

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2013

COUNCIL BILL NO. CB13-0175
COMMITTEE OF REFERENCE:
BUSINESS, WORKFORCE, & SUSTAINABILITY

A BILL

For an ordinance approving a proposed Concession Agreement between the City and County of Denver and Public Service Employees Credit Union, d/b/a Public Service Credit Union, concerning Concessionaire's branch location at Denver International Airport.

BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. The proposed Concession Agreement between the City and County of Denver and Public Service Employees Credit Union, d/b/a Public Service Credit Union, in the words and figures contained and set forth in that form in the above-named Agreement available in the office and on the web page of City Council, and to be filed in the office of the Clerk and Recorder, Ex-Officio Clerk of the City and County of Denver, under City Clerk's Filing No. 2013-0229 is hereby approved.

COMMITTEE APPROVAL DATE: March 21, 2013

MAYOR-COUNCIL DATE: March 26, 2013

PASSED BY THE COUNCIL: _____, 2013

_____ - PRESIDENT

APPROVED: _____ - MAYOR _____, 2013

ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2013; _____, 2013

PREPARED BY: Max Taylor, Assistant City Attorney  DATE: March 28, 2013

Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed ordinance. The proposed ordinance is submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

Douglas J. Friednash, City Attorney for the City and County of Denver

BY: _____, Assistant City Attorney DATE: March 28, 2013



CONCESSION AGREEMENT

BETWEEN

CITY AND COUNTY OF DENVER

AND

**PUBLIC SERVICE EMPLOYEES CREDIT UNION
d/b/a PUBLIC SERVICE CREDIT UNION**

**AT
DENVER INTERNATIONAL AIRPORT**

**CONCESSION AGREEMENT
DENVER INTERNATIONAL AIRPORT
SUMMARY PAGE
PUBLIC SERVICE CREDIT UNION**

This Summary Page, consisting of three pages, is attached to and made a part of that certain Agreement made and entered into as of the date stated on the signature page, between the City and County of Denver and the Concessionaire listed below.

CONCESSIONAIRE: Name	Public Service Credit Union
Address for Notice	7055 E. Evans Ave.
City, State and Zip	Denver, CO 80224
Contact	Cyndi Koan, Exec. V.P.
Trade Name	Public Service Credit Union
State of Incorporation	Colorado

CONCESSION LOCATION and RENT (Initial)						
Loca. Num.	Concourse /Terminal	Address	Square Feet	Initial MAG	Initial Monthly MAG	Minimum Investment
	Jeppesen Terminal	R-16-1-6-W3-N9-1	513.1	\$18,652.00	\$1,554.33	\$225,000.00

PERCENTAGE RENT			
Percent of Gross Revenue		41% on ATM Surcharge	5% all other Gross Revenue

PERFORMANCE SURETY AMOUNT: \$9,326 or as provided in Section 9.03

MARKETING ASSESSMENT: N/A

STORAGE SPACE LEASE: N/A

TERM: Approximately 3 years

Effective Date: January 1, 2013

Expiration Date: December 31, 2015 unless modified by Section 6.13

PERMITTED USE:

Operation of a high-quality concession at DIA, offering for sale the following: Provide full banking services to its members and limited financial services to the traveling public and non-members. Location includes an ATM and night-drop commercial depository and when available, installation of at least one self-service, cash recycling machines providing 24/7 capabilities in the branch.

Concession Category

Services

Concept type(s)

Credit Union

Brand

Public Service Credit Union

Approved Product and Services List

See approved Product and Services List attached hereto as **Exhibit E**.

HOURS OF OPERATION:

8:30am – 5:30pm, Mon. – Fri., or as provided in Section 7.07

TARGET POSSESSION DATE:

January 1, 2013

REQUIRED OPENING DATE:

30 days after target possession or as documented in **Exhibit D**
January 1, 2013

RENT COMMENCEMENT DATE

REQUIRED MINIMUM INVESTMENT:

\$225,000.00

REFURBISHMENT MINIMUM INVESTMENT:

N/A

REFURBISHMENT COMPLETION DATE:

N/A

INSURANCE POLICY AMOUNTS:

Comprehensive General Liability:

\$1,000,000

Automobile/Delivery Vehicle Liability:

\$1,000,000 non-airside; \$10,000,000
airside

Workers Compensation:

Statutory requirements

Alcohol Liability:

N/A

ACDBE GOAL:

1.2%

DESCRIPTION OF EXHIBITS AND ADDENDA:

Exhibit A	Concession Space Plan
Exhibit B	Disadvantaged Business Enterprise Participation
Exhibit C	Insurance Certificate
Exhibit D	Confirmation Letter
Exhibit E	Approved Services/Merchandise
Exhibit H	Street Pricing Comparables
Exhibit I	Independent Auditor's Report
Exhibit J	Independent Accountant's Report on Applying Agreed-Upon Procedures
Exhibit N	DIA Environmental Requirements
Exhibit X	Provisions for Design and Construction of Improvements
Appendix 1	Standard Federal Assurances
Appendix 2	Standard Federal Assurances, Nondiscrimination
Appendix 3	Nondiscrimination in Airport Employment Opportunities
Appendix 10	Disadvantaged Business Enterprises – Required Statements

**CONCESSION AGREEMENT
DENVER INTERNATIONAL AIRPORT
CONSTRUCTION SUMMARY PAGE
PUBLIC SERVICE CREDIT UNION**

This Construction Summary Page, consisting of one page, is attached to and made a part of that certain Agreement made and entered into as of the date stated on the signature page, between the City and County of Denver and the Concessionaire listed below.

CONCESSIONAIRE:	Public Service Credit Union
Contact Name:	Cyndi Koan, Exec. V.P.
Trade Name:	Public Service Credit Union
Address:	7055 E. Evans Ave.
City, State and Zip	Denver, CO 80224

DESIGN AND CONSTRUCTION DEADLINE: _____

CONSTRUCTION PERFORMANCE AND PAYMENT BOND AMOUNTS: 100% of construction contract price

CONSTRUCTION INSURANCE POLICY AMOUNTS:

Builder's Risk:	<u>100% of construction contract price</u>
Minimum Commercial General Liability:	
Combined Single Limit:	<u>\$1,000,000</u>
General Aggregate:	<u>\$2,000,000</u>
Business Auto Liability:	
Combined Single Limit:	<u>\$1,000,000</u>
Workers Compensation:	<u>Statutory requirements</u>

M/W/BE DESIGN AND CONSTRUCTION GOALS:

\$ 0 < \$30,000 = 0%
\$30,000 - \$90,000 = 3%
\$90,000 < \$150,000 = 5%
> \$150,000 = Goals Committee

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CONCESSION AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into as of the date stated on the signature page ("Effective Date"), by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado, for and on behalf of its Department of Aviation (the "City"), Party of the First Part, and **PUBLIC SERVICE EMPLOYEES CREDIT UNION, d/b/a Public Service Credit Union**, a Colorado Corporation ("Concessionaire"), Party of the Second Part.

SECTION 1 – GENERAL

1.01 CONSIDERATION

The City enters into this Agreement for and in consideration of the payment of compensation by Concessionaire as herein provided, the construction of all improvements by Concessionaire as herein provided and observance by Concessionaire of the terms, conditions, requirements, covenants and agreements set forth herein.

1.02 INCORPORATION OF ATTACHED SUMMARY PAGE, EXHIBITS AND ADDENDA

The Summary Page attached to this Agreement, the Exhibits and Addenda attached to and referred to in this Agreement as described on the Summary Page and all general rules and regulations adopted by the City or the Manager for the management, operation and control of the Airport, either promulgated by the City on its own initiative or in compliance with regulations or actions of the Federal Aviation Administration or other authorized federal agency, as they may be amended from time to time, are intended to be, and hereby are, deemed incorporated into this Agreement by this reference.

SECTION 2 – DEFINITIONS

2.01. AIRPORT

"Airport" or "DIA" shall mean Denver International Airport.

2.02. AIRPORT MASTER PLAN

"Airport Master Plan" or "Master Plan" shall mean the approved master plan for development of Denver International Airport.

2.03. APPROVED PRODUCT AND SERVICES LIST

"Approved Product and Services List" shall mean the City-approved specialty retail product and services list attached hereto as *Exhibit E*.

2.04. AUDITOR

"Auditor" shall mean the City's Auditor and the Auditor's authorized representative.

2.05. BRAND

"Brand" shall mean the local, regional or national brand or brands, described on the Summary Page that was proposed by Concessionaire and accepted by the City as a material part of the consideration to the City for this Agreement. "Brand" shall include the plural where the context requires.

2.06. CONCESSION SPACE

"Concession Space" shall mean the Concession Space or Spaces as generally depicted on the Concession Space Plan attached hereto as **Exhibit A**, located within the Terminal and/or the Concourses and containing the number of square feet set forth on the Summary Page. "Concession Space" shall include the plural where applicable. The City and Concessionaire acknowledge and agree that the dimensions of the Concession Space as set forth in **Exhibit A** are approximate and that, following the completion of construction, the precise dimensions and square footage shall be determined by the Manager and a revision to the Summary Page and **Exhibit A** will be made, if necessary, depicting the dimensions and square footage of the Concession Space as actually constructed. The Manager may add or subtract square footage of up to 10% of the Concession Space (without a corresponding adjustment to the MAG) with the prior written consent of the Concessionaire. Each of these actions may be taken without the requirement of a formal amendment to this Agreement.

2.07. CONCESSIONAIRE'S EQUIPMENT

"Concessionaire's Equipment" shall mean all equipment, apparatus, machinery, signs, furnishings, trade fixtures and other non-affixed personal property installed by Concessionaire and used in the operation of the business of Concessionaire (as distinguished from the use and operation of the Concession Space.)

2.08. CONCESSIONAIRE'S PROPOSAL

"Concessionaire's Proposal" shall mean the proposal including the brand proposed as finally submitted by Concessionaire and accepted by City and consisting of Concessionaire's plans for its design, Concessionaire's proposed brand, products, product and services lists and pricing plans, and Concessionaire's entire plan of operation.

2.09. CONCOURSES

"Concourses" shall mean Concourses A, B and C located at the Airport but specifically excepts the Terminal as herein defined.

2.10. DIA DESIGN STANDARDS

"DIA Design Standards" shall mean the design standards and criteria established for Denver International Airport and as such standards and criteria may be established or modified from time to time.

2.11. DIA ENVIRONMENTAL GUIDELINES

"DIA Environmental Guidelines" shall mean those portions of the environmental standards and criteria established for non-aviation tenant development and operations at the Airport, as they may hereafter be amended.

2.12. DIA TENANT DEVELOPMENT GUIDELINES

"DIA Tenant Development Guidelines" shall mean the criteria established at DIA for tenants and concessionaires for design, construction, installation, signage and related matters, and as they may hereafter be amended.

2.13. EFFECTIVE DATE

"Effective Date" shall mean the date this Agreement commences and becomes fully effective and binding upon the Parties, which is the date filled in by the City in the first paragraph of this Agreement.

2.14. IMPROVEMENTS

"Improvements," which may also be called "Concession Improvements," or "Tenant Improvements," shall mean any new construction, equipment, finishes, fixtures, systems, furnishings and furniture installed by Concessionaire, as well as modifications or alterations to existing construction, equipment, finishes, fixtures, systems, furnishings and furniture that conform to drawings and specifications approved in writing by the Manager's authorized representative.

2.15. MANAGER

"Manager" shall mean the City's Manager of Aviation or the Manager's successor in function.

2.16. MANAGER'S AUTHORIZED REPRESENTATIVE

Whenever reference is made herein to the "Manager or the Manager's authorized representative," or words of similar import are used, the City's Deputy Manager of Aviation/Revenue Development shall be such authorized representative of the Manager. The Deputy Manager's authorized representative is the Airport's Concessions Director who designates the Airport's Concessions Manager for administration of this Agreement. Concessionaire shall submit its reports, memoranda, correspondence and submittals to the Concessions Manager. The Manager and the Deputy Manager may rescind or amend any such designation of representatives or delegation of City authority upon notice to the Concessionaire.

2.17. PAST DUE INTEREST RATE

"Past Due Interest Rate" shall mean interest accruing at 18% per annum commencing on the fifth business day after the date such amount is due and owing until paid to City.

2.18. PRODUCTS

"Products" shall mean the specific food, beverages, merchandise, services described on the Summary Page and *Exhibit E* that Concessionaire is authorized to sell at Denver International Airport.

2.19. RENT COMMENCEMENT DATE

"Rent Commencement Date" shall mean the earlier to occur of either the date Concessionaire first opens for business in the Concession Space or the Required Opening Date stated on the Summary Pages. The Concession Space shall be deemed to be open for business when the following criteria has been met and Concessionaire has (i) delivered documentation satisfactory to the City of completion of construction of the entire (100%) Concession Space; (ii) obtained written permission from the Manager's authorized representative to and thereafter removed the construction wall surrounding the Concession Space, and (iii) commenced generating sales and revenue from the Concession Space. The final Rent Commencement Date shall be documented by a written letter of confirmation signed by the Parties and made a part of this Agreement as *Exhibit D*.

2.20. TERMINAL

"Terminal" shall mean the Jeppesen Terminal Building located at the Airport.

2.21. TERMINAL COMPLEX

"Terminal Complex" shall mean collectively the Terminal and the Concourses located at the Airport as they are defined herein.

SECTION 3 – GRANT OF CONCESSION RIGHTS

3.01. CONCESSION RIGHTS GRANTED

Rights Granted. As of the date of actual possession of the Concession Space, which date will be documented in writing and added to **Exhibit D**, the City hereby grants to Concessionaire the right and obligation to occupy, improve and use the space and facilities, shown and described on the attached **Exhibit A**, which contains approximately the number of square feet of Concession Space listed on the Summary Page, consistent with the City's vision, Concessionaire's Proposal and subject to all of the terms, conditions, covenants and provisions of this Agreement.

Construction Obligation. Concessionaire shall have the right and obligation to construct improvements upon the Concession Space for use in its operations in accordance with plans and a Construction Schedule approved, in writing in advance by the Manager's authorized representative. Concessionaire's construction obligations are set forth in more detail in Section 6.

Delay in Delivery. If the City cannot deliver possession of the Concession Space to the Concessionaire on the Target Possession Date for any reason, the City shall not be subject to any liability therefor. Such failure of delivery shall not affect the validity of the Agreement or the obligations of the Concessionaire hereunder or extend the Expiration Date. If the City is unable to deliver possession of the Concession Space to the Concessionaire within twelve (12) months after the Target Possession Date for any reason then the City, in its sole and absolute discretion, shall have the option at any time thereafter to notify the Concessionaire of the City's intent to terminate the Agreement in which event the Agreement shall terminate and both the City and the Concessionaire shall be released from any liability or obligation under the Agreement.

3.02. USE OF CONCESSION SPACE

Permitted Use. Concessionaire may use the Concession Space only for the Permitted Use described on the Summary Page and for no other purpose. Concessionaire shall have a non-exclusive right to operate a concession in the Concession Space shown on **Exhibit A**, and sell those products/services approved by the City and described on the Summary Page and on the Approved Product and Services List attached hereto as **Exhibit E**. Concessionaire shall conduct only those operations and sell only those goods and services described on the Summary Page and on the Approved Product and Services List. Concessionaire covenants and agrees to operate its Concession in strict conformity with the Permitted Use.

Express Restrictions. Unless otherwise authorized in writing by the Manager, Concessionaire shall not offer for sale items expressly restricted on the Summary Page; nor shall Concessionaire offer for sale any food, beverage, merchandise, services or engage in any activity not specifically provided for under the terms of this Agreement.

Trade Name. Without limiting the generality of this Section 3 or any requirements set forth in this Agreement, Concessionaire shall not operate under any trade name or brand, other than a trade name or brand specifically permitted or required herein.

No Displays outside the Concession Space. Concessionaire shall not place, install, maintain or use any racks, stands or other display of merchandise, trade fixtures or furnishings in or upon

any areas located outside the Concession Space, regardless of whether such areas are adjacent to the Concession Space.

No Solicitation outside the Concession Space. In no event will Concessionaire engage in any activity on the Airport outside of the Concession Space for the recruitment or solicitation of business.

Brands are Material. Concessionaire acknowledges that the use of brand, branded items or branded concepts is of critical importance to meeting the City's purpose for the concessions program at Denver International Airport and therefore any Brand that Concessionaire is authorized to operate at Denver International Airport are a material part of the consideration to the City for this Agreement and may not be unilaterally discontinued or changed by Concessionaire.

License or Franchise Agreement. If the Brand that Concessionaire is authorized to operate from the Concession Space, in accordance with the terms of this Agreement, is not owned or controlled outright by Concessionaire but granted through a separate License Agreement or Franchise Agreement, Concessionaire shall provide to the City a copy of the License or Franchise Agreement or other documentation satisfactory to the City that conclusively demonstrates that Concessionaire has entered into such a License Agreement or Franchise Agreement. Concessionaire must continuously abide by the terms of the License or Franchise Agreement and maintain the License or Franchise Agreement in good standing throughout the term of this Agreement. Concessionaire hereby represents that there is nothing contained in the License or Franchise Agreement, which would prevent it from fully performing this Agreement and agrees that, in the event of a conflict between this Agreement and the Franchise Agreement or License Agreement, the terms and conditions of this Agreement shall control. If Concessionaire fails to provide such documentation within thirty (30) days after execution of this Agreement, the City may terminate this Agreement by written notice to the Concessionaire in which event the Agreement shall terminate and both the City and the Concessionaire shall be released from any liability or obligation under the Agreement.

3.03. RIGHTS NOT EXCLUSIVE.

The City reserves the right to allow others to conduct the operations and/or sell goods and services in other locations at the Airport that are the same or similar or even identical to those described on the Summary Page. Concessionaire understands and agrees that its right to conduct operations and/or sell any goods or services at the Airport is not exclusive and that the use of the property subject to this License is restricted by all applicable rules, regulations, statutes, or ordinances promulgated by any federal, state, or municipality having jurisdiction over the Airport.

3.04. MEANS OF ACCESS

Non-Exclusive Access. Concessionaire, its agents, invitees, guests, employees and suppliers have a non-exclusive right of ingress to and egress from the Concession Space by a means of access located outside the boundaries of such space as specified by City. Such access shall, without exception, be in common with such other persons (including, at the option of the City, the general public) as the City may authorize or permit, and the City may at any time close, relocate, reconstruct or modify such means of access, provided that a reasonably convenient and adequate means of ingress and egress is available for the same purpose.

Subject to Security. This right of access is subject to the security requirements of the Section herein entitled *Security*. Moreover, without exception, nothing in this Agreement shall be

construed to prevent the City from charging the operators of vehicles carrying passengers and property a fee for the privilege of entering upon the Airport or using the roadways in or on the Airport, or soliciting passengers upon the Airport, or otherwise operating on the Airport; and City reserves the right to make such charges provided that they do not discriminate unreasonably against the operators of vehicles used for carrying officers, employees, passengers or property of Concessionaire.

3.05. RIGHT OF INSPECTION

The City, its agents and employees, retain at all times during the term of this Agreement, the full right of entry in and to the Concession Space for any purpose necessary, incidental to or in connection with its obligations hereunder, or in the exercise of its governmental functions, or for the purpose of making any inspection it deems necessary, with or without advance notice, without liability, and without in any manner affecting Concessionaire's obligations under this Agreement. Without limiting the foregoing, such entry may be made for the purpose of making any inspection the City deems necessary, to make such repairs, alterations, improvements, or additions as the City is required or authorized to make under this Agreement, to determine whether Concessionaire has complied with the terms and conditions of this Agreement, to cure any breach that remains uncured by Concessionaire after reasonable notice and opportunity to cure have been given to Concessionaire. In addition, during any emergency, the City, or its agents, may enter the Concession Space forcibly, if necessary. Nothing herein contained, however, shall be deemed to impose upon the City any obligation, responsibility, or liability whatsoever, for any care, maintenance, or repair, except as otherwise expressly provided for in this Agreement. No such reasonable entry by or on behalf of the City upon locations subject to this Agreement shall constitute or cause a termination of this Agreement nor shall such entry be deemed to constitute an interference with the use thereof by the Concessionaire.

SECTION 4 – TERM

4.01. TERM

This Agreement shall commence and become fully effective and binding upon the Parties as of the Effective Date. "Term" as used herein shall mean the date commencing upon the Rent Commencement Date and expiring upon the date listed on the Summary Page ("Expiration Date"), unless sooner terminated pursuant to the provisions of this Agreement or by law. The final Rent Commencement Date and Expiration Date shall be documented by a written letter of confirmation signed by the Parties and made a part of this Agreement as **Exhibit D**. Each of these actions may be taken without the requirement of a formal amendment to this Agreement.

4.02. SURRENDER OF CONCESSION SPACE

Standard for Surrender. Upon the expiration or earlier termination of this Agreement or on the date specified in any demand for possession by City after any default, Concessionaire must have fully performed all of its obligations under this License, including delivery to the City of all keys to any doors and to any Improvements located on the locations subject to this Agreement. Concessionaire covenants and agrees to surrender possession of the Concession Space to City in broom clean condition and good state of repair, ordinary wear and tear excepted. Ordinary wear and tear shall not include deterioration that could have been prevented by proper maintenance practices, or by Concessionaire performing all of Concessionaire's obligations under this Agreement. Concessionaire covenants and agrees to cooperate with the City's Termination procedures described in Section 6.16.

4.03. HOLDING OVER

Holding Over. If Concessionaire holds over after the Expiration Date, any extension thereof, or earlier termination of this Agreement as herein provided, and the City and Concessionaire have not otherwise agreed, in writing, to the terms and provisions of such holding over, thereafter Concessionaire's occupancy shall be deemed by the City to be either a month-to-month holdover tenant, or a tenant at sufferance, at a monthly rental, payable in advance, equal to 150% of the monthly Rent provided in Section 5 of this Agreement ("holdover fee"), and Concessionaire shall remain bound by all terms, conditions, covenants, and agreements hereof.

Month -to -Month Tenancy. If Concessionaire is deemed to be a holdover tenant, Concessionaire and the City agree that: (a) the tenancy shall be month-to-month and may be terminated at any time by thirty (30) days prior written notice from either Party to the other; and (b) the MAG shall continue to adjust annually, using the same formula for MAG adjustment as provided in Section 5.

Tenant at Sufferance. In the event that the City deems Concessionaire a tenant at sufferance, all of the provisions of the previous sentence shall apply, except that the City will notify Concessionaire, in writing, that Concessionaire is a tenant at sufferance. Thereafter, the City may take immediate action to evict Concessionaire without further notice and may otherwise exercise any other rights and remedies available to it at law or in equity.

Holdover Fee Waiver. Upon expiration of this Agreement, and In the Manager's sole discretion, the holdover fee may be waived in writing to allow Concessionaire to holdover at 100% of the monthly Rent provided in Section 5 of this Agreement.

No Right to Holdover. Nothing herein shall be construed to give Concessionaire the right to hold over at any time, and the City (after expiration or termination of this Agreement), as the case may be, may exercise any and all remedies at law or in equity to recover possession of the Concession Space, as well as any damages incurred by City on account of such holding over.

SECTION 5 – RENT

5.01. RENT

Rent Covenant. Concessionaire covenants and agrees, in advance, without setoff, deduction, prior notice or abatement, to pay City as Rent for the rights and privileges herein granted by City the greater of (a) a sum equal to Concessionaire's annual Gross Revenues, as herein defined times the percentage rent amounts shown on the Summary Page for the volume and type of sales, ("Percentage Rent"), derived by the Concessionaire from its operations under this Agreement, or (b) the Minimum Annual Guaranteed Rent ("MAG"), and in addition thereto, Additional Rent pursuant to Section 5.03.

