business of Air Transportation of Freight and Cargo, or its sublessees' or assigns' business, (iv) exercising any right or privilege granted by City hereunder. The foregoing shall not preclude City or its concessionaires from making and collecting a charge for the use of public automobile parking areas or sightseeing facilities, (but there shall be no charges or fees assessed against Airline or its employees, agents, representatives or invitees for parking their vehicles on the Demised Premises in connection with Airline's operations on the Demised Premises), or for the use of ground transportation to, from or within the Airport furnished by City or its concessionaires or for the furnishing or sale by City or its concessionaires to the public at the Airport of services, insurance, food and merchandise, or preclude City from imposing any tax, charge, permit or license fee not inconsistent with the rights and privileges granted to Airline hereunder or under the International Use Agreement. Notwithstanding the foregoing, nothing in this Section 1.04 shall be deemed to preclude City from levying a passenger facility charge or other similar taxes or fees at the Airport. Nothing herein shall preclude Airline from contesting such charge or tax if enacted or promulgated by City. Subject to the provisions of Exhibit D attached hereto, Airline shall have the right to purchase or otherwise obtain property and services of any nature from any suppliers of its choice.

Airline shall not block or otherwise obstruct common use Taxiways or access roads with aircraft or groundside vehicles, respectively, at any time or in any manner which will impair or adversely affect the use or operation of said Taxiways or access road areas.

1.05 Sublease, Assignment Or Other Transfer Of Demised Premises And Improvements.

(a) Except as provided in subsections (b) and (c) of this Section 1.05, Airline shall not, without the prior written consent of the Commissioner in each instance, which consent may be withheld in the Commissioner's sole and absolute discretion, (i) assign or transfer, mortgage, pledge, hypothecate or encumber or subject to or permit to exist upon or be subjected to any lien or charge, this Lease or any interest under it; (ii) allow to exist or occur any transfer of or lien upon this Lease or Airline's interest herein by operation of law; (iii) sublet the Demised Premises, the Improvements or any part thereof; or (iv) permit the use or occupancy of the Demised Premises, the Improvements or any part thereof for the purpose not provided for herein or by any one other than Airline and Airline's employees. In addition, there shall not be any further subleasing, assignment or transfer of interest in this Lease, the Demised Premises or the Improvements by any subtenant or assignee approved under the provisions of subsection 1.05(b) below, even though the further subleasing, assignment or transfer may be of the type

described in subsection 1.05(b), without the prior written consent of the Commissioner in each instance, which consent may be withheld in the Commissioner's sole and absolute discretion.

(b) Airline may sublet portions of the Demises Premises and the Improvements to the following, provided, however, that any such sublease shall be subject to the prior written approval of the Commissioner, which approval shall not be unreasonably withheld:

(i) Any party for the sole and exclusive purpose of providing handling services at the Demised Premises to Airline or any other occupant of the Demised Premises; or

(ii) Any other party conducting Air Transportation of Freight and Cargo Business at the Demised Premises until Airline has sublet up to 35% of the floor space in the Improvements to such parties (and after five years from the date upon which rent begins accruing pursuant to Section 3.01 hereof, up to only 25% of the floor space in the Improvements to such parties).

(c) Upon the giving of at least thirty (30) days prior written notice to the Commissioner, Airline may sublet any portion of the Demised Premises or the Improvements to any subsidiary or other company engaged in the Air Transportation of Freight and Cargo Business provided Airline has a more than 50% ownership interest of such subsidiary or other company.

(d) For purposes of subsection 1.05(b) herein, Airline agrees that the withholding by the Commissioner of his consent to any proposed assignment or subletting will not be deemed "unreasonable" if (i) the proposed assignee or subtenant is disreputable, noncreditworthy or otherwise not in keeping with the nature or class of tenants in the Cargo Areas, or (ii) the use of the Demised Premises or Improvements by the proposed assignee or subtenant would, in City's reasonable judgment, have a material adverse impact on the operation of the Cargo Areas or the Airport.

(e) In no event shall this Lease or any rights or privileges hereunder be an asset of Airline under any bankruptcy, insolvency or reorganization proceedings.

(f) Consent to any assignment, subletting, use or occupancy, or transfer shall not operate to relieve, release or discharge Airline of or from primary liability under this Lease, and Airline shall remain liable hereunder except to the extent, if any, expressly provided for in such consent. Nor shall consent in any one instance be deemed to be a consent to or relieve Airline from obtaining consent to any subsequent assignment, transfer, lien, charge, subletting, use or occupancy. Any request by Airline or any subtenant or assignee of Airline, for consent to a proposed assignment, sublease or other

transfer of interest in this Lease shall be accompanied by reasonably sufficient information about the subtenant, assignee or transferee to enable the Commissioner or City Council of the City, whichever is appropriate, to fully evaluate the proposed transaction. The subtenants, assignees or transferees shall agree to comply with and be bound by all terms, covenants, conditions, provisions and agreements of this Lease to the extent of the space sublet or assigned, and Airline shall deliver to the Commissioner within thirty (30) days after execution, an executed copy of each such sublease or assignment and an agreement of compliance by each such subtenant, assignee or transferee. Airline shall pay all of City's reasonable and otherwise unreimbursed costs, charges and expenses, including attorney's fees, incurred in connection with any assignment, sublease or other transfer requested or made by Airline.

(g) Notwithstanding the requirements contained in this Section 1.05 for obtaining consent, in the case where Airline is proposing to assign or sublease all of the Demised Premises and the Improvements, such assignment or sublease shall be made only after obtaining the written consent of the City Council of the City, which consent may be given or withheld in the sole discretion of the City Council of the City.

(h) In no event shall Airline have the right to make a partial assignment of this Lease or any interest hereunder.

1.06 Handling Agreements.

For so long as Airline actively conducts the Air Transportation of Freight and Cargo Business at the Airport, the Demised Premises and any public areas of the Airport which Airline has a right to use in common with others may also be used by Airline for the handling, by Airline's employees or handling agents retained by Airline, of freight and cargo operations of other persons engaged in the Air Transportation of Freight and Cargo Business to the same extent as they may be used for the operations of Airline; provided, however, that (a) Airline shall remain liable for all of its obligations hereunder, (b) Airline shall give the Commissioner written notice of any such handling arrangement at least thirty (30) days prior to the effective date thereof, and (c) no handling arrangement shall be allowed if the Commissioner objects in writing to it on the basis of material adverse impact to Airport operations within such thirty (30) day period. Commissioner shall have the right to withhold his consent in his sole discretion to any proposed sublease of a portion of the Demised Premises or the Improvements to any party providing handling services from the Demised Premises to others located outside the Demised Premises.

Article II.

2.01 Term.

The term of this Lease shall be for a period commencing on the Delivery Date and terminating on May 11, 2018, unless sooner terminated in accordance with the provisions set forth herein.

Article III.

3.01 Rent.

(a) At such time and in such manner as set forth in subsection (b) Airline shall pay City the following rent:

\$.45 per square foot of the Demised Premises per year for 369,998 square feet, of which up to \$.10 shall be used for the O. & M. Fund described in Section 3.02 below.

(b) Rent shall begin accruing hereunder on the earliest of (i) the date of substantial completion of the Improvements, (ii) September 1, 1992, or (iii) the date Airline begins the operation of its Air Transportation of Freight and Cargo Business on the Demised Premises with the prior written consent of the Commissioner. From and after the time rent begins so accruing and continuing throughout the term of this Lease, Airline shall pay City, not later than the first business day of each month, one-twelfth of the annual rent as set forth above, for such month. All such rent shall be paid to the Comptroller of the City of Chicago at his office in City Hall, Chicago, Illinois or such other place as may be designated. Rent for the first and last months of this Lease shall be prorated, if necessary.

(c) Rent payable hereunder shall be increased beginning on the January 1 following the fifth anniversary date of the Delivery Date, and on January 1 every five years thereafter by multiplying the \$.45 per square foot set forth in Section 3.01(a) above by a fraction, the numerator of which is the Producer Price Index/All Commodities ("P.P.I.") published by the United States Department of Labor, Bureau of Labor Statistics (January, 1982 = 100) for the month of December preceding said January 1, and the denominator of which is the P.P.I. for the month in which the Delivery Date occurred. Each yearly period for which the P.P.I. is being recalculated hereunder is referred to herein as a "Recalculation Period". Upon receipt by Airline of written notice from the Commissioner, rent, as so adjusted, shall be paid in the manner set forth in subparagraph (b) above.

If the manner in which the P.P.I. is determined by the Department of Labor is substantially revised, City shall adjust the revised index which would produce results equivalent, as nearly as possible, to those which would have been obtained if the method of determining the P.P.I. had not been revised. If the P.P.I. is discontinued or otherwise becomes unavailable to the public, City shall substitute therefor a comparable index based upon changes in the cost of living or purchasing power of the consumer dollar published by any other governmental agency or department, or if no such index is available, a comparable index published by a recognized financial institution, financial publication, or university.

If the computation of aforesaid increase in rent cannot be completed until after the beginning of a Recalculation Period, Airline shall continue to pay rent at the then current rate until the information for completing the computation is available. Any shortfall in prior rental payments determined by said computation shall be paid to City within sixty (60) days after the Commissioner supplies Airline with said computation.

3.02 Operation And Maintenance Expense.

"Cargo Areas" shall mean the portion of the Airport defined as such on Exhibit E entitled O'Hare Cargo Areas Layout Plan attached hereto and herein incorporated, and the "Common Areas" shall mean all portions of the Cargo Areas not leased exclusively to other parties.

Thirty (30) days prior to the first payment of O. & M. Expenses (as hereinafter defined) due under this Section 3.02 and not later than seventy (70) days prior to the end of each Fiscal Year (as hereinafter defined) thereafter, the Commissioner shall furnish Airline with a projection of the O. & M. Expenses for the Common Areas for the next Fiscal Year. On the first date that rent is due under the provisions of Section 3.01(b) above, and on each date that rent is due thereafter, Airline shall pay to City an amount equal to one-twelfth (1/12) of Airline's pro rata share of the projected O. & M. Expenses for the Fiscal Year in excess of \$.10 per square foot of the Demised Premises. Airline's pro rata share shall be a fraction in which the total square footage leased to Airline pursuant to Section 1.01 is the numerator and the total square footage of all land leased in the Cargo Areas is the denominator. Upon request by Airline, City shall provide Airline with the square footage figures for other tenants and total areas of the Cargo Areas.

Not later than the one hundred ninetieth (190th) day of each Fiscal Year, City shall furnish Airline with a revised projection of O. & M. Expenses for the Cargo Areas which shall reflect the most recently available information with regard to the amounts being incurred as O. & M. Expenses in the Cargo Areas. If the revised projection forecasts expenses that would result in an overpayment or underpayment by Airline of five percent (5%) or more of the amount needed for the O. & M. Expenses, payments under this section shall

be adjusted to conform to the revised projection. In no event shall the O. & M. Expenses under this section, as so adjusted, be less than zero. Any surplus amounts collected by the City for O. & M. Expenses through the end of a Fiscal Year over the actual O. & M. Expenses incurred during said Fiscal Year shall be carried over to cover O. & M. Expenses for the following Fiscal Year or costs incurred during said Fiscal Year in the repair, replacement or reconstruction of those capital facilities provided to the Common Areas, including, but not limited to, sewer and water line repairs or replacements, Cargo Areas apron and Taxiway repavement or replacement, right-of-way improvements or replacements (including costs of right-of-way expansion or relocation). In the event that at the end of a Fiscal Year City determines that the amounts paid by Airline and other tenants for O. & M. Expenses were not sufficient to cover all O. & M. Expenses incurred during the Fiscal Year, the Commissioner may provide written notice to Airline of its pro rata share of any such deficiency, and Airline shall pay all such deficiency within thirty (30) days of receipt by Airline of such notice.

The City will maintain accurate records allocating O. & M. Expenses for each Fiscal Year. Within six (6) months following the close of each Fiscal Year, City shall furnish Airline with a copy of an annual audit report ("Final Audit") prepared in accordance with generally accepted accounting principles and certified by an independent accountant or outside auditors covering the O. & M. Expenses for such preceding Fiscal Year and setting forth the O. & M. Expenses paid by Airline during the prior Fiscal Year.

The payment by Airline to City, and the acceptance by City from Airline, of any amount hereunder shall not preclude either Airline or City from questioning, within a period of six (6) months from the date of receipt by Airline of the Final Audit, the accuracy of any statement on the basis of which such payment was made, or preclude City from making, within such period, any claim against Airline for any additional amount payable by Airline hereunder.

In the event that the cost to be incurred by the City in the repair, replacement or reconstruction of those capital facilities provided to the Common Areas exceeds \$75,000 per project in excess of any insurance proceeds received by the City for such facilities, the City shall not make any expenditures or issue any obligations to finance the cost thereof for any such repair, replacement or reconstruction project unless and until such project and the financing thereof has been approved by a Majority-In-Interest. For purposes of this Lease, a "Majority-In-Interest" shall be deemed the decision or action of tenants leasing a majority of the square footage of land at the Cargo Areas that is leased to tenants having a right to participate in such decision. Upon the request of Airline, City shall provide Airline with the names of all other such tenants and the square footage of land they lease within the Cargo Areas and the total square footage of land leased in the Cargo Areas. At least forty-five (45) days before making any expenditure or issuing any obligations for a capital project requiring approval hereunder,

City shall submit a proposal in writing to all tenants at the Cargo Areas having a right to participate in such decision, which proposal shall include an estimate of (a) the cost of such project, (b) the operation and maintenance expenses and debt service, if any, resulting therefrom, (c) the sources and use of funds and the terms of any financing, if any, (d) the construction schedule, descriptions and justification for any such project, and (e) the projected impact on fees and charges, all in sufficient detail to enable the tenants to make an informed judgment on the appropriateness of such project and financing. A project and financing shall be deemed to be approved if a Majority-In-Interest approves it.

3.03 Assessments For Capital Costs.

In the event that at any time the Commissioner determines that there is needed any repair, replacement or reconstruction of capital facilities located in the Common Areas, and if required, said replacement or reconstruction has been approved by a Majority-In-Interest, Airline shall pay, by means of a deficiency assessment, its pro rata share of any costs of performing such replacement or reconstruction at such time as requested by the Commissioner. Airline's pro rata share shall be determined by multiplying the amount of such costs anticipated to be incurred by a fraction with the total square footage leased by the Airline for cargo facilities at the Cargo Areas as the numerator and the total square footage of all land leased in the Cargo Areas as the denominator.

3.04 Taxes.

Airline shall be responsible for payment of all applicable taxes levied against the Demised Premises and Improvements and shall pay such taxes directly to the appropriate taxing agency. Airline shall provide the Commissioner with copies of all notices relating to such taxes within thirty (30) days of request and shall, upon request, provide the Commissioner with a receipt indicating payment of such taxes. Nothing herein shall preclude Airline from contesting such charge or tax including those enacted or promulgated by City.

3.05 Capital Improvement Reimbursement.

Upon full execution of this Lease, Airline shall pay to the City an amount equal to (i) \$2.00 per square foot of the Demised Premises as set forth in Section 1.01 above, and (ii) 35% of the cost of installation by City of the service road and utilities described in Section 1.01 above.

3.06 Utilities.

Airline shall be responsible for payment of all cost of water, electricity, natural gas, telephone service and all other utility services for the Demised Premises and Improvements, whether furnished by City or purchased by City on behalf of Airline or furnished by independent contractors.

Article IV.

4.01 Construction Of Improvements.

After securing necessary permits therefor, Airline shall erect and install certain capital improvements ("Common Improvements") to the Common Areas as more particularly described and at the expense of the parties set forth on Exhibit B attached hereto. In addition, Airline shall erect and install on the Demised Premises after securing necessary permits therefor such other structures, aircraft parking apron, and improvements (together the "Improvements") as are appropriate and necessary for Airline to conduct the Air Transportation of Freight and Cargo Business on the Demised Premises and as more specifically set forth in Exhibit A attached hereto. Design and construction of the Improvements and Common Improvements shall be accomplished in accordance with the provisions of Exhibits C and D attached hereto, and construction thereof shall not be commenced until Airline has obtained all approvals, permits and licenses required by any governmental authority. Airline shall pay its allocable share of the costs of the Common Improvements, as set forth on Exhibit B. In the event City enters into agreements with other parties for the right to use or receive the benefit of any of the Common Improvements, City agrees to use reasonable efforts to obtain an agreement for a pro rata reimbursement for Airline's cost of installing such Common Improvements. In no event, however, shall City be liable to Airline for failure to obtain such an agreement or for any such reimbursement or related costs, nor shall City be obligated to then initiate any legal proceedings on behalf of Airline or any other party for the purpose of collecting any reimbursements due to Airline.

In the event the City does not enter into agreements with other parties for the right to use or receive the benefit of the Common Improvements, City shall not be liable to Airline for any costs of the Common Improvements.

If Airline makes a request to construct connections with any roadway, fueling, water line, sewer line, drainage ditch and utility line serving the Demised Premises, and the plans and specifications for construction of such connections are approved by the City, such approval not to be unreasonably

withheld, such connection shall be deemed Improvements for purposes of this Lease.

The failure of Airline to commence construction operations on the Improvements and/or Common Improvements within one year of the Delivery Date and complete such construction within two years of the Delivery Date shall be deemed a material default hereunder by Airline entitling City to all its rights and remedies under Article XI hereof. Said time periods shall be extended for delays that are outside the reasonable control of Airline, provided that Airline gives the City written notice of any such delay within ten (10) days after the commencement of the delay.

4.02 Maintenance And Repair.

(a) Airline shall be responsible for and shall perform or cause to be performed maintenance and repair of the Improvements and shall clean and keep clear of debris the Improvements and the Demised Premises. Airline shall at all times at the Demised Premises:

(i) Keep the Improvements and all fixtures, equipment and personal property in a clean and orderly condition and appearance;

(ii) Maintain the same in good condition (reasonable wear and tear excepted) and perform all ordinary repairs, replacements, and painting, such repairs, replacements, and painting by Airline to be of a quality and class not inferior to the standards set forth in the appropriate rules and regulations adopted by the City for the Airport. In addition, for any equipment installed in or on the Demised Premises that is purchased using the proceeds of any special facilities financing sponsored by City, Airline shall repair, maintain and replace such equipment as is necessary to assure that at the end of the term hereof the fair market value of such equipment and its remaining useful life will be consistent with, and sufficient to establish for applicable tax and accounting purposes, ownership of such equipment by City;

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

(iv) Either directly or through an independent contractor (which independent contractor shall obtain a City permit, the issuance of which shall not be unreasonably withheld), dispose of its garbage, debris and other waste materials (including snow and ice).

(v) Replace any portion of the structure of any buildings on the Demised Premises that may be destroyed or need replacement for any reason whatsoever.

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

4.03 Title.

Title to the Improvements shall vest in City free and clear of any liens or encumbrances upon certification by an engineer employed by City that construction of the Improvements has been completed or, if this Lease is terminated for any reason prior to completion of the Improvements, title in the Improvements then completed and any materials and equipment then located on the Demised Premises intended to be incorporated into the Improvements shall vest in City at the time of such termination. This Section 4.03 shall not apply to any personal property of Airline located on the Demised Premises.

4.04 Signs.

Any advertising signs installed by Airline or its sublessees or assigns on the Demised Premises shall be limited to those which advertise the Air Transportation of Freight and Cargo Business of the Airline or its sublessees or assigns. The number, general type, size, design and location of such signs shall be subject to all rules and regulations promulgated by the City regarding such signs, as such rules and regulations may be amended.

4.05 Lighting.

Airline shall install, maintain, and operate such obstruction or warning lights on structures located on the Demised Premises as may from time to time be required to conform to standards prescribed by the City and the Federal Aviation Administration or any other governmental agency having jurisdiction over the Demised Premises.

4.06 Covenant Against Liens.

Airline shall keep the Demised Premises and the Improvements and its interest under this Lease free and clear of liens, except as may be approved by the Commissioner, which might arise out of any act by Airline; provided, however, that Airline may in good faith contest the validity of any lien. In the event of the filing of any lien against the Demised Premises as a result of any act or omission of Airline and Airline is contesting the validity of such lien, Airline shall promptly provide City with evidence reasonably satisfactory to City that such contest shall prevent the perfection of any such lien. If City believes that the evidence provided by Airline is insufficient or unsatisfactory, Airline shall escrow with City any amounts necessary to satisfy any contested lien. The execution and delivery by Airline of a Special Facility Use Agreement and related documents and instruments in connection with special facilities financing sponsored by City for the construction of the Improvements and/or Common Improvements shall not constitute a violation of this Section 4.06.

