
**AIRPORT FOOD & BEVERAGE/SPECIALTY RETAIL
CONCESSION LEASE AGREEMENT
(Concession Lease)**

by and between the

SUSQUEHANNA AREA REGIONAL AIRPORT AUTHORITY

and

**THIS AGREEMENT IS SUBJECT TO APPROVAL BY THE SUSQUEHANNA AREA REGIONAL
AIRPORT AUTHORITY**

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**AIRPORT FOOD & BEVERAGE/SPECIALTY RETAIL
CONCESSION LEASE AGREEMENT
(Concession Lease)**

THIS AGREEMENT (“Agreement”) by and between the **SUSQUEHANNA AREA REGIONAL AIRPORT AUTHORITY**, a joint municipal authority duly created under the Pennsylvania Municipality Authorities Act of 1945, (hereinafter referred to as “SARAA” or “Landlord”), having an office at One Terminal Drive, Suite 300, Harrisburg International Airport, Middletown, PA 17057 and _____, with its principal place of business to be at the Airport and its registered address at _____ (hereinafter referred to as “Concessionaire” or “Tenant”).

WITNESSETH:

WHEREAS, the Landlord owns and operates the Harrisburg International Airport (hereinafter called “Airport”) which is located partially in the Borough of Middletown, the Borough of Highspire and Lower Swatara Township, Dauphin County, Pennsylvania; and

WHEREAS, in furtherance of its authority, the Landlord desires to lease to the Tenant certain facilities located at the Airport in accordance with the terms, covenants and conditions hereinafter set forth in this Lease to operate a _____ restaurant.

NOW, THEREFORE, for good and valuable consideration and intending to be legally bound, the parties covenant and agree as follows:

**ARTICLE I
Definitions**

Section 1.1 **Definitions.** Throughout this Agreement, the following words shall have the following meanings, respectively, unless the context clearly shall indicate some other meaning:

- (a) Agreement shall mean this Airport Food & Beverage/Specialty Retail Concession Lease Agreement by and between SARAA and Concessionaire;
- (b) Agreement Year shall mean each twelve (12) month period or portion thereof commencing with the Term;
- (c) Airport means Harrisburg International Airport;
- (d) Airport Terminal Building or “Terminal” shall mean the Airline Passenger Terminal Building and its related concourses located at the Airport, including the parking garage structure connected to the Terminal;

- (e) DBE means Disadvantaged Business Enterprise as defined in 49 CFR Part 23 and shall include small business concerns which are owned and controlled by socially and economically disadvantaged individuals which shall include small business administration (“SBA”), Section 8(a) certificate holders. This Agreement is subject to the requirements of the U. S. Department of Transportation’s regulations, 49 CFR Part 23, Subpart F. 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 agreement covered by 49 CFR, Part 23, Subpart F. The Concessionaire agrees to include the above statements in any subsequent agreements that it enters and cause those businesses to similarly include the statements in further agreements. SARAA encourages all Concessionaires to maximize DBE participation in concession opportunities. SARAA shall have the right to count any DBE participation under this Agreement toward SARAA’s overall DBE goal. Concessionaire shall submit such reports as may be required by SARAA, or DOT in the form specified by said governmental entity for the purposes of demonstrating compliance with the provisions set forth in this Agreement;
- (f) DOT means the United States Department of Transportation or any department of agency succeeding to its jurisdiction and function;
- (g) EPA means the United States Environmental Protection Agency and any federal, state or local agency, or governmental entity, succeeding to, or being delegated with its jurisdiction, functions, or responsibilities;
- (h) Executive Director shall mean the Executive Director of SARAA or his or her designated and authorized representative;
- (i) FAA means the Federal Aviation Administration of the United States Department of Transportation, or any department or agency succeeding to its jurisdiction or function;
- (j) FAR means Federal Aviation Regulations and shall include, but not be limited to, all regulations, policies, statements and directives promulgated or issued by the FAA;
- (k) Fiscal Year shall mean SARAA’s fiscal year meaning the twelve (12) month period commencing January 1 and extending to December 31st of the same year;
- (l) Governmental Requirements means all federal, state and local laws, rules, regulations, security plans, and rulings, including all amendments, and any rules and/or regulations established by SARAA, now in effect or hereinafter enacted;
- (m) Gross Sales as used in this Agreement shall mean all monies, receipts or other consideration payable to the Concessionaire and all of Concessionaire’s sublessees, subtenants and others doing business under this Agreement. These

shall include all charges or other fees charged by Concessionaire and all subtenants, sublessees and others doing business under this Agreement on all sales made by said parties at all Airport locations whether for cash or credit without deduction for credit card discounts, whether the same shall be paid or unpaid. Gross Sales shall also include any payments made to Concessionaire for advertising or promoting any products or trade name(s) or other licensing or merchandising of any nature from the Leased Premises. Gross Sales shall exclude: (i) any sales tax or excise tax, stated separately and collected from the customer for remittance to a governmental taxing authority; (ii) any exchange of merchandise between stores or locations of Concessionaire where such exchange is made solely for the convenient operation of Concessionaire's business and not for the purpose of consummating a sale made in, at or from the Leased Premises or for the purpose of depriving SARAA of the benefit of sales revenue which would otherwise be made in or at the Leased Premises; (iii) returns to shippers or manufacturers; (iv) cash or credit refunds made by Concessionaire, its sublessees, subtenants or others doing business under this Agreement to customers on transactions (not to exceed the actual selling price of the item returned) otherwise included in Gross Sales; (v) all Airport employee discounts; (vi) all Concessionaire's employee meals; and (vii) any credit or gift card charge, fee, or expense associated with credit or gift card acceptance.

- (n) Improvements shall mean any item or improvements (excluding trade fixtures owned by Concessionaire) which is affixed to the Leased Premises or affixed to any improvement thereto and which cannot be removed without damage or injury to the Leased Premises or any other improvements;
- (o) Leased Premises means the premises leased by Concessionaire from SARAA or allocated to Concessionaire by SARAA under this Agreement, as may be more fully described and illustrated on Exhibit A and A1, dated July 1, 2014, as drawn by Susquehanna Area Regional Airport Authority attached hereto;
- (p) Percentage Rent shall refer to the amount of monthly rental that should be paid by Concessionaire to SARAA as a percentage of Gross Sales, subject to each and every term and condition of this Agreement;
- (q) Property shall include anything of material value that is real, personal, tangible or intangible;
- (r) SARAA shall mean the Susquehanna Area Regional Airport Authority, a joint municipal authority duly created under the Pennsylvania Municipality Authorities Act of 1945;
- (s) Term means the period of time that this Agreement shall be in effect, as set forth in Section 2.1 hereof; and
- (t) TSA shall mean Transportation Security Administration of the United States

Department of Homeland Security, or any department or agency succeeding to its jurisdiction or function responsible for providing personnel and equipment to screen passengers, baggage and goods at the Airport and enforcing federal transportation security regulations.

Section 1.2 **Rules of Construction** . Throughout this Agreement, unless the context clearly shall require otherwise:

- (a) The singular includes the plural and vice versa;
- (b) The words “and” and “or” shall be both conjunctive and disjunctive;
- (c) The words “hereby”, “herein”, “hereof”, “hereto” and “hereunder” and any similar terms used in this Agreement refer to this Agreement;
- (d) The words "all" and "any" mean "any and all";
- (e) The word "including" shall not mean in a limiting nature, but shall be construed to mean "including without limitation";
- (f) The word "he" or any other masculine pronoun includes any individual regardless of gender;
- (g) Words denoting persons shall include firms, associations, partnerships, limited liability corporations, limited liability partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons;
- (h) Reference to any attachments or exhibits shall mean exhibits attached to this Agreement and which shall be deemed incorporated fully by reference and made an integral part of this Agreement;
- (i) Any headings preceding the text of the Articles, and Sections of this Agreement and any Table of Contents or marginal notes appended to notes hereof shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect the meaning, construction, interpretation or effect of this Agreement; and
- (j) Reference to articles or sections respectively shall mean articles or sections of this Agreement.

ARTICLE II

Term, Benchmark, Dates

Section 2.1. **Term of Concession Agreement**. The Term of this Agreement shall commence on _____ at 12:01 a.m. and shall continue for ten (10) years. Option shall automatically renew unless Concessionaire, by giving notice to Landlord no later than one hundred

eighty (180) days prior to the last day of the Term, will have the option to extend the Term for an additional ten (10) years, commencing the day immediately following the last day of the Term and terminating at midnight on the day on which the tenth (10th) annual anniversary of the last day of the Term. If Concessionaire exercises this option, all other terms and conditions of this Lease will remain in effect, and all references in this Lease to “**Term**” will include the additional ten (10) years.

Section 2.2 Additional Locations and Term. Any additional locations added within the first five (5) years of this agreement shall be within the terms and conditions of this Agreement. Any locations added beyond the first five (5) years will be subject to additional term, as mutually agreed upon by SARAA and the Concessionaire.

Section 2.3 Holding Over. To provide continuous service to the air traveler and public, Concessionaire shall, upon written request of SARAA, remain upon the Leased Premises and manage the operation of all concessions subject to this Agreement for up to a one hundred eighty (180) day period, as so requested by SARAA, after termination of this Agreement by expiration of the Term, cancellation or default, to give a new concessionaire sufficient time to be chosen and commence operation. Upon the termination of this Agreement, through the passage of time or otherwise, Concessionaire shall aid SARAA, in all ways possible, in continuing the business of management of the operation of the facilities subject to this Agreement without interruption, between termination of this Agreement and commencement of operations by a new Concessionaire.

In the event that Concessionaire, without request or objection by SARAA, shall continue to occupy the Leased Premises beyond the Term of this Agreement, such holding over shall not constitute a renewal of this Agreement, but shall be considered a month-to-month tenancy only incorporating all terms and conditions of this Agreement. The Concessionaire will continue to pay rentals using the payment structure defined in Article VI hereof. No such holdover shall be deemed to operate as renewal or extension of the Term. Such month-to-month tenancy may be terminated by SARAA or Concessionaire by giving thirty (30) days written notice of said termination to the other party at any time. Concessionaire will have no rights to renew or extend the Term of this Agreement, except as provided in Section 2.1.

ARTICLE III **Leased Premises and Airport Construction**

Section 3.1 Leased Premises. For and in consideration of the mutual promises hereof, SARAA hereby provides Concessionaire approximately _____ (xx) square feet, hereinafter called “Leased Premises”. For purposes of this Agreement relating to Concessionaire’s responsibilities, the Leased Premises shall mean the areas shown on Exhibit A as drawn by Susquehanna Area Regional Airport Authority attached hereto, where (a) the exact boundaries are deemed to be three (3) inches inside each wall separating the Leased Premises from the adjacent premises or the external Terminal wall, and (b) with respect to the facade and/or wall on the front of the Leased Premises, separating the Leased Premises from the Terminal common areas, the exact boundary is deemed to be the external face of the facade and/or wall.

The area and location may from time to time be adjusted as hereinafter provided and subsequently illustrated on a revised Exhibit A, as drawn by Susquehanna Area Regional Airport Authority attached hereto.

Section 3.2 Extent of Leasehold. In accordance with the terms, conditions and covenants set forth in this Agreement, SARAA hereby leases to Concessionaire and Concessionaire hereby leases from SARAA, the Leased Premises. In addition, Concessionaire shall possess the non-exclusive right of ingress and egress to and from the Leased Premises as may be necessary through areas designated by the Executive Director, subject to Airport rules and regulations, including security regulations, as may be amended from time to time, provided that Concessionaire's exercise of such right shall not impede or interfere unduly with the operation of the Airport by SARAA, its tenants, customers and other authorized occupants. Concessionaire shall not place or install any racks, stands or other display of merchandise or trade fixtures in any Airport property outside the Leased Premises without the express prior consent of the Executive Director. In no event will Concessionaire engage in any activity on the Airport outside the Leased Premises for the recruitment or solicitation of business.

Section 3.3 Relocation, Expansion, and Contraction.

A. At any time during the Term, SARAA may require (a) that Concessionaire relocate and surrender all or part of the Leased Premises (such change to the Leased Premises to be referred to as a "Required Relocation"), and/or (b) that the Leased Premises be contracted or expanded (such change to the Leased Premises shall be referred to as "Leased Premises Change"). Pursuant to the terms set forth in this Section 3.3, SARAA shall give written notice (the "Change Notice") setting forth a description of the Required Relocation or the Leased Premises Change, as applicable, the approximate effective date thereof (the "Target Effective Date") and with respect to a Required Relocation, the location of comparable on-Airport replacement Leased Premises. The Change Notice shall be given no less than six (6) months prior to the Target Effective Date.

B. With respect to a Required Relocation, if the replacement Leased Premises is deemed unsatisfactory to Concessionaire, then Concessionaire may terminate this Agreement by giving notice thereof to SARAA within thirty (30) days after the Change Notice is given. In the event Concessionaire gives such notice of termination, then this Agreement shall terminate on the Target Effective Date, and on such date Concessionaire shall surrender the Leased Premises in the condition required by this Agreement. Concessionaire will be reimbursed for the unamortized value of Concessionaire's Total Capital Investment Commitment (as set forth in Section 5.4) based on a ten (10) year straight-line rate of depreciation. Provided Concessionaire does not terminate this Agreement pursuant to the foregoing, Concessionaire shall surrender the Leased Premises and relocate to the replacement Leased Premises on a date (the "Surrender Date") determined by SARAA (which shall be no earlier than the Target Effective Date). On the Surrender Date, Concessionaire shall surrender the Leased Premises in the condition required below.

In the event of a relocation pursuant to this Section, Concessionaire shall refurbish, redecorate and modernize the interiors and exteriors of the replacement Leased Premises, such

that the replacement Leased Premises are of at least the same quality as the original Leased Premises before the Tenant made its improvements. As part of SARAA's approval of Concessionaire's plans and specifications and Concessionaire's budget for its remodeling, SARAA may specify a reasonable "Maximum Reimbursement Amount" for a typical _____ restaurant. Once the remodeling of the replacement Leased Premises is completed, and SARAA has approved the work, Concessionaire must submit to SARAA (i) a certificate from Concessionaire's Architect certifying that the remodeling was completed in strict compliance with the plans and specifications approved by SARAA, (ii) copies of paid invoices showing the costs actually paid by Concessionaire for the remodeling of the replacement Leased Premises and Concessionaire's out-of-pocket moving costs, and (iii) lien releases from all contractors, subcontractors, and materialmen entitled to payment in connection with the remodeling of the replacement Leased Premises. Within sixty (60) days of the submission of all required items in this section SARAA will reimburse Concessionaire for all costs of remodeling the replacement Leased Premises and moving its merchandise and other personal property to the replacement Leased Premises from the original Leased Premises; provided that in no event will SARAA be required to reimburse Concessionaire for more than the Maximum Reimbursement Amount and further provided that SARAA may, in SARAA's sole discretion, make such reimbursement by issuing Concessionaire a rent credit, which in any case shall not be over a longer period than six (6) months. Any amount not being credited as rent to be paid within sixty (60) days of the submission of all required items in this section. In no event will SARAA be obligated to pay or reimburse Concessionaire for any other costs or expenses, including business interruption costs, unless such interruption is greater than three (3) months and is a result of delays caused by the actions or inactions of SARAA in connection with Required Relocation or the Leased Premises Change.