Rent Commencement. Said obligation to pay Rent shall commence upon the Rent Commencement Date set forth in Section 2.19 herein and continue through the Term hereof.

Minimum Annual Guaranteed Rent. The MAG for the first year will be the amount stated on the Summary Page. The MAG shall be paid monthly in twelve equal installments ("MMG"). The first MMG payment shall be due and payable on the Commencement Date and thereafter the MMG shall be paid on the first day of each month through the Term hereof. After the first full year and for each subsequent year of this Agreement, the MAG will be adjusted annually on a common annual date to be established by the City to an amount equal to (i) 85% of the Rent owed the City for the prior year as computed under this Section 5 (excluding any Additional Rent).or (ii) the first year MAG initially stated on the Summary Page, whichever is greater.

Notwithstanding the foregoing, the MAG will never be less than the first year MAG initially stated on the Summary Page.

5.02. GROSS REVENUES

All Revenue. As used herein, the term "Gross Revenues" shall mean all billings and receipts at the point of sale from sales of all other items sold, whether for retail or wholesale, and the charges for all services performed by Concessionaire or any other person or entity in, at, or from the Concession Space, regardless of place or time of actual payment or receipt of merchandise, whether for cash, credit or otherwise, regardless of whether any party other than Concessionaire is providing or operating equipment or services involved in the transaction or billing or receiving revenue from such transaction, without reservation or deduction for uncollected amounts, credit card fees or charges, or collection costs, including, but not limited to: (a) all sales and services occurring on the Concession Space or within the Airport, including all orders that originate in, at or from the Concession Space, regardless of where delivery or performance is made; (b) orders that are made to and/or filled from the Concession Space pursuant to mail, telephone, fax, catalog, internet, or otherwise received, filled, or distributed from the Concession Space, including catering, even if performed at cost or related to a service or management fee associated with providing products and/or services for an airline's preferred passenger club/lounge (c) any income resulting from transactions originating in, at, or from the Concession Space or within the Airport including but not limited to promotional or advertising income received by or paid to Concessionaire in exchange for displays, promotions, advertising or other business transacted at the Concession Space, (d) deposits not refunded to customers; and (e) insurance proceeds received due to loss of gross earnings under business interruption coverage.

Excluded from Gross Revenues. When properly recorded and accounted for, a reduction from Gross Revenues shall be allowed for: (i) bona fide returns for credit, (ii) refunds to customers, but only to the extent the original sale to that customer was included in Gross Revenues; (iii) sales of fixtures, machinery and equipment after use in Concessionaire's business in the Concession Space; (iv) sales, excise, or similar taxes imposed by a governmental entity and collected from customers and then directly paid by Concessionaire to the government entity; sales taxes collected for remittance to the State or City, tips, and federal excise taxes collected, which must be separately stated, collected from the customer and remitted to the federal government by the Concessionaire; and (v) shipping and delivery charges if provided at cost and separately stated on customer invoices. There shall not be allowed from Gross Revenues any reduction for bad debts, loss from theft or any deduction except as outlined above.

Recording of Gross Revenues and Handling of Cash. To record all sales generated in, at, or from the Concession Space, Concessionaire shall use a cash register and point of sale system (collectively, "POS") acceptable to the City, which is capable of producing duplicate sales slips, or printouts on which each sale is identified, itemized and recorded. Concessionaire shall adhere to a "Cash and Record Handling" policy developed by Concessionaire, which is acceptable to the City. Concessionaire shall submit the Cash and Record Handling policy to the City upon request.

5.03. MONTHLY STATEMENTS AND PAYMENTS

MAG Payment. An amount equal to one-twelfth of the MAG as adjusted pursuant to Section 5.01, shall be payable by Concessionaire to the City in advance and without demand on the

Commencement Date, and on the first day of each calendar month thereafter. The MAG for a partial month during the Term of this Agreement shall be prorated on a per diem basis.

Percentage Rent Payment and Revenue Statements. By the 10th day of the second and each succeeding month following the Rent Commencement Date, Concessionaire shall furnish to the Airport's Finance Section and provide copies to the Concessions Management Section in a form acceptable to the Manager's authorized representative, a true and accurate verified statement ("Revenue Statement") of Concessionaire's Gross Revenues (broken down by location) for the preceding month and in the event that the Percentage Rent of Concessionaire's Gross Revenues derived from its operations for the preceding month exceeds the MMG payment for that month, Concessionaire shall pay to the City an amount equal to such excess. Monthly Revenue Statements shall be submitted to the City by mail to the address shown below in Section 5.06. At any time upon advance written notice to Concessionaire, the City may require Concessionaire to submit its monthly Revenue Statements in electronic form or change the timing of the submittal of the monthly Revenue Statements, or otherwise to modify the form of the monthly Revenue Statement. The City shall also be entitled to receive, upon request, detailed monthly profit and loss statements, also broken down into categories specified by the City.

Revenue Statements to be certified. Revenue Statements shall be signed by the chief financial officer or the chief executive officer of Concessionaire certifying that to the best knowledge of the officer submitting the Statement, the Gross Revenue reported and the Rent paid by Concessionaire for the preceding month, was correct and properly calculated in accordance with the terms of this Agreement.

Joint Marketing Fund Payment Due. With its monthly Revenue Statement, Licensee shall also calculate and pay to the City a Joint Marketing Fund payment which shall be an amount equal to the percent of Concessionaire's Gross Revenues stated on the Summary Page.

Additional Rent. All amounts required to be paid by Concessionaire under this Agreement, other than the MAG and Percentage Rent, shall be deemed "Additional Rent" (whether or not so designated herein), including but not limited to the Joint Marketing Fund payment, Interim Rent, utilities fees, late or delinquent fees, accrued interest, liquidated damages and any other fees or charges payable under this Agreement. Concessionaire shall pay Additional Rent in the manner and at the place provided in this Agreement. If such amounts or charges are not paid at the time and in the manner as provided in this Agreement, they shall nevertheless be collectible as Additional Rent with the next installment of Rent thereafter falling due, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder or to limit any other remedy of the City. All amounts of MAG, Percentage Rent and Additional Rent (also collectively referred to in this Agreement as "Rental") payable in a given month shall be deemed to comprise a single rental obligation of Concessionaire to City.

Performance Surety may be drawn. If the City has not received the monthly Revenue Statement on the date due, the City reserves the right, in addition to all of its other rights as stated herein, to immediately thereafter, and without notice, invoice Percentage Rent to Concessionaire based on the City's estimate of Concessionaire's Gross Revenues and to draw on the Performance Surety, based on the City's estimate of what is due. Any such draw against the Performance Surety by the City shall not release Concessionaire from the obligation of providing the actual monthly Revenue Statement.

Concessionaire's Payment Obligations. Concessionaire covenants to pay all Rent and charges under this Agreement independent of any obligation of the City. No breach of this Agreement by the City shall relieve Concessionaire of its obligation and duty to pay all such Rent and charges when due under the terms of this Section 5.

5.04. TITLE TO CITY'S COMPENSATION

Immediately upon Concessionaire's receipt of monies from the sale of food, beverages, merchandise or services that it is authorized to sell under the terms of this Agreement, the percentages of said monies belonging to City shall immediately vest in and become the property of the City. Concessionaire shall be responsible as trustee for said monies until the same are delivered to City.

5.05. INTEREST ON PAST DUE AMOUNTS

Any payments not made to City when due shall accrue interest at the Past Due Interest Rate, as herein defined.

5.06. PLACE AND MANNER OF PAYMENTS

All sums payable to City hereunder shall be made payable to "Airport Revenue Fund" and paid without notice at the following:

Airport Revenue Fund
Denver International Airport
P.O. Box 492065
Denver, CO 80249-2065

or, at such other place as the Manager's authorized representative may hereafter designate by notice in writing to Concessionaire. All sums shall be made in legal tender of the United States. Any check given to the City shall be received by it subject to collection, and Concessionaire agrees to pay any charges, fees or costs incurred by the City for such collection, including reasonable attorney's fees, costs and expenses.

5.07. APPLICATION OF PAYMENTS

The City is entitled to accept, receive and cash, or deposit, any payment made by Concessionaire for any reason or purpose or in any amount whatsoever, and apply the same, in the City's sole option, to any obligation of Concessionaire. Such payment or application shall not constitute payment of any amount owed, except that to which the City has applied the payment. No designation of any payment by Concessionaire for application to a specific portion of Concessionaire's financial obligations hereunder shall be binding upon the City. No endorsements or statement on any check or any letter accompanying any check or payment as compensation or other charges shall be deemed an accord and satisfaction or otherwise recognized for any purpose whatsoever. The acceptance of any such check, payment or partial payment, shall be without prejudice to the City's right to recover the balance of any and all compensation or other charges due from Concessionaire to the City and the City's right to pursue any other remedy provided in this Agreement or in law or at equity.

5.08. BOOKS OF ACCOUNT AND AUDITING

Annual Statement. Not later than February 28 of each and every year during the Term hereof, Concessionaire shall furnish to City a true and accurate statement of the total of all Gross Revenues for the preceding calendar year ("Annual Certified Statements" or "Annual

Statements”) listing the authorized deductions or exclusions in computing the amount of such Gross Revenues and including a breakdown of Gross Revenues on a month-by-month basis.

Certification of Annual Statements. Annual Statements may be prepared and certified by either (i) the chief financial officer or the chief executive officer of Concessionaire (stating that the Gross Revenue reported and Rent paid by Concessionaire during the preceding year was properly reported and calculated, that the monthly Revenue Reports were free of material misstatement and that payment was made in accordance with the terms of this Agreement), or (ii) an independent certified public accountant (“CPA”), who has audited the Gross Revenues in accordance with generally accepted accounting principles for special reports (“Audited Gross Revenue Statement”).

Form of the Annual Statement. The Annual Statement shall be in a form acceptable to the Manager’s Authorized Representative, and shall contain a complete, itemized statement of Concessionaire’s: (a) annual total Gross Revenues broken out monthly, as shown on the books and records of Concessionaire, detailed as used to compute any Percentage Rents during the period covered by the Annual Statement; (b) the total Rent due under each category; and (c) the total Percentage Rent paid. Such statement shall be furnished for every calendar year in which business was transacted under this Agreement during the whole or any part of the year.

Bi-Annual Statements. If Concessionaire elects to have its chief financial officer or chief executive officer certify its Annual Statements, then not later than May 31st of every other year during the Term hereof commencing in the year following the first complete calendar year of the term, Concessionaire shall have a CPA prepare and furnish to the City a true and accurate statement (“Bi-Annual Statement”) of the total of Gross Revenues for the preceding calendar year along with a letter in substantial conformity with the form applying agreed upon procedures.

Late Statements. If Concessionaire elects to have its chief financial officer or chief executive officer certify its Annual Statement and is late with its Annual Statement or if Concessionaire’s Bi-annual Statement is late, then Concessionaire shall submit an Audited Gross Revenue Statement to the City, except that the Manager’s authorized representative may modify or waive this requirement in writing upon good cause shown by Concessionaire. Said Audited Gross Revenue Statement shall be due no later than 90 days from the due date of the late Annual Statement or the late Bi-Annual Statement.

Manager’s Discretion. The above requirements for Annual and Bi-Annual Statements may be modified in the sole discretion of the Manager, if such modification is in the best interest of the City.

Bookkeeping System. Concessionaire agrees to establish and maintain a cost accounting system of bookkeeping satisfactory to the City’s Auditor. Such system shall be kept in a manner as to allow each location of the Concessionaire’s operations hereunder to be distinguished from all other locations or operations of Concessionaire. Concessionaire shall prepare financial statements in conformity with generally accepted accounting principles, applying certain estimates and informed judgments, as required.

Financial Accountability. Concessionaire shall keep and make available upon request true and complete records and accounts of all Gross Revenues and business transacted, including daily bank deposits. Concessionaire agrees that the City’s duly authorized representatives (including but not limited to the Manager, the City’s Auditor, and their authorized representatives) shall have access to and the right to audit, examine and copy during normal business hours any directly pertinent books, documents, papers and records of the

Concessionaire related to revenue derived or generated under this Agreement. Concessionaire shall keep and preserve for at least three (3) years after expiration or termination of this Agreement, or until sooner audited by the City, all sales slips, cash register tapes, sales books, bank books or duplicate deposit slips, and all other evidence of Gross Revenues and business transacted for such period.

Audit of Records. The City's Auditor, the Manager, and their respective authorized representatives shall have the right at any time to inspect, copy, examine or audit all of the books of account, bank statements, documents, records, returns, papers and files of Concessionaire relating to the Gross Revenues and business transacted to verify compliance with this Agreement. The City may use its own staff to perform audits under this Section, or may engage a duly authorized representative to perform the audit.

Audit Request. Concessionaire, upon written request, shall make all such documents available for examination within the Denver metropolitan area; or shall pay in full, in advance, travel and related expenses of a City representative to travel to any location outside the Denver area for such examination. Following the travel, expenses shall be reconciled, and any difference between the advance payment and the actual expenses shall be paid by or refunded to Concessionaire as appropriate. Such documents shall be available to the City representative within 14 calendar days of the date of the written request.

Audit Delay. The Parties agree that, after execution of this Agreement, any delay in furnishing such records to the City will cause damages to the City, which the Parties agree are liquidated in the amount of \$350.00 per day for each day the records are unavailable beyond the date of the City's request.

Understated Revenues. If City determines after an audit for any year that the Gross Revenues and business transacted shown by Concessionaire's statement for such year were understated, Concessionaire shall pay the amount of the deficiency plus interest at the Past Due Interest Rate. If an audit reveals that Concessionaire has understated its Gross Revenues by more than 1% in two of any six months of an audited period (a period of no more than twelve months prior to the date of the audit), the entire expense of the audit shall be borne by Concessionaire; Concessionaire shall pay the Past Due Amount to City, plus interest at the Past Due Interest Rate, plus the cost of the audit all within 30 calendar days of the City's invoice. In addition, for the most current year in which gross revenues were understated, Concessionaire shall have a CPA prepare and submit an Audited Gross Revenue Statement to the City.

Time for Performing an Audit. Books and records shall be kept for a period of three (3) years after expiration or termination of this Agreement. The City's right to perform an audit shall expire three years after Concessionaire's statement for that year has been delivered to the City.

City's Sales Taxes. Concessionaire agrees that the Manager, the Auditor, and their authorized representatives, may inspect any documents, returns, data or reports filed pursuant to Chapter 53 of the Denver Revised Municipal Code by Concessionaire with the City's Manager of Revenue and any related reports, documents, data or other information generated by the City's Manager of Revenue or employees under the control of such Manager of Revenue in connection with any investigation or audit of Concessionaire by the City's Department of Revenue. Concessionaire authorizes and permits the inspection of such documents, data, returns, reports and information by the Manager, the Auditor and their authorized representatives, and, further, waives any claim of confidentiality that it may have in connection with such inspection of documents, returns, data, reports and information.

5.09. RECOVERY OF CITY EXPENSE TO FULFILL CONCESSIONAIRE'S OBLIGATIONS

Concessionaire to Reimburse City. If the City has paid any sum or sums or has incurred any obligations or expense for which the Concessionaire has agreed to pay or reimburse the City, or if the City is required or elects to pay any sum or sums or insure any obligations or expense (a) by reason of failure, neglect, or refusal of the Concessionaire to perform or fulfill any one or more of the conditions, covenants, or agreements contained in this Agreement; or (b) as a result of an act of omission of the Concessionaire contrary to the conditions, covenants, and agreements contained in this Agreement, then, after written notice thereof by the City, the Concessionaire agrees to pay to the City the sum or sums so paid or the expenses so incurred, including all interest, costs, damages, and penalties, plus a twenty percent (20%) administrative fee, and each and every part of the same shall be and become Additional Rent, recoverable by the City in the same manner and with like remedies as if it were originally a part of the Rent as set forth herein.

Evidence of Reasonable Expense. For all purposes under this Section 5.09, and in any suit, action, or proceeding of any kind between the Parties hereto, any receipt showing the payment of any sum or sums by the City for any work done or material furnished shall be prima facie evidence against the Concessionaire that the amount of such payment was necessary and reasonable. In the event the City brings suit to collect any delinquent payments due it by the Concessionaire, the City shall be entitled to recover all court costs and its reasonable attorney fees. Should the City elect to use its own operating and maintenance staff in making any repairs, replacements, and/or alterations and to charge the Concessionaire with the cost of same, any timesheet of any employee of the City showing hour of labor or work allocated to any such repair, replacement, and/or alteration, or any stock requisition of the City showing the issuance of materials for use in the performance thereof, shall be prima facie evidence against the Concessionaire that the amount of such charge was necessary and reasonable.

5.10. REMEDIES NON-EXCLUSIVE

The remedies provided in this Section 5 are in addition to all other rights and remedies that the City may have for a breach or violation of this Agreement. Nothing in this Section shall be deemed to be a waiver by the City of any breach or violation, nor shall it be deemed to stop the City from terminating this Agreement or from asserting any other of its other rights or remedies under this Agreement, or at law or in equity. Nothing contained herein shall be construed to require the City to accept delinquent Rent, or delinquent Additional Rent. Acceptance of full or partial payment of delinquent Rent, or delinquent Additional Rent, shall not constitute a waiver of any of the City's other rights and remedies under Section 11.

5.11. REESTABLISHMENT OF RENTALS, FEES AND CHARGES

City may Reestablish Rentals, Fees and Charges. The City, through the Manager, may from time to time, at intervals of not more than five (5) years, at the Manager's sole discretion, and subject to the requirements of any outstanding bond ordinance pertaining to the Airport, reestablish the rentals, fees and charges provided for herein. The City agrees that such reestablished schedule of rentals, fees and charges shall be reasonable in relation to the cost of providing, operating and maintaining property, services and facilities of the airport system.

Concessionaire may Cancel and Terminate Agreement. If the Manager proposes any change in the schedule of rentals, fees and charges, the City will give notice thereof to Concessionaire not less than 90 days before the same is to become effective. Should the proposed rentals, fees and charges result in an increase of more than 5% in the dollar amount

of compensation paid by Concessionaire for the prior calendar year, then Concessionaire may decline to pay compensation at the new rate(s). Concessionaire shall promptly advise the Manager (but in no event less than 60 days prior to the proposed effective date of such schedule of rentals, fees and charges) of its intention to cancel and terminate this Agreement. Upon such notice of intent to cancel and terminate, Concessionaire shall surrender the Concession Space upon a date specified by the Manager. Should Concessionaire fail to give such notice of cancellation and termination, then it shall be deemed to have accepted the new rate(s) of compensation as promulgated by the Manager.

No Waiver. No failure by the City to reestablish the rentals, fees and charges at a five (5) year interval date shall constitute a waiver of the City's right to reestablish the rentals, fees and charges at any time thereafter.

SECTION 6 – CONSTRUCTION RESPONSIBILITIES OF CONCESSIONAIRE

6.01. “AS IS” CONDITION OF CONCESSION SPACE

Concessionaire accepts the Concession Space in “as is” and “where is” condition with absolutely no warranties as to condition or suitability for use being given by the City. Concessionaire is required to completely demolish and remodel the Concession Space and all improvements made to the Concession Space, unless otherwise specified herein, shall be made and maintained by Concessionaire, at Concessionaire's sole cost and expense.

6.02. TIME TO COMPLETE CONSTRUCTION

Time is of the Essence. The Parties agree that time is of the essence in the performance of Concessionaire's construction obligations throughout the Term of this Agreement.

Construction Completion Deadline. Concessionaire, at its own cost and expense, shall complete its design, obtain building permits and complete construction or installation of the initial Improvements no later than the Construction Completion Deadline stated on the Construction Summary Page. Such period may be extended by the Manager or the Manager's authorized representative, in writing, if completion of the design or construction or installation of the initial Improvements was delayed by fault of the Airport. The Parties understand and agree that design shall commence before the Target Possession Date, as outlined in Section 6.03 and 6.04.

6.03. APPROVAL OF PLANS AND SPECIFICATIONS FOR NEW SPACE

Conceptual Plans. As soon as practicable but no later than 30 days after execution of this Agreement, Concessionaire shall attend a pre-design meeting with the Airport's concessions management team and thereafter, prepare and submit for City review, conceptual plans and specifications (collectively "Conceptual Plans") and a proposed design and construction progress and completion schedule ("Construction Schedule") for the construction of all proposed initial Improvements.

Prompt Submission. Conceptual Plans shall show architectural design as well as planned furnishings, equipment and decorative effects. Conceptual Plans must be submitted to the City promptly. Prior to submission of Conceptual Plans, Concessionaire should carefully review the DIA Design Standards and the DIA Tenant Development Guidelines, with paying particular attention to the Sense of Place section of the Tenant Development Guidelines, which outline the process for preparing the Conceptual Plans and for working with the City in obtaining approval of Conceptual Plans.

Prompt Review. The City shall promptly review and comment on the Conceptual Plans. City approval shall extend to all design elements (e.g., materials, color selections) and all architectural and aesthetic matters. During this comment and review period, Concessionaire must be available to respond to the City in order to arrive at mutually acceptable plans for the Concession Space. Concessionaire will promptly submit necessary modifications and revisions thereof and the City agrees to act promptly upon receipt of such modifications and revisions and upon Concessionaire's requests for approval of Concessionaire's Conceptual Plans.

6.04. FINAL PLANS

Design Considerations. Once Conceptual Plans are approved, Concessionaire may move forward with the design for the Concession Space. The design shall include all tenant finish requirements including but not limited to lighting, power, plumbing, HVAC distribution from main air supply, HVAC controls for the tie in to the base building system, supplemental HVAC if needed, life safety systems, interior finishes, all furnishings, fixtures, trade fixtures, equipment, and signage necessary to operate in a first-class manner. Special attention must be given to the design of the HVAC and electrical systems. For a concept that creates odors, the mechanical system must be designed or configured to prevent the transmission of said odors to other portions of the Concourses or the Terminal. All plans and specifications, materials and color selections are subject to review and approval by the Manager's authorized representative.

Preparation of Final Plans. Concessionaire shall prepare final plans and detailed specifications that incorporate the design intent approved in the Conceptual Plans ("Final Plans"). Final Plans shall be submitted for approval by the City. Final Plans must be prepared by an architect or engineer licensed to practice in the State of Colorado.

Resubmission until Approved. The City reserves the right to reject any design concept or layout plan submitted and to require Concessionaire promptly to submit necessary modifications and revisions that address the City's concerns and resubmit Final Plans until they meet the City's approval. Concessionaire agrees to submit promptly necessary modifications and revisions thereof and the City agrees to act promptly upon receipt of such modifications and revisions and upon Concessionaire's requests for approval of Concessionaire's Final Plans. Once the Final Plans have been approved, in writing, by the City, all construction shall conform to the Final Plans, and no substantial changes or alterations shall be made in any plans or specifications at any time during this Agreement without the prior written approval of the City.

No Construction without Final Plans. As soon as practicable but no later than 10 days after approval by the City of Concessionaire's Final Plans, Concessionaire shall attend a pre-construction meeting with the Airport's Concession Tenant Facilities Manager. Tenant may not construct or install the initial Improvements as defined in this Section 6.06 and **Exhibit X** without City approved Final Plans and a City issued Notice to Proceed ("NTP") as defined in Section 6.05.