4.07 Performance By City Upon Failure Of Airline To Maintain.

In the event Airline fails to perform any obligation set forth in Section 4.02 above for a period of forty-five (45) days after receipt of written notice from the Commissioner so to do, or if such obligation cannot be performed within forty-five (45) days and Airline has not diligently begun to perform or is not continuing to diligently perform such obligation, City may enter the Demised Premises (without such entering causing or constituting a termination of this Lease or an interference with the possession of said premises by Airline) and do all things necessary to perform such obligation, and Airline shall pay City the reasonable cost and expense of such performance when invoiced in addition to any other amounts payable by Airline hereunder. If Airline's failure to perform any such obligation endangers the safety of the public or of employees of City and the notice to Airline so states, the City may perform such obligations if Airline does not immediately proceed to perform such obligations.

4.08 Inspection.

City, by its representatives, shall have the right at any reasonable time and, upon the giving of reasonable notice (telephone notice being reasonable), to inspect the Demised Premises and Improvements and direct Airline to make ordinary repairs. City representatives shall notify Airline's representative on the Demised Premises at the beginning of any inspections.

4.09 Non-Disturbance.

The operations of Airline and its employees on the Demised Premises shall be conducted in an orderly and proper manner and, given the nature of the Air Transportation of Freight and Cargo Business, shall not otherwise annoy, disturb or be offensive to others at the Airport. Upon request from the Commissioner to Airline to correct the demeanor or conduct of Airline's employees, Airline shall forthwith comply with such request.

4.10 Compliance With Prevailing Wage.

All construction contracts awarded by Airline in connection with the Improvements, Common Improvements and the Demised Premises in the amounts of \$1,000.00 or more, or as otherwise required by law ("Construction Contracts") shall contain provisions complying with Chapter 48, Section 39S-2, et seq., Ill. Rev. Stat. 1989, as it may be amended ("Act"), so long as the Act is in effect, in order to ensure that such persons covered by the Act are paid the prevailing wage rate as ascertained by the Illinois Department of Labor ("Department of Labor"). All Construction Contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed in the Construction Contract. If the Department of Labor revises such prevailing wage rates, the revised rates shall apply to any Construction Contracts. Upon request by City, Airline shall provide City with copies of all Construction Contracts to evidence compliance with the provisions of the Act.

Article V.

5.01 Facilities Furnished By City.

City shall deliver the Demised Premises in a rough graded condition in accordance with the specifications of O'Hare Development Project No. 402. City makes no warranty as to the environmental conditions of the Demised Premises or the adequacy of the Demised Premises for Airline's intended purpose other than that the site has been prepared in accordance with O.D.P. No. 402. Airline may use existing taxiways, roadways, water lines, sewer lines and drainage ditches in common with others; provided, however, that Airline shall be required to pay the costs of all utilities including, but not limited to, all charges for direct metered water supplied by City to Airline through any such water line and charges for electricity furnished to the Demised Premises. Other than City's preparation of the site in accordance with O.D.P. No. 402, Airline agrees that it is taking possession of the Demised Premises in its "as is" condition, and Airline shall be

responsible for the compliance of the Demised Premises and any conditions thereon with all applicable laws, statutes, codes, ordinances, rules, regulations and orders, whether or not any such condition existed prior to or after the taking of possession by Airline. Airline waives any and all claims which may currently exist or which may arise in the future by contract, common law or statutes currently in effect, as amended or subsequently enacted, and which relate to environmental condition on, under, or near the Demised Premises.

5.02 Maintenance And Operation Of Airport.

City shall operate and maintain in a manner consistent with that of a reasonably prudent operator of an Airport, and keep in good condition and repair, all taxiways, roadways, water lines, sewer lines, drainage ditches, additions, improvements, facilities and equipment now or hereafter provided by City serving the Demised Premises but located outside the Demised Premises, including the removal of snow, ice, vegetation, stones and other foreign matter as reasonably as may be done, from taxiways, connections therefrom, and roadways. This Section 5.02 shall not be construed to alter the fact that the costs and expenses of such operation for the Common Areas shall be borne by Airline and other tenants of the Cargo Areas as previously described in Sections 3.02 and 3.03 above.

5.03 Exclusive Possession.

Subject to the provisions of this Lease, City covenants that so long as Airline performs all of its obligations hereunder, it shall be entitled to and shall have the exclusive possession and enjoyment of the Demised Premises, and the rights and privileges leased to it hereunder.

5.04 Performance By Airline Upon Failure Of City To Maintain And Operate.

In the event City fails to perform any obligation set forth in Section 5.02 above for a period of forty-five (45) days above after receipt of written notice from Airline so to do, or if such obligation cannot be performed within forty-five (45) days and City has not diligently begun to perform or is not continuing to diligently perform such obligation, Airline may perform such obligation of City and do all things necessary to perform such obligation and City shall pay Airline the reasonable cost and expense of such performance but only out of available airport funds, if any, upon the submission of paid receipts by Airline. If City's failure to perform such obligations endangers the safety of the public, of employees of Airline or Airline's Air

Transportation of Freight and Cargo Business on the Demised Premises and Airline so states in its notice to City, Airline may perform such obligations if City does not immediately proceed to perform such obligations.

Article VI.

6.01 Rules And Regulations.

(a) Airline shall obey all rules and regulations governing the conduct and operation of the Airport promulgated from time to time by City; provided, however, that such rules and regulations must be neither (i) inconsistent with the exercise by Airline of any right or privilege granted to it hereunder or under any other agreement between Airline and City relating to the Airport, nor (ii) inconsistent with the rules, regulations, or orders of any Federal or State agency having jurisdiction over the Airport. Except in cases of emergency, no such rule or regulation shall be applicable to Airline unless it has been given thirty (30) days prior written notice of the adoption thereof. In addition, Airline shall abide by and follow all restrictions and guidelines set forth in the International Terminal Use Agreement and any other agreement applicable to Airline's operations at the Airport.

(b) Upon written request of Airline, City shall supply Airline with a copy of City's current Airport rules and regulations applicable to Airline.

(c) City shall have no control over the rates, fares or charges that Airline may prescribe in connection with its conduct of the Air Transportation Business of Freight and Cargo.

(d) Nothing herein shall be construed to prevent Airline from contesting in good faith any rule or regulation of the Airport, without being in breach thereof, so long as such contest is diligently commenced and prosecuted by Airline.

(e) Airline shall comply with all applicable federal, state and local laws, codes, regulations, ordinances, rules and orders; provided, however, that Airline may, without being considered to be in breach hereof, contest any such laws so long as such contest is diligently commenced and prosecuted by Airline.

6.02 Compliance With Environmental Requirements.

Airline shall, in conducting any activity or business on the Demised Premises, including environmental response or remedial activities, comply with all Environmental Requirements (as defined in Section 10.03(a)(v))

below), including but not limited to Environmental Requirements regarding the storage, use, and disposal of Hazardous Materials or Special Wastes and regarding releases or threatened releases of Hazardous Materials or Special Wastes to the environment.

6.03 Review Of Environmental Documents.

Airline, at the request of City, shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents and materials Airline has prepared pursuant to any Environmental Requirement or submitted to any governmental regulatory agency. If there is an Environmental Requirement to file any notice or report of a release or threatened release of Hazardous Materials or Special Wastes on, under or about the Demised Premises, Airline shall provide a copy of such report or notice to City, and to the extent practicable, shall receive the approval of City prior to submitting such notice or report to the appropriate governmental agency.

6.04 Access For Environmental Inspection.

City shall have reasonable access to the Demised Premises and Improvements to inspect the same to confirm that Airline is using the Demised Premises in accordance with Environmental Requirements. Airline, at the request of City and at Airline's expense, shall conduct such testing and analysis as is necessary to ascertain whether Airline is using the Demised Premises in compliance with all Environmental Requirements. Any such tests shall be conducted by qualified independent experts chosen by Airline and subject to City's reasonable approval. Copies of reports from any such testing shall be provided to City.

6.05 Environmental Noncompliance.

If Airline fails to comply with any applicable Environmental Requirements, City, in addition to its rights and remedies provided in Section 11.01 below, may enter the Demised Premises and Improvements and take necessary measures to insure compliance with Environmental Requirements, all at Airline's expense.

6.06 Duty To Notify City.

In the event of a release or threatened release of Hazardous Materials or Special Wastes to the environment relating to or arising out of Airline's use or occupancy of the Demised Premises or in the event any claim, demand, action or notice is made against Airline regarding Airline's failure or alleged failure to comply with any Environmental Requirements, Airline immediately shall notify City in writing and shall provide City with copies of any written claims, demands, notices, or actions so made.

6.07 Environmental Remediation.

Preliminary investigation of the Demised Premises indicates the potential presence of Hazardous Materials and Special Wastes and other environmental contaminants on or under the Demised Premises. Airline shall undertake such steps to remedy and remove any such Hazardous Materials and Special Wastes and any other environmental contamination as is presently or subsequently discovered on or under the Demised Premises, as are necessary to protect the public health and safety and the environment from actual or potential harm and to bring the Demised Premises into compliance with all Environmental Requirements. Such work shall be performed at Airline's sole expense after Airline submits to City a written plan for completing such work and receives the prior written approval of City, and City shall have the right to review and inspect all such work at any time using consultants and representatives of its choice. The cost of such review and inspection shall be paid by Airline. Specific cleanup levels for any environmental remediation work shall be designed to meet applicable requirements under local, state and federal statutes, regulations, and guidelines. In the event that the City is named in any enforcement action or lawsuit by any party in connection with the environmental condition of the Demised Premises or Improvements thereon, Airline shall defend the City and indemnify the City for any costs, damages or fines that might be found against the City.

Article VII.

7.01 Exercise By City Of Governmental Functions.

Nothing contained herein shall impair the right of City, in the exercise of its governmental functions, to require Airline to pay any tax or inspection fees or to procure necessary permits or licenses provided such requirement is not inconsistent with the rights and privileges granted hereunder or under the International Use Agreement. Nothing herein shall be construed to

prevent Airline from contesting in good faith any tax or inspection fee so long as such contest is diligently commenced and prosecuted by Airline.

Article VIII.

8.01 Insurance.

Airline shall maintain, or cause to be maintained, at its own expense, during the term of this Lease, insurance with respect to its property and business conducted at the Demised Premises against such casualties and contingencies (including but not limited to liability) as is described in this Article VIII, and such additional insurance in such amounts as is customary in the case of similarly situated persons in the air transportation business.

If pursuant to any other agreement between Airline and City, Airline is complying with requirements identical with those of this section, such compliance shall also serve as compliance with the requirements of this section.

8.02 Required Insurance Policies.

Airline shall maintain or cause to be maintained at Airline's expense during the term of this Lease the types of insurance policies specified below with insurance companies reasonably acceptable to the City, covering all operations under this Lease, including construction whether performed by Airline or by contractors of Airline.

The kinds and amounts of insurance required are as follows:

- 1) Employer's Liability, Worker's Compensation And Occupational Disease Insurance.

Employer's Liability, Worker's Compensation and Occupational Disease Insurance shall be maintained by Airline for Airline's employees in amounts as required by the statutes, rules or regulations of the State of Illinois, and Airline shall require any of its subleasees, assignees, contractors or other parties operating on or from the Demised Premises to maintain comparable coverage.

- 2) Commercial General Liability Insurance (Primary And Umbrella).

Commercial General Liability Insurance (primary and umbrella) or equivalent with limits of not less than \$25,000,000 combined single limit, for bodily injury, property damage liability and personal injury per occurrence shall be maintained by Airline. Products/completed operations, independent contractors, explosion, collapse, underground, pollution (to the extent commercially available for a similar risk) and contractual liability coverages are to be included. The City is to be named as an additional insured.

3) Automobile Liability Insurance.

When any motor vehicles are used in connection with the work to be performed, Airline or its contractors shall maintain Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence, combined single limit, for bodily injury and property damage. The City is to be named as an additional insured.

4) All Risk Builders Risk Insurance.

When Airline undertakes any construction, including improvements, betterments, and/or repairs on the Demised Premises, Airline shall maintain or cause to be maintained adequate All Risk Builders Risk Insurance to cover material, equipment and supplies at job site and in transit until such time that City, in its discretion, deems such coverage unnecessary for all construction operations under this Lease or due to the commencement of coverage under paragraph 5 below whether performed by Airline or contractors of Airline. City shall give Airline 10 days written notice that Airline may terminate a portion of the coverage required by this paragraph. Such coverage shall be written to include coverage for the City as its interests may appear.

5) All Risk Property Insurance.

After completion of any construction on the Demised Premises, including improvements and betterments, Airline shall maintain All Risk Property Insurance in the amount of the full replacement value of the Demised Premises. The City is to be named as an additional insured and proceeds of insurance shall be payable to City and Airline based on their respective ownership interests as they may appear.

6) Professional Liability.

When any architects, engineers, or consulting firms perform work in connection with the Demised Premises, Airline shall maintain or cause to be maintained Professional Liability Insurance with limits of \$1,000,000. The policy shall include prior acts coverage and/or extended reporting period.

7) Valuable Papers Insurance.

When any plans, designs, drawings, specifications and documents are produced or used under the terms of this Lease, valuable papers insurance in the amount of \$50,000 shall be obtained in an amount to insure against any loss whatsoever, and shall have limits sufficient to pay for the recreation and reconstruction of such records.

Failure to carry or keep such insurance in force as provided herein shall constitute a material breach of this Lease, and City maintains the right in addition to any and all other rights and remedies provided in Sections 4.01 and 11.01(a)(ii) and elsewhere herein to stop any work until such breach is cured and proper evidence thereof satisfactory to City is provided by Airline.

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

Airline shall require all contractors to carry the insurance required herein. Airline may, at its option, provide the coverage for any or all such contractors. If Airline determines to provide coverage for its contractors, the evidence of insurance submitted to City by Airline shall so stipulate.

The Commissioner maintains the right (for himself and/or his designee) to modify, delete, alter or change the requirements of this Article 8 to address those risks that would be insured by prudent airport operators of a business similar to that operated on the Demised Premises by Airline.

Airline expressly understands and agrees that any insurance protection furnished by Airline hereunder shall in no way limit Airline's responsibility to indemnify and hold City harmless under the provisions of this Lease and further understands and agrees that any insurance obtained by City shall be in addition to and not be applied toward the insurance required of Airline under this Lease and further understands and agrees that any insurance obtained by City shall be in addition to and not be applied toward the insurance required of Airline under this Lease. Further, Airline, on behalf of itself, its contractors, subcontractors and insurers, hereby waives any and all rights of subrogation against the City, including its appointed and

elected officials, representatives, agents, and employees, for any loss that is or should have been covered by insurance as required under this Lease.

8.03 Loss Adjustment Procedures.

(a) If any buildings or improvements constructed on the Demised Premises are damaged or destroyed, Airline shall immediately after such damage or destruction cause to be prepared plans, specifications and estimates of cost for repairing, replacing or reconstructing the damaged or destroyed property in accordance with the original design, subject to such modifications thereof as may be approved by Airline and the Commissioner or his designee. The Commissioner or his designee shall be entitled to participate in the preparation of such plans and specifications, and must approve them prior to the commencement of reconstruction; provided, however, that such approval shall not be unreasonably withheld. As soon as possible after such damage or destruction, Airline shall reconstruct and replace all damaged or destroyed improvements in accordance with the approved plans and specifications and shall have the ability to use insurance proceeds available from the policies carried for such purposes after deduction for any expenses of City in collecting and/or administering the disbursement of such insurance proceeds. Any funds needed to pay for such reconstruction in excess of available insurance proceeds shall be furnished by Airline.

(b) Subject to the provisions of Subsection 8.03(a) above, any unused balance of any insurance proceeds paid on the occasion of damage or destruction of any buildings or improvements on the Demised Premises, after all repairs, demolitions or removals are completed as required by this Lease, shall be paid to City.

8.04 Proof Of Insurance.

Airline shall provide the Commissioner or his designee with certificates of insurance evidencing the coverage required by this Article VIII, and all insurance provided for under this Lease shall be effected under valid enforceable policies issued by insurers of recognized responsibility. All such policies shall insure City and Airline in accordance with their respective interests as set forth herein. Said certificates of insurance shall be delivered to the Commissioner or his designee. Airline shall notify Commissioner or his designee of any change in any policies of insurance maintained by Airline pursuant to this Lease, and Airline shall furnish Commissioner a revised certificate of insurance showing that such changes in policy are consistent with the requirements of this Lease. With respect to renewals, Airline shall provide Commissioner or his designee with details of renewal coverage, including renewal certificates of insurance or similar evidence, on or prior to the expiration of any coverage.

Article IX.

9.01 Abatement In The Event Of Closing.

In the event that for a period of time in excess of five (5) consecutive days the Airport is closed by any order or direction of City or any other governmental authority or agency, or by any order or direction of any court of competent jurisdiction not stayed by way of appeal or otherwise, then the rent payable by Airline shall abate for the period of such closing.

9.02 Abatement On Account Of Casualty.

(a) If due to damage or destruction by fire or other casualty due to the fault of City, any of the facilities to be furnished by City outside the Demised Premises as provided in Section 5.01 hereof are rendered unusable to such an extent as to substantially impair the ability of Airline to conduct normal operations on the Demised Premises, then the rent payable hereunder by Airline for the Demised Premises shall be paid up to the date of such damage or destruction. Such rent shall thereafter abate in an amount directly proportional to the extent Airline's ability to conduct normal operations on the Demised Premises is impaired by such damage or destruction unless and until City thereafter furnishes adequate temporary substitute facilities and expeditiously restores the facilities so damaged or destroyed; provided, however, that if City fails to repair such damage or destruction so that Airline's ability to conduct normal operations on the Demised Premises is substantially impaired for more than ninety (90) days, then Airline at its option may, by giving to City at least thirty (30) days prior notice, terminate this Lease. City shall have no liability to Airline for City's failure to furnish such temporary substitute facilities or for City's failure expeditiously to restore such facilities.

(b) Except as otherwise expressly set forth herein, Airline shall have no right to rent abatement or set-off of any kind.

(c) In the event rent is ever abated pursuant to this Article IX, such abatement shall not apply to Airline's obligation to pay O. & M. Expenses.

Article X.

10.01 Regulating The Airport.

(a) Except as otherwise provided herein, City reserves the right to regulate, police, and further develop, improve, reconstruct, modify, or otherwise alter the Airport in City's sole discretion.

(b) Upon a determination by City, in its sole discretion after considering the technical and regulatory alternatives and evaluating reasonable suggestions made by Airline, that the Demised Premises are necessary for a public use, as the term "public use" is interpreted under Chapter 110, Article VII of Illinois Revised Statutes, which may include resolution of a sight line problem at the Airport, and City, in its sole discretion, determines that such public use requires the demolition, removal, or relocation of the Improvements, City may, in its sole discretion, require Airline to vacate the Demised Premises within eighteen months of written notice from City of such determination ("Notice Date"). Further, City may, at its election, require Airline to accept in lieu of any and all other remedies, either of the following alternatives:

- (1) a combination of replacement land at the Airport ("Replacement Land") and a payment equal to either (i) the Original Cost (as defined below) of any Improvements for which the Notice Date occurs within the first five (5) years of the date of substantial completion of said Improvements, or (ii) the unamortized value of any Improvements for which the Notice Date occurs after said five (5) year period. The "unamortized value of the Improvements" shall be determined by deducting depreciation from the Original Cost of any Improvements, the Original Cost being determined as described below as of the end of the fifth year after substantial completion of the Improvements, and said depreciation shall be computed on a straight line basis beginning five (5) years after the substantial completion of the Improvements and extending over the lesser of the useful life of the Improvements or the period of the term of this Lease during which the Improvements would have been in place. The "Original Cost" of any Improvements for purposes of this Subsection 10.01 shall be the actual, out of pocket amounts expended by Airline for construction of said Improvements increased by the same percentage that construction costs in the Chicago metropolitan area increase as reflected in the index of construction costs for the Chicago metropolitan area published by the Engineering News Record. The unamortized value of the Improvements shall be calculated as of the date the Airline

vacates the Demised Premises and an example of such a calculation is appended hereto as Appendix I; or

- (2) an alternative facility which is comparable to the Improvements on the Demised Premises and from which Airline can effectively operate its Air Transportation of Freight and Cargo Business in a manner reasonably similar to the manner in which it was operated prior to the vacation of the Demised Premises ("Comparable Facility").

Any reasonable cost of preparing or converting the Comparable Facility for Airline's use, or providing common improvements on Replacement Land shall be paid by City.

Notwithstanding the right of City to require Airline to accept either of the remedies described in (1) or (2) above, City shall, in its sole and absolute discretion, also have the right to exercise its rights of eminent domain, as provided under Chapter 110, Article VII of Illinois Revised Statutes, in lieu of either of the above-described remedies.

If City elects to make a Comparable Facility available to Airline, the Comparable Facility shall be made available to Airline within fourteen (14) months of the Notice Date. Rent on any such Comparable Facility shall be equal to the aggregate rent (including but not limited to payments made by Airline pursuant to Section 3.02 herein) payable by Airline pursuant to this Lease except to the extent the Comparable Facility is larger than the Demised Premises at the request of Airline, in which case rent on the Comparable Facility shall be greater. If City chooses to relocate Airline to a Comparable Facility, then City shall reimburse Airline only for the reasonable out-of-pocket moving costs incurred by Airline to relocate its personal property and movable equipment.