C. (i) With respect to a Leased Premises Change where the square footage of the original Leased Premises will be expanded or contracted by more than ten percent (10%), Concessionaire may terminate this Agreement by giving notice thereof to SARAA within thirty (30) days after the Change Notice is given. In the event Concessionaire gives such notice of termination, then this Agreement shall terminate on the Target Effective Date and on such date, Concessionaire shall surrender the Leased Premises in the condition required below. (ii) Provided Concessionaire does not terminate this Agreement pursuant to the foregoing, Concessionaire shall cause the Leased Premises to be expanded or contracted as described in the Change Notice on or before the date described therein. As part of SARAA's approval of Concessionaire's plans and specifications and Concessionaire's budget for its remodeling, SARAA may specify a "Maximum Reimbursement Amount." Once the remodeling of the replacement Leased Premises is completed, and SARAA has approved the work, Concessionaire must submit to SARAA (1) a certificate from Concessionaire's architect certifying that the remodeling was completed in strict compliance with the plans and specifications approved by SARAA, (2) copies of paid invoices showing the costs actually paid by Concessionaire for the remodeling of the replacement Leased Premises and Concessionaire's out-of-pocket moving costs, and (3) lien releases from all contractors, subcontractors and materialmen entitled to payment in connection with the remodeling of the replacement Leased Premises. Following its review and approval of those submissions, SARAA will reimburse Concessionaire for all reasonable costs of remodeling the replacement Leased Premises and moving its merchandise and other personal property to the replacement Leased Premises from the original Leased

Premises; provided that in no event will SARAA be required to reimburse Concessionaire for more than the Maximum Reimbursement Amount and further provided, that SARAA may, in SARAA's sole discretion, make such reimbursement by issuing Concessionaire a rent credit, which in any case shall not be over a period of longer than six (6) months. Any amount not being credited as rent to be paid within sixty (60) days of the submission of all required items in this section. In no event will SARAA be obligated to pay or reimburse Concessionaire for any other costs or expenses, including business interruption costs unless such interruption is greater than three (3) months.

D. At SARAA's option, the parties shall amend this Agreement or enter into a new or amended and restated Concession lease on the same terms as this Agreement, to reflect the Required Relocation or the Leased Premises Change.

E. Notwithstanding anything to the contrary herein, SARAA shall not require a Required Relocation or a Leased Premises Change unless SARAA shall have considered other reasonable alternatives and within its reasonable discretion rejected them and the Required Relocation or a Leased Premises Change is being done in connection with changes, alterations, expansions, and contractions being made to the Airport facilities.

Section 3.4 Remeasurement of Leased Premises. At any time and from time to time, the Executive Director may cause SARAA to conduct a space audit pursuant to which SARAA remeasures the Leased Premises, using the Airport's then current measurement specifications. At the Executive Director's request, Concessionaire and SARAA shall enter into an amendment of this Agreement reflecting the results of such remeasurement.

Section 3.5 Changes to Airport. Concessionaire acknowledges and agrees that (a) SARAA shall have the right at all times to change, alter, expand, and contract the Airport, including the Terminal; (b) SARAA has made no representations, warranties, or covenants to Concessionaire regarding the design, construction, pedestrian traffic, or views of the Airport or the Leased Premises. Without limiting the generality of the foregoing, Concessionaire acknowledges and agrees that the Airport (i) is currently undergoing and may from time to time hereafter undergo, renovation, construction, and other Airport modifications; and (ii) may from time to time adopt rules and regulations relating to security and other operational concerns that may affect Concessionaire's business. Although SARAA will use reasonable efforts to minimize the effect of Airport changes on Concessionaire's business, Concessionaire acknowledges that such activity may have some effect on Concessionaire's operations located at the Airport. Such construction and renovation programs might involve barricading, materials storage, noise, the presence of workers and equipment, rearrangement, utility interruptions, and other inconveniences normally associated with construction and renovation. Although SARAA will use reasonable efforts to minimize the effect of Airport changes on Concessionaire's business, Concessionaire acknowledges that such activity may have some effect on operations located at the Airport, and Concessionaire shall not be entitled to any rent credit or other compensation therefore.

At any time and from time to time, SARAA may, without the consent of Concessionaire, and without effecting Concessionaire's obligations under this Agreement, at SARAA's sole

discretion, (a) change the shape, size, location, number and extent of the improvements in any portion of the Airport, including without limitation the concourses, boarding areas, and food service areas and security areas located within the Terminal, (b) build additional stories above or below the Airport buildings, including the Terminal, (c) eliminate or relocate public entrances to the Leased Premises so long as there is at all times one public entrance to the Leased Premises, (d) construct multi-level, elevated or subterranean parking facilities and (e) expand or contract the Airport, including redefining the Airport boundaries so as to include additional lands within the Airport or exclude lands from the Airport or both. Without limiting waivers set forth elsewhere in this Agreement, Concessionaire hereby waives all claims against SARAA and releases SARAA from all losses that Concessionaire suffers or incurs arising out of or in connection with any changes to the Airport or any portion of the Airport and Concessionaire further agrees that Concessionaire will not be entitled to any rent abatement or any other rent relief in connection with any changes to the Airport or any portion of the Airport. No changes by the Landlord to the area surrounding the Leased Premises will materially reduce access to or visibility of the Leased Premises.

Section 3.6 Common Areas. The term “common areas” means all areas and facilities located within the Airport that are determined by SARAA from time to time for the general use and convenience of the tenants of the Airport and other occupants of the Airport and the traveling public and other visitors to the Airport such as concourses, sidewalks, elevators, escalators, moving walkways, parking areas and facilities, restrooms, pedestrian entrances, driveways, loading zones and roadways. SARAA may, in its sole discretion, and without any liability to Concessionaire (a) change the common areas, (b) increase or decrease the common areas (including conversion of common areas to leasable areas and the conversion of leasable areas to common areas) and (c) impose parking charges. SARAA will, in its sole discretion, maintain the common areas, establish and enforce Airport rules and regulations concerning the common areas, close temporarily portions of the common areas for maintenance purposes, and make changes to the common areas including changes in the location of security check points, driveways, entrances, exits, parking spaces, parking areas, and the direction of the flow of traffic. SARAA reserves the right to make additional non-discriminatory Airport rules and regulations affecting the Airport throughout the Term, including the requirement that Concessionaire participate in a parking validation program.

ARTICLE IV

Grant of Concession Privilege; Uses and Reservations

Section 4.1 Concession Rights Granted. For and in consideration of the prompt payment of the compensation to SARAA as hereinafter provided, SARAA hereby grants to Concessionaire, subject to all of the terms, covenants and conditions of this Agreement, a food and beverage concession within the Leased Premises. SARAA may at any time during the term of this Agreement, relocate, divide, and/or reconfigure the Leased Premises allocated for this Agreement, subject to the provisions included in Article III of this Agreement.

Section 4.2 Operational Assurances and Requirements.

(a) Approval of Merchandise and Menu. Concessionaire shall not conduct any other

business, or sell any type of merchandise or menu items unless specifically authorized to do so by the Executive Director. Concessionaire shall provide a list describing the type of merchandise and food and beverages to be sold for authorization by the Executive Director. SARAA will respond to such requests for authorization within a reasonable time not to exceed twenty-one (21) days. Concessionaire must sell the required items and may sell the permitted items listed in Exhibit B.

- (b) Advertising and Promoting of Products. Concessionaire may advertise brand-name products on its packaging and within the Leased Premises only upon the written approval of the Executive Director. SARAA will respond to such requests for authorization within a reasonable time not to exceed twenty-one (21) days.
- (c) Exclusive Rights. The concession rights herein granted to the Concessionaire shall be nonexclusive within the Airport for the sale of food items as the primary menu item.
- (d) Dispute with Other Tenants. In the event of a dispute between Concessionaire and any other Airport tenant as to the services to be offered or products to be sold, Concessionaire shall meet and confer with the Executive Director or his designated representative and, if any parties to said dispute continue to disagree with the recommendation of the Executive Director, SARAA shall determine the services to be offered or products to be sold by each, and Concessionaire shall be bound by said determination.
- (e) No Other Uses. Concessionaire shall not use nor permit the Leased Premises to be used for any purpose other than as herein above set forth except with the prior written consent of SARAA, nor for any use in violation of any applicable present or future law, ordinance, rule or regulation of any governmental authority, agency, department or officer thereof.
- (f) Purchasing. The Concessionaire shall have the right to purchase personal property or services, materials and supplies used by Concessionaire from any person or company of Concessionaire's choice. The Concessionaire shall have the right to make agreements with any person or company of Concessionaire's choice for services to be performed for Concessionaire that are incidental to the conduct of Concessionaire's activities. It is understood that if Concessionaire's suppliers, contractors and furnishers of service exclusively use any portion of the Airport or facilities of SARAA, then SARAA may charge reasonable fees therefore, but nothing herein gives the Concessionaire the right to grant to any other party the privilege to use any portion of the airport or facilities of SARAA.
- (g) Disposal of Equipment. The Concessionaire may dispose of equipment (which belongs to Concessionaire) which has been replaced or fully amortized, or which is unnecessary; provided, that such right shall not be construed as authorizing the conduct of a separate business.

- (h) Employees' Parking Facilities. If not otherwise provided, Concessionaire shall have the right to the use of reasonably adequate vehicular parking facilities for its employees employed at the Airport in common with other employees, which facilities shall be located in an area designated by the Executive Director as near as practicable to the Terminal. Currently, this parking is free of charge; however, SARAA reserves the right to assess a reasonable charge for such employee parking facilities, based on the cost of providing, operating, and maintaining the facilities as set forth on SARAA's published schedule of Airport rates, fees and charges. The facility manager shall be assigned a parking space within the manager's lot.
- (i) Access. (1) Subject to the provisions hereof, the rules, regulations, and ordinances, and such restrictions as Concessionaire may impose with respect to its Leased Premises, SARAA hereby grants to Concessionaire, and its respective agents, suppliers, employees, contractors, passengers, guests, and invitees, the right and privilege of access, ingress, and egress to the Leased Premises and to public areas and public facilities of the Terminal; (2) The ingress and egress provided for above shall not be used, enjoyed, or extended to any person engaging in any activity or performing any act or furnishing any service for or on behalf of Concessionaire that Concessionaire is not authorized to engage in or perform under the provisions hereof unless expressly authorized by SARAA; (3) SARAA shall have the right at any time or times to close, relocate, reconstruct, change, alter, or modify any such means of access provided for Concessionaire's use pursuant to this Agreement or otherwise, either temporarily or permanently; provided that reasonable written notice is given to Concessionaire and a reasonably convenient and adequate means of access, ingress and egress shall exist or be provided in lieu thereof. SARAA shall suffer no liability by reason thereof and such action shall in no way alter or affect any of Concessionaire's obligations under this Agreement.
- (j) Technology Rights are Not Exclusive. Concessionaire can provide technology related to fast food services at the sole discretion of the Executive Director.

Section 4.3 No Joint Venture or Partnership. This Agreement shall not be deemed or construed (a) to create any relationship of joint venture or partnership between SARAA and Concessionaire, (b) to give SARAA any interest in the business of Concessionaire, or (c) to grant to Concessionaire any powers as an agent or representative of SARAA, for any purpose or to bind SARAA.

Section 4.4 Termination of Agreement for Airport Purposes. Concessionaire agrees and understands that, by reason of the broad public interest in the efficient maintenance, operation and development of the Airport, SARAA hereby expressly reserves the right to terminate this Agreement upon a determination by SARAA that the Leased Premises are needed for Airport construction or development.

In the event that Airport construction or development necessitates termination of this Agreement and the acquisition of Concessionaire's interest in the Leased Premises, Concessionaire

shall surrender the Leased Premises to SARAA within one hundred twenty (120) days from receipt of SARAA's written notice of its intent to terminate the Agreement and acquire Concessionaire's interest in the Leased Premises. SARAA shall use its best efforts to provide Concessionaire with replacement premises at the Airport at the rates not to exceed those provided in this Agreement. Furthermore, relocation benefits shall be paid by SARAA to Concessionaire in the manner required by applicable governmental requirements.

In consideration of Concessionaire's surrender of the Leased Premises, Concessionaire shall receive, as complete compensation for Concessionaire's interest in the Leased Premises and Concessionaire's improvements thereto, a sum of money equivalent to the then unamortized amount of any improvements based on a ten (10) year straight-line rate of depreciation.

Section 4.5. Quiet Enjoyment. Unless an Event of Default under Section 11.1 shall occur, Concessionaire shall have quiet enjoyment of the Leased Premises. **PROVIDED, HOWEVER, SARAA MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE LEASED PREMISES OR THAT THEY WILL BE SUITABLE FOR CONCESSIONAIRE'S PURPOSES AND NEEDS. BE IT FURTHER PROVIDED,** that SARAA reserves the right to further develop, improve, rehabilitate, repair, reconstruct, alter and expand the Airport and all roadways, parking areas, terminal facilities and aircraft operating areas as it may reasonably see fit, free from any and all liability to Concessionaire for loss of business or damages of any nature whatsoever to Concessionaire occasioned during the making of such improvements, repairs, alterations, reconstructions and additions to the Airport.

Concessionaire shall not, under any circumstances, withhold any rent or other amounts payable to SARAA on account of any defect on the Leased Premises or in the Terminal; provided, however, that Concessionaire and SARAA, with respect to material defect, agree to negotiate a rebate for the specific portion of the Leased Premises if such material defect is not caused by Concessionaire's acts or omissions and directly prevents Concessionaire from conducting its normal business operations. Any rental abatement shall terminate upon repair of such defect. By its entry onto the Leased Premises, Concessionaire accepts the Leased Premises "as is", being free and clear from all defects and in good, safe, clean and orderly condition and repair.

Section 4.6. Aviation Easement, Waiver and Release. SARAA reserves the right to take such action as may be necessary to protect the aerial approaches of the Airport against obstruction in accordance with applicable standards or Governmental Requirements, together with the right to prevent Concessionaire or any other person from erecting or permitting to be erected any antenna, equipment, building, or other facility or structure on the Airport (other than buildings or facilities to be constructed in compliance with and pursuant to the plans and specifications approved pursuant to Section 5.5 hereof or except with the prior written approval of the Executive Director), which would conflict with such standards and Governmental Requirements. SARAA also reserves for itself, and their lessees and licensees, an aviation easement in, over and across the airspace above the Leased Premises and the unrestricted right to subject the Leased Premises to such Airport noise and vibration as may result from the flight of aircraft, warm up of engines, testing of engines or motors and other aviation related activities.

CONCESSIONAIRE SHALL WAIVE, REMISE AND RELEASE ANY RIGHT OR CAUSE OF ACTION WHICH CONCESSIONAIRE MAY NOW HAVE OR MAY HAVE IN THE FUTURE AGAINST SARAA, ON ACCOUNT OF OR ARISING OUT OF NOISE, VIBRATIONS, FUMES, DUST, FUEL, PARTICLES AND OTHER EFFECTS THAT MAY BE CAUSED OR MAY HAVE BEEN CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT OR TAKING OFF FROM OR OPERATING AT OR ON THE AIRPORT OR IN AND NEAR THE AIRSPACE ABOVE THE LEASED PREMISES.