6.05. NOTICE TO PROCEED

Once Final Plans are approved and prior to the commencement of construction, Concessionaire shall submit necessary documents identified in the DIA Tenant Development Guidelines and **Exhibit X**, which outline the process for working with the City to obtain an NTP. As provided therein, Concessionaire shall deliver to the Manager a payment bond that guarantees prompt and faithful payment of the construction contract by the Concessionaire directly to the contractor and shall ensure that Concessionaire's contractors deliver a construction performance and payment bond that guarantees prompt and faithful performance of the contract and prompt

payment by Concessionaire's contractors to all persons supplying labor, materials, team hire, sustenance, provisions, provender, supplies, rental machinery, tools and equipment used directly or indirectly by the said contractor, subcontractor(s), and suppliers in the prosecution of the work provided for in said construction contract, which shall protect the City from any liability, losses or damages arising therefrom. All bonds shall be issued by a surety company licensed to transact business in the State of Colorado and satisfactory to and approved by the City, and shall be in form and with conditions as provided by the City. In lieu of a construction bond, the Concessionaire may provide only such alternate forms of security as are permitted by the Manager, in such form and with conditions as the Manager requires.

6.06. CONSTRUCTION OF INITIAL IMPROVEMENTS

Concessionaire to Install Initial Improvements. Once an NTP is issued by the City, Concessionaire shall construct and install at Concessionaire's own expense, all initial Improvements necessary for the customary operation of Concessionaire's business, including, but not limited to, lighting, power, plumbing, HVAC distribution from main air supply, HVAC controls for the tie in to the base building system, supplemental HVAC if needed, life safety systems, interior finishes, all furnishings, fixtures, trade fixtures, equipment, signage, counters, display cabinets, interior partitions, lighting, fixtures, wall and ceiling finishes, flooring and floor coverings, and all other equipment and furnishings necessary to operate in a first-class manner.

Concessionaire to Supply Concessionaire's Equipment. Concessionaire shall supply all of Concessionaire's furniture, furnishings, trade fixtures and equipment. All non-affixed items, including point of sale equipment, moveable furnishings, safes, racks, telephone equipment and non-affixed display fixtures, shall be deemed to be Concessionaire's Equipment as defined in Section 2.07. All of Concessionaire's Equipment must be of first-class quality, safe, attractive, in compliance with all applicable codes and the DIA Tenant Development Guidelines and may be installed only with the City's prior written approval. All of Concessionaire's Equipment that cannot be removed without damage to the Concession Space shall be considered "Tenant Improvements." As used in this Agreement, "Tenant Improvements" shall mean affixed Improvements.

6.07. CONSTRUCTION STANDARDS

All construction performed by Concessionaire, including construction and installation of all Tenant Improvements, shall conform in all material respects to the Final Plans, DIA Tenant Development Guidelines, applicable statutes, ordinances, building codes, fire codes, State and federal Occupational Safety and Health Act safety requirements, Airport Rules and Regulations, the City's tenant construction permit requirements, the requirements of ***Exhibit X, Provisions for Design and Construction of Improvements*** and the Americans with Disabilities Act ("ADA") requirements. Any approval given by the City shall not constitute a representation or warranty as to such conformity. Responsibility for conformity at all times shall remain with Concessionaire. Before beginning any construction work on the Concession Space, Concessionaire must obtain at Concessionaire's expense, an NTP, as described in the Tenant Development Guidelines.

6.08. REQUIRED MINIMUM INVESTMENT

Minimum Capital Investment Required. Concessionaire guarantees that it will make capital investments for said concession and shall construct the initial Improvements, furnish and equip the Concession Space at a minimum investment set forth on the Summary Page ("Required Minimum Investment"). The Required Minimum Investment shall not include financial costs,

interest, inventory, pre-opening expenses or intra-company charges, but may include architectural and engineering fees not exceeding 15% of the total.

Minimum Capital Investment is Material. The Required Minimum Investment is a material part of the consideration to the City under this Agreement. Within 90 days after completion of construction Concessionaire shall file with the Manager lien releases for the above expenditures and a statement certified by its architect setting forth the total construction costs with appropriate detail itemizing design fees, original construction contract amount, total change orders, decorations, furnishings, fixtures, and equipment. At City's request, Concessionaire shall also submit copies of invoices supporting such costs. Non-receipted expenditures will not be credited. If the total amount of the Concessionaire's construction costs is less than the Required Minimum Investment, the difference between such total cost (as detailed by the certified receipts) and the Required Minimum Investment for renovating the Concession Space, shall be paid to City within 30 days after written notice from City to Concessionaire.

6.09. COORDINATION OF CONSTRUCTION

Periodic Design and Construction Meetings. Concessionaire shall cooperate with City and its planners, designers, architects, and engineers in the construction and installation of the Improvements on the Concession Space, and shall comply with all approved plans and the Building Code. Concessionaire agrees to meet with the City on a periodic basis, as requested by the Airport Concessions Manager. The Airport Concessions Manager shall be copied on all design and construction meeting minutes.

Construction in Adjacent Areas. Concessionaire recognizes that during the Term of this Agreement, construction may also occur in adjacent areas surrounding its Concession Space, and Concessionaire agrees to cooperate with and grant to other contractors access to Concessionaire's Concession Space when necessary to accommodate construction occurring in adjacent areas.

Work Subject to Inspection. All construction work, materials and installations involved in or incidental to the construction on the Concession Space shall be subject at all times to inspection and regulatory control by the City. The City shall at all times have the right of access to the Concession Space to monitor and inspect the construction, work, materials and installation of the Improvements to ensure that such improvements conform in all respects to the Final Plans.

6.10. ENVIRONMENTAL REQUIREMENTS FOR CONSTRUCTION

In the performance of construction activities for the Improvements, Concessionaire is responsible for compliance and shall require its contractors to comply with all federal, state, and local environmental requirements including, without limitation the Environmental Requirements set forth on *Exhibit N, DIA Environmental Requirements*.

6.11. BUILDING PERMITS

In addition to approvals required by the Airport, Concessionaire and its contractor are solely responsible for applying for, obtaining, and paying for all required building permits, licenses and other required approvals, and are responsible for submitting plans and specifications to the City's Building Inspection Division for the necessary building permits.

6.12. COMPLETION OF CONSTRUCTION

Completion of Construction. Upon completion of construction of the initial Improvements Concessionaire shall deliver to City a copy of the Temporary Certificate of Occupancy ("TCO") and Certificate of Occupancy ("CO") for the entire (100%) Concession Space, if one is issued by

the City Building Department. If a TCO or CO is not issued by the City Building Department, Concessionaire shall provide a copy of the final Permit Inspection Card indicating inspection and approval by the issuer of said permit. Concessionaire shall obtain the City's written permission to remove its construction wall and shall immediately thereafter open for business and document the Rent Commencement Date as provided in Sections 2.19 and 4.01.

Delay in Opening. If Concessionaire has not opened for business, as provided in Section 2.19, by the Required Opening Date stated on the Summary Page, Concessionaire shall pay Interim Rent every month until construction is completed and the Concession Space is opened for business, at which time the Parties shall document the final Rent Commencement Date as provided in Section 4.01. Rent then shall be due and payable monthly as provided in Section 5.

Interim Rent. For each month due and payable, Interim Rent shall be the amount stated on the Summary Page for the Concession Space which consists of 1/12 of the annual sales (Gross Revenue) projected by Concessionaire in its Proposal and Pro Forma for year one. The amount of such Interim Rent has been determined based upon numerous considerations including the fact that the City has foregone other proposed revenue-producing uses of the Concession Space and expended money in reliance upon and based upon Concessionaire opening for business on the intended opening date as well as Concessionaire's Proposal and Pro Forma. Such interim Rent shall be deemed to be in lieu of the Percentage Rent (as that term is defined in Section 5.01) that might have been earned during the period of Concessionaire's failure to open.

Interim Rent Due on the Required Opening Date. The first Interim Rent payment is due on the Required Opening Date. If that date is other than the first day of the month, then the first Interim Rent payment shall be prorated for that month. Thereafter, Interim Rent payment is due on the first day of each calendar month until construction is completed and the Concession Space is opened for business.

Interim Rent as a remedy. The Parties agree that it is and will be impracticable and extremely difficult to determine the actual damages suffered by the City and therefore, in order to compensate the City for its loss Concessionaire agrees that it shall pay Interim Rent to the City for each month Concessionaire delays its initial opening beyond the time specified herein. This remedy shall be in addition to any other remedies provided in this Agreement or in law or in equity to the City in the event of default by Concessionaire.

Date Adjustment Required When ...

- **Possession Date Changes.** If the actual date of possession of the Concession Space by the Concessionaire is after the Target Possession Date, the amount of time between Target Possession Date and date of actual possession shall be added to the Construction Deadline, the Required Opening Date, the Refurbishment Completion Date and the Expiration Date and the new dates shall be added to **Exhibit D**. Possession of the Concession Space earlier than the Target Possession Date, shall not affect the Construction Deadline, the Required Opening Date, the Refurbishment Completion Date and the Expiration Date.
- **Construction Deadline Changes.** If the Construction Deadline is enlarged pursuant to the authority reserved to the Manager in Section 6.02, the amount of time by which the Construction Deadline is enlarged shall be added to the Required Opening Date, the Refurbishment Completion Date and the Expiration Date and the new dates shall be added to **Exhibit D**.

No Amendment Required. The Parties agree that each of these required date adjustments and the corresponding adjustment to *Exhibit D*, may be taken without the requirement of a formal amendment to this Agreement.

Lien Releases and other documents. Within the earlier of (a) 30 days after completion of construction of the initial Improvements or (b) 60 days after Concessionaire opens for business, Concessionaire shall deliver to City original executed copies of all mechanics' lien releases or other lien releases notarized and unconditional, in such form as City shall have approved, and an architect's certification that the Improvements have been constructed in accordance with the approved Final Plans and are fully complete in accordance with *Exhibit X*. Concessionaire agrees that, upon the request of the City, Concessionaire will inspect the Concession Space jointly with the City to verify as-built drawings.

Security Procedures. Concessionaire shall submit to the City for review, at least 30 days prior to the Required Opening Date, written operating and security procedures for its operations hereunder. Concessionaire shall revise such operating and security procedures as necessary to obtain City approval of them.

6.13. RESTRICTION ON CHANGES AND ALTERATIONS

Subsequent Construction Requires Prior Approval. After construction and installation of the initial Improvements Concessionaire agrees not to materially improve, change, alter, add to, remove or demolish all or any part of the Improvements without the prior written consent of the Manager or the Manager's authorized representative.

Concessionaire to Comply with all Imposed Conditions. Subsequent construction work occurring during the term of this Agreement, including all repairs, refurbishments, and remodeling, shall be subject to the prior written approval of the City and, if required, in the determination of the City, an NTP. If subsequent construction remodeling, repairs and/or refurbishment changes are approved, the same process outlined herein for City approval of the initial construction shall be followed, unless otherwise directed by the City. Concessionaire must comply with all conditions imposed by the Manager's authorized representative in his commercially reasonable judgment and all required approvals, submittals, and procedures of whatsoever nature, as set forth in the City's approval. Any work necessary to make alterations, improvements or additions to the Concession Space throughout the term of this Agreement shall be done at the Concessionaire's cost and expense.

Revised Drawings, Final Waivers to be provided. Upon completion of subsequent construction work, the Concessionaire shall deliver to the City revised as-constructed drawings, evidence of payment, contractor's affidavits and full and final waivers of any liens for labor, services or materials. The Concessionaire shall include in its agreement with its contractors provisions whereby such contractors shall defend and hold the City harmless from all costs, damages, liens and expenses related to such work.

Removal and Demolition of Improvements. Concessionaire shall not replace, remove or demolish, in whole or in part, any Tenant Improvement on the Concession Space during the term of this Agreement without the prior written approval of the Manager's authorized representative. The Manager's authorized representative may, in its sole discretion, condition such approval upon the obligation of Concessionaire to replace the Improvement by a comparable improvement specified by the Manager's authorized representative.

City may Demand Removal or Satisfactory Changes. In the event that any construction, improvement, alteration, modification, addition, repair (excluding emergency repairs), or

replacement is made without the prior written consent of the Manager's authorized representative, or made in a different manner than approved, the City may terminate this Agreement in accordance with the provisions for termination herein, or upon notice to do so, Concessionaire will remove the same, or, at its discretion, cause the same to be changed to the satisfaction of the City. In case of any failure on the part of Concessionaire to comply with the notice, the City may, in addition to any other remedies available to it, effect the removal or change referenced above in this Section and Concessionaire shall pay the cost thereof to the City upon demand.

6.14. MID-TERM REFURBISHMENT OF CONCESSION SPACE

Applicability of this Section. If the Term of this Agreement or any extension of the Term is greater than five years, then mid-term refurbishment of the Concession Locations is required and this Section applies. If the Term is or becomes ten years or greater, then refurbishment shall occur in the 4th and 7th year of the Term and the provisions of this Section apply to both dates. If the Term of this Agreement is five years or less, then no mid-term refurbishment is required and this Section does not apply.

Aesthetic Refurbishment. Concessionaire agrees to refurbish the space in an amount not less than 20% of the Adjusted Required Minimum Investment (defined as Required Minimum Investment as adjusted for inflation according to the Engineering News Cost Index for Denver or such reasonable substitute if this index is no longer available). Of this, an amount consisting of no less than 15% of the Adjusted Required Minimum Investment shall be allocated to aesthetic refurbishment, defined as replacement of all parts of the premises visible to, used by, and/or provision for enhanced service to the public including but not limited to signage, flooring, paint, finishes, fixtures, furnishings, lighting, ceiling and millwork. Life safety and health code upgrades are not considered aesthetic refurbishment.

Refurbishment Deadline and Investment. At a time commencing no earlier than 180 days before and no later than the Refurbishment Completion Date specified on the Summary Page, Concessionaire, at its sole cost and expense, shall have completed all design and aesthetic refurbishments approved by the Manager, shall have updated and completed all repairs/refurbishments necessary to comply with current applicable life safety and health code requirements and shall have completed renovating and refurbishing the Concession Improvements in the Concession Space required by the Manager at a minimum investment specified in the Summary Page, in October 2012 dollars, subject to reasonable escalation according to the Engineering News Record Building Cost Index for the Denver, Colorado area ("Refurbishment Minimum Investment"). The Refurbishment Minimum Investment shall not include financial costs, interest, inventory, pre-opening expenses, loss of revenue related to construction or intra-company charges related to construction, but may include architectural and engineering charges not exceeding 15% of the total Refurbishment Minimum Investment.

Refurbishment Investment Documentation. Within 90 days of completion of the renovations, Concessionaire shall file with the Manager a statement certified by its architect setting forth the total renovation costs, with appropriate detail itemizing the elements of decorations, furnishings, fixtures, and equipment. At City's request, Concessionaire shall also submit copies of invoices supporting such costs. If the total cost of the Concessionaire's renovation investment is less than the Minimum Refurbishment Investment, the difference between such total cost and the Minimum Refurbishment Investment for renovating the Concession Space, shall be paid to City within 30 days after written notice from City to Concessionaire.

Design Plans due in Advance. Concessionaire shall provide design plans and specifications of the proposed renovations of the Concession Improvements for the approval of the Manager's authorized representative no later than one (1) year prior to the Refurbishment Completion Date, or such lesser time as is agreed to in writing by the Manager's authorized representative. The renovations shall be constructed in accordance with the requirements of this Section 6.14.

Permission to Operate During Refurbishment. Should Concessionaire's refurbishment plans require Concessionaire to close during construction, Concessionaire may be permitted to operate temporarily from a free standing unit placed in the common area outside of the Concession Locations with the Manager's prior written approval, which approval may not be unreasonably withheld. If such a temporary operation is approved, Concessionaire will operate in accordance with the requirements of this Agreement unless otherwise directed by the Manager's authorized representative. Concessionaire must comply with all conditions imposed by the Manager, including but not limited to time, place, manner, construction and installation of, and the type of free standing unit from which Concessionaire is permitted to operate, the food or beverage items to be offered for sale and prices to be charged for each item, number of employees that may operate from the unit at any given time, hours of operation, signage, waste disposal, sanitation, hygiene and cleanliness and janitorial services as well as all required approvals, submittals, and procedures of whatsoever nature, as set forth in the Manager's approval. Concessionaire shall operate from the temporary location in a first-class, dignified and ethical manner satisfactory to the Manager's authorized representative. Any work necessary to accommodate Concessionaire's request to operate temporarily during the refurbishment period, including but not limited to accommodating Concessionaire's temporary needs for water service, electricity, natural gas, lighting, or HVAC, shall be at the Concessionaire's cost and expense. Prior to beginning any such work, Concessionaire shall notify the City in advance of what type of work it intends to do and must secure written City approval of the same before beginning any such work. Costs and expenses associated with such work shall be paid promptly when due and shall be accomplished free of liens of mechanics and materialmen. Concessionaire shall provide evidence of insurance policies demonstrating adequate coverage for Concessionaire's temporary operation and Concessionaire, at all times and at its sole cost and expense, shall display where applicable and maintain current federal, State, and local licenses, certificates, permits and any other such documents necessary or required by law for the operation of Concessionaire's business at the Airport. Concessionaire shall comply with all applicable health, safety and sanitary laws, regulations and inspections concerning its operations in the temporary location. Concessionaire shall keep such licenses and permits displayed on the free standing unit, as may be required by law. Concessionaire shall allow duly authorized representatives of governmental entities access to the free standing unit and its temporary operations for inspection purposes.

6.15. TITLE TO IMPROVEMENTS

Concessionaire agrees that all Improvements to the Concession Space, including approved changes and renovations, which are affixed to the realty, shall become the property of the City upon their completion and acceptance by the City.

6.16. DUTIES UPON SURRENDER

Performance of All Obligations. By the Expiration Date, or upon the earlier termination of this Agreement or on the date specified in any demand for possession by City after any default by Concessionaire, Concessionaire must have fully performed all of its obligations under this

Agreement, including: (a) delivery of all keys to any doors and to any Improvements located on the Concession Space to the City; (b) removal of Concessionaire's Equipment; (c) surrender of the Concession Space as required in Section 4.02; and (d) performance of any other obligations required to be performed pursuant to this Agreement prior to termination under this Agreement. Failure to satisfy any of the above shall allow the City, at the City's sole option, to treat Concessionaire as a holdover tenant at sufferance, as provided in Section 4.03, and shall pay 150% of the Monthly MAG (prorated on a daily basis) until such time as Concessionaire has fulfilled all of its obligations under this Agreement.

Improvements to be in Good State of Repair. If the Manager's authorized representative determines in his commercially reasonable judgment upon such expiration or termination, that the Concession Space was not surrendered in accordance with the preceding standard, then Concessionaire, at its sole cost, shall have the option of either of the following actions: (i) bringing such specified Improvements up to the above referenced standard or (ii) removing the entire Improvements or such portion thereof as is specified by the City. Either option shall be completed by Concessionaire within 10 days of such expiration or termination or within such additional time as is granted by the City. During this 10-day period Concessionaire will be deemed to be holding over and shall pay 150% of the Monthly MAG (prorated on a daily basis) until the Concession Space is returned in the condition required.

Restoration at Concessionaire's Expense. If all or any portion of the Improvements are removed by Concessionaire either at any time during the Term or in accordance with this Section, Concessionaire shall at its expense restore any City property damaged to conditions existing prior to the installation of such Improvements or applicable portions thereof, and upon Concessionaire's failure to do so the City may cause such removal and restoration to be done at Concessionaire's expense.

Concessionaire to Remove its Equipment. Concessionaire shall retain title to and shall remove, at its sole cost, prior to the expiration or termination of this Agreement, all of Concessionaire's Equipment, as hereinafter defined.

Manner of Removing Concessionaire's Equipment. Concessionaire shall remove Concessionaire's Equipment in a manner and at times that do not interrupt other business at the Airport or operations of the Airport. Concessionaire agrees, at its sole cost, at or prior to the expiration or termination of this Agreement, to repair any injury or damage done to the Concession Space, or other City-owned property, resulting from the removal of Concessionaire's Equipment, in good and workmanlike fashion and to place the Concession Space in the same condition as the Concession Space would have been if such Concessionaire's Equipment had not been installed, ordinary wear and tear excepted.

Failure of Concessionaire to Remove its Equipment. If Concessionaire fails to remove any of Concessionaire's Equipment by the expiration or termination of this Agreement, City at its option, may take immediate title to and retain any such Concessionaire's Equipment at no cost to the City. In the alternative, the City may dispose of all or any portion of Concessionaire's Equipment and retain any proceeds therefrom. In addition, if City removes any such Equipment, the Concessionaire agrees to indemnify and hold City harmless from all costs, losses, expenses or damages incurred in relation to the removal of such Equipment, including without limitation all costs of associated remedial actions, fines or penalties, reasonable attorney fees, engineering fees and other professional expert fees plus a twenty percent (20%) administrative fee. In the event of a dispute as to the affixed or non-affixed nature of any of

Concessionaire's Equipment, the Parties agree that the City's determination shall be final and shall not be subject to mediation or any other form of dispute resolution or litigation.

SECTION 7 – CONCESSIONAIRE'S OPERATING OBLIGATIONS

7.01. FIRST CLASS CONCESSION

Concessionaire shall operate the concession in a first-class manner satisfactory to the Manager or the Manager's authorized representative.

7.02. PRICING

Pricing Plan. At least 30 days prior but no more than 60 days prior to opening Concessionaire shall prepare a Pricing Plan indicating the products to be offered for sale and prices to be charged for each item. This Pricing Plan shall be subject to approval by the Manager's authorized representative. The City may request additional Pricing Plans at any time for its approval. Concessionaire shall display and sell Products only in accordance with Concessionaire's Proposal and the terms of this Agreement. City, from time to time, and at its sole discretion, may require Concessionaire to offer for sale, at a fair profit, other Products that City determines are necessary to serve the traveling public. Concessionaire shall only sell Products with pricing clearly visible and legible to patrons prior to their making a purchase.

Prices to be Fair and Reasonable. Concessionaire shall charge only fair and reasonable prices for its Products, subject to the following: Each Pricing Plan utilized shall conform to all applicable laws and regulations respecting truth-in-advertising. Concessionaire shall not in any manner misrepresent to its customers the quality, grade, point of origin, or the size, weight or portion of Products sold, or utilize false or deceptive merchandising terms or advertising. Where an item has a pre-marked or suggested retail price established by the manufacturer or distributor, Concessionaire shall not charge a price to the public higher than such pre-marked or suggested retail price.

Pricing Policy. Without exception, prices charged by Concessionaire shall not exceed the Airport's "pricing policy," which means Concessionaire shall charge prices no higher than 110% of "street prices" charged in comparable non-airport facilities offering similar Products in the Denver metropolitan area. Concessionaire's prices shall be subject to the approval of the Manager's authorized representative.

Pricing to be Comparable. Concessionaire's products and services, including alcoholic beverages, if allowed, offered at the Concessionaire's Concession Space shall be comparable to the quality and portion offered at other comparable establishments in Denver and surrounding Areas (Adams County, Arapahoe County, Jefferson County) and the pricing shall conform to the City's pricing policy. The intent of the City's pricing policy is to maintain consistency in the quality, portion and pricing for retail products between Concessionaire's locations at the Airport and Concessionaire's locations not at the Airport, but within Denver or the surrounding Areas. If a Concessionaire has one or more businesses bearing the same name within Denver or surrounding Areas, that facility or those facilities will be designated as "Comparable Facilities," and the quality and portion offered at the Airport must be the same as those at the off-Airport Comparable Facilities. If Concessionaire does not have the same business elsewhere in the Denver or surrounding Areas, or if there are items sold at Concessionaire's Airport concession that are not sold at any of Concessionaire's off-Airport Comparable Facilities, Concessionaire and the City will identify three (3) retail locations in Denver or surrounding areas that are similar in concept, size, and quality, as identified on **Exhibit H**, which shall hereinafter be considered comparable for the purposes of implementing the pricing policy terms of this Section. **Exhibit H**

may be modified if any location identified thereon ceases business, changes its business concept, or the City determines that the identified retail location is no longer comparable for the purposes of this Agreement. In that case, the City and Concessionaire shall agree on a replacement so that there are three (3) Comparable Facilities. If the Parties fail to reach agreement, the City will select the replacement restaurant.