If City elects to make Replacement Land available to Airline, the Replacement Land shall be made available to Airline within six (6) months of the Notice Date. The date City makes Replacement Land available to Airline shall be the "Land Availability Date". Rent on any Replacement Land shall be equal to the per square foot rate effective on the Land Availability Date pursuant to Section 3.01(a) and Section 3.01(c) hereof for an amount of Replacement Land up to the area of land then being leased by Airline hereunder, and to the extent the site of the Replacement Land is larger than the area of land then being leased by Airline, rent on the portion of the Replacement Land in excess of the area of land then being leased by Airline hereunder shall be an amount equal to the then market rate of rent for such land as determined by City. Airline shall commence construction of a new facility on Replacement Land within four months of the Land Availability Date and substantially complete all construction of such facility within twenty-four (24) months of the Land Availability Date. The Commissioner, in his sole discretion, may grant Airline an extension to

complete construction of a new facility and may also, in his sole discretion, allow Airline to continue operations at the Demised Premises for a reasonable period beyond the eighteen month termination period set forth herein.

Nothing herein shall be construed as imposing upon Airline a "substantial restriction of Airline's operations at the Airport". No action by City under this Section 10.01 shall be grounds for Airline to proceed under Article XIII herein or otherwise to terminate this Lease.

10.02 Release Of City.

(a) City shall not be liable to Airline, or to Airline's agents, representatives, contractors and subcontractors or employees, for any injury to, or death of, any of them or of any other person or for any damage to any of Airline's property or loss of revenue caused by any third person in the maintenance, construction, or operation of facilities at the Airport, or caused by City or any third person using the Airport or navigating any aircraft on or over the Airport, except where there has been a final judicial determination that any injury, death, or damage is due to the negligence or willful misconduct of the City, and only to the extent Airline or any of the above described parties is not covered by appropriate insurance.

(b) City shall not be liable to Airline for damage to property of Airline or any loss of revenues to Airline resulting from City's acts or omissions in the maintenance and operation of the Airport except where there has been a final judicial determination that such damage or loss has been caused by the negligence or willful misconduct of the City, and only to the extent Airline or any of the above described parties is not covered by appropriate insurance.

10.03 Indemnity.

(a) Airline shall pay and shall protect, defend, indemnify and save City, its agents, representatives and employees, harmless to the extent permitted by law from and against any and all liabilities, losses, damages, costs and expenses (including reasonable attorney's fees and expenses), causes of action, suits, claims, demands, judgments, awards and settlements including, without limitations, payments of claims of liability resulting from any injury to or death of any person or damage to property (except to the extent caused by the negligence or willful misconduct of City, its agents, representatives or employees as determined by a final judicial proceeding), and costs of acquisition of real property as a result of claims described in subsection (i) below, in each case, only to the extent City is not reimbursed out of insurance proceeds arising out of the following:

(i) Suits alleging a taking of property or interests in property without just compensation, trespass, nuisance, or similar suits based upon the use of the Airport for the landing and taking-off of aircraft;

(ii) Airline's use or occupancy of the Airport not covered in subsection (a)(i) of this Section 10.03 or non-use (if such non-use is contrary to Airline's obligations hereunder) of any premises demised to Airline hereunder;

(iii) The condition of Airline's Demised Premises, including any equipment or facilities at any time located thereon, and any repairs, construction, alterations, renovation, relocation, remodeling and equipping thereof or thereto;

(iv) The violation by Airline of any agreement, warranty, covenant or condition of this Lease, of any other contract, agreement or restriction relating to Airline's operations at the Airport, or of any law, ordinance, regulation or court order affecting the Airport;

(v) The failure or alleged failure of Airline, its successors or assigns, to comply with local, state, or federal environmental rules, regulations, statutes, laws, or orders (collectively referred to as "Environmental Requirements"), or which is due, in whole or part, to any releases or threatened releases of Hazardous Materials or Special Materials on, about or under the Demised Premises.

(b) (i) To the extent permitted by law, Airline shall be responsible for (a) all physical injuries (including death) to persons (including, but not limited to, Airline's and City's employees, contractors and subcontractors, agents, and representatives) or (b) damage to property (including, but not limited to, property of the City), either of which may occur on account of or in connection with the performance of any work on, to or for the benefit of the Demised Premises excepting therefrom that portion, if any, of bodily injuries and property damage caused by the negligence or willful misconduct of the City, its contractors, agents, employees and other representatives as determined in a final judicial proceeding. Airline's responsibility hereunder shall include, but not be limited to, the payment of Worker's Compensation under the Worker's Compensation Law of the State of Illinois, and Airline specifically covenants to reimburse the City for all payments of Worker's Compensation which the City shall be required to make to any employee who shall have sustained injuries on account of or in connection with any work performed pursuant to this Lease or with respect to the Demised Premises, excepting therefrom that portion, if any, of bodily injuries and property damage caused by or resulting from the negligence of the City as determined in a final judicial proceeding.

(ii) During any construction by Airline with respect to the Demised Premises or the Common Areas, Airline shall be solely responsible for the support, maintenance, safety and protection of the facilities of the City, and for the safety and protection of all persons or employees and of all property therein.

(c) Airline agrees to indemnify and hold the City harmless to the extent permitted by law against liability for any and all injuries and damages to the property of the City arising directly from, or in any way occurring in connection with any work done by or at the direction of Airline for the benefit of the Demised Premises, whether caused by the negligence or willful misconduct of Airline, its employees, agents, contractors, subcontractors or otherwise.

(d) The Commissioner shall promptly notify Airline in writing of any claim or action brought against City in respect of which indemnity may be sought by City against Airline hereunder, setting forth the particulars of such claim or action and shall furnish Airline with a copy of all suit papers and legal process. Airline shall assume and have full responsibility for the defense or settlement thereof, including the employment of counsel and the payment of all expenses and all settlements or judgments. City shall cooperate fully with Airline in the defense of any case hereunder, and may employ separate counsel at a reasonable cost in any such action and participate in the defense thereof.

10.04 Tort Immunity.

Notwithstanding any reference herein to Airline's release and indemnification being ineffective in certain instances where City, its agents, employees or representatives have been negligent, nothing herein shall be construed to make the City liable in any case or instance where the City would otherwise be immune from any tort liability because of its being a municipal corporation.

Article XI.

11.01 City's Rights And Remedies.

All rights and remedies of City provided for in this Lease shall be cumulative and none shall exclude any other right or remedy allowed by law or equity.

(a) If default shall be made in the prompt payment of rent or any other amount due hereunder and such default shall continue for ten (10) or more business days after the same becomes due, or if default shall be made in the observance or performance of any covenants or agreements in this Lease which Airline is required to observe and perform and such default shall continue for thirty (30) days after written notice to Airline unless such default cannot be cured within said thirty (30) day period, in which case Airline shall have such period of time as is required to diligently proceed to cure the default, or if a default involves a hazardous condition and Airline does not diligently proceed to cure such default immediately upon written notice to Airline, or if the interest of Airline in this Lease shall be levied or under execution or attached by process of law, or if any voluntary petition in bankruptcy or for corporate reorganization or any similar relief shall be filed by Airline, or if any involuntary petition in bankruptcy shall be filed against Airline under any federal or state bankruptcy or insolvency act and shall not have been dismissed within thirty (30) days from the filing thereof, or if a receiver shall be appointed for Airline or any of the property of Airline by any court and such receiver shall not have been dismissed within sixty (60) days from the date of his appointment, or if Airline shall make an assignment for the benefit of creditors of all or substantially all of its assets, or if Airline shall admit in writing Airline's inability to meet its debts as they mature, or if Airline shall abandon or vacate the Demised Premises or Common Areas during the term, then and in any such event City if it so elects, may treat the occurrence of any one or more of the foregoing events as a breach of this Lease, and thereupon at its option may, with or without notice or demand of any kind to Airline or any other person, have any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

(i) City may terminate this Lease and the term created hereby, in which event all rent provided to be paid by Airline for the balance of the original term shall immediately become due and payable and City may forthwith repossess the Demised Premises and any of Airline's materials or property located on the Common Areas.

(ii) City may terminate Airline's right of possession and may repossess the Demised Premises and any of Airline's materials or property located on the Common Areas by forcible entry and detainer suit, by taking peaceful possession or otherwise without terminating this Lease or releasing Airline, in whole or in part, from Airline's obligation to pay rent hereunder for the full term.

(b) All property removed from the Demised Premises or Common Areas by City pursuant to any provisions of this Lease or by law may be handled, removed or stored in a commercial warehouse or otherwise by the City at the risk, cost and expense of Airline, and City shall in no event be

responsible for the value, preservation or safekeeping thereof. Airline shall pay City, upon demand, any and all expenses incurred by City in such removal and storage charges against such property so long as the same shall be in City's possession or under City's control. All property not removed from the Demised Premises or Common Areas or retaken from storage by Airline within sixty (60) days after the end of the term, however terminated, shall be conclusively deemed to have been forever abandoned by Airline.

After taking possession of the Demised Premises pursuant hereto, City shall have the right to remove all or part of any structures or Improvements located on the Demised Premises or Common Areas without any prior notice to Airline, and City shall have no liability or responsibility for any property of Airline remaining in, on or about the Demised Premises or Common Areas in the event of such removal.

(c) Airline shall pay all of City's costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Airline's obligations under this Lease or incurred by City in any litigation, negotiation or transactions in which Airline causes City, without City's fault, to become involved or concerned.

(d) If Airline violates any of the terms and provisions of this Lease, or defaults in any of its obligations hereunder, other than the payment of rent or other sums payable hereunder, such violations may be restrained or such obligation enforced by injunction.

(e) Notwithstanding anything to the contrary herein, this Lease shall not terminate for any event stated above to the extent that Airline is replaced as a tenant under the provisions of Section 12.01(c) of this Lease and such new tenant diligently proceeds to cure the default then occurring hereunder.

Article XII.

12.01 No Waiver.

(a) No waiver by City or Airline of default of any of the terms, covenants or conditions hereof to be performed, kept and observed by City or Airline shall be construed to be or act as a waiver of any subsequent default of any of such terms, covenants and conditions.

(b) The acceptance of rent, whether in a single instance or repeatedly, after it falls due, or after knowledge of any breach hereof by Airline, or the giving or making of any notice or demand, whether according to any statutory provisions or not, or any act or series of acts except an express

written waiver, shall not be construed as a waiver of any right hereby given City, or as an election not to proceed under the provisions of this Lease.

(c) Notwithstanding Sections 12.01(a) and (b) above, in the event Airline (or a third party operating on behalf of Airline) finances the construction of the Improvements and/or Common Improvements through the use of special facility revenue bonds, and Airline is in default pursuant to Section 11.01 of this Lease, a trustee in connection with the financing of the Improvements and/or Common Improvements, at Airline's request, may cure such default within the time periods provided herein and replace Airline with another tenant or tenants, subject to prior written approval of the Commissioner, which approval shall be subject to the same standards set forth in Section 1.05 above. The rent payable by such tenant(s) shall be applied first to satisfy Airline's obligation under this Lease and the excess, if any, shall be payable to the holders of such debt.

Article XIII.

13.01 Termination By Airline.

Airline may terminate this Lease and any or all of its obligations hereunder if (i) at such time Airline is not in default in the payment of any amount due from it to City, or in default of any other material obligation hereunder, (ii) there are no other restrictions on Airline's ability to terminate this Lease contained herein or in any other document or instrument related to the Demised Premises or the operation thereof, and (iii) any one or more of the following events has occurred:

(1) The failure or refusal of the Federal Aviation Administration to approve operations into and from the Airport for those types of aircraft operated by Airline in its Air Transportation of Freight and Cargo Business and continuance thereof for a period of at least sixty (60) days, so long as such failure or refusal is not due to any fault of Airline.

(2) The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airport or any part thereof so as to substantially adversely affect Airline's use of the Airport in its conduct of the Air Transportation of Freight and Cargo Business and the remaining in force of such injunction, not stayed by way of appeal or otherwise, for a period of at least sixty (60) days.

(3) The issuance of any order, rule or regulation or the taking of any action by the Federal Aviation Administration or other government authority substantially affecting for a period of at least sixty (60) days Airline's use of the Cargo Areas in its conduct of the Air Transportation of

Freight and Cargo Business, provided, however, that none of the foregoing is due to any fault of Airline.

(4) The default by City in the performance of any covenant or agreement required to be performed by City herein that substantially adversely affects Airline's use of the Demised Premises, and the failure of City to remedy such default, or to take prompt action to remedy such default, within a period of sixty (60) days after receipt from Airline of notice to remedy the same. In this event, Airline shall also have all other rights and remedies allowed by law or equity.

(5) The substantial restriction of City's operation of the Airport by action of any governmental agency or department, and continuance thereof for a period of not less than sixty (60) days, provided such restriction substantially adversely affects Airline's Air Transportation of Freight and Cargo Business at the Airport.

(6) The substantial restriction of Airline's operation at the Airport by action of any governmental agency or department, and the continuance thereof for a period of not less than sixty (60) days, provided such restriction substantially adversely affects Airline's operations at the Airport.

No waiver by Airline of default of any of the terms, covenants or conditions hereof, or of any other agreement between City and Airline relating to the Airport or any part thereof, to be performed, kept and observed by City shall be construed to be or act as a waiver of any subsequent default of any of such terms, covenants and conditions.

Any termination by Airline pursuant to this Section 13.01 (1), (2), (3), (5), or (6) shall not occur unless the Airline serves upon the Commissioner and Corporation Counsel notice of said termination, or intent to terminate thirty (30) days prior to such termination together with a statement of how the operations of the Airline have been substantially affected. In the event of a termination by Airline pursuant to subsection (1), (2), (3), (5), or (6) of this Section 13.01, City shall have no liability or obligation whatsoever to Airline on account of such termination.

Article XIV.

14.01 Right Of Airline To Remove Property.

Airline shall be entitled during the term of this Lease, and for a reasonable time (not exceeding sixty (60) days) after its termination, to remove from the Demised Premises all trade fixtures, tools, machinery,

equipment, materials and supplies placed thereon by it pursuant to this Lease, subject to any valid lien City may have thereon for unpaid rent or other amounts payable by Airline to City hereunder or under any other agreement between City and Airline relating to the Airport or any part thereof; provided, however, that Airline shall promptly repair all damage resulting from such removal, reasonable wear and tear excepted.

Article XV.

15.01 Equal Opportunity.

Airline agrees that in performing under this Lease it shall neither discriminate against any worker, employee or applicant, or any member of the public, because of race, creed, color, religion, age, sex, national origin, handicap or disability, ancestry, marital status, parental status, sexual orientation, source of income, or military discharge. Airline agrees that in performing under this Lease it will comply with all applicable federal, state and local laws which prohibit discrimination, including but not limited to, the aforementioned forms of discrimination.

Airline further agrees that it will not commit an unfair employment practice.

Airline will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, religion, age, sex, national origin, handicap or disability, ancestry, marital status, parental status, sexual orientation, source of income, or military discharge. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, compensation, and selection for training, including apprenticeship.

Airline agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this Section 15.01. Airline further agrees that this clause will be incorporated in all contracts entered into with any suppliers of materials or furnishers of services, contractors and subcontractors, and all labor organizations, which furnish skilled, unskilled and craft union skilled labor, or which may perform any such labor or services in connection with the Demised Premises or the construction of Improvements or Common Improvements.

Attention is called to Executive Order 11246, 3 C.F.R. 339 (1964 -- 1965), as modified by Executive Order 11375, 3 C.F.R. 320 (1967); The Civil Rights Act, 42 U.S.C. 2000d, (1964); The Age Discrimination Act, 42 U.S.C. 1601 -- 1602 inclusive, (1975); Discrimination In Public Contract Acts, Ill. Rev. Stat. Ch. 29, §§ 2-105, 5-101-5-103, inclusive (1987); Municipal Code of Chicago

Ch. 199 "Human Rights", Council Journal of Proceedings, pages 23526 -- 23536 (December 21, 1988); Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor 41 C.F.R. 60-1 (July 1, 1988).

To demonstrate compliance, Airline will furnish, and will obligate its contractors and subcontractors to furnish, such reports and information as is reasonably requested by City.

15.02 Nondiscrimination.

This Lease involves the use of or access to space on, over, or under real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and therefore involves activity which serves the public.

Airline, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (a) no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (b) that no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (c) that Airline shall use the Demised Premises in compliance with all other requirements imposed by or pursuant to regulations of the Department of Transportation.

15.03 Prohibition Against Exclusive Rights.

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 City reserves the right to grant to others the privileges and right of conducting any one or all activities of an aeronautical nature.

15.04 Nondiscrimination In Furnishing Services.

Airline agrees to furnish services in the United States in compliance with federal law and on a fair and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory

prices for each unit of service; provided, that Airline may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions.

15.05 Affirmative Action Program And M.B.E./W.B.E. Requirements.

Airline assures that it will undertake an affirmative action program which sets all applicable federal standards as required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E. Airline assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E. Airline assures that it will require that its covered suborganizations provide assurances to Airline that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 C.F.R. Part 152, Subpart E, to the same effect.

Article XVI.

16.01 City Books And Records.

City shall follow such procedures and keep and maintain such books, records and accounts as may be necessary or appropriate under the provisions of this Lease. Airline shall have the right at any reasonable time and at its own expense to examine and make copies of extracts from those books and records that pertain to expenditures for which Airline must reimburse or pay the City under this Lease.

Article XVII.

17.01 Definitions.

The following words, terms and phrases, shall, for purposes of this agreement, have the following meaning:

(1) "Abandonment" or "Abandons" means the cessation of the use of the Demised Premises by the Airline of all of the uses permitted under this

Lease in Section 1.03, other than for reasons of strikes or force majeure, for a period of sixty (60) days.

(2) "Airline" means, at any time, the lessee of the Demised Premises referenced in Section 1.01, or its successors, sublessees or assigns.

(3) "Air Transportation of Freight and Cargo Business" means the carriage by aircraft of property, cargo or mail as an international carrier for compensation or hire in commerce within the limitations or use of the Demised Premises as set forth in Section 1.03.

(4) "Airport" means Chicago-O'Hare International Airport, together with any additions thereto, or improvements or enlargements thereof, hereinafter made, but any land, rights-of-ways, or improvements which are now or hereafter owned by or are part of the transportation system operated by the Chicago Transit Authority, or any successor thereto, wherever located within the boundaries of the Airport, shall not be deemed to be part of the Airport.

(5) "Airport Use Agreement" means the 1985 Amended and Restated Airport Use Agreement and Terminal Facilities Lease.

(6) "City" means the City of Chicago, a municipal corporation, a home rule unit existing under the laws of the State of Illinois.

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

(8) "Fiscal Year" means January 1 through December 31 of any year or such other fiscal year as City may adopt for the Airport.

(9) "Hazardous Materials" means asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), oil or any other petroleum products, natural gas, source material, special nuclear material, and byproduct materials regulated under the Atomic Energy Act (42 U.S.C. §2011, et seq.), pesticides regulated under the Federal Insecticide Fungicide and Rodenticide Act (7 U.S.C. §136, et seq.), and any hazardous waste, toxic substance or related material, including any substance defined or treated as a "hazardous substance", "hazardous waste", or "toxic substance" (or comparable term) in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901, et seq.), the Toxic Substances Control Act (15 U.S.C. §2601, et seq.), the Illinois Environmental Protection Act (Ill. Rev. Stat., Ch. 111-1/2, Sec. 1001, et seq.) and any rules or regulations promulgated pursuant to such statutes or any other applicable federal or state statute, rule or regulation

or county or municipal law, ordinance, rule or regulation, as amended in each case.

(10) "Lease" means this Cargo Building Site Lease, as hereafter amended or supplemented from time to time in accordance with its terms.

(11) "Special Wastes" refers to those substances as defined in Section 1003.45, Ch. 111-1/2 of the Illinois Environmental Protection Act, and as further referred to in Section 809.103 of 35 Illinois Admin. Code, Subtitle G, Ch. 1.

(12) "International Terminal Use Agreement" means the International Terminal Use Agreement and Facilities Lease that is at any time in effect for tenants of the International Terminal at Chicago-O'Hare International Airport.