Concessionaire shall (a) not allow any tree or other vegetation to remain on the Leased Premises which encroaches upon or extends into the prohibited airspace or rights-of-way of the Airport; (b) use, permit or suffer the use of the Leased Premises in such a manner as to create electrical interferences with radio communication to or from any aircraft or between any airport installation and any aircraft, or as to make it difficult for aircraft pilots to distinguish between airport lights or as to impair visibility in the vicinity of the Airport, or to otherwise endanger the landing, taking off or maneuvering of aircraft; (c) not permit the construction of any facility or improvement which attracts or results in the concentration of birds which would interfere with the safe operation of aircraft in the airspace above the Leased Premises and at the Airport; and (d) not cause or permit any change in authorized land use hereunder that will reduce the compatibility of the noise compatibility program measures upon which Federal funds have been expended.

“Airspace” means for the purposes of this Section, any space above the ground level of the Leased Premises. “Aircraft” means for the purposes of this Section, any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air or space, regardless of the form of propulsion, which powers said aircraft in flight. It is understood and agreed that the covenants and agreements in this section shall run with the land.

Section 4.7 Airport Security.

A. Concessionaire shall be solely responsible for regulating access from the Leased Premises to any security areas of the Airport immediately adjacent thereto. Concessionaire shall regulate such access in compliance with all applicable provisions of Title 49 Code of Federal Regulations Section 1542, “Airport Security”, (previously 14 CFR Part 107) all other applicable laws, rules and regulations governing the Airport and SARAA’s Airport Security Program approved in accordance with said regulations. Concessionaire is to complete and submit necessary paper work related thereto and said Airport Security Program is incorporated herein by reference, as if fully made part hereof.

B. SARAA shall set forth rules and procedures for the control of unauthorized access from any part of the Leased Premises described herein to any restricted areas at Airport immediately adjacent hereto.

C. Gates, doors, fences or other parts of such Leased Premises which would permit access to such restricted areas shall be kept locked by Concessionaire at all times when not in use by, or when not under the constant security surveillance of Concessionaire. Lock malfunctions or other deficiencies which would permit such unauthorized access shall be reported by Concessionaire forthwith to the Executive Director, and the unsecured access point shall be

maintained by Concessionaire under constant security surveillance until it has repaired the same and security through such point has been restored.

D. Concessionaire recognizes its obligation to comply with all federal security and Airport rules and regulations. Concessionaire shall be solely responsible for the payment of any and all penalties and fines which may be levied by the TSA for violation of any Federal Transportation Security Rule or Regulation, arising from or relating to Concessionaire's failure to perform its security responsibilities or any such security violation. In addition, Concessionaire will reimburse SARAA, in full, for any fines or penalties levied against SARAA for any security violation as a result of any actions on the part of Concessionaire, its agents, contractors, suppliers, guests, customers or employees and for any attorney's fees or related costs paid by SARAA as a result of any such violation.

E. For unescorted access to the airport security area, the Concessionaires' employees, contractors, or other persons doing business with Concessionaire must obtain an Airport security badge. The badges are issued by SARAA subject to the Concessionaires' successful completion of the security background access investigation in compliance with Title 49 Code of Federal Regulations Section 1542. Concessionaire shall be subject to a non-refundable reissuance fee if any such badge is lost or not returned to SARAA when required.

Section 4.8. Limitations on Signage. Without the prior, written approval of the Executive Director, Concessionaire shall not erect, maintain or display signs of advertising or graphics at or on the exterior parts of the Leased Premises, or in or on the Leased Premises, so as to be visible outside the Leased Premises. Exterior signs affecting public safety and security shall be in accordance with SARAA and FAA standards. If the Executive Director has not given approval for said signage within five (5) days of receipt of written notice by Executive Director, Concessionaire shall remove, obliterate, or paint out any and all advertising signs, posters, graphics and similar devices placed by Concessionaire on the Leased Premises. In event of a failure by Concessionaire to so remove, obliterate or paint out each and every sign, poster, graphic or piece of advertising and to restore the Leased Premises to its prior condition, SARAA may perform the necessary work and Concessionaire shall pay the cost thereof to SARAA on demand. In addition to signs within the Leases Premises, SARAA and the Executive Director will provide the Concessionaire with locations for at least one (1) sign outside and one (1) sign inside the Secured Concourse in accordance with SARAA and FAA standards. The signs and installation thereof shall be at Concessionaire's expense. Notwithstanding anything in this Agreement to the contrary, Concessionaire may use its Franchisors' standard logo and colors, and its Franchisors' standard signage approved by the Executive Director.

ARTICLE V

Improvements, Alterations and Repairs

Section 5.1 General. Concessionaire shall make no alterations, additions, improvements to, or installations on the Leased Premises under this Agreement without the prior written approval of SARAA. Any such alterations or improvements shall be without cost to SARAA. The ultimate control over the quality and acceptability of the Improvements in the Leased Premises will be retained by SARAA and shall require the review and written release of

SARAA prior to installation. Concessionaire shall accept such Leased Premises “as is”. Notwithstanding anything to the contrary, Concessionaire may use its Franchisors’ standard interior decor.

Section 5.2 SARAA’s Construction Responsibility. SARAA shall fully equip, furnish, finish, and fit up all public areas in the Terminal Building. This includes all space up to the demising line of the Leased Premises. SARAA shall provide utilities to the Leased Premises. SARAA will provide “shell” space for Concessionaire in the Leased Premises. Concessionaire will provide the funding necessary to build out, finish, fit up and furnish the Leased Premises in accordance with the plans submitted by Concessionaire in accordance with Section 5.5. Concessionaire shall be responsible for providing all consumables, tableware, glasses and linens. This Section 5.2 does not apply to a Required Relocation or a Leased Premises Change under Section 3.3 and SARAA’s obligations under Section 3.3 regarding the reimbursement to Concessionaire of certain costs of a Required Relocation or a Leased Premises Change as set forth in Section 3.3.

Section 5.3 Improvements by Concessionaire. Concessionaire shall provide, construct, furnish, install and maintain on the Leased Premises all necessary equipment, fixtures and facilities necessary and appropriate to operate the concession in a manner adequate to serve fully the convenience and necessity of the traveling public in the Leased Premises. Quality level, design and appearance of such improvements shall both conform to the Airport architectural design guidelines and be consistent with a first class, modern, high quality concession. All Leased Premises and equipment, fixtures and facilities must be maintained in a first class manner and in a safe, clean, orderly and attractive condition at all times, to the satisfaction of the SARAA. Concessionaire shall also provide all improvements proposed to SARAA and accepted by SARAA in acceptance of Concessionaire’s proposal. Concessionaire shall cause all improvements to be completed and concession open for business by _____, (the “Deadline Date”). Concessionaire shall use its best efforts to achieve this date. In the event that the Leased Premises, or any portion thereof, are not open for business on the date that is forty-five (45) days after the Deadline Date, SARAA shall have the option to terminate this Agreement.

Section 5.4 Concessionaire’s Improvement Financial Obligation. Concessionaire guarantees that it will make capital investments for said concession, exclusive of architectural, engineering and in-house fees, in an amount not less than contained in its proposal, including that described in Concessionaire’s proposal, as follows:

A. Estimated Capital Investment for Leasehold Improvements (exclusive of architectural, engineering and any in-house fees): \$ _____

B. Estimated Capital Investment for Furniture, Fixtures and Equipment (exclusive of architectural, engineering and any in-house fees) \$ _____

Total Capital Investment Commitment (add two items above): \$ _____

Concessionaire has the right at any time to encumber all or any part of its interest in any or all of its personal property relating to the Leased Premises, including without limitation, the inventory and trade fixtures in the Leased Premises, with a lien to secure the financing for the Total Capital Investment Commitment, and SARAA agrees to execute such landlord's waivers and other agreements as such lender may reasonably request in connection with such financing.

Section 5.5 Design of Improvements - Plans and Specifications.

A. Concessionaire shall develop plans and specifications for constructing, erecting and installing any Improvements on the Leased Premises, which in final form shall consist of (1) working drawings, (2) technical specifications; (3) schedule for accomplishing improvements, (4) schedule of finishes and graphics, and (5) a list of all furnishings, fixtures and equipment to be located on the Leased Premises. Concessionaire shall submit two (2) copies of all of the foregoing documents, and any additional plans developed by or for Concessionaire, for the construction of all Improvements to SARAA for approval. If approved by SARAA, said plans and specifications will be endorsed, approved, dated and signed by SARAA's authorized representative. Only plans and specifications so approved by same shall be used by Concessionaire.

B. All construction shall be of first class quality. All structural improvements, signs, equipment and interior design and decor constructed or installed by Concessionaire, its agents or contractors, including the plans and specifications therefore, shall conform in all respects to applicable standards, statutes, ordinances, building codes, and rules and regulations.

C. At least two (2) sets of final plans and specifications for the Improvements shall be submitted by Concessionaire to SARAA for review. SARAA shall within ten (10) days of receipt of any such plans and specifications, either release or refuse to release for construction the plans and specifications so submitted.

Concessionaire shall be responsible for obtaining all building permits. All proposed construction shall have all the proper environmental approvals.

In the event of SARAA's refusal to approve any portion of the plans and specifications, Concessionaire shall promptly submit necessary modifications and revisions thereof. SARAA shall not unreasonably withhold or delay such release. No substantial changes or alterations shall be made in said plans and specifications after initial release by SARAA, and no structural alterations or improvements shall be made to or upon the Leased Premises without the prior written approval of SARAA. SARAA agrees to act promptly upon such plans and specifications and upon requests for release of changes or alterations in said plans or specifications. One final electronic and hard copy of plans and specifications for all Improvements or subsequent changes therein or alterations thereof shall, within thirty (30) days after completion of construction, including all punch-list items, be signed by Concessionaire and deposited with SARAA as an official record thereof.

D. Upon release for construction of plans and specifications as provided in Section 5.5.C. hereof, and when authorized to proceed in accordance with said Section of this

Agreement, Concessionaire shall in good faith immediately begin construction and installation of the improvements, facilities, furniture and equipment in the Leased Premises and prosecute the same to completion. All of the aforementioned contractors of Concessionaire shall maintain commercial general liability and workmen's compensation/employees' liability insurance coverage satisfactory to SARAA. SARAA shall require both a Payment and Performance Bond, each in the amount of one hundred percent (100%) of the contract price, to be obtained in all cases prior to commencement of construction. Concessionaire shall provide builder's risk insurance naming SARAA as lost payee with respect to one hundred percent (100%) in value of the improvements to be provided under such contracts. No Improvements, fixtures, or equipment shall be subject to any liens whether created by operation of law or by agreement. All construction shall in every respect conform to and comply with applicable statutes, ordinances, building codes, rules and regulations of such authorities as may have jurisdiction over any aspect of said construction. Concessionaire, at its sole cost and expense, shall also procure all building, fire, safety and other permits necessary for any construction.

Section 5.6 Equipment; Fixtures. All equipment, fixtures and property installed on the Leased Premises shall be of first-class quality. Any and all equipment, fixtures and security enclosures or other property permanently affixed to the Leased Premises shall become an integral part of the Leased Premises and title to the same shall pass to SARAA upon installation or construction. All other equipment, trade fixtures and personal property shall remain the property of Concessionaire.

Section 5.7 Annual and Midterm Refurbishment.

A. Within thirty (30) days after each Agreement Year throughout the Term, Concessionaire shall provide SARAA with an annual refurbishment schedule setting forth those various improvements to be undertaken by the Concessionaire at the Leased Premises during the then current Lease Year, which improvements shall be subject to SARAA's review and approval and all other terms and conditions set forth in this Section 5 (the "Annual Refurbishment"). The minimum annual investment to be undertaken by the Concessionaire to the Leased Premises in connection with the Annual Refurbishment shall be equal to one-half of one percent (0.5%) of the prior Agreement Year's Gross Sales, which amount shall be based on the Monthly Statements to be provided by the Concessionaire to SARAA pursuant to Section 6.5 below. In addition to the required Annual Refurbishment, the Concessionaire agrees to refurbish the Leased Premises promptly upon the observation of any damage or deterioration of the original materials/workmanship or as reasonably required by the Executive Director and to maintain compliance with SARAA's general operating performance standards for all concessionaires.

B. Within three (3) months after the tenth year anniversary of this Agreement, if Tenant exercises its right to renew the initial Term of this Lease as provided in Section 2.1, Concessionaire shall fully remodel the Leased Premises, at Concessionaire's cost (hereinafter called the "Mid-Term Investment). In the development and submission of plans and specifications, and in the construction of improvements, the applicable provisions of Section 5 will apply.

Section 5.8 Modifications. Concessionaire shall not make any modifications or

changes to the completed facility or construct any further improvements at the Leased Premises without the prior written approval of the Executive Director and then only in accordance with such plans and terms as said Executive Director may first approve.

Section 5.9 Encumbrances on Leased Premises. The Leased Premises shall be accepted by Concessionaire subject to any and all then existing easements or other encumbrances, and SARAA shall have the right to install, lay, construct, maintain, repair, and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, connections, water, oil or gas pipelines, and telephones and telegraph power lines and such other appliances and appurtenances necessary or convenient in connection therewith, over, in, upon, through, across, and along the Leased Premises, or any part thereof, and to enter thereupon after 24 hours' notice, except in case of emergency, for any and all such purposes; provided, however, that no right of SARAA provided for in this section shall be so exercised as to interfere unreasonably with the Concessionaire's operations hereunder nor result in added expense to Concessionaire in conducting its operations hereunder. Notwithstanding the language above, SARAA shall have the right to immediate access to utilities systems or portions thereof in the Leased Premises in the event of an emergency which would threaten the safety of human life and/or the property of SARAA.

Section 5.10 Title to Improvements and Alterations.

A. All Improvements made to the Leased Premises and all additions and alterations thereto made upon said area by Concessionaire, shall be and remain the property of Concessionaire until expiration or termination of this Agreement as set forth in Section 2.1 or Article XI at which time the said Improvements shall become the property of SARAA.

B. Concessionaire shall make no alterations, additions, improvements to, or installations outside of the Leased Premises under this Agreement.

C. Plans and specifications for such work shall be filed with and subject to the approval of the Executive Director and all work shall be done in accordance with local building codes, ordinances and state laws.

Section 5.11 Future Work. After completion of the structural or other improvements and installation of equipment and interior design and decor, as above provided, Concessionaire shall not make any structural alterations to the ceilings, walls or floors or any permanent improvements which it constructs or installs in the Leased Premises without first obtaining Executive Director's written consent; provided, however, that Concessionaire may make nonstructural alterations which the exigencies of the operation of its concession demand in order to promote efficiency in the operation thereof. Notwithstanding anything to the contrary, Tenant may use its Franchisors' standard interior decor.