Increase in Prices. Concessionaire may change prices on the Approved Product and Services List, but Concessionaire shall notify the City promptly, in writing, in a manner acceptable to the City of each price change or change. Concessionaire must base any requested increase on rising prices for the same items at the Comparable Facilities identified on ***Exhibit H***. In no event shall the price charged by Concessionaire exceed 110% street pricing in accordance with the Airport's Concession Policy, which may be changed from time to time. If, in the opinion of the City's Concessions Director, prices do not meet the requirements of this Section, Concessionaire will adjust the prices accordingly.

Pricing to be clearly visible. Concessionaire shall post its Pricing Plan in a manner that is clearly visible and legible to patrons prior to their making a purchase, listing prices for all items or services it offers for sale in the Concession Space. With the prior approval of the Manager's authorized representative, some prepackaged items may be individually price marked rather than listed on the posted Pricing Plan, if such marking is readily visible and legible to patrons prior to the purchase.

City Price Checking, Monitoring. The City may conduct price checking at any time in order to ensure compliance with this Agreement. In the event that the City determines Concessionaire is not in compliance with the pricing requirements of this Agreement, the City will notify Concessionaire and Concessionaire agrees to adjust its pricing immediately upon receipt of the City's notice so as to be in full compliance with the requirements of this Agreement.

7.03. PRODUCT AND SERVICES LISTS

Product and Services List Changes and Posting. Concessionaire's Approved Product and Services List is attached as ***Exhibit E***. Concessionaire may add or delete single items within the Approved Product and Services List, but Concessionaire shall provide the City promptly, in writing, in a manner acceptable to the City, a complete description of the item(s) proposed to be added or deleted in accordance with the Airport Concession Policy, which may be changed from time to time. Concessionaire shall submit new product and services lists to the City when changes are approved. Such new lists will then become the new ***Exhibit E***, automatically replacing and superseding the old Approved Product and Services List. Each of these actions may be taken without the requirement of a formal amendment to this Agreement.

7.04. CREDIT CARDS AND DEBIT CARDS

Concessionaire shall accept, and in accordance with Section 7.08, display its acceptance of gift certificates, airline vouchers, traveler's checks, debit cards and nationally recognized credit cards including, but not limited to, American Express, MasterCard, VISA, Discover and Diner's Club. No minimum credit card or debit card purchase amount or charge for credit card purchases is allowed.

7.05. MANAGEMENT, SERVICE EMPLOYEE AND OPERATIONAL STANDARDS

Management. The operation and management of the Concession Space shall be under the constant and direct supervision of a well-trained, qualified and experienced manager employed by Concessionaire. The manager shall have the authority to make all decisions necessary in the day-to-day operations of the Concession Space, including, without limitation, decisions

regarding merchandise returns or credits, customer complaints or concerns, merchandise quality and price, and employee conduct. The manager shall be available on-site during the majority of operating hours and when not on the Concession Space, the manager shall appoint an assistant manager, or shift lead, with authority to act on the Manager's behalf, and/or the ability immediately to contact the manager in order to be able to respond promptly to customer or City concerns. Concessionaire may be required to employ more than one (1) manager to meet the requirements set forth herein.

Service Standards. Concessionaire shall employ sufficient personnel to staff and meet the reasonable needs or demands of patrons during all required hours of operation including, but not limited to, maintenance of the Concession Space as needed. All customers shall receive prompt, attentive and courteous service and in the case of a restaurant or food and beverage enterprise, Concessionaire shall upon request issue one guest check per person. Processing of customer purchases returns and exchanges shall be prompt and Concessionaire shall visibly display its return and exchange policy. Concessionaire shall properly itemize receipts, which shall reflect precisely the actual sale of goods and shall present individual prices, totals and taxes, if any.

Concessionaire shall ensure that all personnel refrain from any loud, boisterous, offensive or inappropriate conduct, and that they treat all patrons professionally, equally and courteously, including but not limited to forms of address, without regard to race, creed, color, national origin, ethnicity, age, disability, gender or sexual orientation. Concessionaire shall use reasonable efforts to employ an adequate number of bilingual personnel to serve English and non-English-speaking patrons as market demand may warrant.

Employee Standards. Concessionaire shall recruit, provide proper training to ensure the certification and/or licensing of employees in all areas of service as their duties might practically and legally require, supervise, direct and deploy the number of qualified, trained and courteous employees necessary to provide services promptly to all customers in accordance with the service standards of a first-class concession. All employees shall be informative and helpful to the public. All employees shall be clean, neat, professional, courteous and of the highest character. All employees shall be attired appropriately and professionally in clean identifiable dress and in keeping with attire worn by personnel in similar first-class businesses in the Denver metropolitan area. All employees must at all times properly display the official Airport identification badge and Concessionaire's identification name tag. Concessionaire's identification name tag shall clearly display the name of the Concessionaire. In the event that the City initiates one or more customer service programs for employees of tenants operating concessions at the Airport, City reserves the right to require Concessionaire to fully participate (and cause its employees to participate) in such programs and shall pay immediately to the City its share of such costs upon invoice by the City.

Concessionaire Surveys (Customer Feedback Cards). Concessionaire agrees to display openly Customer Feedback Cards that are approved and furnished by the City for the purpose of monitoring the quality of the Concessionaire's business from the perspective of its customers. Concessionaire agrees to give the City a copy of any and all completed Customer Feedback Cards that it receives on a weekly basis.

Sales and Dignified Use. Concessionaire's employees and agents shall not engage in "high pressure" sales tactics or unfair or deceptive trade practices in the operation of the concession. Concessionaire is strictly prohibited from engaging in any and all activities outside the Concession Space within the Airport for the recruitment or solicitation of business. Additionally,

Concessionaire's employees and agents shall not engage in solicitation for or in connection with any services offered on or about the Airport by Concessionaire or any other party.

Concessionaire shall conduct no public or private auction, fire sale, going out of business, bankruptcy or similar types of sales in or from the Concession Space, unless otherwise approved by the Manager's authorized representative. The Concession Space shall be used only in a dignified and ethical manner, consistent with the general high standards of other first-class concessions operating at the Airport.

7.06. DELIVERIES

Deliveries and Vendor Access. Concessionaire shall receive and take all deliveries of money, coin, supplies, goods and products in such manner and at such times and locations as the Manager or the Manager's authorized representative may reasonably approve or require

Transportation of Deliveries within the Airport. All goods should be packaged within sealed containers that prevent damage or leakage during transportation. In transporting retail and other products, trash, and refuse associated with operating Concessionaire's business to and from the Concession Space, Concessionaire shall use only those delivery and receiving routes established by the City and shall use only carts provided by Concessionaire to handle merchandising or equipment, vehicles, or conveyances ("Delivery Carts") that are sealed and leak-proof and have only gray bumper pads. Pallet jacks, if used as Delivery Carts, may only be utilized on the ramp level of the Terminal. If delivery and receiving routes are carpeted, Delivery Carts must be equipped with wheels suitable for operating on carpets without causing damage to them. Delivery Carts may only be used in those elevators designated for delivery. Under no circumstances may Delivery Carts be taken onto the escalators or moving sidewalks. Concessionaire must always refrain from transporting operating materials, such as office supplies, inventory, food, merchandise, recyclables and trash through the Public Areas of the Airport whenever service corridors and delivery tunnels are available. Concessionaire is responsible for the compliance with these requirements by its vendors.

7.07. HOURS

Hours of Service/Continuous Operation. Concessionaire agrees to schedule its daily hours of operation in accord with the hours stated on the Summary Page and to keep the Concession Space open for business to the public at least sixteen hours a day, seven days a week, 365 days a year, unless otherwise agreed to by the City in writing.

Unusual Circumstances. Concessionaire shall use its best efforts to respond to any and all weather emergency and/or flight diversion situations that might require certain locations to open or remain open before or beyond these minimum hours. However, due to unusual circumstances (e.g., diversions, delayed flights, weather), the City reserves the right to require Concessionaire to open its Concession Spaces before or remain open beyond the designated operating hours.

7.08. SIGNS, WINDOW DISPLAYS, AND ADVERTISING

Signage Standards. Concessionaire understands and agrees that City has established criteria so that all signs conform to certain uniform standards and criteria and that those criteria are set out in the DIA Design Standards and the DIA Tenant Development Guidelines. City shall have the right in City's sole discretion to prohibit any sign proposed by Concessionaire.

Storefront Signs. Concessionaire shall affix a sign to the exterior surface of the storefront of the Concession Space, subject to the advance approval of the Manager or the Manager's

authorized representative. Concessionaire shall pay all costs of fabricating, constructing, operating and maintaining such sign including, without limitation, all charges for electricity. Concessionaire shall keep said sign well lighted during such hours as the Manager's authorized representative shall designate, and shall maintain said sign in good condition and repair during the entire Term of this Agreement.

Interior Concession Space Signs. The City will permit, at Concessionaire's sole cost and expense, Concessionaire to install and operate signs on the Concession Space, but Concessionaire shall not install any sign until the sign has been approved, in writing, by the City. Concessionaire shall request the City's approval by submitting a written request, accompanied by a detailed rendering or drawing of the proposed sign and the proposed location. All signs must conform to the minimum requirements established by the signage standards contained in the DIA Tenant Development Guidelines and the DIA Design Standards, which standards may be modified by the City from time to time. All signs located in the interior of the Concession Space shall be in good taste so as not to detract from the general appearance of the Concession Space or the Airport. No symbol, design, name, mark or insignia adopted by the City for the Airport shall be used without the prior written consent of the City. Under no circumstances shall any handwritten or temporary signs or displays be posted or used by Concessionaire, including but not limited to any product and services lists, price lists or employment opportunity signs in the Concession Space. All signs displayed in the Concession Space shall have been professionally fabricated and/or printed.

Decals. Subject to the prior written approval of the Manager's authorized representative with respect to size, design and placement, Concessionaire may place decals relating to credit or charge cards accepted on glass storefronts where warranted.

Advertising. Concessionaire may not advertise in the Airport, outside its Concession Space, except with an advertising company which has contracted with the City to sell advertising at the Airport. Permission will not be granted to Concessionaire for any other advertising at the Airport. Concessionaire shall not use its Concession Space as a medium for third party paid advertising including any advertising material, sign, fixture or equipment whether paid for in-kind or by cash or credit.

Signs to be removed. At Concessionaire's sole cost and expense, upon demand by the Manager's authorized representative, Concessionaire shall immediately upon receipt of such demand, remove any sign installed in violation of the foregoing provisions. At Concessionaire's sole cost and expense, Concessionaire shall return the site of such sign to its condition prior to the placement or erection of the sign.

7.09. VENDING MACHINES

No amusement or vending machines or any other machines operated by coins, paper currency, tokens or credit/debit cards, except those expressly permitted under this Agreement, shall be installed or maintained in or upon the Concession Space. This prohibition includes, but not by way of limitation, sales from vending machines of such items as cigarettes, candy, maps, coffee, soft drinks, newspapers, stamps and insurance policies; telephones; dispensation of cash, money orders and checks; and operation of mechanical or electronic game devices, electronic video games, and entertainment devices.

7.10. COMPLIANCE WITH ALL LAWS AND REGULATIONS

No Prohibited Use. Concessionaire agrees not to use or permit the Concession Space to be used for any purpose prohibited by the laws of the United States or the State of Colorado or the

ordinances or Charter of the City and County of Denver, or not authorized hereunder, and it further agrees that it will use the Concession Space in accordance with all applicable federal, state and local laws and all general rules and regulations adopted by the City or the Manager for the management, operation and control of the Airport, either promulgated by the City on its own initiative or in compliance with regulations or actions of the Federal Aviation Administration or other authorized federal agency. Concessionaire further agrees to submit any report, reports or information which the City is required by law or regulation to obtain from Concessionaire or which the Manager may request relating to Concessionaire's operations.

Americans with Disabilities Act. Without limiting the foregoing, Concessionaire shall determine and assess the requirements to design, construct, operate and shall at all times maintain the Concession Space in accordance with and in compliance with the requirements of the Americans with Disabilities Act, 42 USC §12,000 et seq., including the ADA Accessibility Guidelines and all federal regulations adopted pursuant to the ADA. In the event that compliance cannot be achieved, Concessionaire shall proceed formally to the federal agency having jurisdiction for a waiver of compliance. If, as a result of Concessionaire's use or occupancy of the Concession Space, or the making of any alterations, additions, or improvements therein, any additions, alterations, or improvements must be made by the City to any part of the Airport in order to comply with any requirements of the ADA, or any other laws, codes or regulations, Concessionaire shall reimburse the City, on demand, for the costs incurred by the City to effect such compliance.

Prevailing Wage Obligation. Licensee shall require its contractor and sub contractors performing any work at DIA that is covered by §20-76 of the Denver Revised Municipal Code to pay every worker, laborer or mechanic employed by them in the performance of the fabrication and placement of RMUs and improvements on the locations subject to this License prevailing wages, including fringe benefits or their cash equivalent, for the same class and kind of work in the City and County of Denver, as determined by the Career Service Board under the provisions of Section 20-76 of the Denver Revised Municipal Code and shall furnish to the City for each week during which covered work was performed copies of certified payroll records for all such workers.

M/W/BE Obligation. Licensee agrees to comply with the Minority Business Enterprises ("MBE") and Women Business Enterprises ("WBE") requirements of Article III, Divisions 1 and 3 of Chapter 28, of the Denver Revised Municipal Code ("MBE/WBE Ordinance"), or applicable successor ordinance, in the design and construction of Improvements throughout the term of this License. Licensee agrees to comply with rules and regulations issued by the Director of the Division of Small Business Opportunity ("DSBO"), a division of the Mayor's Office of Economic Development. The DSBO Director will set goals for design and construction in accordance with the MBE/WBE Ordinance. Licensee shall meet, or make a good faith effort to meet, such goals. Licensee shall submit to DSBO monthly reports in a form satisfactory to DSBO identifying all MBE and WBE firms and the amounts spent with such firms during the preceding month for the purpose of demonstrating compliance by Licensee with this section.

ACDBE Obligation. This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The Concessionaire agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23. Concessionaire agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters into and causes those

businesses to similarly include the statements in further agreements. The DSBO may also establish ACDBE concession specific goals as a percent of annual gross receipts to be undertaken by the Concessionaire under this Agreement. The Concessionaire agrees that it shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26 (Attachment 1), to meet the concession specific goals for ACDBE participation in the performance of this Agreement. Concessionaire acknowledges that any action or failure to act by it which violates the ACDBE requirements of this Agreement constitutes a material breach of this Agreement, which shall entitle the City to exercise all of its rights at law or equity for such material breach.

7.11. COMPLIANCE WITH ENVIRONMENTAL REGULATIONS

Concessionaire, in conducting any activity on the Concession Space or commons areas, shall comply with all applicable local, state or federal environmental rules, regulations, statutes, laws or orders (collectively "Environmental Requirements"). Concessionaire shall acquire and comply with all necessary federal, state and local environmental permits and requirements.

Concessionaire shall maintain copies of Material Safety Data Sheets (MSDS) for all chemicals used in the operation of the concession, including for cleaning and maintenance. This obligation is continuing for the term of this Agreement and Concessionaire shall make this documentation available for inspection by DIA upon request.

Concessionaire agrees to ensure that its Concession Space is designed, constructed, operated and maintained in a manner that minimizes environmental impact through appropriate preventive measures and complies with all federal, state and local environmental requirements. Concessionaire agrees to evaluate methods to reduce the generation and disposal of waste materials. Wastewater from maintenance or operational activities shall be pretreated with sand and grease traps.

In the case of a release, spill or leak as a result of Concessionaire's construction, operation or maintenance activities, Concessionaire shall immediately control and remediate the contaminated media to applicable federal, state and local standards. Concessionaire shall reimburse the City for any penalties and all cost and expense, including without limitation attorney's fees, incurred by the City as a result of the release or disposal by Concessionaire of any pollutant or hazardous material on the Airport.

7.12. WASTE OR IMPAIRMENT OF VALUE

Concessionaire agrees that nothing shall be done or kept in the Concession Space which might impair the value of the City's property or which would constitute waste.

7.13. HAZARDOUS USE

Concessionaire agrees that nothing shall be done or kept in the Concession Space and no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Concession Space which might be unsafe or hazardous to any person or property. Further, Concessionaire shall not do or permit to be done any act or thing upon the Concession Space which will invalidate, suspend or increase the rate of any fire insurance policy required under this Agreement, or carried by the City, covering the Concession Space or the buildings in which the Concession Space is located or which, in the opinion of the Manager or the Manager's authorized representative, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under this Agreement. If, by reason of any failure by Concessionaire to comply with the provisions of this Section, after receipt of notice in writing from the City, any fire insurance rate on the Concession Space or on the buildings in which the same is located, shall at any time be higher than it normally would be,

then Concessionaire shall pay the City, on demand, that part of all fire insurance premiums paid by the City which have been charged because of such violation or failure of Concessionaire; provided, that nothing herein shall preclude Concessionaire from bringing, keeping or using on or about the Concession Space such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on the normal operations contemplated herein.

Any nuisance, annoyance or hazardous or potentially hazardous condition, on or emanating from the Concession Space, shall be corrected immediately upon Concessionaire's actual knowledge of the condition, or receipt of oral or written notice from the City. If, in the City's sole discretion, a hazard or potentially hazardous condition presents an unreasonable and imminent risk of bodily injury, the City may require Concessionaire to close its business without compensation and bar the public from the Concession Space until the hazard or potentially hazardous condition has been abated. Nothing in this Section shall be deemed to preclude the City from pursuing any available remedy for Default of this Agreement. Concessionaire's failure to correct promptly a nuisance, annoyance or hazardous or potentially hazardous condition under this Section shall be a material breach of this Agreement.

7.14. WASTE DISPOSAL AND RECYCLING

Waste Disposal and Recycling. Concessionaire shall gather, sort, and transport all garbage, refuse and recyclable materials daily to the City's designated holding area. Garbage, refuse and other debris shall be placed in non-broken, non-punctured, new 3-mil trash bags or such other garbage containers as may be required by the City suitable for transportation to a designated bin or compactor in the manner and at the time and places specified by the City. Concessionaire shall participate in the Airport's waste recycling program. Concessionaire shall place all garbage, refuse and recyclable materials in the appropriate containers at the City designated holding area, taking all reasonable measures to reduce the amount of waste it generates by requiring suppliers to remove nonessential over wrap, containers and other packaging, and to use recyclable materials for essential packaging whenever possible. The City currently provides containers for recycling the following: (a) corrugated cardboard; (b) magazines; (c) newspapers; (d) tin and steel cans; (e) glass that is clear, brown, or green; (f) batteries, and (g) high grade office paper, including letterhead, typing paper, colored paper, photocopy paper, and computer paper. Recyclable materials, including food waste, should be placed into the appropriate containers. Except for the recycling of batteries, Concessionaire shall ensure that the following materials are not deposited in City recycling containers: (i) Hazardous Substances, (ii) cans or other containers used to store paint, oil, solvent, cleaning fluids, or other Hazardous Substances; and (iii) un-clean paper, including paper that is soiled with food, paper with plastic covers or windows and wax coated paper. In addition, the City may establish other specific requirements concerning the storage and transport of waste and recyclables in the Airport's Rules and Regulations.

7.15. SANITATION, HYGIENE AND CLEANLINESS.

Sanitation, Hygiene and Cleanliness. Concessionaire shall keep the Concession Space free of debris, trash, and hazardous conditions, shall keep public areas around the Concession Space free of hazardous conditions originating from Concessionaire's operations and shall orally notify the City promptly of other hazardous conditions in the public areas outside the Concession Space upon actual knowledge of any such hazardous condition. Concessionaire shall provide a proper arrangement for the adequate sanitary disposal of all trash and other refuse on the Concession Space and shall provide for its timely removal to a central collection

point provided by the City. Concessionaire shall take appropriate action in the handling of waste materials to prevent the presence of rodents and other vermin. Concessionaire shall keep all garbage materials in durable, fly-proof and rodent-proof, fireproof containers that are easily cleaned. The containers shall have tight-fitting lids, doors or covers, and shall be kept tightly covered when material is not being deposited in them. Concessionaire shall clean the containers, as necessary, to prevent odors. Concessionaire shall not allow boxes, cartons, barrels, or other similar items to remain within view of Public Areas. The City shall be responsible for handling and removal of trash and other refuse deposited by the public in Public Areas. Concessionaire shall not deposit any of its trash or other refuse in any containers except those designated for Concessionaire's trash, as provided in Section 7.14.

7.16. MAINTENANCE OF CONCESSION SPACE BY CONCESSIONAIRE

No City Responsibility to Maintain Concession Space. The Concessionaire shall bear all costs of operating Concessionaire's business on the Concession Space and the City shall have no responsibility to maintain, repair or replace any portion of the Concession Space,

Janitorial Services. Concessionaire shall, at its expense, be responsible for janitorial services for the Concession Space. Concessionaire shall not permit rubbish, debris, waste materials or anything unsightly or detrimental to health, or likely to create a fire hazard, or conducive to deterioration, to remain on any part of the Concession Space or to be disposed of improperly.

Maintenance. Concessionaire shall, at all times and at Concessionaire's sole expense, maintain the Concession Space in a first-class condition, in good repair, ordinary wear and tear excepted, and keep it in a clean and orderly condition and appearance, as conditions and the Manager's authorized representative may require, including but not limited to all Improvements located on and within the Concession Space, whether installed by Concessionaire or by the City, redecoration, painting and repair and replacement of damaged or worn furnishings and equipment, and maintenance, repair and replacement of life safety, fire detection, fire suppression and fire monitoring systems. The City shall be the sole judge of the quality of such maintenance.

Repairs, Replacements and Remodeling. Concessionaire shall make all necessary and appropriate repairs, replacements and remodeling to the business promptly. All repairs, replacements, or remodeling to the Concession Space done by or on behalf of Concessionaire shall be completed with due diligence and in a good and workmanlike fashion, shall be of first-class quality in both materials and workmanship, and shall be equal to or better than the original in materials and workmanship and in compliance with all conditions imposed by City and all applicable permits, authorizations, laws, ordinances, orders, rules and regulations of governmental authorities having jurisdiction.

Except for repairs costing less than Two Thousand Dollars (\$2,000), all repairs must have the prior written approval of the City. The City shall be the sole judge of the quality of the repairs, replacements, or remodeling performed. Prior to beginning any repair, replacement or remodeling work, except for the above-described repairs costing less than Two Thousand Dollars (\$2,000), Concessionaire shall notify the City in advance of what type of repairs, replacements, or remodeling work it intends to do and must secure written City approval of the same before beginning any such work. In the event of an emergency repair situation, Concessionaire must notify the City of the repair as soon as possible. Following such notice, the City may inspect the repair work and require alterations if the repair is not satisfactory to the City. The foregoing notwithstanding, all repairs requiring shutdown of any Airport system require prior written approval of the Manager's authorized representative.

Costs and expenses with respect to such maintenance, repair and replacement shall be paid promptly when due and the maintenance, repair and replacement shall be accomplished free of liens of mechanics and materialmen.

Concessionaire shall repaint, refinish and maintain, at Concessionaire's own cost, high traffic areas within the Concession Space subject to greater than-normal wear on a schedule to be specified by Concessionaire, or as may be directed by the City, if Concessionaire fails to specify a reasonable refurbishment schedule. All Improvements that become worn, chipped, dented, gouged or otherwise damaged, shall be repaired or replaced by Concessionaire, at Concessionaire's sole expense as soon as reasonably possible. In addition, Concessionaire must complete refurbishments to the Concession Space before the midpoint of the term as provided in this Agreement.