(13) "Operational and Maintenance Expenses" (sometimes abbreviated as "O. & M. Expenses") means for the Cargo Areas, for any Fiscal Year, a fair allocation of total operations and maintenance expenses incurred by the City in operating and maintaining the Common Areas during such Fiscal Year, either directly or indirectly, by allocation to the Cargo Areas by City, including without limitation:

- (a) The following costs and expenses incurred by City for employees of City employed with respect to the Cargo Areas at the Airport, or doing work involving the Cargo Areas at Airport: direct salaries and wages (including overtime pay), together with payments or costs incurred for associated payroll expense, such as union contributions, cash payments to pension funds, retirement funds or unemployment compensation funds, life, health, accident and unemployment insurance premiums, vacations and holiday pay, and other fringe benefits;
- (b) Costs of materials, supplies, machinery and equipment and other similar expenses which, under generally accepted accounting principles, are not capitalized;
- (c) Costs of maintenance, landscaping, decorating repairs, renewals and alterations not reimbursed by insurance, and which, under generally accepted accounting principles, are not capitalized;
- (d) Costs of water, electricity, natural gas, telephone service and all other utilities and services whether furnished by City or purchased by City and furnished by independent contractors at or for the Cargo Areas;

- (e) Costs of rentals of equipment or other personal property;
- (f) Costs of premiums for insurance, including property damage, public liability, burglary, bonds of employees, workers' compensation, disability, automobile, and all other insurance covering the Common Areas or its operations;
- (g) Costs incurred in collecting and attempting to collect any sums due City in connection with the operation of the Cargo Areas;
- (h) Costs of advertising at or for the Cargo Areas;
- (i) Except to the extent capitalized, compensation paid or credited to persons or firms appointed or engaged, from time to time, by City to render advice and perform architectural, engineering, construction management, financial, legal, accounting, testing or other professional services in connection with the operation, expansion, alteration, reconstruction, betterment or other improvement of the Common Areas or any of its structures or facilities;
- (j) All other direct and indirect expenses, whether similar or dissimilar, which arise out of City's operation of the Cargo Areas, and which, under generally accepted accounting principles, are properly chargeable as expenses to the Common Areas, including any applicable taxes payable by City which may be lawfully imposed upon the Airport by entities other than City.

(15) "Runways" means, at any time, runways at the Airport for the landing and taking-off of aircraft.

(16) "Taxiways" means, at any time, taxiways and taxilanes at the Airport for the ground movement of aircraft to, from and between the runways, the Demised Premises, and other portions of the Airport.

17.02 Incorporation Of Exhibits.

The following exhibits attached hereto are made a part of this Agreement:

Exhibit A -- The Demised Premises and Improvements.

Exhibit B -- Description of Common Improvements.

Exhibit C -- Procedures for Design and Construction of Improvements.

Exhibit D -- Equal Employment and Affirmative Action.

Exhibit E -- O'Hare Cargo Areas Layout Plan.

Article XVIII.

18.01 Notices.

All notices to City provided for herein shall be in writing and may be sent by registered or certified mail, postage prepaid, addressed to the Commissioner of Aviation of the City of Chicago, City Hall, Chicago, Illinois 60602, or to such other address as City may designate from time to time by notice to Airline or as required by this Lease, and shall be deemed given when so mailed. All notices to Airline provided for herein shall be in writing and may be sent by registered or certified mail, postage prepaid, addressed to Airline, Attention: Vice-President, Cargo U.S.A., Compagnie Nationale Air France, One Cross Island Plaza, Rosedale, New York 11422, with a copy to Compagnie Nationale Air France, Legal Department, 32nd Floor, 888 Seventh Avenue, New York, New York 10106, or such other address as Airline may designate from time to time by notice to City, and shall be deemed given when so mailed.

18.02 Separability.

In the event any covenant, phrase, clause, paragraph, section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, phrase, clause, paragraph, section, condition or provision shall in no way affect any other covenant, phrase, clause, paragraph, section, condition or provision herein contained.

18.03 Remedies Cumulative.

The rights and remedies granted in this Lease are cumulative and the use of one remedy shall not be taken to exclude or waive the right to the use of another.

18.04 Headings.

The section headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Lease.

18.05 Successors And Assigns.

All of the covenants, stipulations and agreements herein contained shall inure to the benefit of and be binding upon the successors, sublessees and assigns of the parties hereto.

18.06 Airline To Maintain Its Corporate Existence; Conditions Under Which Exceptions Permitted.

Airline shall maintain its corporate existence, shall not dissolve or otherwise dispose of all or substantially all of its assets, and shall not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, unless the surviving, resulting or transferee corporation, as the case may be, (a) expressly assumes in writing all of the obligations of Airline hereunder, and (b) if such corporation is not organized and existing under the laws of the United States of America or any State or Territory thereof or the District of Columbia, delivers to City an irrevocable consent to service of process and jurisdiction substantially similar to Section 18.07(c) hereof.

18.07 Authorization To Operate; Consent To Service Of Process And Jurisdiction.

(a) Airline warrants that it is a corporation organized and existing under the laws of the state or country shown on the signature page hereof, is a holder of a foreign air carrier permit duly issued under the Federal Aviation Act of 1958, as amended, authorizing it to operate in foreign air transportation to and from the City of Chicago.

(b) If Airline is a corporation organized and existing under the laws of the United States of America or a state or territory thereof or the District of Columbia, Airline warrants that it is, and throughout the term of this Agreement it will continue to be, duly qualified to do business in the State of Illinois.

(c) All judicial proceedings brought against Airline with respect to this Agreement may be brought in any federal court of competent jurisdiction having situs within the boundaries of the federal court district of the Northern District of Illinois, and by execution and delivery of this Agreement, Airline accepts, for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby from which no appeal has been taken or is available. Airline designates and appoints the representative designated on the signature page hereto under the heading "Designation of Agent for Service of Process", as its agent in Chicago, Illinois to receive on its behalf service of all process in any such proceedings in any such court (which representative shall be available to receive such service at all times), such services being hereby acknowledged by such representative to be effective and binding service in every respect. Said agent may be changed only upon the giving of written notice by Airline to City of the name and address of a new Agent for Service of Process that works within the geographical boundaries of the City of Chicago and is employed by Airline. Airline irrevocably waives any objection (including without limitation any objection of the laying of venue or based on the grounds of forum non conveniens) which it may now or hereafter have to the bringing of any action or proceeding with respect to this Lease in the jurisdiction set forth above. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of City to bring proceedings against Airline in the courts of any other jurisdiction.

18.08 Late Payments.

Any payment required to be made by Airline under this Lease which is not paid within five (5) business days of its due date shall bear interest at the rate of four (4) points above the highest "prime" lending rate of interest announced from time to time by the four largest commercial banks in Chicago, determined on the basis of total assets.

18.09 Amendments.

This Lease constitutes the entire agreement of the parties with respect to the subject matter contained herein, and may not be modified or amended except in a writing signed by both parties.

In Witness Whereof, The City of Chicago has caused this Lease to be executed on its behalf by its Mayor, pursuant to due authorization of the City Council of the City of Chicago, and its seal to be hereunto affixed and attested by the City Clerk of the City of Chicago, and Air France has caused

this Lease to be executed on its behalf by its _____ and
witnessed by its _____ pursuant to due authorization of its
Board of Directors, all as of the day and year first above written.

Approved:

City of Chicago

City Comptroller

Richard M. Daley, Mayor

Attest:

Approved As To Form
And Legality:

City Clerk

Corporation Counsel

Airline:

Compagnie Nationale Air France

Approved:

Commissioner of Aviation

By: _____

Its: _____

Signature: _____

By: _____

Its: _____

Signature: _____

Approved:

Designation of Agent for City
Clerk Service of ProcessCommissioner of Department
of Public WorksName: Air France Midwest Cargo
Zone ManagerAddress: O'Hare International
Airport
Chicago, Illinois 60666

[Exhibits "A", "B" and "E" attached to this Cargo Building
Site Lease printed on pages 27456 through
27460 of this Journal.]

Exhibits "C", "D" and Appendix "I" attached to this Cargo Building Site
Lease read as follows:

Exhibit "C".

The Following Procedures Shall Apply During The Planning, Design,
Fabrication, Installation, Construction, Start-Up And Testing
(Collectively, The "Work") Of The Improvements And Common
Improvements:

Paragraph 1. Responsibilities And Obligations Of The Airline.

- (a) Airline shall perform the Work, or cause the Work to be performed, on the Improvements and Common Improvements. Airline may award contracts for the Work to be performed but Airline shall remain responsible for the Work. In order to expedite the Work, Airline may negotiate as well as competitively bid its contracts.
- (b) Subject to the provisions of paragraph 2 hereof and of Section 1.02 of this Lease, Airline may commence the Work at any time after the execution of this Lease. Airline agrees that it will complete the Work, or cause the Work to be completed, with all reasonable diligence. Airline's failure to complete the Work in a timely manner shall not be grounds for any rent abatement under the terms of this Lease.
- (c) Airline shall designate a Project Manager who shall manage and coordinate the Work. City shall direct all communications regarding the Work to the Project Manager.
- (d) Airline shall not under any circumstances utilize the services of any entity which is barred from contracting with the City of Chicago pursuant to any law, ordinance, rule or regulation.

Paragraph 2. Airline Coordination With City.

- (a) The Program Management Office ("P.M.O.").

The P.M.O. is a special office created by the City to manage the O'Hare Development Program. For the purposes of this Lease, the P.M.O., or any successor office, shall represent the City in all matters relating to the performance of the Work hereunder and shall constitute the point of receipt for all submittals, unless expressly specified otherwise herein. In all provisions of this Exhibit C in which the City's written approval or consent is required, such approval or consent must be that of the P.M.O., unless Airline is notified in writing by the P.M.O. otherwise. Any approval or consent by the P.M.O. hereunder shall not create any liability on the City, in whole or in part, for the professional or technical accuracy of the Airline's Work to be provided hereunder. The Director of the P.M.O. is the chief executive officer of the P.M.O. and shall be the final arbiter of any decision to be made or consent or approval to be given under this Exhibit C. The P.M.O. shall further assist Airline in coordinating Airline's Work with other projects and operations at the Airport and in Airline's contacts with any federal, state, or local government agencies. Airline will provide reasonable administrative space for the P.M.O. staff on or contiguous to the

Demised Premises. The P.M.O. shall provide such personnel only as may be needed from time to time.

(b) Standard Of Performance.

Airline shall perform, or cause to be performed, all Work with that degree of skill, care and diligence normally exercised by professionals performing equivalent work in projects of a scope and magnitude comparable to the Improvements and Common Improvements, and further in accordance with O'Hare Rules and Regulations in existence at the time the Work commences, and such other reasonable construction procedures and standards as may be established or approved by the City for the Improvements and Common Improvements. Such procedures and standards will not impose on Airline stricter or more rigid procedures or standards than are then being applied to other cargo carriers at the Airport. Such procedures and standards will be established by the City in a timely manner.

Paragraph 3. Requirements For Work.

(a) Project Planning, Design And Fabrication Phase.

Airline shall submit, or cause to be submitted, at such levels as may be reasonably requested by the P.M.O., proposed drawings, plans and specifications for the Improvements and Common Improvements for review and comment by the P.M.O. Such drawings, plans and specifications, and all amendments thereto, shall be subject to the approval of the P.M.O., which approval shall not be unreasonably withheld. The P.M.O. will approve, conditionally approve or disapprove submissions of any such drawings, plans and specifications within fifteen (15) business days, or as mutually agreed to following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation. If Airline intends to adopt fast track construction procedures, Airline must still complete each contract package to a reasonable level of detail (including alternate designs selected by the Airline for major structural, mechanical, electrical and architectural elements) that will provide the P.M.O. adequate information upon which to base its review and approval.

Airline shall not proceed with construction operations until all necessary approvals have been obtained.

(b) Airline To Provide Information.

Prior to the commencement of the Work, and thereafter as often as may be necessary to provide the P.M.O. with current and complete information about the Work, Airline shall submit to the P.M.O. (i) initial and updated construction schedules (which shall be reviewed by the P.M.O. for their impact and relation to other projects or operations at the Airport) indicating the proposed and/or actual sequence of all Work, and the estimated date of completion of the Work under each of Airline's contracts; (ii) initial and updated site utilization plans, including limit lines, on-site storage and office areas, and proposed temporary alterations or detours intended to maintain public access, and support detours intended to maintain public access and support services, to, from, through or past operating facilities at the Airport; and (iii) Airline's initial and updated cost estimates for the Improvements and Common Improvements, individually and aggregated.

(c) Installation, Construction, Start-Up And Testing Phase.

(i) The P.M.O. shall have the right to monitor the Work on the Improvements and Common Improvements to assure that the facilities which comprise the Improvements and Common Improvements are installed and constructed in conformity with the approved drawings, plans and specifications, and in accordance with the applicable standards therefor. In order to assist the P.M.O. in monitoring the installation, construction, start-up and testing of the Improvements and Common Improvements, Airline's Project Manager shall submit, or cause to be submitted, to the P.M.O. copies of all:

- surveys, soil borings, and field test reports;
- contracts for services, labor and materials;
- material certificates and samples;
- approved shop drawings;
- lien waivers, payrolls, and requests for payment by contractors of any tier;
- progress reports;

- notification of substantial completion of the Improvements and Common Improvements and final acceptance thereof;
 - maintenance and operations manuals in connection with building systems;
 - as-built drawings;
 - warranties;
 - test and start-up results; and
 - any other documents related to the Improvements which may be reasonably requested by the City.
- (ii) No change order which materially changes the scope of the Work or the Improvements and Common Improvements shall be implemented by Airline without review and approval by the P.M.O. The P.M.O. will approve, conditionally approve or disapprove submissions of change orders within fifteen (15) business days following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation.
- (iii) In the event the P.M.O. determines that the Work is at material variance from the approved drawings, plans, and specifications or applicable standards, Airline shall use its best efforts to expeditiously resolve such variance through immediate consultation with its contractors. Until it has been determined by the P.M.O. that the Work has been performed without material variance from the approved drawings, plans and specifications and applicable standards, the P.M.O. may, by written notice to Airline, (i) suggest to Airline that Airline withhold payments from any contractor or subcontractor which has performed, in the judgment of the P.M.O., Work which is at material variance from the approved drawings, plans and specifications; or applicable standards, or (ii) suggest to Airline that it stop Work on any portion of the Improvements or Common Improvements directly affected by such variance from the approved drawings, plans, specifications and applicable standards. If Airline's response is unacceptable in the reasonable opinion of the P.M.O., the P.M.O. shall have the right to direct Airline to stop any other Work on any portion of the Improvements or

Common Improvements that are at variance with the approved drawings, plans, and specifications or applicable standards until the affected Work is corrected or replaced.

Any Work which is at material variance from the approved drawings, plans and specifications or applicable standards shall be corrected or replaced by Airline, directly or through its contractors, provided that the P.M.O. has informed Airline of such variance within ten (10) business days following the performance of such Work, unless the variance affects the structural integrity or safety of the Improvements or Common Improvements or the variance could not have been discovered with due diligence, in which case the P.M.O. shall inform Airline of such variance as soon as reasonably practicable. If such Work is not corrected or replaced by Airline within thirty (30) days following notice from the P.M.O. to Airline, the P.M.O. may cause such Work to be corrected or replaced, with its own forces or otherwise, at the expense of Airline, provided that in the event such Work cannot be corrected or replaced within said thirty (30) day period, Airline shall be afforded such additional time as the P.M.O. may determine to be reasonably necessary to correct or replace such Work.

Paragraph 4. Compensation To City.

- (a) Within no less than thirty (30) days after receipt of an invoice from the P.M.O. in accordance with subparagraph (c) below, Airline shall compensate the P.M.O. for the cost of those services provided by the P.M.O. The P.M.O. agrees to use its best efforts to keep its costs as low as reasonably practicable, provided, however, that in no event shall the aggregate amount of reimbursement to the P.M.O. hereunder exceed in the first year that any Work is or has been performed, an amount equal to one and one-half percent (1-1/2%) of the aggregate expenditures during such year for the Work on the Improvements and Common Improvements and, in the second and any subsequent year that any Work is performed, an amount equal to two percent (2%) of the aggregate expenditures during such year for the Work on the Improvements and Common Improvements, and provided, further, however, that the P.M.O. shall be entitled to an equitable adjustment of such amount in proportion to any increase in its services as a result of a change in the scope of Work or in the Improvements or Common Improvements.

- (b) In November or December of each year during the continuation of the Work, the P.M.O. shall provide Airline with an estimate of the P.M.O.'s required manhours and budgets by month, with regard to its services for the next calendar year. Thereafter, on a semi-annual basis, the P.M.O. shall provide Airline with a detailed review and analysis of actual manhours and expenditures against estimates, including reallocation of budgets if required, with regard to its services. More frequent reviews will be provided upon Airline's reasonable request therefor.
- (c) The P.M.O. shall provide Airline with monthly invoices that describe time charges for the P.M.O. staff assigned to the Improvements and Common Improvements, and any other costs associated with the services provided by the P.M.O. Airline may, within ten (10) days of such provision, request a meeting with the P.M.O. to review and discuss such invoices. The P.M.O. shall hold such meeting or provide Airline with a reasonable opportunity for such a meeting, and give due consideration to Airline's concerns and recommendations regarding such invoices. Airline may further request, at Airline's expense, City to review and audit P.M.O. invoices related to the Improvements and Common Improvements at any time. Airline shall, upon reasonable request therefor, receive copies of all such audits performed by City and may interview the personnel who performed such audits. In no event shall Airline withhold from the P.M.O. the payment of any undisputed amount.

Paragraph 5. Access To Work Site.

Airline, and its architects, engineers, materialmen, and contractors of any tier, shall have, at their own risk, full and complete access to the Demised Premises and such other areas in the Airport as may be necessary to perform Work on the Improvements and Common Improvements, provided that such access shall not unreasonably interfere with the operations of or other projects at the Airport. The P.M.O. shall have authority to arrange, and shall arrange such access in a timely fashion. Notwithstanding any other statements herein, it is Airline's responsibility to coordinate its Work with operations of and all other projects at the Airport. Airline is solely responsible for any costs relating to such coordination.

Paragraph 6. No Warranty By City.

Airline warrants that it has inspected the Demised Premises, and any other areas in the Airport as may be necessary to perform Work on the Improvements and Common Improvements; that it was permitted access to any person or information in connection with its investigation of the Demised Premises and such areas; that the time for such investigation was adequate; that from its own analysis it has satisfied itself as to the nature of all things needed to perform the Work; and that except only for those representations expressly contained in this Lease, no other representation, statement or promise, oral or in writing, of any kind whatsoever, by City, its officials, agents or employees, has been made regarding the nature, existence or location of materials, structures, obstructions, utilities or conditions, surface, subsurface or environmental, which may be encountered at the Demised Premises or such other areas.

Exhibit "D".

I. Equal Employment And Affirmative Action.

Paragraph 1. Minority And Women Business Enterprises.

Airline (the "Company") shall provide for the participation of Minority and Women Business Enterprises in the design and construction of the Improvements and Common Improvements. To this end, the Company shall establish a policy for the utilization of Minority and Women Business Enterprises, a liaison with the Department of Aviation and Department of Purchasing for Minority and Women Business Enterprises, a goal for the award of design and construction contracts, and a reporting procedure agreeable to the Company and the City.

Paragraph 2. Policy.

The following statement represents Company's policy regarding Equal Opportunity and a Minority and Women Business Enterprises program:

Company is committed to providing fair and representative opportunities for minorities and Minority and Women Business

Enterprises in its corporate construction project. Neither Company nor its contractors shall discriminate on the basis of race, color, religion, sex or national origin in the award and performance of contracts to be utilized for any of Company's corporate construction projects. Furthermore, affirmative action will be taken, consistent with sound procurement policies and applicable law, to ensure that Minority and Women Business Enterprises are afforded a fair and representative opportunity to participate in Company's construction project contracts.

This policy shall be stated in all contracts executed for construction of the Improvements and Common Improvements, circulated to all employees of Company in affected departments, and made known to minority and women entrepreneurs.

Paragraph 3. Liaison.

To ensure compliance and the successful management of Airline's Minority and Women Business Enterprise program, the Company shall establish a Minority and Women Business Enterprise liaison with City's Department of Aviation and with the City's Department of Purchases, Contracts and Supplies for the Improvements and Common Improvements. Further, all personnel of Company and all others with responsibilities in the supervision of contracts for the Improvements and Common Improvements are to see that actions are performed consistent with the affirmative action goals of this Exhibit D.

Paragraph 4. Goals.

The goals to be met by the Company in the design and construction of the Improvements and Common Improvements shall be with utilization of Minority Business Enterprises (M.B.E.) and Women Business Enterprises (W.B.E.) certified by the City of Chicago subject to the availability of M.B.E. and W.B.E. capable of performing the design and construction of the Improvements and Common Improvements. These goals shall be administered in a manner to assure the City and Company that: (1) the Improvements and Common Improvements shall be completed at a reasonable and acceptable cost to Company, (2) the Improvements and Common Improvements shall be completed on a reasonable and acceptable timetable to Company and City and, (3) the construction quality for the Improvements and Common Improvements shall be reasonable and acceptable to Company and City.

The goals of the Company for participation by Minority and Women Business Enterprises (M.B.E. and W.B.E.) in the design and construction of the Improvements and Common Improvements shall be to achieve a minimum of M.B.E. participation of 25% and W.B.E. participation of 5%, based on the total contracted expenditures for the Improvements and Common Improvements.