Section 5.12 Removal of Property. Upon expiration or early termination or cancellation of this Agreement, Concessionaire shall forthwith, at its own expense, remove all of its personal property, equipment, trade fixtures, devices and appurtenances thereto and to any other portions of the facility or structural components installed by Concessionaire which are readily removable

from the Leased Premises without damaging said Leased Premises, provided, however, that no installed or extended utility lines or facilities or any other structures or appurtenances permanently affixed to the Leased Premises which are not removable without damage to the Leased Premises shall be removed therefrom unless SARAA directly expressly directs Concessionaire to do so. Should Concessionaire fail to remove its trade fixtures upon termination or expiration of this Lease, Landlord shall be permitted to dispose of such fixtures at Landlord's sole discretion, including placing such items in the trash. Concessionaire shall pay all costs associated with the repair of any damage caused by such removal.

Section 5.13 Repairs.

A. Concessionaire shall, at the expiration of the Term of this Agreement, make any and all repairs necessary to restore the property within the Leased Premises to its original condition, normal wear and tear excepted.

B. SARAA shall not be required to make any repairs or improvements of any kind at any of the locations under this Agreement. Concessionaire shall, at its sole cost and expense, maintain and make necessary repairs, to the Leased Premises, structural and otherwise, to the interior and exterior of all of the locations, and the fixtures and equipment therein and appurtenances thereto, including, but not limited to, the exterior and interior windows, doors and entrances, storefronts, signs, counters, showcases, floor structure and floor coverings, interior walls and roof, the interior surface of exterior walls, columns and partitions; provided that Concessionaire shall not be responsible for repairs of the roof, supporting beams and load bearing walls (other than the surface of such walls which shall be Concessionaire's responsibility) and other structural components of the Terminal which support the Leased Premises, unless such repairs are due to the acts or omissions of Concessionaire. All parts of the Leased Premises shall be painted by Concessionaire at Concessionaire's sole expense periodically as determined by the Executive Director.

C. Concessionaire may, prior to making repairs at the locations, other than repairs to its own equipment, consult with the Executive Director to determine whether SARAA wishes to make the repairs with its own personnel and charge Concessionaire its standard rates for such service including such overhead charges as shall be determined from time to time by the Executive Director. In the event SARAA elects not to make the repairs, Concessionaire may, at its expense, proceed to do so provided, however, it will not take any action or refrain from any action which will cause any labor problem which will effect SARAA directly or remotely as a result of the action of Concessionaire. Any repairs made by Concessionaire or on its account, shall be of first class quality in both materials and workmanship. All repairs will be made in conformity with the rules, regulations and ordinances prescribed from time to time by federal, state, county, or municipal authorities having jurisdiction over the location of the work.

D. Nothing in this section shall, or shall be construed to, impose upon SARAA any obligation so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

E. No abatement of fees and charges shall be claimed by or allowed to Concessionaire by reason of the exercise of any or all of the foregoing rights enumerated in this section.

Section 5.14 Damage to Leased Premises. Any damage incurred to the Leased Premises on account of removal by Concessionaire of any item or portion of the facility, equipment, furnishings or appurtenances thereto or otherwise caused by Concessionaire or its agents, employees, invitees and licensees, shall be promptly repaired by Concessionaire at its sole and own expense and the Leased Premises restored to usable condition, ordinary wear and tear excepted.

Section 5.15 No Liens or Encumbrances. Concessionaire shall well, truly and promptly pay or satisfy the just and equitable claims of all persons who have performed labor or furnished material by it or on its behalf for construction of any improvements, or any furnishings or equipment supplied or furnished to the Leased Premises or otherwise, required under this Agreement and all bills, costs or claims of whatever kind, which may at law or equity, become a lien upon said work, or a claim against SARAA; provided, however, that Concessionaire may contest the amount or validity of any claim without being in default of this Agreement upon furnishing security satisfactory to counsel for SARAA, guaranteeing such claim will be properly discharged forthwith if such contest is finally determined against Concessionaire. If Concessionaire fails to comply with the foregoing provisions, SARAA shall have the option, on fifteen (15) business days' prior written notice to Concessionaire and any Leasehold Mortgagee, of discharging or bonding any such lien, charge, order or encumbrance and Concessionaire shall reimburse SARAA for all reasonable costs and expenses thereof.

ARTICLE VI.

Rents, Fees and Charges

Section 6.1. Rentals. In consideration for the demise of the Leased Premises and facilities located thereon and for the rights, licenses and privileges granted, pursuant to this Agreement and for the undertakings of SARAA, Concessionaire shall pay SARAA as rent (collectively "Rent") the following: (i) a base fee (as "Base Fee") for the Leased Premises, with the Base Fee for the initial year of the Term being equal to _____ US Dollars and _____ Cents (\$XX.XX), which shall be payable in monthly installments of _____ US Dollars and _____ Cents (\$XX.XX), such Base Fee being based on a square foot rental of \$22.96 ($\$22.96 \times XX \text{ sq ft} \div 12$), and (ii) a percentage fee to be applied to Gross Sales, as follows (the "Percentage Fee"):

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	%	%	%	%	%	%	%	%	%	%
Annual % Rent	6.00	6.25	6.5	6.75	7.00	7.25	7.50	7.75	8.00	8.25
Annual Monetary Thresholds	%									
\$665,000	6.50									
\$700,000	7.00									
\$775,000	7.50									
\$850,000	8.00									
\$925,000	8.50									
\$1,000,000	9.00									
\$1,200,000	9.50									
The MAG established by SARAA is \$22.96 per sq. ft. or the greater of 5% of 85% gross of previous year										
Approx ___ sq.ft. = \$XX.XX										
Initial year is the greater of the MAG or 6% or the year 1 gross										
Year 2 is the greater of the MAG, 6.25% gross, or the % of any threshold hit										
Year 3 is the greater of the MAG, 6.50% gross, or the % of any threshold hit										
Year 4 is the greater of the MAG, 6.75% gross, or the % of any threshold hit										
Year 5 is the greater of the MAG, 7.00% gross, or the % of any threshold hit										
Year 6 is the greater of the MAG, 7.25% gross, or the % of any threshold hit										
Year 7 is the greater of the MAG, 7.50% gross, or the % of any threshold hit										
Year 8 is the greater of the MAG, 7.75% gross, or the % of any threshold hit										
Year 9 is the greater of the MAG, 8.00% gross, or the % of any threshold hit										
Year 10 is the greater of the MAG, 8.25% gross, or the % of any threshold hit										
In addition, once a threshold is reached, it cannot go lower										
i.e., If in Year 2, the total gross sales is \$1,000,000, then Year 3 is at 9%										
Then in Year 3, sales drop back to \$800,000, Year 4 is still at 9%										

The Percentage Fee shall be determined and paid monthly as provided for in Section 6.5 below. The Base Fee shall be subject to adjustment on each yearly anniversary of the Rent Commencement Date, with such adjustment being determined by taking the total amount of Rent paid by the Concessionaire for the then expiring Agreement Year times 85% and dividing such result by the total square footage of the Leased Premises, which will result in the new square foot rental for which the Base Fee shall be calculated. The new Base Fee shall then be determined by multiplying the new square footage rental by the total square foot of the Leased Premises; provided, however, and notwithstanding anything to the contrary, in no event shall the Base Fee be based on a square foot rental of less than \$22.96/ft.

Rent shall begin to accrue on the first day Concessionaire is open for business (“Rent Commencement Date”) unless otherwise approved by SARAA in writing; provided that if Concessionaire has not opened for business by _____, 2022. In the event that the Leased Premises, or any portion thereof, are not open for business on the date that is forty-five (45) days after the Deadline Date, SARAA shall have the option to terminate this Agreement.

Section 6.2. Additional Fees and Charges.

A. Parking Fee. None at present

B. Other. Concessionaire shall pay to SARAA such other fees and charges as reasonably may be assessed for all other services, privileges or facilities used by Concessionaire at the Airport as set forth in SARAA's published schedule of rates, fees and charges for use of Airport's facilities or services and including, but not limited to (i) if SARAA has paid any sum or sums, or has incurred any obligation or expense, for which Concessionaire has agreed to pay or reimburse SARAA, or for which Concessionaire is otherwise responsible; (ii) if SARAA is required or elects to pay any sum or sums, or incur any obligation or expense because of the failure, neglect or refusal of Concessionaire to perform or fulfill any of the promises, terms, conditions or covenants required of it hereunder; (iii) pursuant to any separate agreement between the parties not contained herein; or (iv) such other fees and charges for services rendered such as, but not limited to, utilities, trash removal, telephone, delivery access charges and similar charges. Concessionaire's obligations pursuant to this Section shall include all interests, costs, damages and penalties in conjunction with such sums so paid or expenses so incurred by SARAA.

Section 6.3. Discounts. Concessionaire must give Airport employees cash discounts.

Section 6.4. Recording of Gross Revenues and Handling of Cash. To record all Gross Sales generated in, at, or from the Premises, Concessionaire shall use a cash register or computerized registration system ("Register") acceptable to SARAA, which is capable of producing duplicate sales slips, or printouts, on which each sale is identified, itemized, and recorded. Such Register shall be either a non-resettable, serially numbered cash register, or a point of sale register. Concessionaire shall adhere to the "Cash and Record Handling" policy developed by Concessionaire and approved, in writing, by the Executive Director. The Cash and Record Handling policy shall be submitted to SARAA by Concessionaire on or before the Target Effective Date.

Section 6.5. Monthly Statements and Payments. The monthly Rent payment to be submitted by Concessionaire to SARAA shall be the Percentage Rent earned for the previous month as described in Section 6.1. On or before the fifteenth (15th) day of each month, Concessionaire shall pay to SARAA the monthly Rent by mailing it to the address shown below. The Concessionaire shall thereafter provide to SARAA, by the 20th day of each month ("Statement Due Date"), using the standardized form approved by the Director of Aviation, a "Monthly Statement" showing Concessionaire's actual total Gross Receipts for the preceding month, by location, in both electronic and hard copy formats, along with the balance due for the previous month's Rent, if the Percentage Rent due to SARAA exceeds the estimated Percentage Rent category outlined in Section 6.1.

SARAA may, at any time upon written notice to Concessionaire, require Concessionaire to change the timing of the Monthly Statement or modify the form of the Monthly Statement. SARAA shall also be entitled to receive, upon request, detailed monthly profit and loss statements.

Section 6.6 Late Payments or Monthly Statements.

Section 6.6.1 Delinquent Rent Payment. If Concessionaire is more than ten (10) days delinquent in paying to SARAA any Rent or additional rent owed to SARAA under this Agreement, Concessionaire shall pay to SARAA its then prevailing "Delinquency Charge" assessed on the delinquent amount. The Delinquency Charge shall accrue from the date of rent or additional rent is due until it is paid in the "Delinquency Charge" shall be eighteen percent (18%) per annum or the maximum rate of interest allowed by law, whichever is less, from the date such Rent or additional rent is due until it is paid in full. The Delinquency Charge is subject to periodic change by SARAA. No change in the Delinquency Charge shall occur, however, without at least thirty (30) days prior written notice to Concessionaire. Imposition of a Delinquency Charge shall not constitute a waiver of any other remedies available to SARAA for failure to timely pay Rent or additional rent.

Section 6.6.2 Delinquent Monthly Statement. If Concessionaire is delinquent for ten (10) days or more in furnishing to SARAA any of the monthly statements required under Section 6.5 of this Agreement, Concessionaire shall pay SARAA a One Hundred Dollar (\$100.00) "late fee" per delinquent monthly statement for each month or partial month that the monthly statement is delinquent, for the additional administrative costs incurred by SARAA in processing, reviewing and/or demanding the delinquent monthly statement. The parties have agreed that this is a fair and reasonable estimate of SARAA's costs incurred in processing delinquent monthly statements.

Section 6.6.3 Returned checks. If Concessionaire's check for payment of rent or additional rent due under this Agreement is returned to SARAA for any reason, the payment shall be considered not to have been made and shall be delinquent. In addition to the delinquency charge as set forth in Section 6.6.1, SARAA may charge Concessionaire a returned check fee of Fifty Dollars (\$50.00) per returned check, which Concessionaire agrees is a reasonable fee for the additional administrative time and expense incurred by SARAA in having to deal with the returned check. The delinquency charge, described in Section 6.6.1, shall continue to accrue until the returned check fee is paid, the check can be cashed, and SARAA receives all funds due.

Section 6.7 Financial Accountability. Concessionaire shall maintain an integral control structure designed to provide reasonable assurance that Concessionaire's assets are safeguarded from loss or unauthorized use, that transactions are executed in accordance with management's authority, and that the financial records are reliable for the purposes of preparing financial statements. Concessionaire shall prepare financial statements in conformity with generally accepted accounting principles, applying certain estimates and informed judgments, as required. The internal control structure shall be supported by the selection, training, and development of qualified personnel, by an appropriate segregation of duties, and by the dissemination of written policies and procedures. Concessionaire shall keep full and accurate books and records showing all of its Gross Revenues at the Airport. Books and records shall be kept in accordance with generally accepted accounting principles, and shall be maintained at Concessionaire's Airport offices for at least three (3) years after the end of the Agreement Year to which they pertain, provided that records may be kept elsewhere, but shall be produced at Harrisburg, Pennsylvania within five (5) business days for SARAA's inspection, audit or copying, upon request by SARAA, at any time during the Term of this Agreement and for a period of three (3) years after expiration or termination of this Agreement,

or, at the Concessionaire's option, pay SARAA auditors expenses incurred to travel to the place where the records are being kept.

Section 6.8 Obligations of Concessionaire Hereunder are Unconditional. The obligations of the Concessionaire to make the payments required under Sections 6.1, 6.2 and 6.6 hereof and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional unless otherwise expressly excused by the provisions hereof. The Concessionaire (a) will not suspend or discontinue any payments provided for in Sections 6.1, 6.2 and 6.7 hereof, (b) will perform and observe all of its other provisions and covenants contained in this Agreement and (c) will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Leased Premises, commercial frustration of purpose, any change in federal, state or local tax laws or other laws or any failure of SARAA to perform and observe any Agreement, whether express or implied or any duty, liability or obligation arising out of or connected with this Agreement, except as otherwise specifically set forth herein. Nothing contained in this Section shall be construed to release SARAA from the performance of any of the agreements on its part herein contained. Concessionaire may, however, at its own cost and expense and in its own name or, if approved by SARAA, in the name of SARAA, prosecute or defend any action or proceeding or take any other action involving third persons which the Concessionaire deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event SARAA hereby agrees to cooperate fully with Concessionaire and to take all actions necessary to effect the substitution or joinder of Concessionaire for or with SARAA, as the case may be, in any such action or proceeding if Concessionaire shall so request.

Section 6.9 Maintenance, Inspection and Audit of Books, Records and Equipment.

Section 6.9.1 Concessionaire shall maintain in accordance with generally accepted accounting practices and principles during each Agreement Year hereof and for three (3) years thereafter records and books of account recording all transactions at, through, or in any way connected with Concessionaire's licensed activities conducted pursuant to this Agreement. Such records and books of account shall be kept at all times within the City or at Concessionaire's corporate headquarters. Concessionaire shall permit, during ordinary business hours, the examination and audit by the officers, employees and representatives of SARAA of such records and books of account. If such books and records shall be located at Concessionaire's corporate headquarters and the same shall not be located within the City of Harrisburg, upon written notice by SARAA, Concessionaire shall within ten (10) business days make the same available at SARAA's offices.