Failure to Maintain or Repair. If Concessionaire refuses or neglects to undertake the prompt maintenance or repair, which is Concessionaire's responsibility under this Agreement, the City shall have the right to have such work done on behalf of and for Concessionaire. Such work shall be paid for by Concessionaire within ten (10) calendar days following written demand by the City for said payment at the City's standard rates, plus a twenty percent (20%) administrative fee. If the work is performed by a contractor hired by the City, the City shall be reimbursed the City's actual cost, plus a twenty percent (20%) administrative fee upon City's written demand.

Damage Caused to Other Property. Any damage caused by Concessionaire to the Airport or any City property or operations, or the property of any other tenant, person or entity, either by act or omission, or as a result of the operations of Concessionaire, shall be the responsibility of Concessionaire. Concessionaire shall reimburse the City or the tenant or other party for any such damage within thirty (30) days of written demand by the City, plus a twenty percent (20%) administrative fee. If the same type of damage is caused by the Concessionaire more than once, such as a water leakage, electrical service interruption or other damage, then the City must review and approve Concessionaire's plan of repair and, if such plan is unsatisfactory in the sole determination of the City, the City shall have the right to require that Concessionaire allow the City to make the repair and then reimburse the City for the cost of such repair, plus a twenty percent (20%) administrative fee.

7.17. STRUCTURAL, ELECTRICAL OR SYSTEM OVERLOADING

Concessionaire agrees that nothing shall be done or kept on the Concession Space and no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Concession Space which might impair the structural soundness of the building, result in an overload of utility, plumbing, or HVAC systems serving the Terminal and/or Concourses or interfere with electric, electronic or other equipment at the Airport. In the event of violations hereof, Concessionaire agrees immediately to remedy the violation at Concessionaire's expense.

7.18. NOISE, ODORS, VIBRATIONS AND ANNOYANCES

Concessionaire shall conduct its operations in an orderly and proper manner so as not to commit any nuisance in the Concession Space or annoy, disturb or be offensive to others in the Terminal or Concourses and shall take all reasonable measures, using the latest known and practicable devices and means, to eliminate any unusual, nauseous or objectionable noise, gases, vapors, odors and vibrations and to maintain the lowest possible sound level in its operations.

7.19. ACCESS TO FACILITY AND SYSTEMS

Concessionaire shall not do or permit to be done anything which might interfere with the effectiveness or accessibility of utility, heating, ventilating or air conditioning systems or portions thereof on the Concession Space or elsewhere on the Airport, nor do or permit to be done anything which may interfere with free access and passage in the Concession Space or the public areas adjacent thereto, or hinder police, firefighting or other emergency personnel in the discharge of their duties. Further, Concessionaire shall not do or permit to be done anything which might interfere with the effectiveness or accessibility of elevators or escalators in or adjacent to the Concession Space, including lines, pipes, wires, conduits and equipment connected with or appurtenant thereto.

Concessionaire shall not place any additional lock of any kind upon any window or interior or exterior door in the Concession Space, or make any change in any existing door or window lock or the mechanism thereof, unless a key therefor is maintained on the Concession Space, nor refuse, upon the expiration or sooner termination of this Agreement, to surrender to the City any and all keys to the interior or exterior doors on the Concession Space, whether said keys were furnished to or otherwise procured by Concessionaire. If any keys furnished to Concessionaire by City are lost, Concessionaire shall pay the City, on demand therefor, as Additional Rent, the cost for replacement thereof.

7.20. QUALITY ASSURANCE

Quality Assurance Inspections. The City or its agents may, in its discretion and at any time, inspect, monitor and test Concessionaire's operations for quality assurance ("Quality Assurance Inspections") to ensure compliance with all of Concessionaire's operating obligations set forth in this Section 7. All Quality Assurance Inspections shall, at a minimum, focus on, but not be limited to, the following:

- Concession Space: General upkeep, signage, maintenance, equipment and cleanliness
- Products: Delivered as represented, taste and attractiveness
- Personnel: Professionalism, appearance, customer service, receipts provided and activity

The City shall provide Concessionaire with written results of the Quality Assurance Inspections. Concessionaire agrees to promptly correct all deficiencies noted in Concessionaire's performance. Concessionaire shall promptly notify the City of the corrections as completed, or request additional time to correct outstanding items where the City determines progress has been made by Concessionaire to correct such deficiencies. In the event that Concessionaire fails to correct in a timely manner the deficiencies noted, the City may elect to impose Sanctions as per Section 10 and/or declare an Event of Default.

SECTION 8 – UTILITIES AND SERVICES

8.01. UTILITIES

Most concession areas in the Terminal and Concourses have services of adequate capacity to supply reasonable amounts of hot or chilled water, gas, electricity, potable water, fire protection, sanitary waste, grease waste and storm sewer capacity to serve the concession areas. The Concessionaire shall verify capacity of all systems, in the Concession Space and shall be responsible for all utility system upgrades that are necessary for their concession build out. As

of the date of actual possession, Concessionaire shall be responsible for the payment of all utilities required for operations in the Concession Space.

At its option, the City may bill Concessionaire its pro-rata share of certain utilities consumed or estimated to be consumed. In such case, the City will charge a rate no higher than that which would allow the City recover the cost of providing the service, which will include but not be limited to standard rates, fees and charges established by the Airport.

8.02. HEATING AND AIR CONDITIONING (HVAC)

Concessionaire shall, at its expense, furnish, install and maintain any ductwork and other connections within or leading into its Concession Space required to connect and complete the HVAC from the Airport's central system for the Concession Space.

City, at its expense, shall furnish normal and reasonable quantities of central air from the central HVAC system to the Concession Space and all necessary power and electricity for such central air circulation. Subject to conditions beyond its control, the City shall maintain under normal conditions a temperature adequate for comfortable occupancy according to the season; provided, that Concessionaire properly maintains the ductwork and other connections within or leading into its Concession Space and complies with the recommendations of the City's engineer regarding reasonable occupancy and use of the Concession Space.

8.03. WATER SERVICE

Concessionaire shall, at its expense, furnish, install and maintain a water meter for the Concession Space at a location and of a type specified by the City and shall pay all costs for water used within the Concession Space. Concessionaire shall be responsible for all water hook-up of its equipment.

City shall furnish water from the central water source in reasonable quantities; provided that Concessionaire complies with all water conservation programs in effect or as adopted.

8.04. ELECTRICITY AND NATURAL GAS

Concessionaire shall, at its expense, furnish, install and maintain an electric meter and a gas meter if required, at a location and of a type specified by the City, and shall pay all costs for electricity and gas used within the Concession Space. Concessionaire shall furnish, install and maintain all power circuits and connections required for equipment and mechanical systems used in the Concession Space. Any bills by the City for such costs shall be due within 30 days and shall accrue interest at the Past Due Interest Rate if not paid when due.

City will provide a premises wiring system to the Concession Space that will handle electronic information such as telephone and telecommunications equipment. Concessionaire shall be responsible for any extension of the wiring and connection of any terminals and devices in accordance with City requirements, and shall pay for telephone service to the Concession Space.

8.05. LIGHTING

Concessionaire shall, at its expense, furnish, install and maintain all lighting fixtures and wiring for general illumination of the Concession Space. Levels of illumination and wattage requirements shall be subject to approval by City.

8.06. WINDOW WASHING AND STRUCTURAL MAINTENANCE

City shall, at its expense, provide exterior window washing and maintain all structural parts of the Terminal and Concourses, including exterior glass, walls and roof.

8.07. COMMON USE SERVICES

The Manager may establish common use services at the Airport, including but not limited to trash and garbage removal, deliveries, industrial waste handling, recycling and security guards, which Concessionaire may be required to use and pay its prorata actual share.

8.08. INTERRUPTION OF SERVICES

Concessionaire agrees that City shall not be liable for failure to supply any utility services. City reserves the right to temporarily discontinue utility services at such time as may be necessary by reason of accident, unavailability of employees, repairs, alterations or improvements or whenever by reason of strikes, lockouts, riots, acts of God or any other happenings beyond the control of the City, the City is unable to furnish such utility services. The City shall not be liable for damages to persons or property for any such discontinuance, nor shall such discontinuance in any way be construed as cause for abatement of compensation or operate to release the Concessionaire from any of its obligations hereunder, except as otherwise provided in the Section entitled "Damage, Destruction or Loss."

SECTION 9 – INDEMNITY, INSURANCE AND GUARANTEES

9.01. INDEMNITY

Concessionaire hereby agrees to release and indemnify and save harmless the City, its officers, agents and employees from and against any and all loss of or damage to property, or injuries to or death of any person or persons, including property and employees or agents of the City, and shall defend, indemnify and save harmless the City, its officers, agents and employees from any and all claims, damages, suits, costs, expense, liability, actions, penalties or proceedings of any kind or nature whatsoever, including worker's compensation claims, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, its operations in connection herewith, its construction of the Concession Improvements, or its use or occupancy of any portion of the Airport and including acts and omissions of officers, employees, representatives, suppliers, invitees, contractors, subcontractors, and agents of the Concessionaire; provided, that the Concessionaire need not release, indemnify or save harmless the City, its officers, agents and employees from damages resulting from the sole negligence of the City's officers, agents and employees. The minimum insurance requirements prescribed herein shall not be deemed to limit or define the obligations of Concessionaire hereunder.

9.02. INSURANCE

Required Insurance. Concessionaire agrees to secure at its own expense and to keep in force at all times during the Term hereof, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of obligations under this Agreement by the Concessionaire, its agents, representatives or employees. The types and amounts of insurance coverage Concessionaire must procure are specified in the Certificate of Insurance for Aviation, attached hereto as **Exhibit C**. Insurance requirements set forth on **Exhibit C** do not limit in any way the indemnity covenants contained in this Agreement or the amount or scope of liability of Concessionaire under this Agreement. The amounts listed indicate only the minimum amounts of insurance coverage that the City is willing to accept to

help insure full performance of all terms and conditions of this Agreement. Concessionaire specifically agrees to comply with each condition, requirement or specification set forth in **Exhibit C** during all periods when the required coverage is in effect. Insurance must be maintained without any lapse in coverage during the entire term of this Agreement. Insurance canceled without the City's consent or failure by Concessionaire to provide evidence of renewal is a material breach and shall be deemed an immediate Event of Default under this Agreement.

Certificates Required. Concessionaire shall furnish the City and County of Denver with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement. The certificate of insurance for each policy is to be signed by a person authorized by the insurer to bind coverage on its behalf. All certificates required by this Agreement (including renewal certificates) shall be sent directly to Denver International Airport, Concessions Management Section, Airport Office Building, Room 9870, 8500 Pena Boulevard, Denver, Colorado 80249. The City's contract control number for this Agreement shall be noted on each certificate of insurance. All certificates and any required endorsements are to be received and approved by the City and each insurance policy required by this Agreement must be in effect at or prior to the Target Possession Date (or date of actual possession, if earlier). Any renewal certificate shall be delivered to the Airport Concessions Management Section at least 10 days prior to a policy's expiration date, except for any policy expiring after the Expiration Date of this Agreement or any extension thereof. The City reserves the right to require and Concessionaire agrees to deliver upon request at any time, complete, certified copies of all insurance policies required by this Agreement.

Deductibles and Retentions. Any deductible or self-insured retention exceeding fifteen percent (15%) of the per-occurrence or per-accident limit of a required policy is subject to approval by the City's Risk Administrator.

Concessionaire's Risk. The City in no way warrants that the minimum limits contained herein are sufficient to protect the Concessionaire from liabilities that might arise out of the performance of the terms and conditions of this Agreement by the Concessionaire, its agents, representatives or employees. Concessionaire shall assess its own risks and as it deems appropriate and/or prudent, maintain higher limits and/or broader coverage. Concessionaire is not relieved of any liability or other obligations assumed or pursuant to the Agreement by reason of its failure to obtain or maintain insurance in sufficient amounts, duration or types. In no event shall the City be liable for any: (a) business interruption or other consequential damages sustained by Concessionaire; (b) damage, theft or destruction of Concessionaire's inventory, Improvements, or property of any kind; or (c) damage, theft or destruction of an automobile, whether or not insured. If at any time any of the insurance policies shall be or become unsatisfactory to the City as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the City, Concessionaire shall promptly obtain a new and satisfactory replacement policy and give the City an updated certificate of insurance that complies with the new insurance requirements of the City.

Governmental Immunity. The parties hereto understand and agree that the City and County of Denver, its officers, officials and employees, are relying on, and do not waive or intend to waive by any provisions of this agreement, the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, §§ 24-10-101 to 120, C.R.S., or otherwise available to the City and County of Denver, its officers, officials and employees.

9.03. PERFORMANCE SURETY

Upon execution of this Agreement, Concessionaire shall deliver to the Manager, and maintain in effect at all times throughout the Term, including a period of six (6) months after expiration or earlier termination of the this Agreement, an irrevocable letter of credit or such other acceptable surety as first approved in writing by City, in an amount initially equal to six (6) months of the initial MAG, which is stated on the Summary Page. Such guarantee shall be payable without condition to the City with surety acceptable to and approved by the City's Manager, which irrevocable letter of credit shall guarantee to the City full and faithful performance of (i) all of the terms and provisions of this Agreement to be performed by Concessionaire, as said Agreement may be amended, substituted, supplemented or extended, and (ii) all obligations and duties of Concessionaire under all general rules and regulations adopted by the City or the Manager for the management, operation and control of the Airport as amended or supplemented. All irrevocable letters of credit shall be in a form, and issued by a bank, acceptable to the City and shall be subject to claim in full or in part by the City.

Notwithstanding the foregoing, if at any time during the term hereof, the Manager deems the amount of the surety insufficient to properly protect the City from loss hereunder because Concessionaire is or has been in arrears with respect to such obligations or because Concessionaire has, in the opinion of the Manager, violated other terms of this Agreement, Concessionaire agrees that it will, after receipt of notice, increase the surety to an amount required by the Manager; provided however, the percentage increase in the amount of surety shall not exceed the annual percentage increase that has occurred with respect to Concessionaire's Minimum Annual Guarantees in effect under this Agreement.

Whether in the form of a surety bond or Irrevocable Letter of Credit, the surety may be issued for a one (1) year period, provided, however, that evidence of renewal or replacement of the surety must be submitted annually by Concessionaire to the City at least sixty (60) days prior to the Expiration Date of the instrument. The surety shall contain language that the surety company shall notify the City in writing within forty-five (45) days of a determination that the surety is to be terminated, or is not going to be renewed. The surety bond must be executed by Concessionaire and by a surety meeting the qualifications set forth below.

If, following an Event of Default, the City chooses to draw upon the performance surety; it shall be the obligation of Concessionaire to replenish the performance surety to the originally contracted level within 30 days of such draw down by the City. Failure to do so shall constitute a Default under this Agreement.

9.04. NO PERSONAL LIABILITY

No director, officer or employee of either party hereto shall be held personally liable under this Agreement or because of its execution or attempted execution.

9.05. LICENSES, FEES, TAXES AND LIENS

Business Licenses. Concessionaire, at all times and at its sole cost and expense, shall maintain current federal, State, and local licenses, certificates, permits and any other such documents necessary or required by law for the operation of Concessionaire's business at the Airport including where applicable those documents governing specialty retail enterprises, Concessionaire shall comply with all applicable health, safety and sanitary laws, regulations and inspections concerning the same. Concessionaire shall keep such licenses and permits displayed on the Concession Space, as required by law. Concessionaire shall allow duly

authorized representatives of governmental entities access to the Concession Space for inspection purposes.

Doing Business in Colorado. In the event that Licensee shall be a corporation or a limited liability company, the Parties executing this License on behalf of Licensee hereby covenant and warrant that Licensee is a duly qualified corporation or limited liability company and all necessary steps have been taken to become authorized to do business in Colorado; corporate taxes have been paid to date; and all future forms, reports, fees and other documents or payments necessary to comply with applicable laws will be filed or paid when due.

Fees. Concessionaire agrees to promptly pay all excises, license fees and permit fees of whatever nature applicable to its operations hereunder and to take out and keep current all municipal, state or federal licenses required for the conduct of its business at and upon the Concession Space and further agrees not to permit any of said excises, license fees or permit fees to become delinquent.

Taxes and Assessments. The Concessionaire shall pay all taxes and assessments of whatever character that may be levied, assessed, or charged upon the property, possessory interest, personal, occupied, used, or owned by the Concessionaire, or upon the rights of the Concessionaire to occupy the Concession Space, or upon the Concessionaire's Tenant Improvements and any other property thereon, or upon the Concessionaire's rights or operations hereunder. The Concessionaire shall have the right at its sole cost or expense to contest such taxes as may have been or may be levied, assessed or charged.

Liens. Concessionaire also shall not create, permit, or suffer to be created or to remain, not to permit any mechanic's or materialman's or any other lien to become attached or be foreclosed upon the Concession Space or improvements thereto, or any part or parcel thereof, by reason of any construction, services, work or labor performed or materials furnished by any mechanic or material man. If any such lien shall at any time be filed, Concessionaire may contest the same in good faith. Notwithstanding such contest, Concessionaire shall, within fifteen (15) calendar days after the filing thereof, cause such lien to be released of record by payment, bond, or order of a court of competent jurisdiction. In the event Concessionaire fails to clear the record of any such lien within the aforesaid period, the City may remove said lien by paying the full amount thereof, or by bonding, or in any other manner the City deems appropriate, without investigating the validity thereof, and irrespective of the fact that Concessionaire may contest the propriety or the amount thereof. Thereafter Concessionaire shall, upon demand, pay the City the amount paid by the City in connection with the discharge of said lien, plus a twenty percent (20%) administrative fee, and all reasonable expenses incurred in connection therewith, including reasonable attorneys' fees, which amounts are due and payable to the City as Additional Rent on the first (1st) day of the month following payment by the City. Nothing contained in this Agreement shall be construed as consent on the part of the City to subject the Concession Space to any lien or liability.

Prompt Payment. Concessionaire agrees to furnish to the Manager, upon request, duplicate receipts or other satisfactory evidence showing the prompt payment by it of Social Security, unemployment insurance and worker's compensation insurance, and all required licenses and all taxes. Concessionaire further agrees to promptly pay when due all bills, debts and obligations incurred by it in connection with its operations hereunder and not to permit the same to become delinquent and to suffer no mortgage, judgment or execution to be filed against the Concession Space or improvements thereon which will in any way impair the rights of the City under this Agreement.

SECTION 10 –NON-COMPLIANCE AND VIOLATIONS

10.01. NONCOMPLIANCE

Manager's Objections. The Manager or the Manager's authorized representative shall have the right to make reasonable objections to Concessionaire's failure to create and maintain a vibrant first-class concession at the Airport as provided in Sections 5 and 7 and operate its business in a manner satisfactory to the Manager or the Manager's authorized representative. Concessionaire agrees to promptly discontinue or remedy any objectionable practice or condition within the cure period stated in any written notice issued by the Manager or Manager's authorized representative.

10.02. CUMULATIVE OR CONTINUOUS VIOLATIONS

Should Concessionaire violate the provisions of Sections 5 or 7 of this Agreement, the City may place the Concessionaire on notice to cure said violation or violations without declaring the violation an Event of Default, and in addition, collect liquidated damages as provided below.

With each notice, whether verbal or in writing, Concessionaire will be given a cure period in which to remedy the violation without further consequence. Concessionaire will be allowed two written notices cumulatively in each calendar year before imposition of liquidated damages. Beginning with the third written notice, and any written notices thereafter, liquidated damages may be assessed should Concessionaire fail to remedy the violation before the expiration of the cure period.

Concessionaire's Performance Obligations as Described in Sections 5 and 7	
Form of notice	Consequence
Pre-written Notice(s)	Verbal notification(s) issued by City to Concessionaire (cure period allowed)
1 st Written Notice	First written notice issued by City to Concessionaire (cure period allowed)
2 nd Written Notice	Second written notice issued by City to Concessionaire (cure period allowed)
3 rd Written Notice and thereafter	Third written notice by City to Concessionaire (cure period allowed). After the cure period, Concessionaire shall be assessed \$100 per day as liquidated damages for each whole or partial day until the violation is cured.

For the purposes of this Section 10 only, the following definitions shall apply:

Cure Period. An amount of time required to become compliant with the Agreement for violations stated in pre-written or written notices issued by the City to the Concessionaire, either as mutually agreed between City and Concessionaire or in City's sole reasonable judgment taking into account the specific circumstances of the violation or violations and/or time allowed under previous verbal and written notices concerning the same or similar violations.

Pre-written Notice(s). Oral notifications of a Section 5 or Section 7 violation at the premises delivered by the City to Concessionaire's ownership, management or its premises on-site management or staff. Pre-written notices may be in person or via telephone.

Written Notice. Notice of a Section 5 or Section 7 violation at the premises delivered by the City to Concessionaire's ownership, management or its premises on-site management or staff via letter, email or by some other form as may be adopted from time to time by the City and delivered to Concessionaire at the notice address for Concessionaire specified in this Agreement.

Liquidated Damages. Concessionaire's failure to adhere to the operating requirements set forth in this Agreement are reasonably anticipated to result in significant inconvenience to the public, adversely affect the overall business of the Airport, and reduce the amount of Rent to be paid to the City. Additionally, City resources will be expended in dealing with violations of this Agreement by Concessionaire. The Parties hereby agree that total damages sustained by the City for violations of the Sections of this Agreement enumerated above could be significant, but would be difficult to determine and to track. Therefore, the liquidated damages set forth below for violation of Concessionaire's performance obligations are agreed to between the Concessionaire and the City to be reasonable amounts and reasonable estimates of the loss anticipated to be suffered or incurred by the City. Concessionaire, therefore, hereby agrees that imposition of these liquidated damages is fair and reasonable and Concessionaire agrees to pay to the City as Additional Rent the specified liquidated damage amounts immediately upon demand by the City, in accordance with the above procedures. Liquidated damages relating to this Section 10 shall be \$100 per each full and each partial day for which the violation remains uncured beyond the cure date stated in third and subsequent written notices.

Imposition of any of these pre-written notices, written notices and any liquidated damages assessed or collected shall not constitute a waiver of any other remedies available to the City due to Concessionaire's failure to maintain Concessionaire's performance obligations as provided in Sections 5 and 7 of this Agreement.

Remedies Non-Exclusive. The City reserves the right, in the Manager's sole and absolute discretion, not to impose the Sanction of Liquidated Damages and instead to seek any other remedy available to the City as an Event of Default under Section 11, including termination of this Agreement.

The remedies provided in this Section 10 are in addition to all other rights and remedies that the City may have for a breach or violation of this Agreement. Nothing in this Section 10 shall be deemed to be a waiver by the City of any breach or violation of this Agreement, nor shall imposition of any of these sanctions be deemed to stop the City from terminating this Agreement or from asserting any other of its other rights or remedies under this Agreement, or at law or in equity. If any or all of these Sanctions are found to be unenforceable, then the unenforceable Sanction(s) will be discontinued, but the violations shall continue to be immediately covered by Section 11 and the remedies shall be as provided in Section 11.

SECTION 11 –DEFAULT, REMEDIES AND TERMINATION

11.01. DEFAULT

Event of Default. The occurrence of any of the following shall constitute an "Event of Default" (also referred to as a "Default").

Default in Rent. An Event of Default shall occur if Concessionaire fails to pay timely any Rent or Additional Rent and such failure or violation is not cured within ten (10) days after written notice by the City describing the nature of the breach or Default.