Should Company determine that no M.B.E. and W.B.E. is capable or available to perform work on the Improvements or Common Improvements, it shall notify the Commissioner of Aviation specifying the type of work required and the reasons an M.B.E. and/or W.B.E. is not available to perform such work. The Commissioner shall forward the Company's statement to the Department of Purchasing, who shall determine if any M.B.E. and W.B.E. are available to perform the work needed. If the Department of Purchasing determines that certified M.B.E. and W.B.E. are available to perform such work, it shall notify the Company of such availability and Company will be required to utilize such M.B.E. and W.B.E. to the extent the goals set forth above can be met.

Paragraph 5. Eligibility.

Only those persons, firms, partnerships, corporations or other legal entities certified by the City of Chicago as a certified M.B.E. and/or W.B.E. shall be eligible for purposes of meeting the goals established by Paragraph 4 hereof.

Paragraph 6. Reporting.

The Minority and Women Business Enterprise progress report required by Section IV of this Exhibit D shall be made on forms or on a format established by the City and agreeable to Company that includes the following items:

- (i) The total amount of prime and subcontract awards during the quarter and, for any contract awards to Minority and Women Business Enterprises resulting therefrom, the name of the Minority and Women Business Enterprise and the amount of the contract with the Minority and Women Business Enterprise;
- (ii) The cumulative value of all prime and subcontract awards to date, and the total accumulation of all awards to Minority and Women Business Enterprises;

(iii) A projection of the total amount of prime and subcontracts to be awarded and of Minority and Women Business Enterprise contracts to be awarded during the next quarter;

(iv) All Minority and Women Business Enterprise subcontracts that have been completed and for which final payment has been made during the quarter; and

(v) An evaluation of the overall progress to date towards the Minority and Women Business Enterprise goals for the Improvements and Common Improvements.

II. Equal Employment Opportunity And Affirmative Action Plan.

The Company must commit to establish, maintain and implement a written Equal Employment Opportunity and Affirmative Action Plan (the "E.E.O./A.A. Plan") for the Improvements and Common Improvements, which plan is acceptable to the City and the Company.

The E.E.O./A.A. Plan will be considered in relation to the following goals for employment of women and minorities:

Minority Employment:

25% of skilled hours

40% of laborer hours

Women's Employment:

7% of skilled hours

10% of laborer hours

III. Chicago First Hiring Program.

In the event there are contracts subject to this Exhibit D, the City, through the Mayor's Office of Employment and Training ("M.E.T."), will provide a Chicago First Hiring Program ("Chicago First Program") to the Company. An objective of the Chicago First Program is to ensure that City

residents who have received training and skill development through M.E.T. are afforded consideration for jobs created through development projects.

The Company agrees to negotiate a Chicago First Agreement (the "First Source Agreement") with M.E.T. for the recruitment and referral of personnel for positions available in the construction and/or operation of the Improvements and Common Improvements.

The Company agrees to ensure that in the aggregated hours of work to be performed by all contractors and site work subcontractors in the construction of the Improvements and the Common Improvements, at least 50% of the on-site worker hours in the category of construction laborers and at least 50% of the on-site worker hours in the category of skilled construction trade workers shall be residents of the City.

IV. Reporting And Compliance.

In the event that there are contracts subject to this Exhibit D, at quarterly intervals, beginning ninety (90) days following the execution of this Lease; the Company shall submit to the City progress reports on forms or on a format established by the City's Department of Purchases, Contracts and Supplies and agreeable to the Company, that provide required information concerning Company's compliance with the Company's M.B.E./W.B.E. requirements, E.E.O. and Affirmative Action Plan, and Chicago First Hiring Program.

V. Non-Responsible Bidder.

Prior to awarding any contracts for the Improvements or Common Improvements, Company shall provide City with the names of vendors who may be awarded such contracts. City shall promptly notify Company if a potential vendor appears on the City's list of non-responsible bidders. Company agrees that no contracts for the Improvements and Common Improvements shall be awarded to persons or corporations identified on the City's list of non-responsible bidders, so long as such list does not discriminate against any bidders because of race, religion, age, handicap, color, sex, national origin, citizenship or political affiliation.

VI. Contracting Authority Of Company.

Nothing contained herein shall be deemed to supersede the authority and responsibility of the Company with respect to the contracting process for construction of the Improvements and Common Improvements.

Appendix "I."

AGREED CALENDAR.

Alderman Burke moved to *Suspend the Rules Temporarily* for the purpose of including in the Agreed Calendar a series of resolutions presented by Aldermen Shaw, Banks and Eisendrath. The motion *Prevailed*.

Thereupon, on motion of Alderman Burke, the proposed resolutions presented through the Agreed Calendar were *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

(Continued on page 27461)

Exhibit "B".**(Page 1 of 3)***Common Improvements -- Air France.*

- 1) Air France will reimburse \$190,266.20 to United Parcel Service for the cost of paving one-half of the Common Use Taxiway (sometimes referred to as the "North-South Taxiway" or "N/S Taxiway") to the east of the Air France Site. In addition, Air France will construct, at its cost, a permanent shoulder and permanent lighting on the west side of the Common Use Taxiway to replace the temporary shoulder and lighting installed by United Parcel Service.
- 2) Air France will reimburse the O.D.P. for its share of the cost of relocating the South Access Road and associated utilities (O.D.P. No. 434). Project cost will be allocated among those benefiting from the relocation as a percentage share of each site in proportion to the total square footage of the sites, as follows:

Exhibit "B".**(Page 2 of 3)**

Carrier	Lease Area (Sq. Ft.)	Percentage Share
Air France	369,998	35%
Lufthansa	441,571	41%
KLM	259,866	24%

- 3) Where required, Air France will reimburse any airline operating or constructing a cargo facility in the Southwest Cargo Area for the reasonable cost of blast fencing needed to protect such airline from jet blast caused by aircraft operations at the Air France site. Any airline entitled to reimbursement from Air France pursuant to this section shall notify Air France in writing of the amount of the claim, and Air France shall reimburse such airline upon presentation of appropriate invoices.
- 4) Air France shall pave at its own cost whatever area ("Area") between the outer taxiway/taxilane shoulders and facility lease limits that is required for its aircraft to have access to the cargo facility. In addition, Air France, at its own cost, shall relocate or remove any existing facilities such as taxiway/taxilane lighting or re-striping from the Area.

Exhibit "B".

(Page 3 of 3)

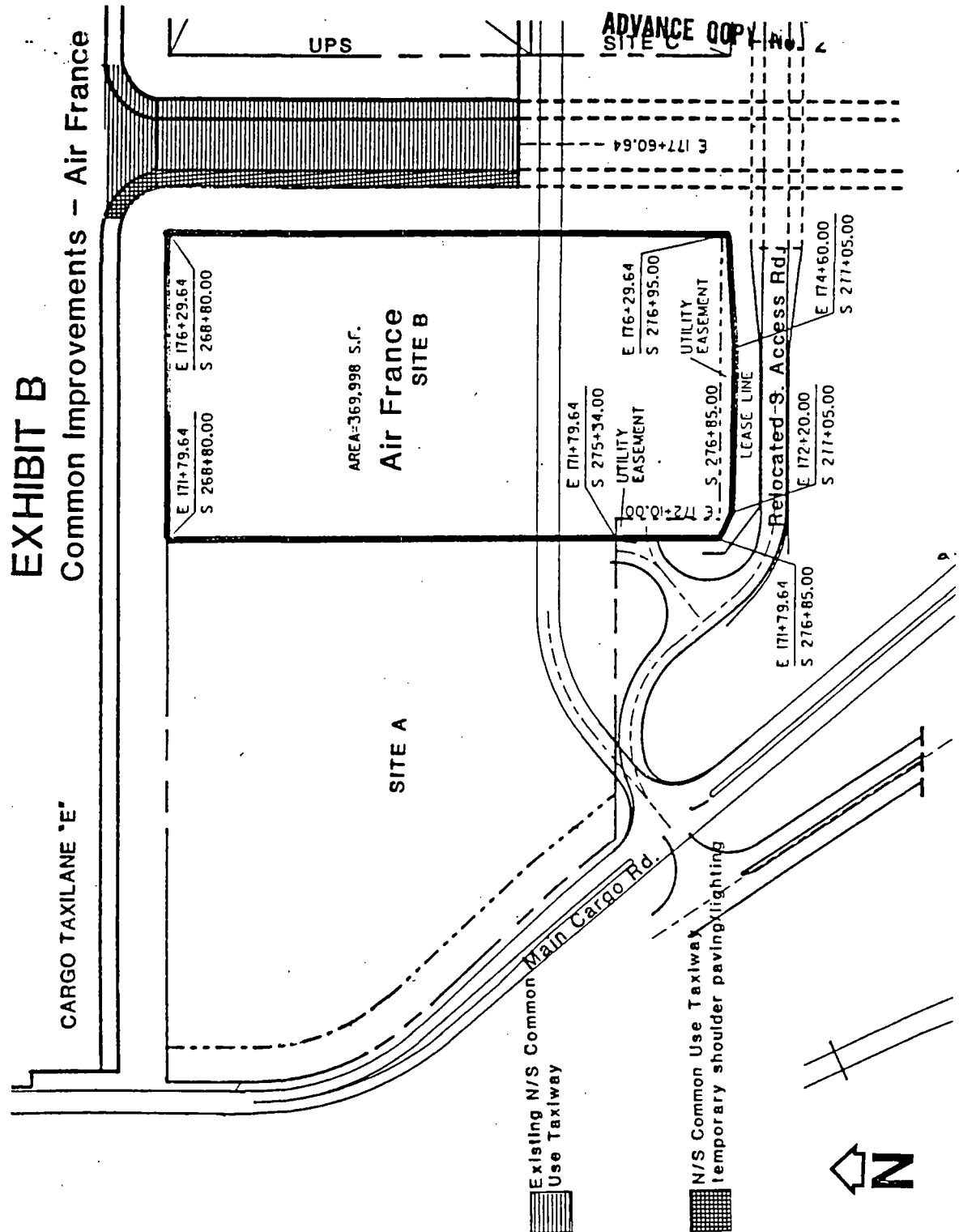
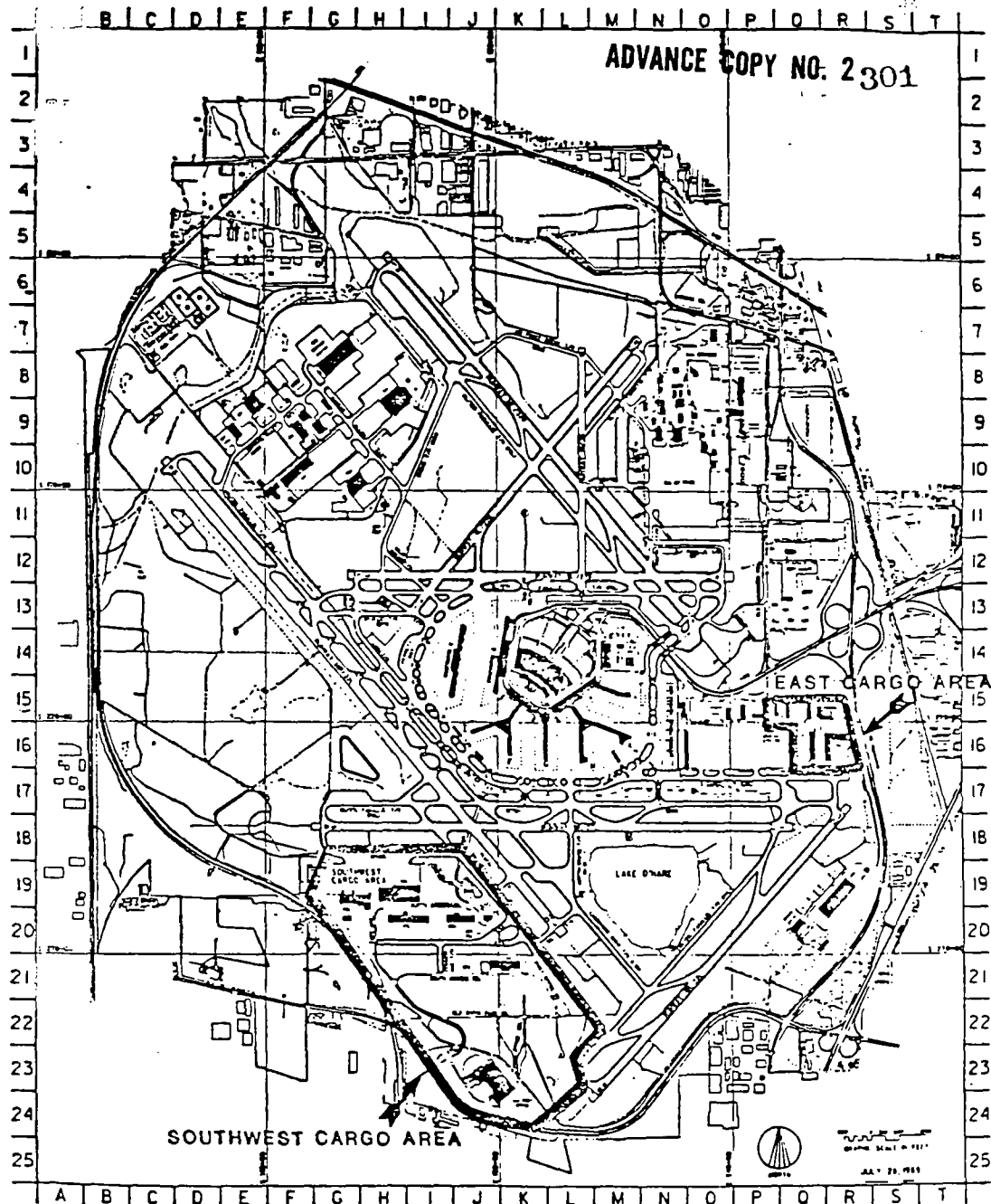


EXHIBIT E: O'HARE CARGO AREAS

Areas Included for calculating Operating & Maintenance costs

(Continued from page 27455)

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Sponsored by the aldermen named below, respectively, said Agreed Calendar resolutions, as adopted, read as follows (the italic heading in each case not being a part of the resolution):

Presented By

ALDERMAN SHAW (9th Ward):

**CONGRATULATIONS EXTENDED TO POLICE SERGEANT
WILBUR EVERETT JAMISON ON HIS RETIREMENT
AFTER THIRTY-FOUR YEARS OF DEDICATED
SERVICE.**

WHEREAS, Chicago Police Sergeant Wilbur Everett Jamison, Star No. 1571, has retired this year after exactly thirty-four years of outstanding public service; and

WHEREAS, Sergeant Wilbur Everett Jamison, a native of Anguilla, Mississippi, came to Chicago at an early age and eventually graduated from Hall Elementary School and Hyde Park High School. He attended Wilson Junior College, and following a stint in the United States Army became a Chicago Police Officer on May 16, 1956; and

WHEREAS, Within two years, Officer Jamison was promoted to Detective, and May 2, 1977, he was promoted to Sergeant. During his long and distinguished career he received the Unit Meritorious Performance Award, three Department commendations, two creditable mentions, six complimentary letters, and eighteen honorable mentions; and

WHEREAS, Sergeant Wilbur Everett Jamison, who was in the Public Housing Section at the time of his retirement, represents the highest standard of public service; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby congratulate Police Sergeant Wilbur Everett Jamison on the occasion of his retirement from diligent and dedicated public service, and extend to this fine citizen our very best wishes for many more years of success and fulfillment; and

Be It Further Resolved. That a suitable copy of this resolution be prepared and presented to Police Sergeant Wilbur Everett Jamison.

Presented By

ALDERMAN HUELS (11th Ward):

TRIBUTE TO LATE MR. OSCAR A. BARAJAS.

WHEREAS, Oscar A. Barajas had passed away on Thursday, November 15, 1990; and

WHEREAS, Oscar A. Barajas was a lifelong resident of the 11th Ward Bridgeport community; and

WHEREAS, Oscar A. Barajas was the loving husband of Mercedes; and

WHEREAS, Oscar A. Barajas was the dearest father of Denise (John) Bakowski, Thomas and LeeAnn; and

WHEREAS, Oscar A. Barajas was the beloved grandfather of Lesia, Julie and Jeffrey; and

WHEREAS, Oscar A. Barajas was the devoted son of Celia and the late Adrian Barajas; and

WHEREAS, Oscar A. Barajas was the fond brother of Louis (Nellie), Raymond (Eileen), Arthur (Lorraine), Sandy (Paul) Diaz and Richard C.P.D.; and

WHEREAS, Oscar A. Barajas will be greatly missed by the many family members and friends whose lives he had touched; now, therefore,

Be It Resolved. That we, the Mayor and members of the City Council of the City of Chicago gathered on this fifth day of December in 1990, do hereby mourn the death of Oscar A. Barajas, and may we also extend our deepest sympathy to his many family members and friends who will miss him very much; and

Be It Further Resolved. That a suitable copy of this resolution be made available for the family of Oscar A. Barajas.

TRIBUTE TO LATE MRS. MARY BRADCHULIS.

WHEREAS, Mary Bradchulis (nee Schlutar) had passed away on Sunday, October 28, 1990; and

WHEREAS, Mary Bradchulis was ninety-nine years old; and

WHEREAS, Mary Bradchulis was a lifelong resident of the 11th Ward Bridgeport community; and

WHEREAS, Mary Bradchulis was a Gold Star Member of Saint Gabriel Women's Club; and

WHEREAS, Mary Bradchulis was the devoted mother of Frank, the late Alice and the late Anthony Bradchulis; and

WHEREAS, Mary Bradchulis was the beloved grandmother, great-grandmother and great-great-grandmother of many; and

WHEREAS, Mary Bradchulis will be missed by the many family members and friends whose lives she had touched; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago gathered on this fifth day of December in 1990, do hereby mourn the death of Mary Bradchulis, and may we also extend our deepest sympathy to her many family members and friends who will miss her very much; and

Be It Further Resolved, That a suitable copy of this resolution be made available for the family of Mary Bradchulis.

Presented By

ALDERMAN BURKE (14th Ward):

TRIBUTE TO LATE MR. WILLIAM HENRY HALL III.

WHEREAS, William Henry Hall III passed away Sunday, November 25, 1990 at the age of fifty-seven; and

WHEREAS, Mr. Hall, a man of character and energy, was a graduate of John Marshall Law School; and

WHEREAS, Mr. Hall was an attorney with the firm of Partee & Green, where he was highly respected for his intelligence and skill; and

WHEREAS, Mr. Hall ably served the city as a Hearing Officer with the Chicago Police Department for eight years; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council, in meeting assembled this fifth day of December, 1990, do hereby commemorate William Henry Hall III for his years of dedicated service to the City of Chicago and his many contributions to the local legal profession, and do hereby extend our sincerest condolences to his daughter, Judith Ann Dawson; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the family of William Henry Hall III.

TRIBUTE TO LATE MR. CASIMIR A. KROLIKOWSKI.

WHEREAS, Casimir A. Krolikowski passed away Sunday, December 2, 1990 at the age of seventy; and

WHEREAS, Mr. Krolikowski, who was retired from retail sales, was deeply involved in his heritage; and

WHEREAS, Mr. Krolikowski was Director and Treasurer of the Polish National Alliance Youth Camp; and

WHEREAS, Mr. Krolikowski was also active in the Polish National Alliance in many other capacities; and

WHEREAS, Mr. Krolikowski was a man of character and intelligence who dedicated himself to his heritage and others; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council, in meeting assembled this fifth day of December, 1990, do hereby commemorate Casimir A. Krolikowski for his dedication to others and his heritage, and do hereby extend our sincerest condolences to his wife, Sophie, son, Ronald and daughters, Carolyn Hill and Mary Passaglia; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the family of Casimir A. Krolikowski.

TRIBUTE TO LATE MR. JAMES S. MONTANA.

WHEREAS, James S. Montana passed away Sunday, December 2, 1990 at the age of seventy-seven; and

WHEREAS, Mr. Montana, a man of intelligence and energy, loved the law and practiced for more than fifty years before retiring earlier this year; and

WHEREAS, Mr. Montana, a graduate of Loyola University Law School, served for two years as Assistant to the Probate Court Judge; and

WHEREAS, Mr. Montana was a man of exemplary character who fought hard for his clients, whether they were rich or poor; and

WHEREAS, Throughout his long career, Mr. Montana upheld the finest traditions of the legal profession; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council, in meeting assembled this fifth day of December, 1990, do hereby commemorate James S. Montana as a man of character who contributed much to the legal profession in Chicago, and do hereby extend our sincerest condolences to his wife, Anna Marie, son, James Jr., and stepdaughter, Susan Taylor; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the family of James S. Montana.