Section 6.9.2. Audits of Concessionaire's books, records and accounts may be undertaken by SARAA or representatives of SARAA, or by a firm of Certified Public Accountants representing SARAA. In the event such audit shall reveal a deficiency of more than two percent (2%) between the annual Airport fees paid during each year of the Term as provided in Sections 6.1, 6.2 and 6.6 hereof, and the annual Airport fees as determined by SARAA to be due and owing for such period by the audit authorized by this Section, the full cost of the audit shall be borne by Concessionaire, and Concessionaire shall promptly, within thirty (30) days of written notice of such discrepancy, pay the costs of the audit and the amount of the discrepancy owing to SARAA

in addition to interest thereon at the rate of eighteen percent (18%) per annum on the amount so determined to be due and owing from the date the same should have been paid to the date actually paid to SARAA.

Section 6.10 Annual Statement. Notwithstanding the foregoing to the contrary, in no event shall Concessionaire be required to submit Concessionaire's financial statement(s). No later than one hundred eighty (180) days after the end of Concessionaire's fiscal year, and each succeeding fiscal year or portion thereof during the Term or any extended period of the Agreement, Concessionaire shall furnish to SARAA the written statement of Concessionaire Chief Financial Officer or similarly empowered authorized officer of Concessionaire having responsibility for the concession authorized by this Agreement stating that the percentage fees, rentals and charges paid by Concessionaire to SARAA pursuant to this Agreement during Concessionaire's fiscal year is accurate. Such statement shall also state the Gross Revenues as shown on the books and records of Concessionaire that were used to compute the percentage fees, rentals and charges fee made to SARAA during the Agreement Year(s) or portions thereof are covered by the written statement.

Section 6.11 Sales or Use Taxes .

Section 6.11.1 Concessionaire shall be responsible for the payment of all sales, use or other taxes (whether in effect at the time of the execution of this Agreement or thereafter enacted) levied upon any rental charges, fees or charges payable by Concessionaire to SARAA under the terms of this Agreement, whether or not such rentals, fees or charges have been filed or collected by SARAA, together with any and all interest or penalties levied in connection with such taxes. Any amount of such taxes which SARAA must collect shall be paid by Concessionaire to SARAA in the same manner as other fees payable hereunder.

Section 6.11.2 Concessionaire hereby agrees to indemnify and hold harmless SARAA from and against all claims by any taxing authority that the amounts, if any, collected by SARAA from Concessionaire and remitted to such taxing authority or amounts, if any, paid directly by Concessionaire to such taxing authority, were less than the total amount of taxes due, and for any amount, including interest and penalties, payable by SARAA as a result of such claim.

Section 6.11.3 The provisions of this section shall survive the expiration or earlier termination of this Agreement.

Section 6.12 Landlord's Lien . SARAA shall have the first lien, paramount to all others, on every right and interest of Concessionaire in this Agreement, on all improvements, equipment and fixtures to the Leased Premises. The lien is granted for the purpose of securing the payment of rentals, fees, charges, taxes, assessments, liens, penalties and damages herein covenanted to be paid by Concessionaire, and for the purpose of securing the performance, all and singular, of the covenants, conditions and obligations of this Agreement to be performed and observed by Concessionaire. This lien shall be in addition to all rights of a landlord given under the laws of the State of Pennsylvania, provided, however, this lien shall not apply to automobiles or vehicles used by Concessionaire in the ordinary course of business for rental to its customers.

Section 6.13 Place of Payments. All sums payable by Concessionaire hereunder shall be delivered to:

Susquehanna Area Regional Airport Authority
One Terminal Drive, Suite 300
Middletown, PA 17057

Section 6.14 Security Assurances. Concurrently with exception of this Agreement, Concessionaire shall obtain and deliver to SARAA, unless specifically waived in writing by SARAA, a good and sufficient corporate surety company bond or a bank irrevocable letter of credit (“Security Assurance”) renewable for the Term hereof. Said Security Assurance shall serve the purpose of securing payment of all sums payable by Concessionaire to SARAA hereunder will be forfeited in whole or in part to satisfy a Concessionaire of all its covenants, terms, conditions, and obligations of this Agreement. Upon request of SARAA, Concessionaire shall restore the Security Assurance to its original Amount. The Security Assurance in an amount of twenty-five percent (25%) of the estimated first year’s Rent shall remain in full force and effect during the Term and any extended period thereof. The form, provisions and nature of the Security Assurance, and the identity of the surety, insurer or other obligor, shall be subject to the approval of SARAA. In the event that SARAA and Concessionaire hereafter agree to any amendment or modification of this Agreement, Concessionaire shall, if required by the terms of the Security Assurance, obtain the consent of the surety, insurer or other obligor hereunder, as the case may be, and shall adjust the amount of the Security Assurance to reflect a change in the rentals, fees or charges payable by Concessionaire hereunder. The failure of Concessionaire to furnish (and keep in full force and effect) the Security Assurance, to review the same, to adjust the amount thereof, or to obtain the consent of surety, insurer or obligor as heretofore set forth, shall constitute an event of default under this Agreement.

Section 6.15 Obligations in Connection with Percentage Fees and Charges. Concessionaire shall take all reasonable measures in every proper manner to maintain, develop and increase the business conducted by it hereunder, and to not divert or cause to be diverted or allowed to be diverted any business of Concessionaire which, in the normal and customary course of business, would be conducted at the Airport or the Airport facilities.

Section 6.16 Accord and Satisfaction. No payment by Concessionaire or receipt by SARAA of a lesser amount than the rentals, percentage fees and/or charges or payment(s) due to be made by Concessionaire hereunder shall be deemed to be other than a payment on “account” of the rent, percentage fees and/or charges due, and no endorsement or statement on any check or in any letter accompanying any check or payment as rent fees and/or charges shall be deemed in accord and satisfaction, and SARAA may accept such check or payment without prejudice to SARAA’s right to recover the balance of such rent percentage fees and/or charges or to pursue any other remedy provided in this Agreement.

ARTICLE VII
Concession Performance and Service Standards

Section 7.1 Operation of Concessions - General. Concessionaire shall furnish all services provided hereunder on a fair and reasonable basis to all users of the Airport and the general public. Concessionaire shall maintain and operate the Leased Premises in a first-class manner and shall keep the premises in a safe, clean, orderly and inviting condition at all times, satisfactory to SARAA. Concessionaire shall maintain continuously the necessary licenses. The service shall be prompt, clean, courteous and efficient. Concessionaire shall develop and implement creative and effective merchandising displays within the Leased Premises to adequately promote and advertise its goods or services.

Concessionaire's service shall be timely, attentive, and friendly. Processing of payments from customers shall be prompt. Receipts shall be properly itemized, shall reflect precisely the actual sale of goods and date of sale, and shall present individual prices, total, and taxes. All customers shall be thanked for patronage.

Concessionaire shall operate its business at Airport under its trade name set forth in the Agreement so long as, (1) the same shall not be held to be in violation of any applicable law and (2) shall not change the advertised name or character of the business operated in the Leased Premises without the prior written approval of SARAA, which approval may be withheld at SARAA's absolute discretion;

Concessionaire shall be permitted to distribute to customers, patrons and invitees of the Airport free samples of Concessionaire's food products ("Distribution Right") within an area which shall not extend more than three (3) lineal feet from Concessionaire's Premises. In doing so, (a) Concessionaire shall not adversely affect access to or egress in the Airport or in any way impede pedestrian traffic flow within the Airport and (b) Concessionaire shall at all times conduct itself in a manner that is not deemed, in the Executive Director's sole judgment, offensive or bothersome. Concessionaire's Distribution Right may be revoked at any time by the Executive Director.

At the Executive Director's request, Concessionaire shall meet with the Executive Director to review any complaints or concerns and shall promptly correct any deficiencies. The Executive Director's determination as to quality of operation or services shall be conclusive and curative measures shall be implemented by Concessionaire as expeditiously as possible.

Concessionaire shall at all times observe prudent cash-handling procedures, and it shall immediately implement any new procedures, or revise any existing procedures in such a manner, as the Executive Director may reasonably require from time to time, provided that the Executive Director gives written notice thereof to Concessionaire.

The Executive Director may monitor, test, or inspect Concessionaire's service at any time through the use of a responsible shopping service or by other commercially reasonable means that do not unduly interfere with Concessionaire's business.

Section 7.2 Concessionaire Operating Standards - Specific

A. Hours of Service.

Except as otherwise expressly agreed by SARAA, Concessionaire shall be open for business during all periods of time set forth in from 4:30 am until 30 minutes prior to the last departure. SARAA may amend the Concession Operating Hours Schedule from time to time in order to accommodate Airport operating requirements, including but not limited to, the addition of early or late flights. Such amendments shall be made effective upon a thirty (30) day written notice to Concessionaire, either hand-delivered to the Leased Premises or sent by mail, in accordance with Section 13.2 hereof. Such notice shall remain in effect until another notice changing hours is sent to replace it. No further amendment to this Agreement, other than this notice letter, shall be required.

B. Service Standards.

All customers shall receive prompt, attentive, and courteous service. Processing of customer purchases, returns and exchanges shall be prompt. Receipts shall be properly itemized, shall reflect precisely the actual sale of goods, and shall present individual prices, totals, and taxes. All customers shall be thanked for their patronage. SARAA reserves the right to require Concessionaire to add additional staff if the customer service requirements set forth in this Section 7.2 are not being met, in the judgment of the Executive Director. Concessionaire should anticipate peak travel seasons such as Spring Break, Thanksgiving, Christmas, and other holidays, and add additional staff accordingly.

C. Employee Standards.

Concessionaire shall recruit, train, supervise, direct, and deploy the number of employees necessary to promptly provide services to all customers in accordance with the customer services standards set forth in Section 7.2. All employees shall be clean, neat, professional, courteous, appropriately and professionally attired, and must wear the official Airport identification badge and Concessionaire's identification name tag at all times. Concessionaire's identification name tag shall clearly display the name of the Concessionaire and the name of the employee. Concessionaire shall discipline and, if necessary, discharge any employee who fails to meet the standards required herein while working at the Airport.

D. Management.

The operation and management of the Leased Premises shall be under the constant and direct supervision of a well-trained, qualified and experienced manager employed by Concessionaire ("Manager"). The Manager shall have the authority to make all decisions necessary in the day-to-day operations of the Leased Premises, including, without limitation, decisions regarding news, gift and retail returns or credits, customer complaints or concerns, SARAA complaints or concerns, news, gift and retail quality and price, and employee conduct. The Manager shall be available on-site during the majority of operating hours and when not on the Leased Premises, the Manager shall appoint an assistant manager or shift lead with authority

to act on the Manager's behalf and/or the ability to immediately contact the Manager in order to be able to promptly respond to customer or SARAA concerns. Concessionaire may be required to employ more than one (1) Manager to meet the requirements set forth herein. SARAA shall have the right to require reasonable changes in management if operating standards are consistently not being met. Concessionaire shall give SARAA at least twenty-four (24) hours' notice of any change in management.

E. Marketing/Pricing.

Concessionaire shall create and maintain a concession theme consistent with the concept(s) submitted in its proposal. Pricing shall be within 10% of so-called street prices of similar products within a five (5) mile radius of the airport.

F. Concessionaire Surveys.

Concessionaire may take marketing and customer satisfaction surveys that are approved, in writing, by SARAA. If any such surveys are approved by SARAA and taken by Concessionaire, Concessionaire agrees to give SARAA a copy of the detailed results of the survey.

G. Travelers Checks/Credit Cards.

Concessionaire shall accept traveler's checks and at least three (3) major credit cards for any purchase.

H. Sanitation, Hygiene, and Cleanliness.

Concessionaire shall keep the Leased Premises free of debris, trash, and hazardous conditions, shall keep Public Areas around the Leased Premises free of hazardous conditions originating from Concessionaire's operations, and shall notify SARAA promptly of other hazardous conditions in the Public Areas outside the Leased Premises. Concessionaire shall provide a proper arrangement for the adequate sanitary disposal of all trash and other refuse on the Leased Premises and shall provide for its timely removal to the central collection point provided by SARAA. 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. SARAA shall be responsible for handling and removal of trash and other refuse deposited by customers in Public Areas. Concessionaire shall not deposit any of its trash or other refuse in any containers except those designated for Concessionaire's trash.

Section 7.3 Sanctions - Violation of Operating Standards. 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 SARAA. Additionally, SARAA resources will be expended in dealing with violations of this Agreement by Concessionaire. The parties hereby agree that total damages sustained by SARAA for violations of the Sections of this Agreement listed below could be significant, but would be difficult to determine and to track. Therefore, the "Sanctions", set forth below for violation of certain terms and provisions of this Agreement are agreed to between the Concessionaire and SARAA to be reasonable Sanction amounts and reasonable estimates of the loss anticipated to be suffered or incurred by SARAA. Concessionaire, therefore, hereby agrees that imposition of these Sanctions is fair and reasonable and Concessionaire agrees to pay to SARAA the following Sanction amounts upon the occurrence of any of the following breaches, immediately upon demand by SARAA:

Minimum Operating Hours	\$ 100.00 first occurrence \$ 250.00 second occurrence \$ 500.00 third occurrence \$1,000.00 per occurrence thereafter \$ 200.00 for closure, late opening (more than 15 minutes) or early closure (more than 15 minutes) on any holiday for the first 3 violations \$1,000.00 per holiday violation after the 3rd violation
Service Standards; Employee Standards	\$ 50.00 per occurrence
Signs	\$ 50.00 first occurrence \$ 100.00 per occurrence thereafter
Pricing and Quality	\$ 250.00 first occurrence \$ 500.00 per occurrence thereafter
Interference with Utilities	\$ 250.00 per occurrence
Sanitation, Hygiene and Cleanliness,	\$ 100.00 per occurrence, for up to 3 occurrences
Waste Disposal and Recycling	Thereafter, Concessionaire will be billed for all garbage services at a rate to be determined to be reasonable by SARAA
Deliveries and Vendor Access	\$ 100.00 per occurrence

Except for violations of the Minimum Operating Hours, and Deliveries and Vendor Access, which shall accrue immediately and without notice upon violation, other Sanctions shall not be imposed unless the violation continues for more than three (3) calendar days after SARAA has given Concessionaire written notice of the violation; provided, however, after

SARAA has given Concessionaire notice of a violation of the same Section of this Agreement more than twice during any given Agreement Year, the Sanction shall be immediately imposed with no opportunity to cure in order to avoid the Sanction. Additionally, after three (3) violations of the same Section of this Agreement in the same Agreement Year, SARAA reserves the right, at its sole option, not to impose the Sanction and instead seek any other remedies available to it for an Event of Default under Section 11.1, including termination of this Agreement. If all or any 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 11.1 and the remedies shall be as provided in Section 11.2. If Concessionaire feels that there were unforeseen circumstances beyond Concessionaire's reasonable control that caused Concessionaire to violate the operating standards described in this Section 7.2, Concessionaire may request that SARAA take such mitigating circumstances into consideration by submitting to SARAA a written request which outlines and explains the mitigating circumstance in detail. SARAA will review such request before imposing a Sanction or taking any other action that it is entitled to take under this Agreement.