Cross-Default. The occurrence of an uncured breach, violation or default under any other agreement with the City for concession space at the Airport shall constitute an Event of Default.

Bankruptcy/Insolvency. The Insolvency of Concessionaire shall be an Event of Default for which no notice or opportunity to cure need be given. For the purposes of this Agreement, and to the extent permitted by the United States Bankruptcy Code, "Insolvency" shall be deemed to include: (a) an assignment by Concessionaire for the benefit of creditors; (b) the filing by

Concessionaire of a voluntary petition in bankruptcy; (c) dissolution; (d) the appointment of a receiver, trustee or liquidator of any or substantially all of the properties of Concessionaire and the receiver, trustee or liquidator is not discharged within forty- five (45) days; (e) the filing of an involuntary petition of bankruptcy and failure of Concessionaire to secure a dismissal of the petition within sixty (60) days after filing; and, (f) attachment of, or the levying of execution on this Concessionaire's interest, and failure of Concessionaire to secure discharge of the attachment or release of the levy of execution within forty-five (45) days.

Unapproved Transfers. An Event of Default shall occur if Concessionaire transfers its interest under this Agreement, without the prior written approval of the City, by reason of death, operation of law, assignment, sublease or otherwise, to any other person, entity or corporation.

Failure of Concessionaire's Obligation to Construct and Use Concession Space. An Event of Default shall occur if Concessionaire fails to timely submit plans and specifications, bonds and other preconstruction submittals, fails to promptly begin or timely complete construction of Improvements, fails to open for business to the public when construction is completed, or fails to occupy and use the Concession Space after construction is completed or fails to operate the concession.

Illegal Use. An Event of Default shall occur if Concessionaire uses, or gives its permission to any person to use for any illegal purpose any portion of the Airport made available to Concessionaire for its use under this Agreement.

Abandonment. An Event of Default, for which no notice or opportunity to cure need be given, may be declared, at the City's option, if the City discovers that Concessionaire has abandoned, deserted or vacated the Concession Space.

Liens against City Property. If Concessionaire suffers any lien or attachment adverse to the interest of the City, including but not limited to mechanic's or materialman's liens to be filed against the Concession Space, or any lien or attachment to be filed against the Airport or the City's property because of any act or omission of Concessionaire, an Event of Default shall occur if such lien or attachment is not discharged or contested by Concessionaire in good faith by proper legal proceedings within 20 days after receipt of notice thereof by Concessionaire.

Material Misrepresentation. An Event of Default, for which no notice or opportunity to cure need be given, may be declared, at the City's option, if the City discovers that Concessionaire made a material misrepresentation to the City that induced the City to enter into this Agreement.

License or Franchise Agreement. If the License or Franchise Agreement related to the Brand Concessionaire is authorized to operate at the Airport, is terminated, expires or is materially amended prior to the expiration of this Agreement, an Event of Default shall be deemed to have occurred.

Default in Other Covenants. An Event of Default shall occur if Concessionaire fails to keep, perform and observe any other promise or violates any term, covenant or condition of this Agreement, other than the payment of Rent, or Additional Rent, as described above, and such failure or violation is not cured within thirty (30) days after written notice by the City describing the nature of the breach or Default. If the violation is of such a nature that it cannot be completely cured within the thirty (30) day period, this provision shall be complied with if Concessionaire begins to perform whatever may be required to correct its failure to perform its obligation or to correct the violation within such thirty (30) day period, and thereafter proceeds in good faith and continues such performance with all due diligence and without interruption, except for causes beyond its control, to effect the cure as soon as practical.

11.02. REMEDIES

Remedies on Default. Immediately upon the occurrence of an Event of Default, the City, at its option, may, exercise any of the following rights and remedies, in addition to any other rights and remedies provided elsewhere in this Agreement, or otherwise at law or in equity.

Right to Draw on Performance Surety. In an Event of Default, the City may draw upon Concessionaire's Performance Surety as follows: In the event of a bankruptcy or Insolvency, the City may immediately draw upon the Performance Surety to cure any and all violations of this Agreement, whether or not any cure period has elapsed and whether or not all required notices have been given. In the case of failure to pay Rent or Additional Rent, that may be remedied, or partially remedied, by the payment of money, the City shall be entitled to draw upon the Performance Surety without notice at any time after the Rent or Additional Rent is past due.

Right to Cure Concessionaire's Default. If Concessionaire fails to perform any of Concessionaire's obligations under this Agreement, the City, without waiving any of its remedies pursuant to this Agreement, may, but shall not be obligated to, perform the same for the account of, and at the expense of Concessionaire, without notice in a case of emergency, and in any other cases, only if such failure continues after the expiration of thirty (30) days from the date the City gives Concessionaire written notice of the failure. The City shall not be liable to Concessionaire for any claim for damages resulting from such action by the City. Concessionaire agrees to reimburse the City, upon demand, any amounts the City may spend in complying with the terms of this Agreement on behalf of Concessionaire, plus a twenty percent (20%) administrative fee. The City shall have the same rights and remedies in the event of the nonpayment of sums due to be reimbursed under this Section as in the case of Default by Concessionaire in the payment of any other Rent.

Elect to Continue and Enforce Agreement. The City may elect to allow this Agreement to continue in full force and effect and to enforce all of City's rights and remedies hereunder, including without limitation the right to collect compensation as it becomes due together with Past Due Interest.

Termination of Agreement. Subject to Concessionaire's right to cure, if any, the City may terminate this Agreement and Concessionaire's right to possession immediately upon the occurrence of an Event of Default. Any notice to terminate may be given before or within the applicable cure period and may be included in a notice of failure of compliance. The City may cancel and terminate this Agreement and repossess the Concession Space, with or without process of law, and without liability for so doing, upon giving 30 days written notice to Concessionaire of its intention to terminate, at the end of which time all the rights hereunder of the Concessionaire shall terminate, unless the default, which shall have been stated in such notice, is by its nature curable and shall have been cured within such 30 days. Notwithstanding the foregoing, Concessionaire shall be allowed only two notices of curable default hereunder which it may cure within the time specified in this Section. The third notice shall be final and the City shall at its option (1) cancel and terminate all of the rights hereunder of the Concessionaire, reenter the Concession Space, remove therefrom all property of the Concessionaire and store the same at the expense of the Concessionaire, or (2) elect to proceed to re-enter as described below.

Damages upon Termination. If City elects to terminate, Concessionaire shall be liable to City for all amounts owing at the time of termination, including but not limited to compensation due plus interest thereon at the Past Due Interest Rate together with any other amount to fully compensate City for all loss of compensation, damages, and costs, including attorney's fees,

caused by Concessionaire's failure to perform its obligations hereunder, or which in the ordinary course would likely result therefrom. Nothing in this Section shall be construed to grant a right to Concessionaire to cure a default, which by its nature is not capable of being cured.

Re-Entry. Without accepting surrender and without prejudice to any remedies for damages or breach, the City may elect to reenter and take possession of the Concession Space or any part thereof, by suitable action or proceeding at law, or by force or otherwise, without being liable for indictment, prosecution or damages therefore, and may expel Concessionaire or any person claiming under Concessionaire, and remove all effects as may be necessary, to the end that the City may have, hold and enjoy the Concession Space. Such reentry shall not be construed as termination of this Agreement unless a written notice specifically so states; however, the City reserves the right to terminate the Agreement at any time after reentry.

Notwithstanding re-entry by the City, Concessionaire shall continue to be liable for all amounts due as compensation under this Agreement, on the dates specified and in such amounts as would be payable if default had not occurred. Upon expiration of the Term, or any earlier termination of the Agreement by the City, the City, having credited to the account of Concessionaire any amounts recovered through reletting, shall refund, without interest, any amount that exceeds the compensation, damages and costs payable by Concessionaire under this Agreement.

Reletting. Following re-entry, the City may relet the whole or any part of the Concession Space from time to time, either in the name of the City or otherwise, to such tenants, for such terms ending before, on or after the Expiration Date of this Agreement, at such rentals and upon such conditions (including financial concessions and free rent periods) as the City may determine to be appropriate. To the extent allowed under Colorado law, the City shall not be liable for refusal to relet the Concession Space, or, in the event of any such reletting, for failure to collect any Rent due upon such reletting; and no such failure shall operate to relieve Concessionaire of any liability under this Agreement or otherwise affect any such liability. The City may make such physical changes to the Concession Space as the City considers advisable or necessary in connection with any such reletting or proposed reletting, without relieving Concessionaire of any liability under this Agreement or otherwise affecting Concessionaire's liability. If the City has other vacant space, the City shall have no obligation to attempt to relet the Concession Space prior to leasing such other vacant space. The City shall not be required to attempt to relet the Concession Space to a potential lessee with whom the City has been negotiating for other space owned by the City or to whom the City has shown other space owned by the City. If the City has relet all or any part of the Concession Space for the period which otherwise would have constituted all, or any part, of the unexpired portion of the term of this Agreement, the amount of Rent reserved on such reletting shall be deemed, prima facie, to be the fair and reasonable rental value for the part, or the whole, of the Concession Space so relet during the term of the reletting. Acts of maintenance, or preservation, or efforts to relet the Concession Space, or the appointment of a receiver upon initiative of the City to protect the City's interest under this Agreement, shall not constitute a termination of this Agreement or an acceptance of surrender of this Agreement.

Damages upon Re-Entry. Whether or not the City retakes possession or relets the Concession Space, the City shall have the right to recover damages immediately, without waiting until the due date of any future Rent or until the date fixed for expiration of this Agreement, which damages, shall include, but not be limited to the following: (a) all Rents lost, calculated through the Expiration Date, subject only to the statutory requirements to mitigate damages, if any; (b) all legal expenses and other related costs incurred by the City as a result of

Concessionaire's Default; (c) all costs incurred by the City in restoring the Concession Space (or other damaged City property where damage was caused by Concessionaire) to good order and condition, or in remodeling, renovating or otherwise preparing the Concession Space for reletting, including, without limitation, removal and disposal of Concessionaire's Improvements or other property; (d) all taxes due or to become due under this Agreement; and, (e) all costs incurred by the City in reletting the Concession Space, including, without limitation, any advertising costs, brokerage commissions and the value of the City's staff time expended as a result of the Default. The present value of future amounts will be computed using a discount rate equal to the prime loan rate of major Colorado banks in effect on the date of trial.

11.03. REMEDIES CUMULATIVE

Remedies Cumulative and Nonexclusive. Each right and remedy in this Agreement shall be deemed cumulative and will be in addition to every other right or remedy in this Agreement, or existing at law or in equity, including, without limitation, suits for injunctive relief and specific performance. Such rights and remedies shall not be in lieu of or exclusive of each other and shall in no way affect any other remedy available to the City under law or equity. The exercise or beginning of the exercise, by the City of any such rights or remedies will not preclude the simultaneous or later exercise by the City of any other such rights or remedies. All such rights and remedies are nonexclusive. Nothing contained herein shall be construed to require the City to accept delinquent Rent, or delinquent Additional Rent. Acceptance of full or partial payment of delinquent Rent, or delinquent Additional Rent, shall not constitute a waiver of any of the City's other rights and remedies under this Section 11. The City may sue periodically to recover damages during the period corresponding to the remainder of the term of this Agreement, and no action for damages shall bar a later action for damages subsequently accruing.

11.04. ADMINISTRATIVE HEARING

Disputes arising out of this Agreement shall be resolved by administrative hearing before the Manager following the procedures outlined in Denver Revised Municipal Code Section 5-17; provided, that City shall retain its right to obtain an order of eviction in accordance with applicable state law. It is further agreed that no cause of action shall be brought against the City until there has been full compliance with the terms of this paragraph. The Parties hereto agree that the Manager's determination resulting from said administrative hearing shall be final, subject only to the Concessionaire's right to appeal the determination under Colorado Rules of Civil Procedure, Rule 106.

11.05. WAIVERS

Non-Waiver of Rights – Default. No waiver of a breach or violation of this Agreement by the City of any of the terms, covenants, and conditions hereof to be performed, kept, and observed by the Concessionaire shall be construed as, or shall operate as, a waiver of any subsequent breach or violation of any of the terms, covenants, or conditions herein contained, to be performed, kept, and observed by the Concessionaire

Non-Waiver of Rights – Partial Payment. No failure of City to insist upon the strict performance of a term, covenant or agreement contained in this Agreement, no failure by City to exercise any right or remedy under this Agreement, and no acceptance of full or partial payment during the continuance of any default by Concessionaire shall constitute a waiver of any such term, covenant or agreement or a waiver of any such right or remedy or a waiver of any default by Concessionaire.

SECTION 12 – DAMAGE, DESTRUCTION OR LOSS

12.01. DAMAGE TO OR DESTRUCTION OF CONCESSION SPACE

If Concessionaire's Improvements, or any portion thereof, are destroyed or damaged by fire, the elements or otherwise, the Concessionaire shall promptly remove all debris resulting from such damage to the Improvements and shall at its sole cost and expense repair and/or reconstruct the Improvements with due diligence whether or not the damage or destruction is covered by insurance in accordance with the plans and specifications for the Concession Space as they existed prior to such damage or according to the current needs of the Concessionaire as approved by the City. If Concessionaire fails to repair or replace damaged Improvements in accordance with a schedule agreed to by the City and Concessionaire, and provided that this Agreement has not been canceled, the City may make such repairs or replacement and recover from Concessionaire the direct cost and expense of such repair or replacement, plus a twenty (20%) percent administrative overhead fee.

If the Concession Space, or any portion thereof, is destroyed or damaged by fire or otherwise to an extent which renders it unusable, City may rebuild or repair any portions of the building structure destroyed or damaged, and, if the cause was beyond the control of Concessionaire, the obligation of Concessionaire to pay the compensation hereunder shall abate as to such damaged or destroyed portions during the time they are unusable. If the City elects not to proceed with the rebuilding or repair of the building structure, it shall give notice of its intent within 90 days after the destruction or damage which the City will promptly provide to Concessionaire. Concessionaire may then, at its option, cancel and terminate this Agreement.

12.02. COOPERATION IN THE EVENT OF LOSS

If the City elects to rebuild, Concessionaire must replace all Concession Improvements at its sole cost and in accordance with the Required Minimum Investment in October 2012 dollars, subject to escalation according to the Engineering News Record Building Cost Index for the Denver, Colorado area, and performance standards as set forth in *Exhibit X*. City and Concessionaire shall cooperate with each other in the collection of any insurance proceeds which may be payable in the event of any loss or damage.

12.03. LOSS OR DAMAGE TO PROPERTY

The City shall not be liable for any loss of property by theft or burglary from the Airport or for any damage to person or property on the Airport resulting from operating the elevators, or electric lighting, or water, rain or snow, which may come into or issue or flow from any part of the Airport, or from the pipes, plumbing, wiring, gas or sprinklers thereof or that may be caused by the City's employees or any other cause, and Concessionaire agrees to make no claim for any such loss or damage at any time, except for any abatement of compensation or right to insurance proceeds provided for in this Section.

12.04. MUTUAL WAIVER; INSURANCE COVERAGE

City and Concessionaire each waive any and every claim for recovery from the other for any and all loss of or damage to the Concession Space or to the contents thereof, which loss or damage is covered by valid and collectible fire and extended insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Since this mutual waiver will preclude the assignment of any such claim by subrogation or otherwise to an insurance company or any other person, Concessionaire agrees to give to each insurance company which has issued, or may issue, to the Concessionaire policies of fire and extended coverage insurance, written notice of the terms of this mutual waiver, and to have such

insurance policies properly endorsed, if necessary, to prevent the invalidation of the insurance coverage by reason of this waiver.

Concessionaire Caused Damage. If Concessionaire caused the damage described in this Section 12, Concessionaire shall pay for all of the full rebuilding costs, except to the extent of the waiver of subrogation set forth in this Section and Rent shall not be reduced.

Limits of the City's Obligations Defined. It is understood that, in the application of this Section 12, the City's obligations shall be limited to the repair or reconstruction of the Concession Space to a condition with utilities stubbed to the Concession Space suitable for Concessionaire to re-build. Redecoration, Improvements, Trade Fixtures, inventory and replacement of all of Concessionaire's furniture, equipment, inventory and supplies shall be the sole responsibility of Concessionaire and any such redecoration and refurbishing/re-equipping shall be of equivalent quality to that originally installed under the terms of this Agreement.

No Duty to Protect. Protection against loss by fire or other casualty to any of the contents of the Concession Space shall not, at any time, be an obligation of the City.

12.05. RELEASE

Concessionaire agrees that the City shall not be liable to Concessionaire for any injury to or death of any of the Concessionaire's agents, representatives or employees or of any other person or for any damage to any of Concessionaire'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 any third person using the Airport, or caused by any third person navigating any aircraft on or over the Airport, whether such injury, death or damage is due to negligence or otherwise.

SECTION 13 – PROMOTIONAL PROGRAM

13.01. JOINT MARKETING FUND

The City shall provide or cause to be provided a central marketing and promotional fund which, in the City's sole judgment, will serve to promote overall service, retail and food and beverage concessions at the Airport. The fund shall be known as the "Joint Marketing Fund." Beginning the first month after written notice from the City that the Joint Marketing Fund has been established, Concessionaire shall contribute during each month, as Concessionaire's share of the Joint Marketing Fund, an amount equal to 1% of monthly Gross Revenues of Concessionaire. This amount is payable to the City by the 10th day following the end of each calendar month. If Concessionaire is unable to calculate actual Gross Revenues in time to make the required payment to the Joint Marketing Fund, the payment may be made based on an estimate of Gross Revenues. Any and all such estimated payments shall be adjusted as of the end of each six (6) month period of each year. Within 30 days of the end of each six (6) month period, Concessionaire shall send a report to the City reconciling estimated and actual Gross Revenues and showing any over or underpayments to the Joint Marketing Fund. A check for any underpayments must accompany the reconciliation. All overpayments will be credited to the next payment(s) due to Concessionaire within 30 days of the Agreement termination date. The City shall not be obligated to expend more for promotions and advertising than is actually collected from Concessionaires. Any promotional services and personnel so provided shall be under the exclusive control and supervision of the City. The City reserves the right at any time to terminate the Joint Marketing Fund and thereafter to provide central marketing and promotional services until the remaining funds are exhausted.

SECTION 14 – MISCELLANEOUS PROVISIONS

14.01. AGREEMENT BINDING UPON SUCCESSORS

This Agreement, subject to the provisions of the Section entitled "Assignment," shall be binding upon and shall inure to the heirs, personal representatives, successors and assigns of the City and Concessionaire where permitted by this Agreement. The term "Concessionaire" shall include an assignee or sub lessee from the Concessionaire on any assignment or sublease approved by the City, but no such assignment or sublease shall be approved or shall have any effect unless the Concessionaire and its proposed assignees or sub lessee shall thereafter be jointly bound thereby as the Concessionaire hereunder. However, in the event the Concessionaire is authorized to assign, or sublet to, or contract with, a third party to perform or provide any service or sell any product, the term Gross Revenues as used herein shall include the total Gross Revenues generated by the performance of or sale of product by such third party, and not the amount received by the Concessionaire from such third party.

14.02. AGREEMENT MADE IN COLORADO; VENUE

This Agreement shall be deemed to have been made in and shall be construed in accordance with the laws of the State of Colorado and the Charter and Ordinances of the City and County of Denver and the Parties agree that venue for any action arising from this Agreement shall be in the District Court in and for the City and County of Denver. The Concessionaire agrees that any and all notices, pleadings and process may be made by serving two copies of the same upon the Colorado Secretary of State, State Capitol, Denver, Colorado, and by mailing by return mail an additional copy of the same to the Concessionaire at the address shown herein; that said service shall be considered as valid personal service, and judgment may be taken if, within the time prescribed by Colorado law or Rules of Civil Procedure, appearance, pleading or answer is not made.

14.03. AGREEMENTS WITH THE UNITED STATES

This Agreement is subject and subordinate to the terms, reservations, restrictions and conditions of any existing or future agreements between the City and the United States, the execution of which has been or may be required as a condition precedent to the transfer of federal rights or property to the City for Airport purposes and the expenditure of federal funds for the extension, expansion or development of the Airport or airport system. The provisions of the attached Appendices 1, 2, 3 and 10 are incorporated herein by reference.

14.04. RIGHT TO DEVELOP AIRPORT

Concessionaire agrees that the City reserves the right to further develop or improve the Airport and all landing areas and taxiways as the City may see fit, regardless of the desires or views of Concessionaire and without any interference or hindrances from Concessionaire.

14.05. AGREEMENT SUBJECT TO AVIATION PRIORITY

Concessionaire's right to use the Concession Space for the purposes as set forth in this Agreement shall be secondary to, and subordinate to, the operation of the Airport. Concessionaire acknowledges that because of the location of the Concession Space at the Airport, noise, vibrations, fumes, debris and other interference with the Permitted Use will be caused by Airport operations. Concessionaire hereby waives any and all rights or remedies against the City arising out of any noise, vibration, fumes, debris and/or interference that is caused by the operation of the Airport. The City specifically reserves for itself, and for the public, a right of flight for the passage of aircraft in the airspace above the surface of the Airport

together with the right to cause in said airspace such noise, vibration, fumes, debris, and other interference as may be inherent in the present and future operation of aircraft.

14.06. MODIFICATIONS REQUIRED BY FAA

In the event that the FAA or its successors requires modifications or changes in this Agreement as a condition precedent to the granting of funds for the improvement of the Airport, or otherwise, Concessionaire agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Agreement as may be reasonably required to satisfy the FAA requirements, subject to the provisions of this Agreement.

14.07. ASSIGNMENT AND SUBLEASE

Concessionaire shall not assign, transfer, sublease, pledge, hypothecate, surrender, or otherwise encumber (collectively "Transfer"), or dispose of this Agreement or any interest created by this Agreement, or any interest in any portion of the same, nor grant any license or concession hereunder, or permit any other person or persons, company or corporation to occupy the Concession Space, without first obtaining the written consent of the Manager, which consent may be granted or denied in the sole and absolute discretion of the Manager. Any attempt by the Concessionaire to in any way Transfer its interest in this Agreement, in whole or in part, directly or indirectly (including any attempt to transfer the ownership of the equity or voting interest in the stock if Concessionaire is a corporate entity or the ownership interest in such other entity or control of Concessionaire or Concessionaire's operations through sale, exchange, merger, consolidation or other such Transfer), without the prior written consent of the Manager shall, at the option of said Manager, automatically terminate this Agreement and all rights of the Concessionaire hereunder. These restrictions on Transfer shall also apply to assignment of activities, uses, privileges, and obligations authorized under this Agreement.

The City's consent to a Transfer shall not include consent to enlarge the Term or modify other material provisions of this Agreement. The City's consent to a Transfer shall not constitute a release of liability of Concessionaire pursuant to the requested Transfer. The City's consent to one such Transfer shall not be deemed consent to subsequent Transfers.

14.08. BOND ORDINANCES

This Agreement is in all respects subject and subordinate to any and all City bond ordinances applicable to the Airport and airport system and to any other bond ordinances, which should amend, supplement or replace such bond ordinances. The Parties to this Agreement acknowledge and agree that all property subject to this Agreement which was financed by the net proceeds of tax-exempt bonds is owned by the City, and Concessionaire agrees not to take any action that would impair, or omit to take any action required to confirm, the treatment of such property as owned by the City for purposes of Section 142(b) of the Internal Revenue Code of 1986, as amended. In particular, the Concessionaire agrees to make, and hereby makes, an irrevocable election (binding on itself and all successors in interest under this Agreement) not to claim depreciation or an investment credit with respect to any property subject to this Agreement which was financed by the net proceeds of tax-exempt bonds and shall execute such forms and take such other action as the City may request in order to implement such election.