*TRIBUTE TO LATE FIRE LIEUTENANT
PETER J. SMITH.*

WHEREAS, Chicago Fire Lieutenant Peter J. Smith passed away Tuesday, November 27, 1990 at the age of seventy-five; and

WHEREAS, Lieutenant Smith was a loyal and dedicated member of the Chicago Fire Department for thirty years; and

WHEREAS, Lieutenant Smith, through intelligence and hard work, rose through the ranks of the Fire Department to retire as a Lieutenant in 1977; and

WHEREAS, No matter what his duties, Lieutenant Smith carried them out bravely and efficiently and was a credit to the Department; and

WHEREAS, Throughout his long career, Lieutenant Smith upheld the finest traditions of the Chicago Fire Department; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council, in meeting assembled this fifth day of December, 1990, do hereby commemorate Lieutenant Peter J. Smith for his many years of dedicated service to Chicago and its citizens, and do hereby extend our sincerest condolences to his wife, Catherine, and daughter, Della Beard; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the family of Lieutenant Peter J. Smith.

*TRIBUTE TO LATE MC COOK VILLAGE FIRE
CHIEF PETER J. YURETICH.*

WHEREAS, McCook Village Fire Chief Peter J. Yuretich passed away Sunday, November 25, 1990 at the age of forty-six; and

WHEREAS, Chief Yuretich joined the McCook Village Fire Department twenty-five years ago and through skill and hard work became Chief ten years ago; and

WHEREAS, Chief Yuretich was an effective Chief who was respected by all for his intelligence and ability; and

WHEREAS, Chief Yuretich was also a Trustee of the McCook Village Park District, where he worked to improve the quality of life in the village; and

WHEREAS, In all his duties, Chief Yuretich upheld the finest traditions of public service; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council in meeting assembled this fifth day of December, 1990, do hereby commemorate Chief Peter J. Yuretich for his many years of dedicated service to the Village of McCook and its residents, and do hereby extend our sincerest condolences to his wife, Charlotte; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the family of Peter J. Yuretich.

*EXPRESSION OF SUPPORT FOR DELEGATION FROM
KINGDOM OF SAUDI ARABIA IN THEIR EFFORTS
TO FOSTER BETTER UNDERSTANDING
OF PERSIAN GULF CRISIS.*

WHEREAS, A delegation from the Kingdom of Saudi Arabia is in Chicago to discuss the crisis in the Persian Gulf as part of a national tour; and

WHEREAS, The members of the delegation are Abdul Rahman Al Zamil, Abdullah Al Masry, Abdul Rahman Al Sadhan and Abdul Aziz Jarbou; and

WHEREAS, The goal of this delegation is to foster a better understanding among the people in this country regarding the crisis in the Persian Gulf and how Saudis and other Gulf Arabs view the crisis; and

WHEREAS, The delegation will also visit with families of United States soldiers in the Gulf and carry back messages in time for the holidays; and

WHEREAS, A better understanding between the Saudis and Americans can only improve the situation in the Persian Gulf; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council, in meeting assembled this fifth day of December, 1990, do hereby honor the delegation from the Kingdom of Saudi Arabia and wish them success on their mission; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the delegation from the Kingdom of Saudi Arabia.

Presented By

**ALDERMAN BURKE (14th Ward) And
ALDERMAN HUELS (11th Ward):**

*CONGRATULATIONS EXTENDED TO FATHER
CARL J. MCNERNEY ON HIS RETIREMENT
AS PASTOR OF SAINT GABRIEL CHURCH.*

WHEREAS, Saint Gabriel Parish will honor Father Carl J. McNerney on the occasion of his January 1, 1991 retirement as Pastor; and

WHEREAS, Father McNerney was raised in Saint Gabriel and graduated from Saint Gabriel School; and

WHEREAS, Father McNerney completed his education in the seminaries and was ordained a priest on May 7, 1949; and

WHEREAS, In 1975, Father McNerney was named Pastor of Saint Gabriel; and

WHEREAS, Father McNerney proved himself an able and effective pastor in all matters, but one of his greatest accomplishments was maintaining the architectural beauty of the church during renovations made necessary by the Second Vatican Council; and

WHEREAS, Father McNerney, a man of strong character and deep faith, guided and inspired the parishioners of Saint Gabriel through intelligence and compassion and became a beloved figure; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council, in meeting assembled this fifth day of December, 1990, do hereby honor Father Carl J. McNerney for his immeasurable contributions to Saint Gabriel and its parishioners and for his dedication to his faith and fellow man; and

Be It Further Resolved, That a suitable copy of this resolution be presented to Father Carl J. McNerney.

Presented By

ALDERMAN BIALCZAK (30th Ward):

**MR. ARTHUR KOZIOL AND MR. JAWAID QURESHI
HONORED FOR OUTSTANDING ACT
OF HEROISM.**

WHEREAS, Arthur Koziol and Jawaid Qureshi were on duty on November 4, 1990 at 6:00 P.M. when they were alerted to an emergency situation where a citizen's life was imperiled by the power outage that left his respirator inoperative; and

WHEREAS, Arthur Koziol and Jawaid Qureshi responded spontaneously by entering the home of James Cruz and found family members aiding the

thirty-year old to breathe by running the hot water in the bathroom to create steam; and

WHEREAS, Arthur Koziol and Jawaid Qureshi carried a generator from the cable truck to the yard and provided electricity for the respirator just as the hot water supply was depleted; and

WHEREAS, The heroic action of Arthur Koziol and Jawaid Qureshi saved the life of James Cruz; and

WHEREAS, Arthur Koziol and Jawaid Qureshi were commended by the spouse, Connie Cruz, by a neighbor who called WGN radio and by management at Prime Cable of Chicago; and

WHEREAS, Arthur Koziol and Jawaid Qureshi epitomize outstanding heroism and citizenship; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby honor Mr. Arthur Koziol and Mr. Jawaid Qureshi on their outstanding act of heroism, and extend to these brave citizens our very best wishes for success, prosperity and happiness in the future; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to Mr. Arthur Koziol and Mr. Jawaid Qureshi.

*CONGRATULATIONS EXTENDED TO TEAMSTERS UNION,
LOCAL 714 FOUNDER MR. WILLIAM T.
HOGAN, SR. ON HIS RETIREMENT.*

WHEREAS, William Hogan founded Teamsters Local 714 in 1939; and

WHEREAS, William Hogan served as principal officer of Teamsters Local 714 until his retirement on October 31, 1990; and

WHEREAS, William Hogan is a dedicated member of the Little City Foundation, very supportive of Hines Veteran's Hospital, has been honored by the Better Boys Foundation and by the Weissmann Institute of Science; and

WHEREAS, William Hogan is married to Winnie Hogan; and

WHEREAS, William Hogan is the proud father of Mary Jane (Maxwell), Winnie (Torri), William T., Jr., James M., Dorothy (Oleinger), Betty Jo (Vendafreddo) and Michael; and

WHEREAS, William Hogan is the joyous grandfather of twenty-nine and great-grandfather of nine; and

WHEREAS, William Hogan served as a devoted leader not only of Local 714 but of the labor movement in general; and

WHEREAS, William Hogan will be honored at his retirement party on December 8, 1990 at the O'Hare Exposition Center; and

WHEREAS, The party will be given by his business associates, family and friends who are proud of the service he has performed for the labor movement and as a devoted father and husband; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby extend our heartiest congratulations to William T. Hogan, Sr., on the occasion of his retirement, and extend to this great citizen and his family our very best wishes for future prosperity and fulfillment; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to William T. Hogan, Sr.

Presented By

ALDERMAN BANKS (36th Ward):

**CONGRATULATIONS EXTENDED TO MRS. CALLIOPE
KUTRUBIS ON HER SEVENTY-FIFTH BIRTHDAY.**

WHEREAS, Mrs. Calliope Kutrubis, a stalwart and much loved citizen of Chicago's northwest side, celebrates her seventy-fifth birthday December 24, 1990; and

WHEREAS, Mrs. Calliope Kutrubis has resided in Chicago ever since she left her native Greece, arriving in this country July 20, 1936; and

WHEREAS, Calliope Kutrubis was married to the late John L. Kutrubis and celebrates her birthday with their four children, Matina, Eugenia, Lambros and Spero; and nine grandchildren; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby congratulate Mrs. Calliope Kutrubis in celebration of her seventy-fifth birthday, and extend to this fine citizen our best wishes for many more years of happiness and fulfillment; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to Mrs. Calliope Kutrubis.

Presented By

ALDERMAN EISENDRATH (43rd Ward) And OTHERS:

**EXPRESSION OF SUPPORT FOR LOCAL SCHOOL COUNCILS AND
ILLINOIS STATE LEGISLATURE URGED TO REDRAFT
EDUCATION RELATED LEGISLATION.**

A resolution presented by Aldermen Eisendrath, Roti, Bloom, Dixon, Shaw, Vrdolyak, Huels, Fary, Burke, Langford, Garcia, Krystyniak, E. Smith, Bialczak, Figueroa, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Natarus, Hansen, Levar, M. Smith and Stone, reading as follows:

WHEREAS, Chicago has embarked on a far reaching and thorough restructuring of its public education system; and

WHEREAS, The goals of this school reform include improving student performance by changing the decision making processes which guide the entire school system; and

WHEREAS, A central component of that change is the empowerment of parents to direct the system; and

WHEREAS, That component has recently been challenged by a Supreme Court decision that overturned the method of electing local school councils; now, therefore,

Be It Resolved, That the City Council of the City of Chicago finds the following to be true:

1. The process of school reform has improved our school system;

2. Parents have proven motivated to do the work necessary to improve our schools;
3. Morale has improved in our schools since the election of the local school councils; and
4. For the first time in many years confidence in our schools is growing among the general citizenry and the business community; and

Be It Further Resolved, That we support the work of the local school councils and hereby memorialize the state legislature to work with them to draft legislation that both benefits our children and meets the guidelines set down by the Supreme Court of the State of Illinois.

MATTERS PRESENTED BY THE ALDERMEN.

(Presented By Wards, In Order, Beginning With The First Ward)

Arranged under the following subheadings:

1. Traffic Regulations, Traffic Signs and Traffic-Control Devices.
2. Zoning Ordinance Amendments.
3. Claims.
4. Unclassified Matters (arranged in order according to ward numbers).
5. Free Permits, License Fee Exemptions, Cancellation of Warrants for Collection and Water Rate Exemptions, Et Cetera.

1. *TRAFFIC REGULATIONS, TRAFFIC SIGNS
AND TRAFFIC-CONTROL DEVICES.*

*Referred -- ESTABLISHMENT OF LOADING ZONES AT
SUNDRY LOCATIONS.*

The aldermen named below presented proposed ordinances to establish loading zones at the locations designated and for the distances and times specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location, Distance And Time
NATARUS (42nd Ward)	West Hubbard Street, from a point 97 feet west of North Orleans Street, to a point 50 feet west thereof -- at all times -- daily;
SHILLER (46th Ward)	West Montrose Avenue, at 1461, for approximately 25 feet -- at all times -- daily;
M. SMITH (48th Ward)	North Clark Street, at 5521 -- at all times -- daily; North Winthrop Avenue, at 5306 -- at all times -- daily.

*Referred -- ESTABLISHMENT OF ONE-WAY TRAFFIC
RESTRICTION ON PORTION OF NORTH
LAVERGNE AVENUE.*

Alderman Levar (45th Ward) presented a proposed ordinance to restrict the flow of traffic to a northerly direction on that portion of North Lavergne Avenue, from West Winona Avenue to West Foster Avenue, which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- ESTABLISHMENT OF PARKING LIMIT AT 4484
SOUTH ARCHER AVENUE.

Alderman Fary (12th Ward) presented a proposed ordinance to establish a thirty minute parking limit at 4484 South Archer Avenue, during the hours of 8:00 A.M. to 4:00 P.M., Monday through Friday, which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- PROHIBITION OF PARKING AT ALL TIMES
AT DESIGNATED LOCATIONS.

The aldermen named below presented proposed ordinances to prohibit at all times the parking of vehicles at the locations designated and for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location And Distance
<i>STEELE</i> (6th Ward)	South Wabash Avenue, at 9425 (except for handicapped); East 95th Street, at 656 (except for handicapped);
<i>BEAVERS</i> (7th Ward)	South Commercial Avenue, at 8743 -- 8747;
<i>VRDOLYAK</i> (10th Ward)	South Avenue M, at 9514 (except for handicapped); South Avenue N, at 10737 (except for handicapped);
<i>MADRZYK</i> (13th Ward)	West 54th Street, at 3445 (except for handicapped);

Alderman	Location And Distance
<i>STREETER</i> (17th Ward)	South Eggleston Avenue, at 7616 (except for handicapped); South Halsted Street, at 6910 (except for handicapped); West 72nd Street, at 62 (except for handicapped);
<i>LEVAR</i> for <i>KELLAM</i> (18th Ward)	South Christiana Avenue, at 7934 (except for handicapped);
<i>TROUTMAN</i> (20th Ward)	South Dante Avenue, at 6839 (except for handicapped); South Vernon Avenue, at 6944 (except for handicapped);
<i>J. EVANS</i> (21st Ward)	South Loomis Street, at 9607 (except for handicapped); South Parnell Avenue, at 9725 (except for handicapped); South Paulina Street, at 9115 (except for handicapped); South Union Avenue, at 9143 (except for handicapped); West 95th Place, at 1238 (except for handicapped);
<i>BIALCZAK</i> (30th Ward)	North Keating Avenue, at 1708 (except for handicapped); West Schubert Avenue, at 4832 (except for handicapped);

Alderman	Location And Distance
	West Schubert Avenue, at 4838 (except for handicapped);
GABINSKI (32nd Ward)	West Rice Street, at 2041 (except for handicapped);
AUSTIN (34th Ward)	West 104th Place, at 107 (except for handicapped); West 108th Place, at 42 (except for handicapped); West 118th Street, at 310 (except for handicapped);
CULLERTON (38th Ward)	West Grace Street, at 6212 (except for handicapped);
LAURINO (39th Ward)	North Lacey Avenue, at 5765 (both sides of driveway);
SHILLER (46th Ward)	North Pine Grove Avenue, at 3532 (except for handicapped).

Referred -- PROHIBITION OF PARKING DURING SPECIFIED
HOURS AT DESIGNATED LOCATIONS.

The aldermen named below presented proposed ordinances to prohibit the parking of vehicles at the locations designated and for the distances and times specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location, Distance And Time
SHAW (9th Ward)	East 105th Place (south side) from South Cottage Grove Avenue to South Langley Avenue -- 8:00 A.M. to 4:00 P.M. -- Monday through Friday;
SHILLER (46th Ward)	West Montrose Avenue, at 1467 -- 11:00 A.M. to 7:00 P.M. -- daily.

Referred -- DISCONTINUANCE OF PARKING PROHIBITION
AT ALL TIMES AT SPECIFIED
LOCATIONS.

The aldermen named below presented proposed ordinances to discontinue the parking prohibition in effect at all times at the locations specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location
HANSEN (44th Ward)	West Buckingham Place, at 701 (Handicapped Parking Permit 3626); North Clifton Avenue, at 3220 (Handicapped Parking Permit 4571);
STONE (50th Ward)	West Fitch Avenue, at 2905 (Handicapped Parking Permit 1734).

Referred -- ESTABLISHMENT OF RESIDENTIAL
PERMIT PARKING ZONES AT SPECIFIED
LOCATIONS.

The aldermen named below presented proposed orders and ordinances to establish residential permit parking zones in effect at all times at the locations designated and for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location, Distance And Time
DIXON (8th Ward)	South East End Avenue (both sides) in the 7800 block;
MADRZYK (13th Ward)	South Knox Avenue (west side) from West 60th Street to West 61st Street; and West 61st Street (north side) from South Knox Avenue to the first alley west thereof;
KRYSTYNIAK (23rd Ward)	West 52nd Street (south side) from South Parkside Avenue to the first alley east thereof (extension of Zone 105);
CULLERTON (38th Ward)	North Olcott Avenue (both sides) in the 3900 block.

Referred -- AMENDMENT OF ORDINANCE WHICH
ESTABLISHED RESIDENTIAL PERMIT
PARKING ZONE ON PORTION
OF NORTH AVONDALE
AVENUE.

Alderman Pucinski (41st Ward) presented a proposed ordinance which would amend a previously passed ordinance by striking the words: "North

Avondale Avenue (south side) from North Nina Avenue to North Newark Avenue -- at all times -- Zone 49" relative to the residential permit parking zone on a portion of North Avondale Avenue and inserting in lieu thereof: "North Avondale Avenue (south side) from 6000 to 6014 North Avondale Avenue -- at all times -- Zone 49", which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- CONSIDERATION FOR ESTABLISHMENT OF
DIAGONAL PARKING ON PORTION OF
SOUTH COMMERCIAL AVENUE.

Alderman Beavers (7th Ward) presented a proposed order directing the Commissioner of Public Works to give consideration to the establishment of diagonal parking on the north side of East 86th Street, from South Commercial Avenue to the alley, which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- AMENDMENT OF ORDINANCE WHICH ESTABLISHED
SPEED LIMITATION ON PORTION OF SOUTH
DAMEN AVENUE.

Alderman Fary (12th Ward) presented a proposed ordinance which would amend a previously passed ordinance by striking the words: "South Damen Avenue overpass, from West 37th Street to West 47th Street -- 35 miles per hour" relative to the speed limitation on a portion of South Damen Avenue and inserting in lieu thereof: "South Damen Avenue overpass, from West 37th Street to West 47th Street -- 30-miles per hour", which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- ESTABLISHMENT OF TOW-AWAY ZONES
AT SPECIFIED LOCATIONS.

The aldermen named below presented proposed ordinances to establish tow-away zones at the locations designated and for the distances and hours

specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location, Distance And Time
NATARUS (42nd Ward)	West Evergreen Avenue, from North Wells Street to North North Park Avenue -- 8:00 A.M. to 4:30 P.M. (school days);
LEVAR (45th Ward)	West Ainslie Street (both sides) from North Milwaukee Avenue to North Lipps Avenue -- at all times -- no exceptions.

Referred -- INSTALLATION OF AUTOMATIC TRAFFIC
CONTROL SIGNALS AT SPECIFIED
LOCATIONS.

The aldermen named below presented proposed orders for the installation of automatic traffic control signals at the locations specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location
CULLERTON (38th Ward)	West Grace Street and North Austin Avenue;
PUCINSKI (41st Ward)	North Oak Park Avenue and West Devon Avenue.

Referred -- INSTALLATION OF TRAFFIC SIGNS
AT SPECIFIED LOCATIONS.

The aldermen named below presented proposed orders for the installation of traffic signs, of the nature indicated and at the locations specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location And Type Of Sign
<i>RUSH</i> (2nd Ward)	South Giles Avenue and East 37th Street -- "Two-Way Stop";
<i>STEELE</i> (6th Ward)	East 85th Street (north side) from South St. Lawrence Avenue to South Langley Avenue -- "No Parking -- No Standing -- 8:00 A.M. to 4:00 P.M. -- Monday through Friday"; East 75th Street (both sides) from South Langley Avenue to South Cottage Grove Avenue -- "No Loitering";
<i>SHAW</i> (9th Ward)	South State Street, at West 120th Street -- "Stop";
<i>MADRZYK</i> (13th Ward)	South Homan Avenue, at West 72nd Street -- "Stop"; South Ridgeway Avenue, at West 76th Street -- "Stop";
<i>CARTER</i> (15th Ward)	West 64th Street, at South Paulina Street -- "Stop";
<i>J. EVANS</i> (21st Ward)	West 94th Street and South Union Avenue -- "Three-Way Stop";

Alderman	Location And Type Of Sign
	West 102nd Street and South Princeton Avenue -- "Four-Way Stop";
<i>E. SMITH</i> (28th Ward)	West Lexington Street and South Springfield Avenue -- "Four-Way Stop";
<i>BANKS</i> (36th Ward)	South Monitor Avenue, at West Schubert Avenue -- "Stop";
<i>CULLERTON</i> (38th Ward)	North Austin Avenue, at West Grace Street -- "Stop"; North Monitor Avenue, at West Cullom Avenue -- "Stop";
<i>PUCINSKI</i> (41st Ward)	North Oriole Avenue and West Clarence Avenue -- "Four-Way Stop";
<i>HANSEN</i> (44th Ward)	West Roscoe Street and North Clifton Avenue -- "Stop";
<i>LEVAR</i> (45th Ward)	West Catalpa Avenue and North Parkside Avenue -- "Four-Way Stop"; West Grover Street, at West Ainslie Street -- "Stop"; West Strong Street, at North Nottingham Avenue -- "Stop".

Referred -- ERECTION OF "STOP" SIGNS IN ALLEY
BEHIND 5630 NORTH PULASKI ROAD.

Alderman Laurino (39th Ward) presented a proposed order directing the Commissioner of Public Works to cause the erection of two "Stop" signs in the alley behind 5630 North Pulaski Road, which was *Referred to the Committee on Traffic Control and Safety*.

2. ZONING ORDINANCE AMENDMENTS.

Referred -- ZONING RECLASSIFICATIONS OF
PARTICULAR AREAS.