Section 7.4 Deliverers and Vendors Access. Concessionaire shall arrange for the timely delivery of all goods, merchandise and stock at such times, in such locations and in a manner satisfactory to the Executive Director. All deliveries shall be scheduled during non-peak aircraft arrival and departure times. The Executive Director may issue schedules of acceptable delivery times by written notice to Concessionaire which the Executive Director may adjust from time to time and from which Concessionaire shall not deviate without the Executive Director's prior written consent. Concessionaire shall use its best efforts to complete or cause to be completed all deliveries, loading and unloading and services to the Leased Premises during such times as the Executive Director may reasonably require as heretofore set forth. Concessionaire shall not allow delivery trucks or other vehicles serving the Leased Premises to park or stand in front of or at the rear of the Terminal, its concourses or such other areas **not** otherwise designated by the Executive Director for said deliveries.

Section 7.5 Transportation within Terminal. Concessionaire shall ensure that goods being transported within the Terminal are handled with care. All goods should be packaged within containers that prevent damage or leakage during transportation. Goods may be required to pass through x-ray inspection units. In transporting merchandise, products, trash, and refuse associated with operating Concessionaire's business to and from the Leased Premises, Concessionaire shall use only those delivery and receiving routes established by SARAA and shall use only carts, vehicles or conveyances ("Delivery Carts") that are sealed and leak-proof. If delivery and receiving routes are carpeting, Delivery Carts must be equipped with wheels suitable for operating on carpets without causing damage to them. Delivery carts must have Pneumatic rubber tires. Delivery Carts may only be used in those elevators designated for delivery. Under no circumstances may Delivery Carts be taken onto the escalators. Concessionaire is responsible for the compliance by its vendors of all requirements set forth in Section 7.4.

ARTICLE VIII
Maintenance and Care of Leased Premises

Section 8.1 Maintenance and Care of Leased Premises. Concessionaire shall, at its expense, do and perform all maintenance necessary to keep the Leased Premises and all of Concessionaire's property and improvements thereon, in a clean, orderly, attractive condition and appearance. SARAA shall be the sole judge of the quality of such maintenance. Concessionaire may utilize SARAA's independent contractor for janitorial and maintenance services at the then current rate per square foot or for other services rendered plus a ten percent (10%) administrative charge payable to SARAA, or Concessionaire may utilize its own independent contractor (subject to qualification of said contractor to do business on the Airport) or employees to perform said functions, which shall be without cost to SARAA. Concessionaire shall not commit or suffer to be committed any nuisance on the Leased Premises. Concessionaire shall at all times maintain the improvements in a safe, clean, orderly, workmanlike and inviting condition at all times satisfactory to SARAA. Concessionaire shall not permit the accumulation of any rubbish, trash or other waste material in or about the Leased Premises.

Section 8.2 Utilities. Concessionaire shall be responsible for the modification and maintenance of all utility services (subject to separate metering, for which SARAA will be responsible) on the Leased Premises. This shall include any janitor services, power, gas, telephone, electricity, heating, water, sewer, and other utility services not specifically provided by SARAA, excluding all "tap-in" and "hook-ups" fees. Concessionaire shall pay when the same comes due, all utility and other charges incurred hereunder based on segregated separate metering to Concessionaire for its proportionate share of the Leased Premises. Provided, however, SARAA shall, at its own expense, do and perform all maintenance necessary to common use circulation areas, common area lighting to keep the common area improvements in clean, orderly, attractive condition and appearance.

Section 8.3. High Traffic Areas Refurbishment; Overall Refurbishment. Concessionaire shall repaint or refinish, at Concessionaire's own cost, high traffic areas within the Leased Premises subject to greater-than-normal wear on a schedule to be specified by Concessionaire, or as may be reasonably directed by SARAA, if Concessionaire fails to specify a reasonable refurbishment schedule. All Tenant Improvements, and other furnishings that become worn, chipped, dented, or gouged, shall be repaired or replaced by Concessionaire, at Concessionaire's sole expense. In addition, Concessionaire must complete at least one (1) major refurbishment of the entire Leased Premises before the three (3) months after the fifth anniversary of this Lease.

Section 8.4. Repairs, Replacements and Remodeling. All repairs, replacements, or remodeling to the Leased Premises done by or on behalf of Concessionaire 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. Except in emergency situations requiring immediate response, or for repairs costing less than TWO THOUSAND DOLLARS AND NO CENTS (\$2,000.00), all repairs must have the prior written approval of SARAA. All repairs shall conform to the Design Standards and all applicable building codes, rules and regulations of any federal, state, or local authority having jurisdiction over construction work performed on the Leased Premises.

SARAA 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 emergency repairs, Concessionaire shall notify SARAA, in writing, of what type of repairs, replacements, or remodeling work it intends to do and must secure written SARAA approval of the same before beginning any such work. In the event of an emergency repair situation, Concessionaire must notify SARAA as soon as possible and following such notice, SARAA may inspect the repair work and require alterations if the repair is not satisfactory to SARAA.

Section 8.5. Failure to Maintain or Repair. If Concessionaire refuses or neglects to undertake the prompt maintenance, repair, or replacements requested by SARAA that is Concessionaire's responsibilities under this Agreement, SARAA shall have the right to make such repairs on behalf of and for Concessionaire. Such work shall be paid for by Concessionaire within ten (10) days following demand by SARAA for said payment at SARAA's standard rates, plus SARAA's overhead, and the Delinquency Charge on the amount paid by SARAA from the date the funds were expended. If the work is performed by a contractor hired by SARAA, SARAA shall be reimbursed SARAA's actual cost, including but not limited to, SARAA administrative costs and the Delinquency Charge on the amount paid by SARAA from the date the funds were expended.

Section 8.6. Hazard, Potential Hazard, Nuisance, or Annoyance Any nuisance, annoyance, or hazardous or potentially hazardous condition on or emanating from the Premises shall be corrected immediately upon Concessionaire's actual knowledge of the condition, nuisance, or annoyance or receipt of oral or written notice from SARAA. If, in SARAA's sole discretion, a hazard or potentially hazardous condition presents an unreasonable and imminent risk of bodily injury, SARAA may require Concessionaire to close its business and bar the public from the Premises until the hazard or potentially hazardous condition has been abated. Nothing in this Section shall be deemed to preclude SARAA from pursuing any available remedy for breach of this Agreement. Concessionaire's failure to promptly correct a nuisance, annoyance, or hazardous or potentially hazardous condition under this Section shall be a material breach of this Agreement. SARAA acknowledges that the normal operation of the Concessionaire's operation will create certain aromas in the preparation of food which shall not be considered a violation of this provision. SARAA agrees to hold Concessionaire harmless from any and all past, present and future environmental problems not caused by the direct result of the operation of the business or other activities of Concessionaire on or about the Leased Premises.

Section 8.7. Damage Caused to Other Property. Subject to Section 9.1, any damage caused to the Airport or any SARAA property or operations or the property of any other tenant, person, or entity caused by Concessionaire, either by act or by omission, or as a result of the operations of Concessionaire, shall be the responsibility of Concessionaire and Concessionaire shall reimburse SARAA or the damaged tenant for any such damage within thirty (30) days of billing by SARAA. Any sums so paid by SARAA shall bear the Delinquency Charge from the date paid by SARAA until SARAA has been fully repaid. If the same type of damage is caused by the Concessionaire more than once, such as water leak, electrical service interruption or damage, then SARAA must review and approve Concessionaire's plan of repair or may require that Concessionaire allow SARAA to make the repair and then reimburse SARAA for the cost of

such repair.

ARTICLE IX
Casualty Leased Premises, Indemnity, and Insurance

Section 9.1 Repair of Damaged or Casualty Affected Areas. In the event any improvements owned by SARAA on the Leased Premises (“SARAA Improvements”) shall be partially or totally damaged by fire, explosion, the elements, public enemy or other similar casualty for which Concessionaire is not responsible the following provisions shall apply:

- A. If the damage directly or indirectly affects Concessionaire’s use of the Leased Premises but does not render them untenable, i.e. unfit for the purposes for which they were leased, the damage shall be repaired with due diligence by SARAA, at the cost and expense of SARAA, with no rental abatement whatsoever.
- B. If the damage shall render the Leased Premises or any portion thereof untenable but capable of being repaired, the same shall be repaired with due diligence by SARAA, at the cost and expense of SARAA, provided SARAA’s insurance coverage (plus deductible) shall be sufficient to pay fully for the cost of repair or replacement of the damaged premises. Rentals shall be paid up to the date of such damage and thereafter shall abate until such time as the Leased Premises or portion thereof shall be restored to useable condition. Within sixty (60) days after the date of the damage, SARAA shall notify Concessionaire of the projected time required for the repair. During the time that any of the Leased Premises are untenable, SARAA shall use its best efforts to provide Concessionaire with replacement premises at the Airport at rates not to exceed those provided in this Agreement.
- C. If the damage shall render the Leased Premises or portion thereof untenable and incapable of being repaired, SARAA may notify Concessionaire of its decision to reconstruct or replace the Leased Premises or portion thereof within sixty (60) days from the date of the damage, however, SARAA shall be under no obligation to replace or reconstruct the Leased Premises or portion thereof. The rentals payable hereunder with respect to the Leased Premises or portion thereof shall be proportionately paid up to the date of such damage and thereafter shall abate until such time as replacement of reconstructed improvements or Leased Premises shall be made available for use by Concessionaire. In the event SARAA shall decide to reconstruct or replace the Leased Premises, SARAA shall use its best efforts to provide temporary facilities for Concessionaire’s use at rates not to exceed that provided in this Agreement. In the event the Leased Premises shall not be restored to usable condition, or SARAA is not diligently pursuing such restoration within twelve months after the date of such damage or destruction, Concessionaire shall have the right to terminate this Agreement as relates only to the damaged improvements, thirty (30) days after giving SARAA written notice of its intent to terminate.

Section 9.1.1 Liability for Loss. Concessionaire acknowledges and agrees that it understands that SARAA will not carry any insurance on Concessionaire's fixtures, equipment, property or interest in the Leased Premises, nor be liable for any loss, damage or expense of whatsoever nature to any of the same, nor shall SARAA be liable for any inconvenience or annoyance to Concessionaire or injury to the business of Concessionaire resulting in any way from such damage to the Leased Premises, or the repairing or rebuilding done upon said damage.

Nothing in this Article nor any action taken by SARAA pursuant thereto shall relieve or release Concessionaire from any liability that Concessionaire may have either to SARAA or its insurers on account of any casualty to the Leased Premises.

Section 9.2 Indemnity - General.

Section 9.2.1 Concessionaire's Indemnification Obligation. To the fullest extent permitted by law, Concessionaire shall indemnify, protect, defend and hold completely harmless, SARAA and their directors, agents, officers, and employees from and against all liability, losses, suits, claims, judgments, fines or demands arising from injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this Agreement, Concessionaire's use or occupancy of the Leased Premises, the Airport, or the rights, licenses, or privileges granted Concessionaire herein, or the acts or omissions of Concessionaire's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death or damage may occur, even for, and if caused by the partial negligence of SARAA. SARAA shall give written notice to Concessionaire of any such liability, loss, suit, claim or demand, and Concessionaire shall defend the same using counsel reasonably acceptable to SARAA. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

Section 9.3 Insurance. Concessionaire shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which arise in any way, shape, manner or form, from or in connection with the operations of Concessionaire, Concessionaire's agents, representatives, customers or employees pursuant to this Agreement. SARAA shall retain the right at any time to review the coverage, form and amount of insurance required hereby. If in the opinion of the Executive Director, the insurance provisions and these requirements do not provide adequate protection for SARAA and for members of the public, SARAA may require Concessionaire to obtain increased insurance sufficient in coverage, form and amount to provide adequate protection. SARAA's requirements shall be reasonable but shall be imposed to ensure protection from and against the kind and extent of risk that exists at the time a change in insurance is required. Concessionaire shall comply with any requirement to obtain increased insurance no later than thirty (30) calendar days after receipt of written notice of such requirement.

Concessionaire's Insurance Requirements:

1. Workers' Compensation and Employers Liability: in the State in which the Premises is located and elsewhere as may be required and shall include, where applicable, U.S.

Longshoremen's and Harbor's Workers' Coverage if applicable.

- a) Workers' Compensation Coverage: Statutory Requirements
- b) Employers Liability Limits not less than:
 - Bodily Injury by Accident: \$100,000 Each Accident
 - Bodily Injury by Disease: \$100,000 Each Employee
 - Bodily Injury by Disease: \$500,000 Policy Limit
- c) Including Waiver of Right to Recover from Others Endorsement (WC 000313) where permitted by state law, naming SARAA [and any other parent, subsidiary or affiliated entities] and amended to apply to contracts under which the Concessionaire is not performing work.

2. Commercial General Liability: (including Premises – Operations, Independent Contractors, Products/Completed Operations, Personal Injury and Broad Form Property Damage.

- a) Occurrence Form with the following limits:
 - (1) General Aggregate: \$2,000,000
 - (2) Products/Completed Operations Aggregate: \$1,000,000
 - (3) Each Occurrence: \$1,000,000
 - (4) Personal and Advertising Injury \$1,000,000
 - (5) Damage to Premises Rented: \$1,000,000
(Fire Legal Liability)
- b) The General Aggregate Limit must apply on a Per Location basis.
- c) Contractual Liability (including Liability for Employee Injury assumed under a Contract) provided by the Standard ISO Policy Form CG 00 01. Policy does NOT include the restrictive Endorsement CG 24 26 (Amendment of Insured Contract Definition) or any other provision excluding coverage for the SARAA's Sole Negligence which has been assumed by Contract.

3. Automobile Liability:

- a) Coverage to include:
 - (1) All Owned, Hired and Non-Owned Vehicles (Any Auto)
 - (2) Contractual Liability Coverage (including Liability for Employee Injury assumed under a Contract)
- b) Per Accident Combined Single Limit \$1,000,000

4. Commercial Umbrella Liability:

- a) Occurrence Limit: \$5,000,000
- b) Aggregate Limit (where applicable): \$5,000,000
- c) Policy to apply excess of the Commercial General Liability (following form Per Location Aggregate Limit), Commercial Automobile Liability and Employers Liability Coverages.

5. Property Insurance: Concessionaire shall bring or keep property upon the Premises solely at its own risk and Concessionaire, at its sole cost and expense, will keep all Personal Property, Stock, and Leasehold Improvements now and hereafter located on the Premises insured against "All Risk" of Loss with an Insurer in an amount at least equal to the replacement value.
6. Pollution Legal Liability Coverage (if applicable, indicated by an "x"): Concessionaire shall maintain insurance covering losses caused by Pollution arising out of Concessionaire's use or occupancy of the Premises.
 - a. Per Claim/Aggregate Limit: \$1,000,000/\$1,000,000
 - b. If coverage is written on a Claims-made basis, the Concessionaire warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Lease Agreement and that continuous coverage will be maintained or an Extended Discovery Period will be purchased for a period of [two (2)] years beginning when Concessionaire's occupancy of the Premises ceases.
7. Financial Rating and Admitted Status of Insurance Companies:
 - a. A.M. Best Rating: A- (Excellent) or Higher
 - b. A.M. Best Financial Size Category: Class VII or Higher
 - c. Insurance companies lawfully authorized to do business on an admitted basis in the jurisdiction in which the Premises is located
8. Any type of insurance or any increase in limits of liability not described above which the Concessionaire requires for its own protection or on account of statute shall be its own responsibility and at its own expense.
9. Waiver of Recovery/Subrogation: The Concessionaire waives all rights of recovery and shall cause its Insurers to waive their rights of subrogation against SARA and any other tenants of the Airport (including their respective parent, subsidiary or affiliated entities and Mortgagees) and any of their agents and employees for loss or damage covered by any of the insurance maintained by the Concessionaire pursuant to this Agreement.
10. The amount of insurance provided in the aforementioned insurance coverages, shall not be construed to be a limitation of the liability on the part of the Concessionaire. The carrying of insurance described shall in no way be interpreted as relieving the Concessionaire of any responsibility or liability under the Lease Agreement.