14.09. FORCE MAJEURE

Neither Party hereto shall be liable to the other for any failure, delay or interruption in the performance of any of the terms, covenants or conditions of this Agreement due to causes

beyond the control of that party, including without limitation strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage or any other circumstance for which such Party is not responsible or which is not in its power to control, but in no event shall this paragraph be construed so as to allow Concessionaire to reduce or abate its obligation to pay the MAG or Percentage Compensation Fee herein, or any other compensation due hereunder.

14.10. INCONVENIENCES DURING CONSTRUCTION

Concessionaire recognizes that from time to time during the Term of this Agreement, it may be necessary for City to commence or complete extensive programs of construction, expansion, relocation, maintenance and repair in order that the Airport and its facilities may be maintained, improved, and operated in accordance with any present or future master layout plan, and that such construction, expansion, relocation, maintenance and repair may inconvenience the Concessionaire in its operation at the Airport. Concessionaire agrees that no liability shall attach to City, its officers, agents, employees, contractors, subcontractors and representatives by way of such inconveniences, and Concessionaire waives any right to claim damages or other consideration therefrom.

14.11. MASTER PLAN

Concessionaire agrees that no liability shall attach to the City, its officers, agents and employees by reason of any efforts or action toward implementation of any present or future master layout plan for the Airport, and waives any right to claim damages or other consideration arising therefrom.

14.12. CONCESSIONS MASTER PLANNING

Concessionaire agrees that no liability shall attach to the City, its officers, agents and employees by reason of any efforts or action toward implementation of any present or future master planning for the Airport's concessions program, and waives any right to claim damages or other consideration arising therefrom.

14.13. NONDISCRIMINATION

In connection with the performance of work under this Agreement, Concessionaire agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability, and Concessionaire further agrees to insert the foregoing provision in all subcontracts hereunder.

14.14. NOT PARTNERSHIP

It is understood and agreed by and between the Parties hereto that the status of the Concessionaire shall be that of an independent contractor. Notwithstanding the provisions herein for payment by Concessionaire to City of sums based upon a percentage of Gross Revenues, it is further expressly understood and agreed that the City shall not be construed by a third party or held by Concessionaire to be a partner, associate or joint venturer of Concessionaire in the conduct of its business. Concessionaire shall at all times have the status of an independent contractor and is not intended nor shall it be construed that the Concessionaire, its employees or sub contractors are employees or officers of the City under

notwithstanding, including exhibits, attachments and other documents incorporated into this Agreement by reference, all materials, records and information provided by the Concessionaire to the City shall be considered confidential by the City only to the extent provided in the Open Records Act, and the Concessionaire agrees that any disclosure of information by the City consistent with the provisions of the Open Records Act shall result in no liability of the City.

14.19. SECURITY

It is a material requirement of this Agreement that the Concessionaire shall comply with all rules, regulations, written policies and authorized directives from the City and/or the Transportation Security Administration with respect to Airport security. Concessionaire shall cause its officers, contractors, agents and employees to comply with any and all existing and future security regulations adopted by the City or the Transportation Security Administration (TSA), including 49 CFR Subtitle B, Chapter XII, as amended from time to time. Concessionaire understands and acknowledges that its ability to remain open and sell the Products it is authorized to sell under this Agreement is subject to changes in alert status as determined by TSA. Violation by Concessionaire or any of its employees of any rule, regulation or authorized directive from the City or the Transportation Security Administration with respect to Airport Security shall constitute a material breach of this Agreement and any person who violates such rules may be subject to revocation of his/her access authorization. Concessionaire will reimburse the City, in full, for any fines or penalties levied against the City for security violations as a result of any actions on the part of Concessionaire, its agents, contractors, suppliers or employees and for any attorney fees or related costs paid by the City as a result of any such violation. The Concessionaire shall return to the City at the expiration or termination of this Agreement, or upon demand by the City all access keys or access badges issued to it for any area of the Airport, whether or not restricted. If the Concessionaire fails to do so, the Concessionaire shall be liable to reimburse the City for all the City's costs for work required to prevent compromise of the Airport security system. The City may withhold funds in the amount of such costs from any amounts due and payable to the Concessionaire under this Agreement. The security status of the Airport is subject to change without notice. If the security status of the Airport changes at any time during the term of this Agreement, the Concessionaire shall take immediate steps to comply and assist its Operators with compliance with security modifications which occur as a result of the changed status. The Concessionaire may at any time obtain current information from the Airport Security Office regarding the Airport's security status in relation to the Concessionaire's operations at the Airport.

14.20. SEVERABILITY

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the validity and enforceability of the remaining provisions herein, which are severable, shall be unaffected.

14.21. THIRD PARTIES

The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to the City and the Concessionaire, and nothing contained in this Agreement shall be deemed or construed to confer upon or grant to any third party or parties (except Parties to whom the Concessionaire may assign this Agreement in accordance with the terms hereof, and except any successor to the City) any right to claim damages or to bring any suit, action or other proceeding against either the City or the Concessionaire because of any breach hereof or because of any failure to comply with any of the terms, covenants, agreements and conditions herein. It is the express intention of the City

and the Concessionaire that any other person other than the City or the Concessionaire receiving any benefits from this Agreement shall be deemed to be incidental beneficiaries only.

14.22. ADVERTISING AND PUBLIC DISCLOSURES.

Public Disclosures. The Concessionaire shall not include any reference to this Agreement or to work performed hereunder in any of its advertising or public relations materials without first obtaining the written approval of the Manager, which will not be unreasonably withheld. Any oral presentation or written materials related to Denver International Airport shall include only presentation materials, work product, designs, renderings and technical data which have been accepted by the City. The Manager shall be notified in advance of the date and time of any such presentations. Nothing herein, however, shall preclude the transmittal of any information to officials of the City, including without limitation, the Mayor, the Manager of Aviation, member or members of City Council, the Auditor or the City Clerk and Recorder.

Advertising. Concessionaire may not advertise in the Airport, except with an advertising company with which the City has contracted to sell advertising at the Airport. Permission will not be granted to Concessionaire for any other advertising at the Airport. Concessionaire shall not use nor permit the Concession Space to be used as a medium for third party paid advertising including any advertising material, sign, fixture or equipment whether paid for in-kind or by cash or credit.

14.23. USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS

Concessionaire, its officers, agents and employees shall cooperate and comply with the provisions of the Federal Drug-Free Workplace Act of 1988 and Denver Executive Order No. 94, or any successor thereto, concerning the use, possession or sale of alcohol or drugs. Except as otherwise may be provided herein, Concessionaire shall also prohibit consumption of alcohol within the Concession Space. Violation of these provisions or refusal to cooperate with implementation of the policy can result in the City's barring Concessionaire from City facilities or participating in City operations.

14.24. CITY SMOKING POLICY

Concessionaire agrees that it will prohibit smoking by its employees and the public in the Concession Space and will not sell or advertise tobacco products. Concessionaire acknowledges that smoking is not permitted in Airport buildings and facilities except for designated smoking lounges. Concessionaire and its officers, agents and employees shall cooperate and comply with the provisions of the City's Executive Order No. 99 dated December 1, 1993, Executive Order No. 13 dated July 31, 2002, the provisions of Denver Revised Municipal Code, §§ 24-301 to 317 et. seq., and the Colorado Clean Indoor Air Act, C.R.S. §§ 25-14-201 et. seq.

14.25. WAIVER OF CLAIMS

Concessionaire hereby waives any claim against the City for loss of anticipated profits caused by any suit or proceedings attacking the validity of this Agreement, or any part of this Agreement, or by any judgment or award in any suit declaring this Agreement null, void, or voidable, or delaying this Agreement or any part of it being carried out.

14.26. INTERPRETATION OF AGREEMENT

This Agreement is the result of arms length negotiations between the City and Concessionaire, and therefore any ambiguity in this Agreement shall not be construed against the City by reason of its preparation of this Agreement.

14.27. NUMBER OR GENDER

The use herein of a singular term shall include the plural, and use of the masculine, feminine, or neutral genders shall include all others.

14.28. JOINT AND SEVERAL LIABILITY

If Concessionaire is a partnership or other business organization, the members of which are subject to personal liability, the liability of each such member shall be deemed to be joint and several.

14.29. BROKER'S COMMISSION

Concessionaire represents and warrants that it has not caused nor incurred any claims for brokerage commissions or finder's fees in connection with the execution of this Agreement, and Concessionaire shall indemnify and hold the City harmless against and from all liabilities arising from any such claims caused or incurred by it (including without limitation, the cost of attorney fees in connection therewith).

14.30. NO LIMIT ON CITY'S POWERS

Nothing in this Agreement shall limit, in any way, the power and right of the City to exercise its governmental rights and powers, including its powers of eminent domain.

14.31. HEADINGS.

The heading contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

14.32. WAR OR NATIONAL EMERGENCY

During the time of war or national emergency, the City shall have the right to lease the Airport or any part thereof to the United States Government for military use, and if any such lease is executed, the provisions of this Agreement insofar as they are inconsistent with this Agreement to the Government shall be suspended, and in that event, a just proportionate part of the MAG hereunder shall be abated.

14.33. SURVIVAL OF CERTAIN CONTRACT PROVISIONS

The Parties understand and agree that all terms and conditions of this Agreement, (such as the indemnity agreement set forth herein) which by reasonable implication contemplate continued performance or compliance beyond the termination of this Agreement (by expiration of the term or otherwise) shall survive such termination or earlier termination of this Agreement and shall continue to be fully enforceable as provided herein.

14.34. CAPACITY TO EXECUTE

The individuals executing this Agreement warrant that they have full authority to execute this Agreement on behalf of the entity for whom they purport to be acting.

14.35. ENTIRE AGREEMENT

The City and Concessionaire each warrant and represent to each other that this Agreement constitutes their legal, valid and binding obligation and that the provisions herein including all Exhibits and other documents incorporated by reference, contains the entire agreement between the City and Concessionaire as to this Agreement. It is further understood and agreed by Concessionaire that the City and the City's agents and employees have made no representations or promises with respect to this Agreement or the making or entry into this

Agreement, except as in this Agreement expressly set forth, and that all representations made by any officer, agent or employee of the respective Parties unless included herein are null and void and of no effect. No alterations, amendments, changes or modifications, unless expressly reserved to the Manager herein, shall be valid or effective unless mutually agreed upon in writing and an amendment to this Agreement is executed by an instrument in writing by the Parties with the same formality as this Agreement.

14.36. FINAL APPROVAL

This Agreement is expressly subject to, and shall not be or become effective or binding on the City until approved by the City Council, and fully executed by all signatories of the City and County of Denver.

[SIGNATURE PAGE FOLLOWS]

Contract Control Number: PLANE-201207893-00

Contractor Name:

By: Cynthia G. Keam

Name: Cynthia G. Keam
(please print)

Title: Executive VP
(please print)

ATTEST: [If required]

By: _____

Name: _____
(please print)

Title: _____
(please print)



Contract Control Number: PLANE-201207893-00

Contractor Name:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By _____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

DOUGLAS J. FRIEDNASH, Attorney
for the City and County of Denver

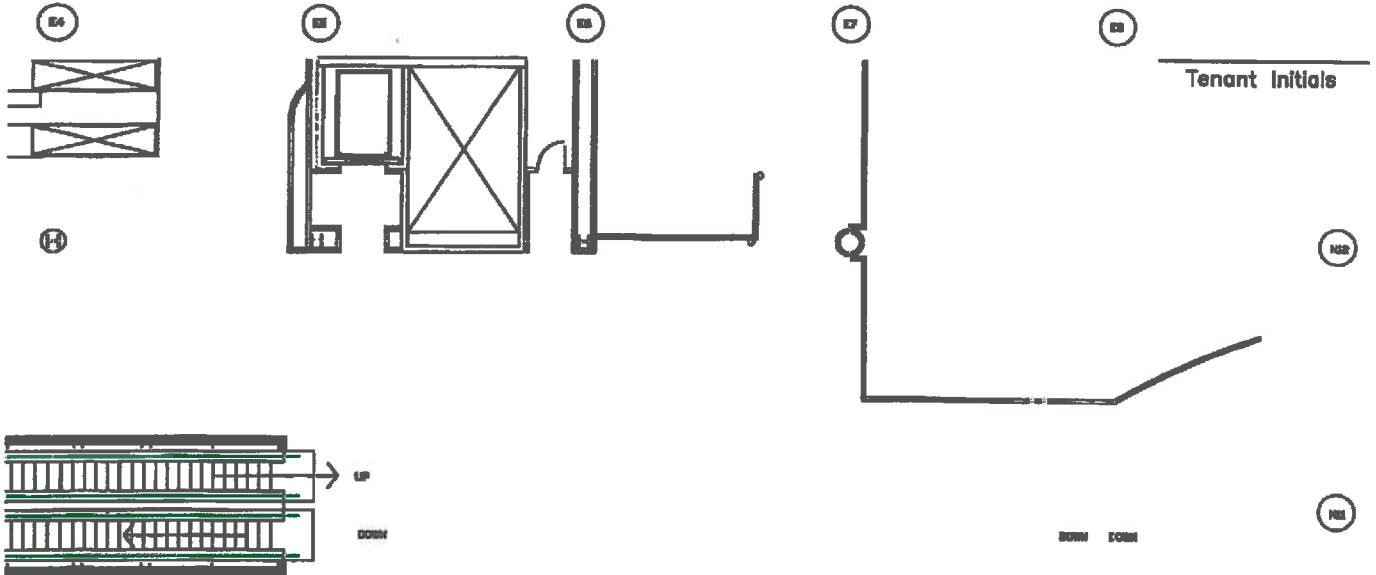
By _____

By _____

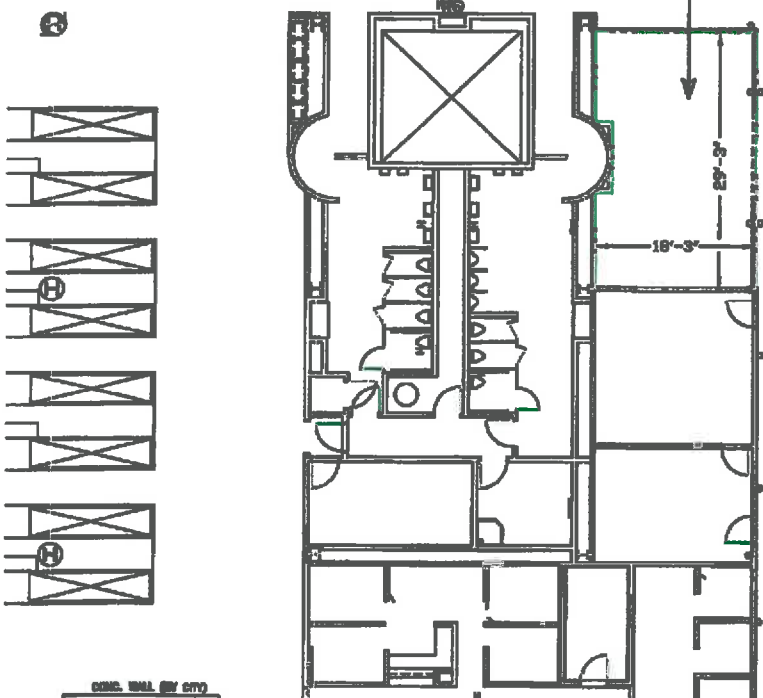
By _____



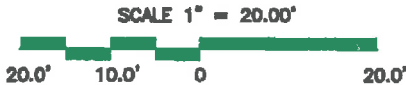
EXHIBIT A



Public Service Credit Union
 R16-1-6-W3-N9-1
 518.1 sq. ft.



⊕ ⊞ COLUMNS
 NIC = Not Included
 (In Lease or Sq. Ft. Data.)



NOTE: This exhibit depicts only approximate dimensions and square footage of leased area based upon planning data and is not intended to show dimensions for construction details.

Ronald Horn
 MANAGER OF DESIGN

	KEY PLAN TERMINAL AREA 		REVISED	DENVER INTERNATIONAL AIRPORT
				EXHIBIT A Terminal Level 6 Public Service Credit Union
			CC#: pecu	DATE: 05/08/12

EXHIBIT B
DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION

SECTION 1 – GENERAL. Except as the context otherwise requires and unless otherwise expressly provided herein, the capitalized terms in this *Exhibit* to the Agreement shall have the same meaning as any similarly capitalized terms defined in the Agreement or in any *Exhibit* thereto.

SECTION 2 – ACDBE OBLIGATION. This agreement is subject to the requirements of the U.S. Department of Transportation's Regulations, 49 CFR Part 23. The Concessionaire agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, or other agreement covered by 49 CFR Part 23.

SECTION 3 – OTHER AGREEMENTS. The Concessionaire agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.

EXHIBIT C
INSURANCE CERTIFICATE

**CITY AND COUNTY OF DENVER
CERTIFICATE OF INSURANCE FOR DEPARTMENT OF AVIATION**

Original COI

Advice of Renewal

Change

Party to Whom this Certificate is Issued:

Name and Address of Insured:

CITY AND COUNTY OF DENVER
Manager of Aviation
Denver International Airport
8500 Pena Boulevard, Room 8810
Denver CO 80249

**CONTRACT NAME & NUMBER TO WHICH THIS INSURANCE APPLIES: Food and Beverage Concession @
DIA**

I. MANDATORY COVERAGE

Colorado Workers' Compensation and Employer Liability Coverage

Coverage: COLORADO Workers' Compensation

Minimum Limits of Liability (In Thousands)

WC Limits: \$100, \$500, \$100

And Employer's Liability Limits:

Any Policy issued under this section must contain, include or provide for the following:

1. All States Coverage or Colorado listed as a covered state for the Workers' Compensation
2. Waiver of Subrogation and Rights of Recovery against the City and County of Denver (the "City"), its officers, officials and employees.

Commercial General Liability Coverage

Coverage: Commercial General Liability (coverage at least as broad as that provided by ISO form CG0001 or equivalent)

Minimum Limits of Liability (In Thousands):

Each Occurrence:	\$1,000
General Aggregate Limit:	\$2,000
Products-Completed Operations Aggregate Limit:	\$2,000
Liquor Liability	\$2,000
Personal & Advertising Injury:	\$1,000
Fire Damage Legal - Any one fire	\$1,000

Any Policy issued under this section must contain, include or provide for the following:

1. City, its officers, officials and employees as additional insureds, per ISO form CG2010 and CG 2037 or equivalents.
2. Coverage for defense costs of additional insureds outside the limits of insurance, per CG0001.
3. Liability assumed under an Insured Contract (Contractual Liability).
4. The full limits of coverage must be dedicated to apply to this project/location, per ISO form CG2503 or equivalent.
5. Waiver of Subrogation and Rights of Recovery, per ISO form CG2404 or equivalent.
6. If liquor is to be sold or distributed, then Liquor Liability, with City as an additional insured is required.
7. Separation of Insureds Provision required

8. General Aggregate Limit Applies Per: Policy ___Project ___Location ____, if applicable

Business Automobile Liability Coverage

Coverage: **Business Automobile Liability (coverage at least as broad as ISO form CA0001)**

Minimum Limits of Liability (In Thousands): **Combined Single Limit** **\$1,000**

Any Policy issued under this section must contain, include or provide for the following:

1. Symbol 1, coverage for any auto. If no autos are owned, Symbols 8 & 9, (Hired and Non-owned) auto liability.
2. If this contract involves the transport of hazardous cargo such as fuel, solvents or other hazardous materials may occur, then Broadened Pollution Endorsement, per ISO form CA 9948 or equivalent and MCS 90 are required.

II. ADDITIONAL COVERAGE

Umbrella Liability

Coverage:

Umbrella Liability, Non Restricted Area Minimum Limits of Liability (In Thousands)	Each Occurrence and aggregate	\$1,000
Umbrella Liability, Unescorted airside access Minimum Limits of Liability (In Thousands)	Each Occurrence and aggregate	\$9,000

Any Policy issued under this section must contain, include or provide for the following:

1. City, its officers, officials and employees as additional insureds.
2. Coverage in excess of, and at least as broad as, the primary policies in sections WC-1, CGL-1, and BAL-1.
3. **If operations include unescorted airside access at DIA, then a \$9 million Umbrella Limit is required.**

Property Coverage

Coverage: Personal Property, Contents, Fixtures, Tenant Improvements and Betterments

Minimum Limits of Liability (in Thousands):

- o 100% of the Replacement Cost value of Personal Property, Contents, Fixtures, Tenant Improvements and Betterments
- o Covered Cause of Loss – Special Form including glass coverage and signs
- o Replacement Cost Endorsement

Any Policy issued under this section must contain, include or provide for the following:

1. City, its officers, officials and employees as additional insureds.
2. Waiver of Subrogation Applies to City as Landlord for any protected Landlord Property.
3. In the event of payment of any Loss involving Tenant Improvements and Betterments, permanent fixtures, etc, the insurance carrier shall pay the City (as Landlord) its designee first for said property loss

III. ADDITIONAL CONDITIONS

It is understood and agreed, for the benefit of the City, that the following additional conditions shall apply to all coverage specified herein:

1. All coverage provided herein shall be primary and any insurance maintained by the City shall be considered excess.
2. The City shall have the right to verify or confirm, at any time, all coverage, information or representations contained herein, and the insured and its undersigned agent shall promptly and fully cooperate in any such audit the City may elect to undertake.
3. Advice of renewal is required
4. All insurance companies issuing policies hereunder must carry at least an A -VI rating from A.M. Best Company or obtain a written waiver of this requirement from the City's Risk Administrator.
5. Compliance with coverage requirement by equivalent herein must be approved in writing by the City's Risk Administrator prior to contract execution.
6. No changes, modifications or interlineations on this Certificate of Insurance shall be allowed without the review and approval of the Risk Administrator prior to contract execution.
7. The Insured named above shall promptly advise the City in the event any general aggregates or other aggregate limits are reduced below the required per occurrence limits. At the Insured's expense, the Insured will reinstate the aggregate limits to comply with the minimum requirements and shall furnish to the City a new Certificate showing such coverage is in force.

IV. NOTICE OF CANCELLATION

It is understood and agreed that should any Policy issued hereunder be cancelled or non-renewed before the expiration date thereof, or sustain a material change in coverage adverse to the City, the issuing company or its authorized Agent shall give notice to the Department of Aviation in accordance with policy provisions.

EXHIBIT D
CONFIRMATION LETTER
ESTABLISHING RENT COMMENCEMENT DATE
AND
EXPIRATION DATE

This Letter of Confirmation is to be attached to this Agreement between the City and _____ (Concessionaire). Pursuant to the requirements of this Agreement, the City and Concessionaire now confirm the following dates:

Date of possession of the Concession Space by Concessionaire _____

Construction Deadline _____

Rent Commencement Date _____

Required Opening Date _____

Refurbishment Date _____

Expiration Date _____

Concessionaire:

Title _____

Date: _____

Countersigned and Approved by the City:

Kim Day, Manager of Aviation

BY _____

Title _____

Date: _____

EXHIBIT E
APPROVED SERVICES/MERCHANDISE

EXHIBIT H
STREET PRICING COMPARABLE FACILITIES (Provided by Concessionaire)

EXHIBIT I

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying schedule of revenues (as defined in the lease agreement dated March 4, 20XX, between ABC Inc., as lessee, and Denver International Airport, as lessor) of ABC Inc. at its Denver International Airport store, for the year ended December 31, 20X2. This schedule is the responsibility of ABC Inc.'s management. Our responsibility is to express an opinion on this schedule based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of gross sales is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule of gross sales. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the schedule of revenues referred to above presents fairly, in all material respects, the gross revenue of ABC Inc. at its Denver International Airport store, for the year ended December 31, 20X2, as defined in the lease agreement referred to in the first paragraph.