The aldermen named below presented five proposed ordinances amending the Chicago Zoning Ordinance for the purpose of reclassifying particular areas, which were *Referred to the Committee on Zoning*, as follows;

BY ALDERMAN STREETER (17th Ward):

To classify as an R5 General Residence District instead of an R4 General Residence District the area shown on Map No. 18-F bounded by:

West 71st Street; the alley next east of South Wentworth Avenue; a line 300 feet south of West 71st Street (as measured from the easterly right-of-way line of South Wentworth Avenue); and South Wentworth Avenue.

BY ALDERMAN TROUTMAN (20th Ward):

To classify as a B5-3 General Service District instead of a B3-3 General Retail District the area shown on Map No. 14-D bounded by:

the alley next north of and parallel to East 63rd Street; South Ellis Avenue; East 63rd Street; and South Ingleside Avenue.

BY ALDERMAN J. EVANS (21st Ward):

To classify as an R5 General Residence District instead of a C1-1 Restricted Commercial District the area shown on Map No. 24-E bounded by:

East 102nd Street; South Michigan Avenue; East 102nd Place; and the alley next west of and parallel to South Michigan Avenue.

BY ALDERMAN KRYSTYNIAK (23rd Ward):

To classify as an R2 Single-Family Residence District instead of an R4 General Residence District the area shown on Map No. 14-N bounded by:

a line 235.68 feet north of and parallel to West 62nd Street; South Rutherford Avenue; a line 175.68 feet north of and parallel to West 62nd Street; and the alley next west of South Rutherford Avenue.

BY ALDERMAN EISENDRATH (43rd Ward):

To classify as a B3-2 General Retail District instead of a C1-3 Restricted Commercial District the area shown on Map No. 7-F bounded by:

a line 30 feet south of West Schubert Avenue; the alley next east of and parallel to North Halsted Street; a line 355 feet south of West Schubert Avenue; and North Halsted Street.

3. CLAIMS.

Referred -- CLAIMS AGAINST CITY OF CHICAGO.

The aldermen named below presented eight proposed claims against the City of Chicago for the claimants named as noted, respectively, which were *Referred to the Committee on Claims and Liabilities*, as follows:

Alderman	Claimant
<i>LEVAR</i> for <i>KELLAM</i> (18th Ward)	Mr. Frank Diliberto;
<i>KRYSTYNIAK</i> (23rd Ward)	Ms. Audrey Wojtasik;
<i>GABINSKI</i> (32nd Ward)	Mid-Towne Loft Condo Association;
<i>KOTLARZ</i> (35th Ward)	Mr. Julius Krol;
<i>LAURINO</i> (39th Ward)	Ms. Bernadette Divane;
<i>NATARUS</i> (42nd Ward)	First Saint Paul's Church;
<i>M. SMITH</i> (48th Ward)	Glenwood Property Association;
<i>STONE</i> (50th Ward)	Hamilton House Condominium Association.

4. UNCLASSIFIED MATTERS.

(Arranged In Order According To Ward Numbers)

Proposed ordinances, orders and resolutions were presented by the aldermen named below, respectively, and were acted upon by the City Council in each case in the manner noted, as follows:

Presented By

ALDERMAN ROTI (1st Ward):

DRAFTING OF ORDINANCE FOR VACATION OF PUBLIC
ALLEYS IN BLOCK BOUNDED BY WEST KINZIE
STREET, WEST CARROLL AVENUE, NORTH
JEFFERSON STREET AND NORTH
CLINTON STREET.

A proposed order reading as follows:

Ordered, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the vacation of all the remaining east-west 10-foot public alley and all of the north-south 18-foot public alley in the block bounded by West Kinzie Street, vacated West Carroll Avenue, North Jefferson Street and North Clinton Street for CMC Hartland Partners (No. 9-1-90-1554); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

Alderman Roti moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed order. The motion *Prevailed*.

On motion of Alderman Roti, the foregoing proposed order was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Referred -- ESTABLISHMENT OF TAXICAB STAND NUMBER 609
ON PORTION OF SOUTH UPPER WACKER DRIVE.

Also, a proposed ordinance to establish Taxicab Stand No. 609 along the west curb of South Upper Wacker Drive, from a point 20 feet south of the building line of West Jackson Boulevard, to a point 50 feet south thereof, for two vehicles, which was *Referred to the Committee on Local Transportation*.

Referred -- GRANT OF PRIVILEGE TO 600 WEST ADAMS
ASSOCIATES, LTD. TO MAINTAIN AND USE
VAULTED SIDEWALK SPACE ADJACENT
TO 600 WEST ADAMS STREET.

Also, a proposed ordinance to grant permission and authority to 600 West Adams Associates, Ltd., to maintain and use vaulted sidewalk space under the public way adjacent to 600 West Adams Street, which was *Referred to the Committee on Streets and Alleys*.

Referred -- ISSUANCE OF PERMITS TO CONSTRUCT AND
MAINTAIN CANOPIES AT SPECIFIED LOCATIONS.

Also, seven proposed orders directing the Commissioner of General Services to issue permits to the applicants listed, for the construction, maintenance and use of canopies attached or to be attached to specified buildings or structures, which were *Referred to the Committee on Streets and Alleys*, as follows:

Essex Inn -- to construct one canopy at 800 South Michigan Avenue;

Jodabar's -- to maintain one canopy at 227 West Jackson Boulevard;

K & M Footwear, Inc. -- to maintain one canopy at 34 East Adams Street;

McDonald's Corporation -- to maintain one canopy at 180 West Adams Street (for three year period beginning January 23, 1988);

McDonald's Corporation -- to maintain one canopy at 180 West Adams Street (for three year period beginning January 23, 1991);

Sherwood Conservatory of Music -- to maintain one canopy at 1014 South Michigan Avenue; and

Mr. Peter Tsurekidis, doing business as Randolph Flower Shop -- to maintain one canopy at 59 East Lake Street.

Presented By

ALDERMAN RUSH (2nd Ward):

Referred -- CHICAGO TRANSIT AUTHORITY URGED TO
CONSIDER RELOCATION OF INFORMATION
SIGN TO NORTHWEST CORNER OF EAST
PERSHING ROAD AND SOUTH
GILES AVENUE.

A proposed resolution urging the Chicago Transit Authority to give consideration to the relocation of an information bus sign from the northeast corner of East Pershing Road and South Giles Avenue to the northwest corner of East Pershing Road and South Giles Avenue, which was *Referred to the Committee on Local Transportation*.

Presented By

ALDERMAN BLOOM (5th Ward):

AMENDMENT OF TITLE 4, CHAPTER 172, SECTION 020(e)
OF MUNICIPAL CODE OF CHICAGO BY ADDITION OF
NEW PARAGRAPH 020(e)-9 TO PROHIBIT
ISSUANCE OF NEW LIQUOR LICENSES
WITHIN SPECIFIED AREA OF
FIFTH WARD.

A proposed ordinance reading as follows:

WHEREAS, There are numerous establishments licensed to dispense alcoholic liquor in the vicinity bounded by: East 71st Street, East 75th Street, South Jeffery Boulevard and South Stony Island Avenue; and

WHEREAS, The excessive number of currently licensed establishments has created a health and safety hazard to residents living in the vicinity; and

WHEREAS, The excessive number of currently licensed establishments has discouraged commercial and residential development in this vicinity; and

WHEREAS, The issuance of licenses for the sale of alcoholic liquor for consumption on the premises has already been prohibited; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Chapter 4-172-020(e) of the Municipal Code of Chicago be amended to add a new subsection (9) as follows:

- (9) *In the area bounded by the west side of South Jeffery Boulevard, the north side of East 75th Street, the east side of South Stony Island Avenue and the south side of East 71st Street.*

SECTION 2. This ordinance shall be effective immediately upon its passage.

Alderman Bloom moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed ordinance. The motion *Prevailed*.

On motion of Alderman Bloom, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

Referred -- EXEMPTION OF LA RABIDA CHILDREN'S
HOSPITAL AND RESEARCH CENTER FROM
ALL 1991 CITY FEES UNDER
NOT-FOR-PROFIT
STATUS.

Also, a proposed ordinance providing inclusive exemption from all 1991 city fees to LaRabida Children's Hospital and Research Center under its not-for-profit status, which was *Referred to the Committee on Finance*.

Presented By

ALDERMAN BEAVERS (7th Ward):

Referred -- DONATION OF RESERVE STATUS FIRE
DEPARTMENT AMBULANCE TO DEPARTMENT
OF TREASURY, BUREAU OF ALCOHOL,
TOBACCO AND FIREARMS.

A proposed ordinance granting authority to the Commissioner of General Services and the City Purchasing Agent to donate one reserve status Fire Department ambulance to the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, for use in the service of search warrants and the enforcement of firearms laws, which was *Referred to the Committee on Police, Fire and Municipal Institutions*.

Presented By

ALDERMAN HUELS (11th Ward):

Referred -- CHICAGO TRANSIT AUTHORITY REQUESTED TO
CONSIDER ERECTION OF BUS PASSENGER SHELTER
AT 3616 SOUTH WENTWORTH AVENUE.

A proposed order to urge the Chicago Transit Authority to consider the installation of a bus passenger shelter at 3616 South Wentworth Avenue,

which was Referred to the Committee on Local Transportation.

Presented By

ALDERMAN J. EVANS (21st Ward):

TRIBUTE TO LATE MR. JAMES GARDNER.

A proposed resolution reading as follows:

WHEREAS, God called James Gardner to eternal rest on November 10, 1990; and

WHEREAS, James Gardner was a faithful and loving partner in marriage for thirty-two years to JoAnn Gardner, father of Joyce A. and James T. Gardner; and

WHEREAS, James Gardner was a loyal member of Saint Thaddeus Catholic Church, an active member of CFM, Knights of Peter Claver, Holy Name Society, and the Center Aisle Players; and

WHEREAS, James Gardner was active in community service, participating in several community organizations; now, therefore,

Be It Resolved, That the Chicago City Council and the City of Chicago mourn the passing of James Gardner and that our deepest expression of sympathy be extended to the bereaved family.

Alderman J. Evans moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman J. Evans, the foregoing proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

CONGRATULATIONS EXTENDED TO MR. ROOSEVELT NESBITT
ON HIS NINETIETH BIRTHDAY.

Also, a proposed resolution reading as follows:

WHEREAS, God in his infinite wisdom has granted a long, productive and rewarding life to Roosevelt Nesbitt, during which he has given of himself unselfishly for the betterment of his fellow man, and has become a highly respected member of his family, his church and his community at large and of the 21st Ward. We recognize and rejoice with him as he celebrates the occasion of his ninetieth birthday on December 31, 1990; and

WHEREAS, Roosevelt Nesbitt was the only child born to his parents in Dallas, Texas, and due to the early demise of his parents, was reared by his maternal grandparents in Marshall, Texas. His grandparents endowed him with high self-esteem, high moral values and an appreciation of the work ethic, plus practical measures for self-maintenance. After the passing of his maternal grandmother, Mr. Nesbitt, of high school age, remained as a comfort to his grandfather, utilizing skills they had taught him. Upon the demise of his grandfather, as a young adult, Mr. Nesbitt migrated to Chicago seeking better opportunities for himself; and

WHEREAS, Roosevelt Nesbitt was gainfully employed at a Borg-Warner plant for 25 years, having the distinction of being the first Black employed in the plant that manufactured automobile clutches. During his tenure at Borg-Warner, Mr. Nesbitt's leadership qualities were further developed; he became a Union Steward for his union (U.A.W.). He met and married his first wife but was widowed after a brief term of marriage; and

WHEREAS, Mr. Nesbitt was originally of the Baptist religion, he subsequently moved his membership to Bethel Lutheran Church of Englewood where during the absence of a regular pastor for a period of approximately one year, Mr. Nesbitt conducted the regular Sunday services. He was also president of the church board, trustee of the church, and now an emeritus member of his church. Mr. Nesbitt is a member of the 22nd District Police Department Beat Representatives, and for twenty-one years has been president of his 102nd & May Street Block Club, which is chartered; and

WHEREAS, Mr. Nesbitt's personal philosophy is to render service to others, to promote the advancement of youth, to work hard, and keep up the good appearance of his home. Following his grandfather's sage advice, he doesn't let grass grow under his feet; now, therefore,

Be It Resolved, That the City of Chicago and the Chicago City Council joyfully acknowledge and celebrate with Roosevelt Nesbitt the occasion of his ninetieth birthday and his useful life whereby he has urged us to higher and nobler ideals; and

Be It Further Resolved, That a suitable copy of this resolution be presented to Mr. Roosevelt Nesbitt and a copy be retained as a permanent part of City Council records.

Alderman J. Evans moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman J. Evans, the foregoing proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Referred -- ISSUANCE OF PERMITS TO ERECT
SIGNS/SIGNBOARDS AT VARIOUS
LOCATIONS.

Also, two proposed orders directing the Commissioner of Inspectional Services to issue permits to the applicants listed for the erection of signs/signboards at the locations specified, which were *Referred to the Committee on Buildings*, as follows:

Olympic Signs -- 150 West 87th Street, for Bonnie Brook Ford; and

White Way Sign Company -- 8652 South Lafayette Avenue, for Seaway National Bank.

Presented By

ALDERMAN KRYSTYNIAK (23rd Ward):

Referred -- PERMISSION TO PARK PICKUP TRUCK
AND/OR VAN AT 5531 SOUTH
NEVA AVENUE.

A proposed order directing the Commissioner of Public Works to grant permission to Mr. Earl M. Powell to park a pickup truck and/or van in front of his residence at 5531 South Neva Avenue, in accordance with the provisions of Chapter 27, Section 317 of the Municipal Code, which was *Referred to the Committee on Traffic Control and Safety*.

Presented By

ALDERMAN HENRY (24th Ward):

Referred -- EXTENTION OF DEADLINE FOR FILING OF
REPORTS CONCERNING NORTH LAWNSDALE
NEIGHBORHOOD/BOOT STRAP FUND.

A proposed ordinance to amend the North Lawndale Pilot Program by extending the filing, deadline for the advisory committee's report concerning implementation of the Neighborhood/Boot Strap Fund, which was *Referred to the Committee on Finance*.

Presented By

ALDERMAN SOLIZ (25th Ward):

Referred -- TRANSFER OF FUNDS FOR YEAR 1990 WITHIN
COMMITTEE ON HUMAN RIGHTS AND
CONSUMER PROTECTION.

A proposed ordinance to transfer funds for the year 1990 within the Committee on Human Rights and Consumer Protection, from Commodities and Materials to Personal Services, which was *Referred to the Committee on the Budget and Government Operations*.

Referred -- APPROVAL OF PROPERTY AT 2141 SOUTH
THROOP STREET AS CLASS 6(b) AND
ELIGIBLE FOR COOK COUNTY
TAX INCENTIVES.

Also, a proposed resolution to approve the property at 2141 South Throop Street as eligible for Class 6(b) tax incentives under the Cook County Real Property Assessment Classification Ordinance, which was *Referred to the Committee on Economic Development*.

Presented By

ALDERMAN E. SMITH (28th Ward):

Referred -- APPROVAL OF PROPERTY AT 3644 -- 3658
WEST FLOURNOY STREET AS CLASS 6(b)
AND ELIGIBLE FOR COOK COUNTY
TAX INCENTIVES.

A proposed resolution to approve the property at 3644 -- 3658 West Flournoy Street as eligible for Class 6(b) tax incentives under the Cook County Real Assessment Classification Ordinance, which was *Referred to the Committee on Economic Development*.

Presented By

ALDERMAN AUSTIN (34th Ward):

BUILDING DECLARED PUBLIC NUISANCE AND
ORDERED DEMOLISHED.

A proposed ordinance as follows:

WHEREAS, The building located at 10621 South Wentworth Avenue is so deteriorated and weakened that it is structurally unsafe and a menace to life and property in its vicinity; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The building located at 10621 South Wentworth Avenue is declared a public nuisance, and the Commissioner of Buildings is hereby authorized and directed to cause demolition of same.

SECTION 2. This ordinance shall be effective upon its passage.

Alderman Austin moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed ordinance. The motion *Prevailed*.

On motion of Alderman Austin, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Presented By

ALDERMAN KOTLARZ (35th Ward):

Referred -- AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE TO FLORSHEIM SHOE COMPANY.

A proposed ordinance to amend an ordinance passed by the City Council on September 12, 1990 (Council Journal page 20669) which authorized a grant of privilege to Florsheim Shoe Company by striking from Section 1 the language "Florsheim Shoe Company" and inserting in lieu thereof "Records Management Services, Inc.", which was *Referred to the Committee on Streets and Alleys*.

Presented By

ALDERMAN NATARUS (42nd Ward):

Referred -- ESTABLISHMENT OF TAXICAB STAND NUMBER 610
ON PORTION OF EAST HURON STREET.

A proposed ordinance to establish Taxicab Stand No. 610 on that part of East Huron Street, along the north curb, from a point 20 feet west of the west building line of North Michigan Avenue, to a point 60 feet west thereof, for three vehicles, which was *Referred to the Committee on Local Transportation*.

Referred -- APPROVAL OF PLAT OF WASHINGTON-DELAWARE
RESUBDIVISION ON NORTHWEST CORNER
OF WEST DELAWARE PLACE AND
NORTH CLARK STREET.

Also, a proposed ordinance directing the Superintendent of Maps, Ex Officio Examiner of Subdivisions, to approve a plat of Washington-Delaware

Resubdivision located at the northwest corner of West Delaware Place and North Clark Street, which was *Referred to the Committee on Streets and Alleys*.

Referred -- AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE TO CITIFRONT HOTEL
ASSOCIATES LIMITED PARTNERSHIP.

Also, a proposed ordinance to amend an ordinance passed by the City Council on May 16, 1990 (Council Journal page 15840) which authorized a grant of privilege to Citifront Hotel Associates Limited Partnership by striking from Section 1 the dimensions "fifty-three (53) feet in length and twenty-seven (27) feet in width" and inserting in lieu thereof "twenty-seven (27) feet length and fifty-three (53) feet in width" in relation to Truck Berth A; by striking the dimensions "twenty-six (26) feet in length and twenty-nine (29) feet in width" and inserting in lieu thereof "twenty-nine (29) feet in length and twenty-six (26) feet in width" in relation to Truck Berth B; and by striking the dimensions "eleven (11) feet in length and thirty-eight (38) feet in width" and inserting in lieu thereof "thirty-eight (38) feet in length and eleven (11) feet in width" in relation to Truck Berth C, which was *Referred to the Committee on Streets and Alleys*.

Referred -- AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE TO VETERANS ADMINISTRATION
LAKESIDE MEDICAL CENTER.

Also, a proposed ordinance to amend an ordinance passed by the City Council on October 31, 1990 (Council Journal page 22747) which authorized a grant of privilege to the Veterans Administration Lakeside Medical Center by replacing in its entirety paragraph 1 of Section 1, which would thereby authorize a grant of privilege to the Veterans Affairs Medical Center to construct, maintain and use a patient and/or public corridor over and across a portion of East Huron Street, connecting Northwestern Passavant Hospital with the third floor of the Department of Veterans Affairs Medical Center, which was *Referred to the Committee on Streets and Alleys*.

Referred -- AMENDMENT OF ORDINANCE WHICH AUTHORIZED
GRANT OF PRIVILEGE TO MR. BURTON LEWIS.

Also, a proposed ordinance to amend an ordinance passed by the City Council on July 12, 1990 (Council Journal pages 18405 through 18407) which authorized a grant of privilege to Mr. Burton Lewis by striking from Section 2 the compensation sum of "Three Thousand Nine Hundred Seventeen and no/100 Dollars (\$3,917.00)" and inserting in lieu thereof "One Hundred Sixty-nine and no/100 Dollars (\$169.00)", which was *Referred to the Committee on Streets and Alleys*.

Referred -- ISSUANCE OF PERMITS TO MAINTAIN EXISTING
CANOPIES AT SPECIFIED LOCATIONS.

Also, two proposed orders directing the Commissioner of General Services to issue permits to the applicants listed for the maintenance and use of existing canopies attached to specified buildings or structures, which were *Referred to the Committee on Streets and Alleys*, as follows:

Burberry's Limited -- for nine canopies at 633 North Michigan Avenue;
and

1120 Lake Shore Drive Building Corporation -- for one canopy at 1120
North Lake Shore Drive.

Presented By

ALDERMAN EISENDRATH (43rd Ward):

Referred -- REDUCTION IN ANNUAL LICENSE
FEE FOR SPECIAL POLICE EMPLOYED
BY DE PAUL UNIVERSITY.

A proposed ordinance requiring DePaul University to pay a ten dollar license fee for each of the special police employed at its Lincoln Park and Loop

campuses pursuant to Municipal Code Chapter 173, Section 173-6, which was
Referred to the Committee on Finance.