Section 9.3.1 If the Concessionaire does any construction on the Leased Premises, Concessionaire shall obtain from its general contractor or separate contractors, the same commercial general liability, automobile liability, workmen's compensation, employer's liability and builder's risk insurance as required by Concessionaire by this Section 9.3.1. Proof of said insurance coverage by the general contractor or separate contractors shall be provided to the

Executive Director upon written request.

Concurrent with the execution of this Agreement, Concessionaire shall provide proof of insurance coverage by providing a certificate of Concessionaire's insurance coverage, a copy of the declarations page of the insurance policy, and a copy of all endorsement(s) applicable to the insurance required herein. The certificate(s) of insurance, or endorsement(s) attached thereto, shall provide that (a) the insurance coverage shall not be canceled, changed in coverage, or reduced in limits without at least thirty (30) days prior written notice to SARAA, (b) SARAA is named as an additional insured, (c) the policy shall be considered primary as regards any other insurance coverage SARAA may possess, including any self-insured retention or deductible SARAA may have, and any other insurance coverage SARAA may possess shall be considered excess insurance only, (d) the limits of liability required therein are on an occurrence basis, (e) the policy shall be endorsed with a severability of interest or cross-liability endorsement, providing that the coverage shall act for each insured and each additional insured, against whom a claim is or may be made in a manner as though a separate policy had been written for each insured or additional insured; however, nothing contained herein shall act to increase the limits of liability of the insurance company, (f) any failure of the named insured to comply with reporting or other provisions of the insurance policies, including breaches of warranty shall not affect coverage provided to SARAA, or their directors, agents, officers, and employees, and (g) Concessionaire's insurance shall apply separately to each insured against whom claims are made or suit is brought, except with respect to the limit of the insurance liability.

Any deductibles must be declared in writing to and approved by SARAA. At the option of SARAA, either (a) the Concessionaire shall reduce or eliminate such deductibles as respects SARAA, their directors, agents, officers, and employees or (b) Concessionaire shall procure a bond equal to the amount of such deductibles or self-insured retentions guaranteeing payment of losses and related investigations, claims administration and defense expenses (including attorneys' fees, court costs and expert fees).

If the insurance coverage required herein is canceled, changed in coverage or reduced in limits, Concessionaire shall, within fifteen (15) days, but in no event later than the effective date of cancellation, change or reduction, provide to SARAA a certificate showing that insurance coverage has been reinstated or provided through another insurance company. Upon failure to provide such certificate, without further notice and at its option, SARAA either may, in addition to all its other remedies (a) exercise SARAA's rights as provided in the default provisions of this Agreement, or (b) procure insurance coverage at Concessionaire's expense whereupon Concessionaire promptly shall reimburse SARAA for such expense.

Section 9.3.2. Concessionaire's Risk. Concessionaire shall be responsible for obtaining any insurance it deems necessary to cover its own risks. In no event shall SARAA be liable for any (i) business interruption or other consequential damages sustained by Concessionaire; (ii) damage, theft or destruction of Concessionaire's inventory, Concessionaire's improvements or property of any kind; or (iii) damage, theft or destruction of an automobile, whether or not insured.

Section 9.4 Regulated Substance Compliance and Indemnity. Except for such

automotive fuel, petroleum or such other products in quantities as are ordinary and necessary for Concessionaire's operations hereunder, Concessionaire shall not cause or permit any "Regulated Substance" as hereinafter defined, to be brought upon, generated, stored, or used in or about the Leased Premises by Concessionaire, its agents, employees, contractors, or invitees. Any Regulated Substance permitted on the Leased Premises as provided herein, and all containers therefore, shall be used, kept, stored, and disposed of in a manner that complies with all federal, state and local laws or regulations applicable to the Regulated Substance.

Concessionaire shall not cause or permit, release, discharge, leak, or emit, nor permit to be discharged, leaked, released, or emitted, any Regulated Substance into the atmosphere, ground, storm or sewer system, or any body of water, ditch, stream, if that Regulated Substance (as is reasonably determined by SARAA, or any governmental authority having jurisdiction thereof) does or may pollute or contaminate the same, or may adversely affect (a) the health, welfare, or safety of persons, whether located on the Leased Premises, the Airport, or elsewhere, or (b) the condition, use or enjoyment of the building, facilities or any other real or personal property. This paragraph is not intended to alter or affect discharges or emissions of Regulated Substances allowed by law or a permit applicable to said discharges or emissions. Concessionaire shall fully and timely comply with all applicable federal, state and local statutes, ordinances and regulations relating to protection of the environment, including, without limitation, 42 U.S.C. §6991-6991i.

- A. Disclosure. At the commencement of each year of the term hereof, Concessionaire shall disclose (other than automotive fuel, petroleum or cleaning products used in the ordinary course of Concessionaire's operations hereunder) to SARAA the names and approximate amounts of all Regulated Substance that Concessionaire intends to store, use, or dispose of on the Leased Premises in the first year of the Term hereof. In addition, at the commencement of each additional year of the Term hereof, beginning with the second year, Concessionaire shall disclose to SARAA the names and amounts of all Regulated Substances that were actually used, stored, or disposed of on the Leased Premises if those materials were not previously identified to SARAA at the commencement of the previous lease year.
- B. Compliance Action. Concessionaire shall, at Concessionaire's sole expense, clean-up, remove, and remediate (a) any Regulated Substances in, on, or under the Leased Premises in excess of allowable levels established by all applicable federal, state and local laws and regulations, and (b) all contaminants and pollutants, in, on, or under the Leased Premises that create or threaten to create a substantial threat to human health or the environment and that are required to be moved, cleaned up, or remediated by any applicable federal, state, or local law, regulation, standard or order. This obligation does not apply to a release of Regulated Substances, pollutants, contaminants, or petroleum products that existed on the Leased Premises prior to the execution of this Agreement caused solely by the act or omission of SARAA, or a third party for whom the operator is not responsible (e.g. not a customer, invitee, employee, agent, or person having any contractual or business relationship with Concessionaire).

- C. Definition of Regulated Substances. Regulated Substances: As used herein, the term "Regulated Substances" means and includes any and all substances, chemicals, waste, sewage or other materials, which are now or hereafter regulated, controlled or prohibited by any local, state, or federal law or regulation requiring removal, warning or restrictions on the use, generation, disposal or transportation thereof, including, without limitation (a) any substance defined as a "hazardous substance", "hazardous material", "hazardous waste", "toxic substance", or "air pollutant" in the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), 42 U.S.C. §9601 et seq., The Hazardous Materials Transportation Act (HMTA), 49 U.S.C. §1801 et seq., The Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6901 et seq., Federal Water Pollution Control Act (FWPC), 33 U.S. §1251 et seq., or the Clean Air Act (CAA), 42 U.S.C. §7401 et seq., all as amended and amended hereafter; (b) any substance defined as a "contaminant", "hazardous substance", "hazardous waste", as defined in the Hazardous Sites Cleanup Act (HSCA), 35 P.S. §6020.101 et seq.; (c) any Regulated Substance, hazardous substance, hazardous waste, toxic substance, toxic waste, hazardous material, waste, chemical, or compound described in any other federal, state, or local statute, ordinance, code, rule, regulation, order, decree, or other law now or at any time hereafter in effect, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous substance, chemical, material, compound or waste. As used herein, the term Regulated Substance or "hazardous substances" also means and includes, without limitation, asbestos, flammable, explosive or radioactive materials; gasoline; oil; motor oil; waste oil; petroleum (including without limitation, crude oil, or any fraction thereof); petroleum based products; paints and solvents; leads; cyanide; DDT; printing inks; acids; pesticides; ammonium compounds; polychlorobiphenyls; and other regulated chemical products.
- D. Indemnity Non-Compliance/Notice of Violation. Concessionaire hereby agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Regulated Substances kept on the Leased Premises by Concessionaire, and the Concessionaire shall give immediate notice to SARAA of any violation or potential violation of the provisions hereof. Without limiting any provisions of this Agreement, Concessionaire shall defend, indemnify, and hold harmless SARAA, their directors, agents, officers, and employees from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including, without limitation, attorneys' and consultants' fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to acts or omissions of Concessionaire, including (a) any liabilities, damages, suits, penalties, judgments and environmental cleanup, removal, response, assessment, or remediation costs, arising from actual, threatened or alleged contamination of the Leased Premises; (b) the presence, disposal, release, or threatened release of any such Regulated Substance that is on, from, or affecting the soil, water,

vegetation, buildings, personal property, persons, animals, or otherwise; (c) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to that Regulated Substance; (d) any lawsuit brought or threatened, settlement reached, or government order relating to that Regulated Substance; or (e) any violation of any laws applicable thereto. The provisions hereof shall be in addition to any other obligations and liabilities Concessionaire may have to SARAA at law or equity and shall survive the transactions contemplated herein and shall survive the termination or expiration of this Agreement.

Section 9.5 Survival of Provisions . The terms, conditions, provisions and requirements of this Article IX, including but not limited to the indemnity provisions, shall survive the expiration or earlier termination of this Agreement.

SARAA agrees to hold Concessionaire harmless from any and all past, present and future environmental problems not caused by the direct result of Concessionaire's acts or omissions on or about the Leased Premises.

ARTICLE X **Governmental Requirements**

Section 10.1 Governmental Requirements - General.

Section 10.1.1 Compliance and Subordination to Governmental Agreements.
Concessionaire shall comply with all Governmental Requirements applicable to Concessionaire's use and operation of the Leased Premises. Without limiting the generality of the foregoing, Concessionaire shall at all times use and occupy the Airport and the Leased Premises in strict accordance with all rules, regulations and security plans existing or that may be imposed by the TSA, FAA or SARAA with respect to the Airport, the Leased Premises and the operations thereof. This Agreement is subject and subordinate to the provisions of any Agreement heretofore or hereafter made between SARAA and the United States Government relative to the financing, operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of Federal rights or property to SARAA for Airport purposes, or for the expenditure of Federal funds for the financing, maintenance, operation or the development of the Airport, including the expenditure of Federal funds for development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958 as amended from time to time or any airport improvement program, law or regulation or successor program, law or regulation.

Section 10.1.2 Modifications required by FAA. In the event that the Federal Aviation Administration, or its successors requires modifications or changes in this Agreement as a condition precedent to the granting of funds for the improvement, rehabilitation, development or expansion of the Airport, or otherwise, Concessionaire agrees to consent (without further consideration) 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 Federal Aviation Administration requirements.

Concessionaire shall procure, and require all its subsidiaries or assignees to procure, from all governmental authorities having jurisdiction over the operation of Concessionaire hereunder, all licenses, franchises, certificates, permits or other authorizations, including all environmental permits or authorizations which may be necessary for the conduct of Concessionaire's business on the Leased Premises.

Concessionaire shall require its guests and invitees and those doing business with it to comply with all Governmental Requirements relating to the conduct and operation of Concessionaire's business on the Leased Premises.

Section 10.2 No Liability for Exercise of Powers. SARAA shall be liable to Concessionaire for any diminution or deprivation of its rights which may result from the proper exercise of any power reserved to SARAA in this Agreement. Concessionaire shall not be entitled to terminate this Agreement by reason thereof, unless the exercise of such power shall interfere with Concessionaire's rights hereunder so as to constitute a termination of this Agreement by operation of law.

Section 10.3 Nondiscrimination. Concessionaire, and its successors in interest, and assigns, as a part of the consideration hereof, does covenant and agree hereby, as a covenant running with the land, that in the event facilities are constructed, maintained or otherwise operated on property described in this Agreement for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provisions of similar services or benefits, Concessionaire shall remain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49 CFR Part 21, (Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964), Part 23, (Participation by Minority Business Enterprises and DOT Programs) and Part 27 (Nondiscrimination on Basis of Handicap and Programs and Activities Receiving or Benefiting from Federal Assistance) and the regulations promulgated thereunder or may hereafter be amended.

Concessionaire, and its 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 (1) no person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities on the grounds of race, color, creed, national origin, or handicap, (2) in the construction of any improvements on, over or under such land, and the furnishings of services thereon, no person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, on the grounds of race, color, creed, national origin, or handicap, (3) Concessionaire shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49 CFR Part 21, (Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964), Part 23, (Participation by Minority Business Enterprises and DOT Programs) and Part 27 (Nondiscrimination on Basis of Handicap and Programs and Activities Receiving or Benefiting from Federal Assistance) and the regulations promulgated thereunder or may hereafter be amended.

To the extent applicable, Concessionaire assures that it will undertake an Affirmative Action Program as required by 14 CFR Part 152, Subpart E, to ensure that, on the grounds of race, color, creed, national origin or sex, no person shall be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Concessionaire agrees that it will require that its covered suborganizations provide assurances to SARAA that they similarly will undertake Affirmative Action Programs and that they will require assurances from their suborganizations as required by 14 CFR Part 152, Subpart E to this same effect.

It is the policy of the DOT, Disadvantaged Business Enterprises, as defined in the Airport and Airway Improvement Act, as amended, and implemented by the Federal Regulations, that the maximum allotted opportunities to participate in the performance of leases as defined in 49 CFR 23.5. Consequently, this Agreement is subject to 49 C.F.R. Part 23 as applicable. Concessionaire will, at the timely request of SARAA, provide information needed in preparation of necessary reports, forms, documents, and other data relative to equal employment. Concessionaire hereby assures that it will include the above clauses in any subleases approved by SARAA and cause sub-concessionaires to similarly include clauses in further subleases.

Section 10.4 Disadvantaged Business Enterprise. Concessionaire agrees to use its best efforts to ensure that disadvantaged business enterprises as defined in 49 CFR Part 23, Subpart F or successor regulation have the maximum opportunity to participate in the concession program and its available contracts, subcontracts or service agreements. Concessionaire agrees to submit all information necessary for SARAA to determine the eligibility of an individual or firm for certification as a Disadvantaged Business Enterprise (“DBE”). Concessionaire agrees that it will comply with the Airport’s Disadvantaged Business Enterprise Program, which Program shall be in accordance with 49 CFR Part 23 or successor regulations as shall apply to Concessionaire as an “Airport Concessionaire” within the meaning of said regulations. Concessionaire agrees that participation by the Disadvantaged Business Enterprises will be in accordance with the goals and objectives of the Airport’s Program. SARAA encourages all Concessionaires to maximize DBE participation in concession opportunities. SARAA shall have the right to count any DBE participation under this Agreement toward SARAA’s overall DBE concession goal.