This report is intended solely for the information and use of the boards of directors and managements of ABC Inc. and Denver International Airport and is not intended to be and should not be used by anyone other than these specified Parties.

[Signature]

[Date]

EXHIBIT J

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of ABC Inc. and Denver International Airport:

We have performed the procedures enumerated below, which were agreed to by the Management of ABC Inc. and Denver International Airport, solely to assist you in evaluating the accompanying Statement of Revenues for the year ended December 31, 20X1. ABC Inc.'s management is responsible for the statement of revenues. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Agree the revenue for each of the months in the year ended December 31, 20X1 as listed on the statement of revenues to the ABC Inc. general ledger.

For the months of April and September 20X1, agree the total revenues to the underlying cash register receipts.

For a sample of 10 days within the months selected above, agree the underlying cash receipts to bank deposit slips and bank statements.

For the two months selected above, agree the sales tax amounts from the schedule of revenue into the sales tax returns as filed.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying Statement of Revenues of ABC Inc. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the managements of ABC Inc. and Denver International Airport and is not intended to be and should not be used by anyone other than these specified parties.

[Signature]

[Date]

EXHIBIT N

DIA ENVIRONMENTAL REQUIREMENTS

Section 1. General Requirements. Tenant, in conducting any activity on DIA property, shall comply with all applicable airport, local, state, and federal rules, regulations, statutes, laws, and orders (Environmental Requirements). In addition, these Environmental Requirements include applicable Environmental Guidelines developed for DIA's Environmental Management System (EMS), as summarized in DIA Rules and Regulations Part 180. DIA's Environmental Guidelines, Environmental Policy, and all Rules and Regulations are available at www.flydenver.com. These Environmental Requirements address, but are not limited to, requirements regarding the storage, use, and disposal of Hazardous Materials, solid and hazardous waste, or petroleum products; the National Environmental Policy Act (NEPA); and other federal, state, and local water, wastewater, and air quality regulations.

A. EMS: DIA's EMS has been certified to the ISO 14001 standard. DIA's EMS includes the above-noted airport-wide Environmental Policy and is designed around the significant aspects identified in DIA Rule and Regulation 180. It is a requirement of the standard that all entities providing products, goods, and/or services on behalf of DIA ensure that their personnel are aware of DIA's Environmental Policy, DIA's significant environmental aspects, and the specific environmental aspects and associated impacts for the products, goods, and/or services that will be provided by the Tenant,

B. Permits: Tenant shall acquire all necessary federal, state, local and airport permits/approvals and comply with all permit/approval requirements. Tenant shall prepare and update all plans and provide all information required by the City for regulatory compliance purposes and provide copies of all permit applications and permits to DIA.

C. Hazardous Materials Limited: Any hazardous materials not normally used in Tenant's operations are barred from DIA premises. Tenant shall identify all hazardous materials to be used at DIA along with a description of how these materials and any associated hazardous or other waste materials generated by Tenant will be managed while on airport property. This information is required prior to the Tenant conducting activities on DIA property.

D. MSDSs: Prior to operation, Tenant shall maintain copies of Material Safety Data Sheets (MSDSs) for all chemicals to be used in their activities, including those used for cleaning and maintenance. This obligation is continuing for the term of this Agreement, and Tenant shall make this documentation available for inspection by DIA upon request.

E. Pollution Prevention: Tenant is encouraged to utilize the concepts of pollution prevention, energy efficiency and waste minimization with regard to its activities at DIA.

Section 2. Review of Environmental Documents. Tenant, at the request of the City, shall make available for inspection and copying, upon reasonable notice and at reasonable times, any or all of the documents and materials that the Tenant has

prepared pursuant to any Environmental Requirement hereunder or submitted to any governmental or regulatory agency. If there is a requirement to file any notice or report of a release or threatened release of a substance on, under or about the work conducted on DIA property, Tenant shall provide a copy of such report or notice to the City.

Section 3. Access for Environmental Inspection. The City shall have an unimpeded right of access to the occupancy or work areas without prior notice to Tenant to inspect the same in order to confirm that Tenant is conducting its activities in accordance with this Agreement. At the City's request, Tenant shall conduct any testing and analysis at its cost as is necessary to ascertain whether the Tenant is in compliance with this Agreement.

Section 4. Correction of Environmental Non-Compliance. If the Tenant fails to comply with any applicable Environmental Requirement, the City, in addition to its rights and remedies described elsewhere in this Agreement, at its election, may enter the facility and/or work area and take such measures as may be necessary to ensure compliance with the Environmental Requirements, all at the Tenant's expense.

Section 5. Duty to Notify City. In the event of a release or threatened release of a substance relating to or arising out of the Tenant's use or activities on DIA, or in the event any claim, demand, cause of action, or notice is made against the Tenant with regard to the Tenant's failure or alleged failure to comply with any requirement hereunder, the Tenant, immediately shall notify the City verbally by contacting the Airport Communications Center (303-342-4200) and the appropriate regulatory agency. Tenant shall immediately control and remediate the contaminated media and, as provided below, follow-up Tenant's verbal notice with a written report within three days of such incident. In addition, the Tenant shall provide the City, at Tenant's expense, with copies of any written claims, demands, notices or actions so made.

Section 6. Environmental Remediation. Tenant shall undertake all actions necessary to remedy or remove any released or spilled materials and any other contamination discovered on or under DIA property introduced by or affected by Tenant and shall restore the Access Premises to either its condition immediately prior to the initiation of this Agreement or to a condition in compliance with all applicable local, state, federal, or airport laws, rules, regulations, or orders, at the City's sole discretion. This work shall be performed at Tenant's expense and the City shall have the right to review the project plan and review and inspect all such work at any time using consultants and representatives of the City's choice. Tenant shall further conduct surface and subsurface monitoring pertaining to Tenant's activities hereunder to ensure compliance with applicable laws, rules, regulations, and permits or as determined by the Manager of Aviation.

Section 7. Environmental Requirements for Construction. Tenant agrees to ensure that its premises are designed, constructed, operated, and maintained in a manner that minimizes environmental impacts through application of appropriate preventive measures and complies with all federal, state, and local environmental requirements. Tenant shall comply with the DIA Tenant Development Guidelines, as amended, for any alterations to existing facilities or the construction of any new facilities. In addition, the Tenant shall comply with Exhibit X of this agreement.

EXHIBIT X

PROVISIONS FOR DESIGN AND CONSTRUCTION OF IMPROVEMENTS

GENERAL PROVISIONS

SECTION 1: GENERAL. Except as the context otherwise requires and unless otherwise expressly provided herein, the capitalized terms in this Exhibit X to the Agreement shall have the same meaning as any similarly capitalized terms defined in the Agreement or any exhibit thereto. Reference to Denver International Airport (DIA), Department of Aviation or Manager of Aviation shall mean that entity specifically, or that division or individual authorized to represent that entity. Reference to Tenant shall include "Concessionaire" as the context requires.

SECTION 2: IMPROVEMENTS. "Improvements," which may also be known as "Concession Improvements" or "Tenant Improvements," shall mean any new construction, equipment, finishes, fixtures, systems, furnishings and furniture installed by Tenant, as well as modifications or alterations to existing construction, equipment, finishes, fixtures, systems, furnishings and furniture which conform to drawings and specifications approved in writing by the Manager of Aviation. Such drawings and specifications must provide for the necessary and proper operation of the business contemplated under this Agreement.

SECTION 3: COMPLIANCE WITH LAWS AND REGULATIONS. Tenant agrees to comply with and require its contractors to comply with all applicable federal, state and local laws and all general rules and regulations applicable to construction at DIA, including but not limited to payment of prevailing wages and sales and use taxes, compliance with the Americans with Disabilities Act, 42 USC 12,000 et seq. and its regulations.

In addition to the above, the Tenant and its contractors shall comply with all DIA specific rules and regulations regarding site access, use of site, safety, security, design and construction and shall obtain and pay for all related permits. Failure to comply will be grounds for denial of access and/or suspension of construction activities. Regulations in force specific to DIA include but are not limited to the following:

The Denver Municipal Airport System Rules and Regulations

DIA Design Standards

DIA Tenant Development Guidelines

SECTION 4: PAYMENT OF PREVAILING WAGE RATES. Tenant shall require its contractor and all of its subcontractors to pay every worker, laborer or mechanic employed by them in the performance of the construction of the Improvements prevailing wages, including fringe benefits or their cash equivalent, for the same class and kind of work in the City and County of Denver, as determined by the Career Service Board under the provisions of Section 20-76 of the Denver Revised Municipal Code. The wages shall be those prevailing at the time of the contractor's final bid, and the Tenant shall require the contractor to submit with its bid the wage schedule applicable. The contractor shall post in a prominent and easily accessible place at the site of the Improvements the scale of wages to be paid by the contractor and all subcontractors at any tier working under the contractor. The contractor shall furnish to the Mayor's Office of Contract Compliance and to the Auditor, or his authorized representative, each week during which work is in progress, a true and correct copy of the payroll records of all workers employed to perform the work. All payroll records shall include information showing the number of hours worked by each worker, the hourly pay of such worker, any deductions made from pay, and the net amount of pay received by such worker for the period covered by the payroll. The payroll record shall

be accompanied by a sworn statement of the contractor that the copy is a true and correct copy of the payroll records of all workers performing the work, either for the contractors or subcontractors, that payments were made to the workers as set forth in the payroll records, that no deductions were made other than those set forth in such records, and that all workers were paid the prevailing wages as of the contractor's final bid for the work. Compliance with above requirements shall be deemed a work "specification" as such word is used in Section 5-18(d), Denver Revised Municipal Code. Violation of the prevailing wage requirement and its documentation, hereinabove set forth, shall result in an order from the Manager of Aviation for the work to cease until there is satisfactory evidence that the violation has been remedied and will not reoccur. The issuance of a stop-work order shall not relieve contractor's surety of any liability on contractor's bond or bonds, but such a stop-work order shall be deemed a default by the contractor insofar as said surety's obligation is concerned.

SECTION 5: SBE AND MBE/WBE PARTICIPATION. This Agreement is subject to the requirements of Articles III and VII of the Denver Revised Municipal Code.

Tenant agrees that it shall provide for participation of Small Business Enterprises (SBEs) in the design and construction of Improvements, in compliance with Article VII, Division 1 of Chapter 28, Denver Revised Municipal Code (D.R.M.C.), or any successor ordinance effective at the time of any design and construction which Tenant may carry out during the life of this Agreement. The goal for percentage of design and construction work to be performed by SBE firms is set forth on the Construction Summary Page, and Tenant shall make a good faith effort to meet such goals as have been set in accordance with the ordinance. Further, the City and County of Denver encourages Tenants to utilize SBEs and to divide the design and construction work into economically feasible units or segments to allow the most opportunity for subcontracting.

Tenant agrees that it shall provide for participation of Minority Business Enterprises ("MBE") and Women Business Enterprises ("WBE") in the design and construction of Improvements, in compliance with the requirements of Article III, Divisions 1 and 3 of Chapter 28, of the Denver Revised Municipal Code ("MBE/WBE Ordinance"), or applicable successor ordinance, during the life of this Agreement. Tenant agrees to comply with rules and regulations issued by the Director of the Division of Small Business Opportunity ("DSBO"), a division of the Mayor's Office of Economic Development. The goal for percentage of design and construction work to be performed by MBE/WBE firms is set forth on the Construction Summary Page, and Tenant shall meet, or make a good faith effort to meet, such goals as have been set in accordance with the ordinance. Further, the City and County of Denver encourages Tenants to utilize MBE/WBE firms and to divide the design and construction work into economically feasible units or segments to allow the most opportunity for subcontracting.

SECTION 6: INSURANCE REQUIREMENTS. Refer to Appendix B of Manual 1 of the DIA Tenant Development Guidelines for insurance requirements for Tenant, Tenant's Design Consultants and Tenant's Contractors for required insurance coverage for design and construction of Improvements and completed Improvements, including requirements for submittal of certificates and renewals of insurance.

SECTION 7: EVIDENCE OF INSURANCE. Certified copies of required insurance policies, or certificates, in the standard form required, evidencing the existence thereof, or binders, shall be delivered to the DIA Division of Planning and Development at least 15 days prior to the commencement of any design work to be performed by Tenant's consultants and any construction work for Improvements. If a binder is delivered, it shall be replaced within 30 days by a certified copy of the policy or the required certificate. Policies shall be in a form and of a

company acceptable to and approved by the City, and certificates shall be on standard City and County of Denver Certificate of Insurance forms.

Each such policy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without 45 days prior written notice (10 days for nonpayment of premium) given by certified mail, return receipt requested, to the Manager of Aviation, 8500 Peña Boulevard, Denver, Colorado 80249-6340.

Each such policy or certificate shall further provide that any coverage afforded the City and County of Denver as an additional insured under the policy shall apply as primary insurance and any other insurance issued to the City and County of Denver shall apply as excess and noncontributing insurance.

Any renewal certificate shall be delivered to the Manager of Aviation at least 10 days prior to the expiration of each expiring policy. If at any time any of the insurance policies shall be or become unsatisfactory to the Manager of Aviation as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Manager of Aviation, Tenant shall promptly obtain a new and satisfactory replacement policy.

SECTION 8: LIMITATION ON LIABILITY. Tenant agrees that no liability shall attach to the City for any damages or losses incurred or claimed by Tenant or any other person or party on account of the construction or installation of the Improvements or other Improvements to the Tenant's site made by the Tenant. Tenant agrees that no liability shall attach to the City for any interference or delay caused by construction in adjacent areas, travelers, other businesses or airport operations, including without limitation damages or losses in the nature of delay damages, lost labor productivity, and impact damages. Tenant agrees to indemnify, defend and hold harmless the City from any loss, cost, damage or expense incurred, claimed, asserted or arising in connection with Tenant's or its contractors' or agents', construction or installation of the Improvements or other Improvements to the site made by the Tenant.

DESIGN PROVISIONS

SECTION 9: DESIGN PROCEDURES. Refer to Manual 1 of the DIA Tenant Development Guidelines for procedures and requirements regarding design, including but not limited to design process and schedule, submittal requirements, review and approval process, design modifications and project coordination.

Approval of the Manager of Aviation extends to and includes consideration of architectural, structural, mechanical, electrical, specialty systems, site, signage, landscaping and aesthetic matters, and DIA reserves the right to reject any design submitted and to require Tenant to resubmit designs and layout proposals until they meet with the approval of the Manager of Aviation. No substantial changes or alterations shall be made in said drawings or specifications after approval by the Manager of Aviation, and no alterations or improvements shall be made to or upon the Tenant's site without prior approval.

Tenant CADD Submittal Requirements: All issue for construction and project record drawings shall be provided by the tenant to DIA in AutoCAD Rel. 2007 .dwg file format in accordance with DIA CADD standards set forth in Design Standards Manual 1.

Concession CADD Submittal Requirements: AutoCAD 2007 .dwg format CADD files that match the tenant's hardcopy drawings must be submitted via: CD-ROM or DVD-ROM in MS-Windows format. All drawings must represent precision input and follow industry standard CADD practices. The drawings must reflect true design dimensioning and must NOT be graphic representations of the design. All site, civil and utility drawings MUST be produced using units in

feet and the DIA Grid Coordinate System. The DIA project manager must approve submittal and may require adherence to the requirements set forth in DIA design standards. In addition to the above, Tenant is responsible for coordination with the Denver Building Inspection Division, Zoning, Fire Department, Wastewater Management, Consumer Protection, Health and Hospitals, etc. as may be required to comply with submittal, review and approval requirements in order to obtain all required permits. Prior to the issuance of a Notice to Proceed with Improvements from the Manager of Aviation, the Tenant shall obtain and pay for all approvals, licenses and permits required for the Improvements. Whenever a conflict arises between state or local law, ordinances or regulations and federal law or regulations, the most stringent law or regulations applicable to this Agreement shall control.

SECTION 10: DESIGN STANDARDS. First-class standards of design and construction are required, and all Improvements shall conform to applicable statutes, ordinances, building codes, and regulations as well as the DIA Design Standards and DIA Tenant Development Guidelines, as they may be amended from time to time, and any other applicable design, construction, and maintenance standards.

Approval of the Manager of Aviation shall extend to and include consideration of architectural and aesthetic matters and the City reserves the right to reject any designs submitted and to require the Tenant to resubmit designs and layout proposals until they meet with the City's approval. If any portion of the plans and specifications is disapproved by the City, the Tenant shall promptly submit necessary modifications and revisions thereof. The approval given by the Manager of Aviation shall not constitute a representation or warranty as to such conformity; therefore, responsibility remains with the Tenant at all times.

CONSTRUCTION PROVISIONS

SECTION 11: CONSTRUCTION PROCEDURES. Refer to Manual 1 of the DIA Tenant Development Guidelines for procedures and requirements regarding construction, including but not limited to construction schedule, submittal requirements, review and approval process, construction inspections, construction modifications and project coordination.

Compliance with standards: All construction work shall comply with the requirements of and standards established by the City and all other appropriate governmental agencies and entities. The City shall at all times have the right to monitor and inspect any construction to assure that the Improvements are constructed and installed in full compliance with the plans and specifications.

Standard of Performance: All work done by the Tenant or its contractors shall be done in a first-class workmanlike manner using only good grades of materials and shall comply with all insurance requirements and all applicable laws and ordinances and rules and regulations of governmental departments or agencies. Whenever a conflict arises between State or local law, ordinances or regulations and Federal law or regulations, Federal law or regulations applicable to this agreement shall control.

City Inspection: All construction work, materials, and installations involved in or incidental to the construction of the improvements undertaken by the Tenant throughout the term hereof shall be subject at all times to inspection and approval by the City. DIA shall at all times have the right of access to the construction site and to monitor and inspect the construction of all Improvements to insure that all Improvements are constructed and installed in compliance with approved drawings and specifications.

DIA shall have the right to halt construction of the Improvements or deny access to the site at any time if construction is at material variance from the approved drawings and specifications until such variance is corrected, or if such construction poses an immediate safety hazard at the Airport, until such safety hazard is eliminated. The City shall cooperate and use its best efforts to alleviate and resolve any such variance or impediment to the safe operation of the Airport so as to permit continued construction as expeditiously as possible.

In order to assist DIA in monitoring and inspecting construction, the Tenant shall submit, or cause to be submitted for information and record, copies of all field test reports, certificates of insurance, waivers of liens, material certificates, shop drawings and submittals for review for compliance with DIA design and construction standards, contractor application for payment requests, construction progress reports, notification of substantial completion of Improvements and final acceptance, two copies of maintenance and operation manuals in connection with building systems and all updates thereof, as-built documents, and any other documents related to the construction of the Improvements which may be reasonably requested by DIA.

No change order or other contract modification which materially changes the scope of the Improvements shall be executed without prior approval of the Manager of Aviation, whose approval shall not be unreasonably withheld. The City will approve, conditionally approve, or disapprove submissions of change orders which materially change the scope of the work within a reasonable period of time following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation as to the reason for the condition.

The Building Inspection Division of the City and County of Denver shall also receive copies of all change orders. Any conditional approval or disapproval shall be accompanied by an explanation of the reasons.

Tenant is responsible for all temporary utilities required during construction. Tenant, at its sole cost and expense, shall obtain and make utility connections, hook-ups or taps as necessary or as stipulated in this Agreement, securing all necessary applications or permits and paying all associated fees. Tenant, at its sole cost and expense, shall provide meters, calibrated by the utility company, and maintain equipment as required to provide accurate measurement of usage and consumption. DIA makes no warranty as to the location of structures, wiring, fixtures or systems, and Tenant accepts them on an "as is" basis without further recourse against DIA as to their location, number or suitability for the particular purposes of the Tenant.

Tenant is responsible for maintaining a clean, orderly and safe construction site, free of accumulated construction debris and waste materials and shall be responsible for legal removal of same. Construction shall be accomplished without interfering with travelers, airport operations or other businesses, providing barricades and/or construction enclosures as required.

SECTION 12: CONSTRUCTION BONDS AND PERMITS. Prior to Notice to Proceed with construction Improvements, Tenant and its contractor shall deliver to the Manager of Aviation performance and payment bonds and copies of all required permits, licenses and all other documents as required by Manual 1 of the DIA Tenant Development Guidelines.

SECTION 13: MODIFICATIONS AND ALTERATIONS. Modifications and alterations to existing tenant improvements are subject to the same requirements and provisions as new tenant improvements as itemized in this Exhibit X and the Lease Agreement.

Advance Notice of Modification: The Tenant shall give or cause to be given to the City advance notice before performing any material modification to the improvements.

Expense of Alterations. Any work necessary to make any alterations, improvements, or additions to the facility throughout the term of this Agreement shall be done at the Tenant's cost and expense, in accordance with and subject to all of the required approvals, submittals, and procedures, and all other requirements of whatsoever nature, as set forth herein.

SECTION 14: AS-BUILT DOCUMENTS. Not later than 60 days after completion of all work for the Improvements, Tenant shall provide DIA two complete sets of as-built documents prepared in accordance with DIA requirements. If Tenant fails to provide as-built documents after written notice from DIA, DIA may elect to have the documents completed and charge the Tenant for the costs associated therewith. Tenant agrees that, upon the request of DIA, Tenant will inspect the Improvements jointly with DIA to verify as-built documents.

APPENDIX NO. 1

STANDARD FEDERAL ASSURANCES

NOTE: As used below the term "contractor" shall mean and include the "Party of the Second Part," and the term "sponsor" shall mean the "City."

During the term of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations.** The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. **Nondiscrimination.** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. **Solicitations for Subcontractors, Including Procurements of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. **Information and Reports.** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor of the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

a. Withholding of payments to the contractor under the contract until the contractor complies, and/or

b. Cancellation, termination or suspension of the contract, in whole or in part.

6. **Incorporation of Provisions.** The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the sponsor to enter into such litigation to protect the interests of the

sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX NO. 2

STANDARD FEDERAL ASSURANCES

NOTE: As used below, the term "DOT" means the United States Department of Transportation.

1. The Party of the Second Part for itself, representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this agreement for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Party of the Second Part shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

2. The Party of the Second Part for itself, representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land: (1) that no person on the grounds of race, color, sex, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, sex, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Party of the Second Part shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

APPENDIX NO. 3

NONDISCRIMINATION IN AIRPORT EMPLOYMENT OPPORTUNITIES

The Party of the Second Part assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This Provision obligates the Party of the Second Part or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide or is in the form of personal property or real property or an interest therein or structures or improvements thereon. In these cases, this Provision obligates the Party of the Second Part or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this Provision binds the contractors from the bid solicitation period through the completion of the contract.

It is unlawful for airport operators and their lessees, tenants, concessionaires and contractors to discriminate against any person because of race, color, national origin, sex, creed, or handicap in public services and employment opportunities.

APPENDIX NO. 10

DISADVANTAGED BUSINESS ENTERPRISES - REQUIRED STATEMENTS

Policy. It is the policy of the Department of Transportation that disadvantaged business enterprises as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds under this agreement. Consequently, the ACDBE requirements of 49 CFR Part 23 apply to this agreement.

ACDBE Obligation. The recipient or its contractor agrees to ensure that disadvantaged business enterprises as defined in 49 CFR Part 23 have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds provided under this agreement. In this regard, all recipients or contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 23 to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts. Recipients and their contractors shall not discriminate on the basis of race, color, sex, creed or national origin in the award and performance of DOT-assisted contracts.

49 CFR 23.5 defines a DOT-assisted contract as "any contract or modification of a contract between a recipient and a contractor which is paid for in whole or in part with DOT financial assistance or any contract or modification of a contract between a recipient and a lessee." "Contractor" means ... "and includes lessees." The City is the "recipient."