Presented By

ALDERMAN SCHULTER (47th Ward):

ESTABLISHMENT OF PARKING PROHIBITION IN
FRONT OF 4846 NORTH SEELEY AVENUE.

A proposed ordinance reading as follows:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Public Works is hereby authorized and directed to establish prohibition of parking at all times in front of 4846 North Seeley Avenue (except for the handicapped).

SECTION 2. This ordinance shall take effect and be in force upon approval of the suspension of the rules at the City Council meeting of December 5, 1990.

Alderman Schuler moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed ordinance. The motion *Prevailed*.

On motion of Alderman Schuler, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Presented By

ALDERMAN STONE (50th Ward):

Referred -- INSTALLATION OF BUS PASSENGER SHELTER AT
NORTHEAST CORNER OF WEST TOUHY AVENUE AND
NORTH ALBANY AVENUE.

A proposed order directing the Chicago Transit Authority to give consideration for the installation of a bus passenger shelter at the northeast corner of West Touhy Avenue and North Albany Avenue, which was *Referred to the Committee on Local Transportation*.

5. *FREE PERMITS, LICENSE FEE EXEMPTIONS,
CANCELLATION OF WARRANTS FOR
COLLECTION, AND WATER RATE
EXEMPTIONS, ET CETERA.*

Proposed ordinances, orders, et cetera described below, were presented by the aldermen named, and were *Referred to the Committee on Finance*, as follows:

FREE PERMIT:

BY ALDERMAN BLOOM (5th Ward):

Montgomery Place, c/o The Church Home -- development of a multi-unit residential building on the premises known as 5550 South Shore Drive.

BY ALDERMAN M. SMITH (48th Ward):

The Admiral -- remodeling and construction projects on the premises known as 909 West Foster Avenue.

LICENSE FEE EXEMPTIONS:

BY ALDERMAN GABINSKI (32nd Ward):

Near North Montessori, 1434 West Division Street.

BY ALDERMAN EISENDRATH (43rd Ward):

Little Sisters of the Poor Home for the Aged, 2325 North Lakewood Avenue.

CANCELLATION OF WARRANTS FOR COLLECTION:

BY ALDERMAN ROTI (1st Ward):

Ada S. McKinley Community Services, Inc., 330 East 24th Street -- annual driveway and maintenance inspection fee, annual sign inspection fee, annual warm air furnace inspection fee, mechanical ventilation inspection fees and annual building inspection fees (5).

BY ALDERMAN T. EVANS (4th Ward):

Temple Kamisaiah Israel, 1100 East Hyde Park Boulevard -- fuel burning equipment inspection fee.

BY ALDERMAN BLOOM (5th Ward):

Chicago Sinai Congregation, 5350 South Shore Drive -- curb cut and canopy fees.

BY ALDERMAN STEELE (6th Ward):

Conservative Baptist Church, 1001 East 75th Street -- annual sign inspection fee.

BY ALDERMAN BEAVERS (7th Ward):

Ada S. McKinley Foundation, 32 West Randolph Street -- annual building inspection fee.

BY ALDERMAN HUELS (11th Ward):

Our Lady of Good Counsel Parish, 3528 South Hermitage Avenue -- annual building inspection fee.

BY ALDERMAN BANKS (36th Ward):

Bethesda Home and Retirement Center, 2833 North Nordica Avenue -- boiler and unfired pressure vessel inspection fee.

BY ALDERMAN PUCINSKI (41st Ward):

Norwegian Old Peoples Homes, 6016 North Nina Avenue -- "No Parking" sign fees.

Resurrection Retirement Community, 7266 West Peterson Avenue -- annual fuel burning equipment inspection fee.

BY ALDERMAN NATARUS (42nd Ward):

Northwestern Memorial Hospital, various locations -- annual building inspection fee, annual sign inspection fees, "No Parking" inspection and maintenance sign fees, and bi-annual building inspection fee (4).

Wm. Scholl College of Podiatric Medicine, 1001 North Dearborn Street -- annual sign inspection fee.

BY ALDERMAN EISENDRATH (43rd Ward):

Grant Hospital, 551 West Grant Place -- annual fuel burning equipment inspection fee.

BY ALDERMAN SCHULTER (47th Ward):

Bethany Methodist Hospital, 5025 North Paulina Street -- "No Parking" sign fees (2).

WATER RATE EXEMPTIONS:

BY ALDERMAN TROUTMAN (20th Ward):

Harris Young Womens Christian Association Center, 6220 South Drexel Avenue.

BY ALDERMAN GILES (37th Ward):

Faith Tabernacle Church, 3738 West Chicago Avenue.

REFUND OF FEES:

BY ALDERMAN BLOOM (5th Ward):

Montgomery Place, c/o The Church Home, 1525 East 53rd Street.

BY ALDERMAN GABINSKI (32nd Ward):

Near North Montessori (Day Care Center), 1434 West Division Street -- refund in the amount of \$75.00.

BY ALDERMAN LAURINO (39th Ward):

Senior Citizens Housing Development Corporation of Chicago, 4300 North University Drive, Lauderhill, Florida 33321, for property at 5801 North Pulaski Road -- refund in the amount of \$8,170.00.

WAIVER OF FEE:

BY ALDERMAN TROUTMAN (20th Ward):

Covenant Development, 1312 East 62nd Street -- waiver of shut-off water valve fees for various locations.

**APPROVAL OF JOURNALS OF
PROCEEDINGS.**

JOURNAL (November 28, 1990).

(Special Meeting).

The City Clerk submitted the printed Official Journal of the Proceedings of the special meeting held on November 28, 1990 at 9:30 A.M., signed by him as such City Clerk.

Alderman Burke moved to *Approve* said printed Official Journal and to dispense with the reading thereof. The question being put, the motion *Prevailed*.

JOURNAL (November 28, 1990).

The City Clerk submitted the printed Official Journal of the Proceedings of the regular meeting held on November 28, 1990 at 10:00 A.M., signed by him as such City Clerk.

Alderman Burke moved to *Approve* said printed Official Journal and to dispense with the reading thereof. The question being put, the motion *Prevailed*.

JOURNAL CORRECTIONS.

(November 14, 1990).

Alderman Burke moved to *Correct* the printed Official Journal of the regular meeting held on Wednesday, November 14, 1990, as follows:

Page 24946 -- by deleting the title description "3370 Medical Director -- CPD" appearing in the third line from the bottom of the page and inserting in lieu thereof the title description "3370 Chief Police Surgeon".

The motion to correct *Prevailed*.

(November 7, 1990).

Alderman Bloom moved to *Correct* the printed Official Journal of the regular meeting held on Wednesday, November 7, 1990, as follows:

Page 24306 -- by deleting the language "Chapter 4-172-020 of the Municipal Code" appearing in the sixth line from the bottom of the page and inserting in lieu thereof the language "Section 4-170-020(d) of the Municipal Code".

Page 24306 -- by renumbering Section 2 appearing in the first two lines from the bottom of the page as Section 3 and inserting a new Section to read as follows:

Section 2. That Section 4-172-020(e) of the Municipal Code of Chicago be amended to add a new subsection (8) as follows:

(8) *East 71st Street (both sides) from South Stony Island Avenue to South Shore Drive.*

The motion to correct *Prevailed*.

U N F I N I S H E D B U S I N E S S .

AMENDMENT OF TITLE 15 OF MUNICIPAL CODE OF
CHICAGO BY ADDITION OF NEW CHAPTER 30
TO PERMIT CITY TO RECOVER EXPENSES
INCURRED IN PROVIDING FIRE
SUPPRESSION AND HAZARDOUS
MATERIALS EMERGENCY
SERVICES.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Police, Fire and Municipal Institutions, deferred and published in the Journal of the Proceedings of November 28, 1990, pages 23187 through 23190, recommending that the City Council pass a proposed substitute ordinance amending Title 15 of the Municipal Code of Chicago by the addition of a new Chapter 30 permitting the City to recover expenses incurred in providing fire suppression and hazardous materials emergency services.

On motion of Alderman Burke, the said proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 40.

Nays -- Alderman Shaw -- 1.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago must respond to fire and other emergency situations that are related to fire and environmental hazards prohibited by law or City ordinance; and

WHEREAS, The City of Chicago expends funds in providing fire suppression services and clean-up and storage of hazardous materials in such situations; and

WHEREAS, Property owners and other persons should be encouraged to take action to correct such hazards prohibited by law or ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Municipal Code of Chicago is hereby amended by adding a new Chapter 15-30 entitled "Liability for Fire Suppression and Other Emergency Services Costs" to read as follows:

15-30-010. For purposes of this section:

(1) The word "costs" includes costs of the City incurred in relation to the provision of fire suppression and hazardous material emergency services by the Fire Department or the Department of Consumer Services, including but not limited to wages and benefits of personnel involved in providing such services, reasonable costs of equipment used in the provision of such services, costs of materials expended in providing such services, and in the costs of storing hazardous materials recovered during the course of providing such services.

"Costs" also include the costs of providing emergency medical and ambulance services in connection with a fire or hazardous materials emergency, other than those services for which a fee is authorized and collected.

(2) The word "person" means any entity or natural person, but does not include any governmental entity. With respect to residential real estate only, the word "person" includes only the holder of an ownership interest in residential real estate, including the holder of a beneficial interest in a land trust.

(3) The phrase "hazardous materials emergency services" means any services performed by the Fire Department or Department of Consumer Services in response to a release or potential release of a material, substance or compound, which by its nature or concentration presents a danger to the public safety and requires immediate action to remedy the danger.

15-30-020. Any person who causes the Fire Department or the Department of Consumer Services to incur costs in order to provide necessary fire suppression or hazardous material emergency services as the result of such person's violation of any federal, state or local law, or such person's failure to correct conditions which violate any federal, state or local law when such person was under a legal duty to do so, shall be liable to the

City for those costs. This liability shall be collectible in the same manner as any other personal liability.

15-30-030. In any case in which a person is liable for costs pursuant to this chapter, and such liability arises as a result of that person's actions within the scope of his employment by any other person, such other person shall also be liable for such costs.

15-30-040. In any action brought to collect a debt under this chapter, it shall be a defense that:

(1) The defendant undertook reasonable efforts to prevent the violation of law or to remedy an existing violation of law within a reasonable period of time. Such reasonable efforts include, but are not limited to, filing an appropriate application for a building permit and then diligently causing appropriate work to be undertaken to have the violation of law remedied; or

(2) The defendant, if an owner of property, had no knowledge or reasonable basis to know of a violation of law caused by a tenant or an invitee, and has taken reasonable steps to prevent violations of law by tenants or invitees.

15-30-050. The Fire Department and the Department of Consumer Services shall promulgate rules and regulations to determine the method of calculating costs recoverable under this chapter, and for billing persons for charges under this chapter.

15-30-060. In any action brought to collect a debt under this chapter, the City of Chicago shall also be entitled to recover a penalty in an amount equal to the City's court costs and attorney's fees.

15-30-070. In cases involving fire suppression services relating to real estate, the provisions of this chapter shall apply only to suppression of fires involving structures which are (1) commercial or industrial real estate, or (2) residential real estate containing eight or more units.

SECTION 2. If any provision of this ordinance or application thereof to any person or circumstance is held unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without invalid provision or application, and to this end each such invalid provision or invalid application of this ordinance is severable.

SECTION 3. This ordinance shall take effect 30 days after passage and publication.

CHICAGO ZONING ORDINANCE AMENDED TO
RECLASSIFY PARTICULAR AREAS.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Zoning, deferred and published in the Journal of the Proceedings of November 28, 1990, pages 23237 -- 23243, recommending that the City Council pass said proposed ordinances amending the Chicago Zoning Ordinance by reclassifying particular areas.

On motion of Alderman Banks, the said proposed ordinances were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, M. Smith, Stone -- 41.

Nays -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read as follows (the italic heading in each case not being a part of the ordinance):

Reclassification Of Area Shown On Map Number 3-L.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B4-1 Restricted Service District symbols and indications as shown on Map No. 3-L in area bounded by:

the alley next north of and parallel to West Chicago Avenue; a line 50 feet west of and parallel to North Lawler Avenue; West Chicago Avenue; and a line 100 feet west of and parallel to North Lawler Avenue,

to those of an R3 General Residence District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 5-I.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B4-1 Restricted Service District symbols and indications as shown on Map No. 5-I in area bounded by:

West Armitage Avenue; North Whipple Street; the alley next south of and parallel to West Armitage Avenue; and a line 56 feet west of North Whipple Street,

to those of an R4 General Residence District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 5-I.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B4-1 Restricted Service District symbols and indications as shown on Map No. 5-I in area bounded by:

a line 75 feet, 3/4 inches south of West Cortland Avenue; North California Avenue; a line 100 feet, 1-inch south of West Cortland Avenue; and the alley next west of North California Avenue,

to those of an R4 General Residence District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 5-I.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R3 General Residence District symbols and indications as shown on Map No. 5-I in the area bounded by:

the alley next north of and parallel to West Dickens Avenue; the alley next east of and parallel to North Albany Avenue; West Dickens Avenue; and North Albany Avenue,

to those of an R4 General Residence District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 8-G.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the C1-2 Restricted Commercial District symbols and indications as shown on Map No. 8-G in area bounded by:

a line 77 feet south of West 38th Place; South Ashland Avenue; West 39th Street; and the alley next west of South Ashland Avenue,

to those of an M1-2 Restricted Manufacturing District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 9-H.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the M1-2 Restricted Manufacturing District symbols and indications as shown on Map No. 9-H in area bounded by:

West Newport Avenue; the easterly right-of-way of North Ravenswood Avenue; the alley next south of and parallel to West Newport Avenue, or the line thereof extended where no alley exists; and a line 176 feet west of the westerly right-of-way of North Ravenswood Avenue,

to those of an R3 General Residence District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 12-K.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R2 Single-Family Residence District symbols and indications as shown on Map No. 12-K in area bounded by:

the alley next north of and parallel to West 55th Street; a line 134.11 feet west of South Karlov Avenue; West 55th Street; and a line 59.11 feet east of South Kedvale Avenue,

to those of an R4 General Residence District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 12-M.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R2 Single-Family Residence District symbols and indications as shown on Map No. 12-M in area bounded by:

a line 124.5 feet south of and parallel to West 53rd Street; South Mobile Avenue; a line 184.5 feet south of and parallel to West 53rd Street; and the alley next west of South Mobile Avenue,

to those of an R4 General Residence District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 13-H.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R3 General Residence District symbols and indications as shown on Map No. 13-H in area bounded by:

a line 128.07 feet north of West Ainslie Street; the alley next east of and parallel to North Seeley Avenue; a line 102 feet north of West Ainslie Street; and North Seeley Avenue,

to those of a B4-2 Restricted Service District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

Reclassification Of Area Shown On Map Number 26-A.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R3 General Residence District symbols and indications as shown on Map No. 26-A in area bounded by:

East 104th Street; the alley next east of and parallel to South Ewing Avenue; a line 310 feet south of and parallel to East 104th Street; South Ewing Avenue; a line 285 feet south of and parallel to East 104th Street; and the alley next west of and parallel to South Ewing Avenue,

to those of a B4-1 Restricted Service District and a corresponding use district is hereby established in the area above described.

SECTION 2. This ordinance shall be in force and effect from and after its passage and due publication.

MISCELLANEOUS BUSINESS.

Rules Suspended -- TRIBUTE TO LATE MR. ARTHUR ROSS.

Alderman Troutman moved to *Suspend the Rules Temporarily* for the immediate consideration of and action upon a proposed resolution. The motion *Prevailed*.

Thereupon, on motion of Alderman Troutman, the said proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, God in his infinite wisdom has called to his eternal reward Arthur Ross, longtime resident of Chicago's great 20th Ward; and

WHEREAS, Arthur Ross was born July 12, 1920, in New Orleans, Louisiana, and spent much of his life there before coming to Chicago. He served with honor and distinction in the Merchant Marines during World War II; and

WHEREAS, Arthur Ross was a symbol of the strength and solidity of family life. He and his lovely wife, Rita, became proud parents of Robert, James and Rita, and now there are many grandchildren. In addition, Arthur Ross is survived by a brother and two sisters, a host of nieces and nephews and many close friends; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby express our sorrow on the passing of Arthur Ross, and extend to his widow, Rita, and his large and devoted family and host of friends our deepest sympathy; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to Mrs. Arthur Ross.

Rules Suspended -- CONGRATULATIONS EXTENDED TO
MR. AND MRS. OLIVER BLIDGEN ON THEIR
FORTY-SEVENTH WEDDING
ANNIVERSARY.

Alderman Troutman moved to *Suspend the Rules Temporarily* for the immediate consideration of and action upon a proposed resolution. The motion *Prevailed*.

Thereupon, on motion of Alderman Troutman, the said proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, Mr. and Mrs. Oliver Blidgen, outstanding residents of Chicago's 20th Ward, are celebrating forty-seven years of wedded bliss; and

WHEREAS, Fannie Ruth Blidgen, born in Dewitt, Arkansas, and Oliver, from Anderson, South Carolina, came to Chicago in 1942. They are devout members of Parkway Garden Christian Church, where Oliver is financial secretary and a deacon, and where Fannie is an usher and deaconess; and

WHEREAS, Symbolizing the strength and solidity of family life, Fannie and Oliver Blidgen have two children and one grandchild; now, therefore;

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby offer our congratulations to Mr. and Mrs. Oliver Blidgen on their forty-seventh wedding anniversary, and our best wishes to this fine couple for many more years of happiness and fulfillment; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to Mr. and Mrs. Oliver Blidgen.

Rules Suspended -- CONGRATULATIONS EXTENDED
TO CHRISTIAN TEMPLE MISSIONARY BAPTIST
CHURCH ON ITS MORTGAGE BURNING
CEREMONY.

Alderman Troutman moved to *Suspend the Rules Temporarily* for the immediate consideration of and action upon a proposed resolution. The motion *Prevailed*.

Thereupon, on motion of Alderman Troutman, the said proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, Christian Temple M.B. Church, 6344 South Kimbark Avenue in Chicago's great 20th Ward, is celebrating a mortgage burning ceremony Sunday, December 16, 1990; and

WHEREAS, Under Pastor Joe Evans, the church building was purchased in 1977, and as its congregation has grown to 250 members, Christian Temple M.B. Church has grown into the south side's most stable and admired institution; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this fifth day of December, 1990, A.D., do hereby congratulate Pastor Joe Evans and the members of Christian Temple M.B. Church on its mortgage burning ceremony, and extend to this fine spiritual organization our very best wishes for many years of growth, prosperity and fulfillment; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to Christian Temple M.B. Church.

COMMITTEE ON THE BUDGET AND GOVERNMENT
OPERATIONS CHAIRMAN LEMUEL AUSTIN, JR.
ACKNOWLEDGED FOR DILIGENT EFFORTS
DURING HEARINGS ON 1991
CITY BUDGET.

At this point in the proceedings, Aldermen Shaw, Laurino, Pucinski, Natarus and Stone expressed their satisfaction with the hearings conducted by Alderman Lemuel Austin, Jr., Chairman of the Committee on the Budget and Government Operations, on the 1991 Annual Appropriation Ordinance. Lauding Chairman Austin for his knowledge of the budget process, the Aldermen also cited Chairman Austin for the patience and fairness he exhibited throughout the hearings.

PRESENCE OF VISITORS NOTED.

The Honorable Richard M. Daley, Mayor, called the Council's attention to the presence of the following visitors:

Jewish National Fund Executive Director, Ms. Judy Lebowitz; Chairman of the Board, Mr. Howard G. Kaplan and President, Mr. David Zaronsky;

Thirty-eight students from Daniel H. Williams Elementary School, accompanied by Ms. Kathleen Hunnicott.

Time Fixed For Next Succeeding Regular Meeting.

By unanimous consent, Alderman Burke presented a proposed ordinance which reads as follows:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the next succeeding regular meeting of the City Council of the City of Chicago to be held after the meeting held on Wednesday, the fifth (5th) day of December, 1990, at 10:00 A.M., be and the same is hereby fixed to be held on Wednesday, the nineteenth (19th) day of December, 1990, at 10:00 A.M., in the Council Chambers in City Hall.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, T. Evans, Bloom, Steele, Beavers, Dixon, Shaw, Vrdolyak, Huels, Fary, Madrzyk, Burke, Langford, Streeter, Troutman, J. Evans, Garcia, Krystyniak, Henry, Soliz, Gutierrez, Butler, E. Smith, Bialczak, Figueroa, Gabinski, Mell, Austin, Kotlarz, Banks, Giles, Cullerton, Laurino, Pucinski, Natarus, Eisendrath, Hansen, Levar, Shiller, Schuler, M. Smith, Stone -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Adjournment.

Thereupon, Alderman Burke moved that the City Council do *Adjourn*. The motion *Prevailed* and the City Council *Stood Adjourned* to meet in regular meeting on Wednesday, December 19, 1990, at 10:00 A.M., in the Council Chambers in City Hall.



WALTER S. KOZUBOWSKI,
City Clerk.