Section 10.5 American’s With Disabilities Act. Concessionaire shall take all necessary actions to ensure its facilities and employment practices are in compliance (and remain in compliance) with the requirements of the Americans with Disabilities Act. Any costs of such compliance shall be the sole responsibility of Concessionaire.

Section 10.6 Taxes and Other Governmental Charges. Concessionaire shall pay, as the same become due, all taxes and governmental charges of any kind whatsoever that at any time lawfully may be assessed or levied against or with respect to Concessionaire's improvements, machinery, equipment or other property installed or used upon the Airport, including any ad valorem or personal property tax that may be assessed against any leasehold interest or estate created by this Agreement. In good faith, with due diligence, as permitted by law, Concessionaire may contest any such taxes or governmental charges.

Section 10.7 Domestication. If Concessionaire is a foreign corporation, it shall domesticate its corporate status within the State of Pennsylvania. Concessionaire shall obtain a

certificate of good standing from the Secretary of the State of Pennsylvania and provide to SARAA such evidence of good standing as SARAA from time to time reasonably may require.

ARTICLE XI
Events of Default

Section 11.1 Concessionaire Events of Default Defined. The following shall be “events of default” under this Agreement and terms “event of default” or “default” or “breach” shall mean whenever they are used herein, any one or more of the following:

- A. If Concessionaire shall fail to pay when due and owing any Airport fees payable hereunder, and such nonpayment shall continue for ten (10) days after written notice hereof by SARAA;
- B. If Concessionaire shall (1) mortgage, pledge or encumber any portion of its interest in this Agreement, (2) subject the Leased Premises to any lien or encumbrance of whatsoever nature, or (3) transfer or assign, either voluntarily or by operation of law, any portion of its interest in this Agreement, except in accordance with the provisions hereof;
- C. If Concessionaire shall fail to take possession of the Leased Premises;
- D. If Concessionaire shall terminate its corporate or other legal structure except as permitted herein;
- E. If Concessionaire shall fail to comply with the insurance provisions imposed by Section 9.3 hereof;
- F. If Concessionaire shall file a petition requesting relief or instituting proceeding under any act, state or federal, relating to the subject of bankruptcy or insolvency, or an involuntary petition in bankruptcy or any other similar proceeding shall be instituted against Concessionaire and continue for ninety (90) days; or a receiver of all or substantially all of the property or assets of Concessionaire shall be appointed and the receiver shall not be dismissed for sixty (60) days or if Concessionaire shall make any assignment for the benefit of Concessionaire’s creditors insofar as the enumerated remedies for default are provided for or permitted in such state or federal code;
- G. If Concessionaire shall voluntarily abandon, desert, or vacate the Leased Premises or shall discontinue the conduct of its operation in all or any portion of the Leased Premises for a period of five (5) days; provided that SARAA acknowledges that Concessionaire shall have the right to close the business conducted at the Leased Premises for a period not to exceed thirty (30) days in the aggregate during any consecutive twelve (12) month period in order to allow its Franchisor(s) to retake the Leased Premises from it and recommence operations through a new franchisee;

- H. If Concessionaire shall breach any of its obligations, covenants, terms or conditions under any other agreement at the Airport to which Concessionaire and SARAA are parties;
- I. SARAA electing to declare an Event of Default in accordance with the provisions of Section 7.3;
- J. If Concessionaire shall fail to observe or perform any conditions, covenants, obligations or requirements or terms hereunder, or commits an event of default as set forth in this subsection 11.1(b) through (h) and such breach, failure or event of default shall continue unremedied or cured for thirty (30) days after SARAA shall have given to Concessionaire written notice specifying such default, provided, SARAA may grant Concessionaire such additional time as is reasonably required to correct any such default if Concessionaire has instituted corrective action and is diligently pursuing the same.

Section 11.2 Remedies Upon Concessionaire's Default. Whenever an event of default by Concessionaire shall occur and the same shall not have been cured or remedied by Concessionaire (notwithstanding any waiver, license or indulgence granted by SARAA with respect to any event of default in any form or instance) Concessionaire agrees that SARAA may pursue any available right or remedy at law or equity, including termination. SARAA shall deliver to Concessionaire written notice of termination, specifying the date upon which this Agreement will terminate. In the event of termination, Concessionaire's rights, licenses and privileges granted pursuant to this Agreement and to possession of the Leased Premises shall cease immediately. Upon termination of the Agreement, Concessionaire shall be liable for payment of all rates, fees and charges accrued through date of termination in addition to said rates, fees and charges as may be payable hereunder.

Section 11.3 Removal of Personalty. If SARAA shall terminate this Agreement by reason of Concessionaire's commission of an Event of Default as set forth in Section 11.1 hereof, Concessionaire shall forthwith remove its non-permanent improvements, fixtures, displays and equipment from the Leased Premises at its own expense.

Section 11.4 Event of Default by SARAA. In addition to all other remedies available to the Concessionaire, this Agreement shall be subject to termination by the Concessionaire, at its election, should any one or more of the following events occur ("Event of Default"):

- A. The abandonment of the Airport facility for longer than sixty (60) days;
- B. The issuance of an order or injunction by any court of competent jurisdiction preventing or restraining the use of the Airport facility in such a manner as to substantially restrict the Concessionaire from conducting its operations at the Airport where such order or injunction was not caused by any act or omission of the Concessionaire; provided that such order or injunction remain in force of such injunction for at least sixty (60) days;

- C. The breach by SARAA of any of the material terms, covenants, or conditions of this Agreement to be kept, performed, and observed by SARAA, and the failure of SARAA to remedy such breach, for a period of sixty (60) days after receipt of written notice from the Concessionaire of the existence of such breach;
- D. The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport or its facilities in such a manner as to substantially restrict the Concessionaire from conducting its operation hereunder if such restriction be continued for a period of sixty (60) days or more; or
- E. The destruction of a significant portion of the Airport or its facilities due to fire, earthquake or any other causes.

Section 11.5 Event of Default by SARAA, Concessionaire's Remedies. SARAA shall not be in default in the performance of any of its obligations hereunder until SARAA shall have failed to perform such obligations for thirty (30) days or such additional time as is reasonably required to correct any such non-performance, after written notice by Concessionaire to SARAA specifying wherein SARAA has failed to perform any such obligations; neither the occurrence nor existence of any default by SARAA shall relieve Concessionaire of its obligation hereunder to pay rentals, fees and charges.

Section 11.6 Non-Waiver. Neither the waiver by SARAA of any breach of Concessionaire of any provision hereof nor any forbearance by SARAA to seek a remedy for any such breach shall operate as a waiver of any other breach by Concessionaire.

Section 11.7 Condemnation. If, at any time during the Term and any extended term, the Leased Premises or the improvements located thereon or any portion thereof shall be taken by exercise of the power of eminent domain by a governmental entity other than SARAA, the proceeds and awards in the condemnation proceedings shall be divided, and rentals required hereunder shall be adjusted in such manner as shall be just and equitable. If SARAA and Concessionaire are unable to agree upon a just and equitable division of proceeds and adjustment of rentals within thirty (30) days after rendition of any condemnation award, the matters then in dispute shall be submitted for determination by a court of competent jurisdiction. If the Leased Premises are taken wholly by condemnation, this Agreement shall terminate.

ARTICLE XII

Transfer of Interests

Section 12.1 Assignments by SARAA. SARAA may transfer or assign this Agreement to any successor in interest to whom the Airport may be sold or assigned; however, the successor in interest shall execute and deliver to SARAA, with a copy to Concessionaire, an instrument assuming the obligations of SARAA under this Agreement. Further, Landlord shall be required to provide said transferee with the material terms of this lease to which transferee will be bound and required to fulfill the obligations of "Landlord".

Section 12.2 Assigning, Subletting and Encumbering.

- A. Concessionaire shall not assign, sublet or encumber the Leased Premises or any part thereof, including improvements thereon, without SARAA's prior written consent.

- B. If SARAA shall consent to assignment or subletting, no assignment or subletting shall release Concessionaire of Concessionaire's obligations hereunder or alter the primary liability of Concessionaire to pay the minimum monthly rent and other payments required hereunder, and to perform all other obligations to be performed by Concessionaire hereunder. SARAA may accept rent from any person other than Concessionaire pending approval or disapproval of such assignment or subletting. Neither a delay in the approval or disapproval of any such assignment or subletting, nor the acceptance of rent, shall constitute a waiver or estoppel of SARAA's right to exercise its remedies for breach of any of the terms or conditions of this section or this Agreement. Consent to one (1) assignment or subletting shall not be deemed a waiver of the necessity for consent for any subsequent assignment or subletting. In the event of default by any assignee or sublessee of Concessionaire or any successor of Concessionaire, in the performance of any of the terms hereof, SARAA may proceed directly against Concessionaire without necessity of exhausting remedies against the said assignee. SARAA may consent to subsequent assignments of this Agreement or amendments or modifications to this Agreement with assignees of Concessionaire without notifying Concessionaire or any successor of Concessionaire and without obtaining its or their consent thereto. Such action shall not relieve Concessionaire of liability under this Agreement.

ARTICLE XIII
Miscellaneous

Section 13.1 Concessionaire to Maintain its Legal Entity Existence. Intentionally Deleted

Section 13.2 Notices. All notices, certificates, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments, designations or other communication which may be or are required to be given by either party thereto to the other shall be deemed to have been sufficiently given on the third day following the day on which the same are mailed by registered or certified mail, postage prepaid as follows, to SARAA:

Executive Director
Susquehanna Area Regional Airport Authority
One Terminal Drive
Suite 300
Middletown, Pennsylvania 17057

With copy to:

Pillar+Aught
Angela McGowan, Esquire
Mailing: 4201 E. Park Circle
Harrisburg, PA 17111

And if to Concessionaire:

SARAA, or the Concessionaire may designate, by notice given hereunder, any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 13.3 Severability. In the event any provisions or terms of this Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable or affect any other provision hereof, and this Agreement shall be interpreted and construed as if such provisions or terms, to the extent the same has been held to be illegal, invalid or unenforceable, had never been contained herein.

Section 13.4 Entire Agreement; Understanding of Right/Obligation; Modification. This Agreement expresses the entire understanding of SARAA and Concessionaire concerning the Leased Premises and all agreements of SARAA and Concessionaire with each other concerning the subject matter hereof. The parties hereto acknowledge that they have thoroughly read this Agreement, including exhibits thereto, and received whatever advice (including advice of an attorney) for them to form a full and complete understanding of all rights and obligations herein, and shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this Agreement.

Neither SARAA nor Concessionaire has made or shall be bound by any agreement or any representation to the other concerning the Leased Premises or the subject matter hereof which is not set forth expressly in this Agreement; provided, however, the RFP and Concessionaire's proposal is hereby incorporated by reference and made a part hereof; be it further provided, that in the event of a conflict between the provisions of this Agreement and any provision of any other documents, then in that event, the provisions of this Agreement shall prevail and control. This Agreement may be modified only by a written agreement of subsequent date hereto signed by SARAA and Concessionaire.

Section 13.5 Execution of Counterparts. This Agreement simultaneously may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.6 Effect of Sundays and Legal Holidays. Unless referred to as business days, all periods of time referred to in this Agreement shall include Saturdays, Sundays and legal

holidays, provided, however, whenever this Agreement requires any action to be taken on a Sunday or a legal holiday, such action shall be taken on the first business day occurring thereafter. Whenever in this Agreement, the time within which any action is required to be taken, or within which any right will lapse or expire, shall terminate on Sunday or a legal holiday, such time shall continue to run until 11:59 p.m. on the next succeeding business day.

Section 13.7 Descriptive Headings; Table of Contents. The descriptive headings of the Sections of this Agreement and any Table of Contents annexed hereto are inserted or annexed for convenience of reference only and in no way define, limit, or describe the scope or intent of any provisions hereof, and shall not affect the meaning, construction, interpretation or effect of this Agreement.

Section 13.8 Choice of Law; Enforcement. This Agreement shall be interpreted and enforced in accordance with the laws of the State of Pennsylvania. Whenever in this Agreement it is provided that either party shall make any payment or perform, or refrain from performing, any act or obligation, each such provision, even though not so expressed, shall be construed as an express covenant and term to make such payment or to perform or not to perform, as the case may be, such act or obligation.

Section 13.9 Force Majeure. Neither SARAA nor Concessionaire shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of embargoes, shortages or material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, sabotage, or any other circumstances for which it is not responsible or which are not within its control, and the time for performance automatically shall be extended by the period the party is prevented from performing its obligations hereunder; however, these provisions shall not apply to the failure of Concessionaire to pay the rentals and other charges required hereunder.

Section 13.10 Construction/Interpretation of the Agreement/Reasonableness. This Agreement and each provision and covenant hereof shall constitute a lease, contract, and license by and between the parties hereto. SARAA shall use its best efforts to ensure that all Concessionaires who operate on the Airport are subject to similar material terms, provisions and conditions as are set forth in this Agreement. The Executive Director shall utilize his best efforts to be reasonable in all decisions or actions to be made or required hereunder.

Section 13.11 Consent Not Unreasonably Withheld. Whenever it is provided herein that the consent of SARAA or Concessionaire or their authorized representative is required, such consent shall not be unreasonably withheld, conditioned or delayed.

Section 13.12 Waiver of Depreciation and Tax Credit. Neither Concessionaire nor any successor in interest hereunder may claim depreciation or an investment tax credit with respect to the Leased Premises or any property leased by SARAA to Concessionaire under this Agreement.

Section 13.13 Nonwaiver of Rights. No waiver of default by either party of any of the terms, covenants, and conditions hereof to be performed, kept and observed by the other party

shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, covenants or conditions herein contained, to be performed, kept and observed by the other party.

Section 13.14 Non-Liability of Individuals/Public Officials. Trustees of SARAA, nor any agent, representative, officer, or employee thereof, shall be charged personally by the Concessionaire with any liability, or be held liable to the Concessionaire under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach, attempted or alleged, thereof, it being understood that in such matters they act only as agents or representative of SARAA.

Section 13.15 Time of the Essence. Time is expressed and acknowledged to be of the essence of this Agreement.

Section 13.16 Right of Inspection - Access. SARAA, and their authorized employees, agents and representatives shall have full right of inspection of the Leased Premises after 24 hours' notice, (or in the case of emergency at any time without notice) during the Term or any extended period of this Agreement.

Section 13.17 Recovery of Attorney's Fees and Costs. If either party hereto shall bring any legal or equitable action against the other party, the non-prevailing party shall pay the reasonable attorney's fees and costs incurred by the prevailing party in such action and any appeal therefrom. For purposes of this section, "costs" shall include expert witness fees, court reporter fees, and court costs.

Section 13.18 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon SARAA, Concessionaire and their respective successors and assigns, if such assignment shall have been made in conformity with the provisions of this Agreement.

IN WITNESS WHEREOF, SARAA and Concessionaire have entered into this Agreement at Middletown, Pennsylvania on the ____ day of _____, 2022.

**SUSQUEHANNA AREA REGIONAL
AIRPORT AUTHORITY**

WITNESS

By _____
Printed Name: Timothy J. Edwards
Title: Executive Director

By: _____

WITNESS

By _____
Printed Name:
Title: