

TEMPORARY FOOD CART LEASE AND CONCESSION AGREEMENT

Between

PORT OF SEATTLE

And

[COMPANY]

KEY LEASE TERMS

Agreement Date	January 1, 2018	
Concessionaire:	[COMPANY ADDRESS]	
Premises (§1.20):	Approximately: 500 square feet of space in the Central Terminal for a Temporary Food Cart and 914 square feet of space in Concourse B for a Shared Cooking Facility identified on Exhibit B.	
Commencement Date (§§1.7, 3.1):	January 1, 2018	
Expiration Date (§§1.12, 3.1):	As determined by the completion of Phase 1 of the Central Terminal Infrastructure Upgrade Project with 90 days advance written notice by the Port.	
Percentage Fees (§4.1.1):	<i>Annual Gross Sales</i>	<i>Percentage of Gross Sales</i>
	Annual Gross Sales < Annual Gross Sales < < Annual Gross Sales	[Will be companies current rent]
Monthly Report and Percentage Fees Due Date (§4.1.2):	In arrears, on the fifteenth (15 th) day of the month	
Additional Charges (§4.3):	Utilities (§9.1) and Taxes (§10.1). Others may be provided for in the Agreement.	
Remittance Address:	Port of Seattle PO Box 24507 Seattle, WA 98124-0507	
Late Charges (§4.5):	Five percent (5%) of the amount due plus interest at the Default Rate; liquidated damages associated with a failure to report may also apply	
Default Rate (§1.10):	Eighteen Percent (18%)	
Annual Report Due Date (§4.6.4.1):	Sixty (60) days following the anniversary of the Commencement Date for each year of this Agreement through the last and then sixty (60) days following the Expiration Date	
Security (§5.1):	\$5,000	
Use of Premises (§6.1):	Operation of a Temporary food cart within the Central Terminal during the Phase 1 of the Central Terminal Infrastructure Upgrade Project. Concessionaire will be able to serve a limited menu offering of both hot and cold foods. Cooking within the Central Terminal is prohibited.	
Exhibits to Agreement:	A – Legal Description of Airport B – Premises C – Operating Standards D – Street Pricing Policy	

	E – Schedule of Liquidated Damages F – Additional Non-Discrimination Covenants G – Pertinent Non-Discrimination Authorities
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THIS LEASE AND CONCESSION AGREEMENT is made as of the date set forth on the first page of this Agreement by and between the PORT OF SEATTLE, a Washington municipal corporation, and the Concessionaire identified on the first page of this Agreement. For and in consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties agree:

SECTION 1: DEFINITIONS

For purposes of this Agreement, the following terms have the following meanings:

1.1 Additional Rent. “Additional Rent” shall have the meaning set forth in Section 4.3 of this Agreement.

1.2 Agreement. “Agreement” shall mean and refer to this Lease and Concession Agreement, as the same may be amended from time-to-time.

1.3 Airport. “Airport” shall mean the Seattle-Tacoma International Airport, a legal description of which is attached as Exhibit A.

1.4 ACDBE. “Airport Concessions Disadvantaged Business Enterprise” and “ACDBE” shall mean, a business, whether it is a corporation, sole proprietorship, partnership or joint venture certified as an ACDBE by the State of Washington, of which at least fifty-one percent (51%) of the interest is owned and controlled by one or more socially and economically disadvantaged individuals as defined in the Airport and Airways Safety and Capacity Expansion Act of 1987 and the regulations promulgated pursuant hereto at 49 CFR Part 23.

1.5 Alterations. “Alterations” shall have the meaning set forth in Section 7.2 of this Agreement.

1.6 Annual Report. “Annual Report” shall have the meaning set forth in Section 4.6.4 of this Agreement.

1.7 Commencement Date. “Commencement Date” shall mean the date set forth in the Key Lease Terms.

1.8 Concessionaire. “Concessionaire” shall mean and refer to the party executing this Agreement, as identified in the Key Lease Terms.

1.9 Day. “Day” or “Days” shall, unless otherwise specified, mean and refer to calendar day(s), not business day(s).

1.10 Default Rate. “Default Rate” shall mean the rate set forth in the Key Lease Terms or the maximum rate provided by law for a transaction of this nature, whichever is less.

1.11 Display Allowances. “Display Allowances” shall mean the total of all display allowances, placement allowances, special purpose allowances, or other promotional incentives received by Concessionaire (or Concessionaire’s subtenant, licensee or concessionaire) from vendors, suppliers or manufacturers and any other revenue of this type, and further, if such

allowances are received as a part of non-differentiated sales by Concessionaire (or Concessionaire's subtenant, licensee or concessionaire) operating at multiple airports, Concessionaire shall, subject to the Port's review, reasonably allocate the allowances between the airports and designate the amount to be allocated to the Airport for the calculation of Percentage Fees due. Display Allowance shall *not* include any manufacturer's or supplier's rebates and/or volume discounts that are properly considered, under generally accepted accounting principles, credits against the cost of goods sold.

1.12 Expiration Date. "Expiration Date" shall mean the date on which this Agreement, unless earlier terminated, will expire, as set forth in the Key Lease Terms.

1.13 Franchisor. "Franchisor" shall have the meaning set forth in Section 6.8 of this Agreement.

1.14 Gross Sales. "Gross Sales" shall mean the total dollar amount derived from the sale or delivery of any food, beverages, or merchandise or the performance of any services from, in, upon or arising out of the Premises, whether by Concessionaire, any subtenants, licensees or concessionaires of Concessionaire, or any other person on Concessionaire's behalf, whether at wholesale or retail, and whether for cash, check, credit (including charge accounts), exchange or in kind (specifically including the amount of credit allowed for any trade-ins). No deduction shall be permitted for credit card fees (e.g., interchange or processing fees) or thefts, and for uncollected or uncollectible credit or charge accounts. No deduction shall be permitted for sales discounts (such as prompt-payment discounts) that are not specifically reflected on the original invoice/receipt at the time of the sale. Gross Sales shall, without limiting the generality of the foregoing, also include:

1.14.1 Orders that originate or are accepted at the Premises, even if delivery or performance is made from or at any other place. All sales made and orders received at the Premises shall be deemed as made and completed therein, even though payment of account may be transferred to another office/location for collection.

1.14.2 Orders that result from solicitation off the Premises but which are delivered or performed from the Premises or by personnel either operating from the Premises or reporting to or under the control or supervision of any employee employed at the Premises.

1.14.3 Mail, catalog, computer, internet, telephone, or other similar order received at, ordered from, or billed from the Premises.

1.14.4 Sales originating from whatever source, and which Concessionaire (or Concessionaire's subtenants, licensees or concessionaires) in the normal and customary course of Concessionaire's (or Concessionaire's subtenant's, licensee's or concessionaire's) operations would credit or attribute to Concessionaire's (or Concessionaire's subtenant's, licensee's or concessionaire's) business conducted in the Premises;

1.14.5 Display Allowances, whether received by Concessionaire or its subtenant, licensee or concessionaire; and

1.14.6 All monies or other things of value received by Concessionaire (or Concessionaire's subtenant, licensee or concessionaire) from Concessionaire's (or Concessionaire's subtenant's, licensee's or concessionaire's) operations at, upon or from the Leased Premises which are neither included in nor excluded from Gross Sales by the other provisions of this definition, including without limitation, finance charges, late fees, and all deposits not refunded to customers.

"Gross Sales" shall not include, and may be adjusted to exclude, the following when properly recorded and accounted for:

1.14.7 Tips and gratuities paid directly to employees;

1.14.8 The exchange of merchandise between stores of Concessionaire (or Concessionaire's subtenant, licensee's or concessionaire's) where such exchanges are made solely for the convenient operation of Concessionaire's (or Concessionaire's subtenant's, licensee's or concessionaire's) business and not for the purpose of consummating a sale which has been made at, upon or from the Premises;

1.14.9 Returns to shippers or manufacturers with no mark-up;

1.14.10 Allowances or refunds allowed by Concessionaire to customers because of unacceptable or unsatisfactory goods or services to the extent such allowance or refund was actually granted and adjustment actually made;

1.14.11 Complimentary meals, the amount of any airport employee discount on meals, and any meals provided by Concessionaire to its employees without cost as a benefit;

1.14.12 The amount of any sales tax or other excise tax imposed upon the customer and collected by Concessionaire as agent for the taxing body imposing the tax and billed to the customer as a separate item;

1.14.13 Revenue from the sale of uniforms or clothing to Concessionaire's employees where it is required that such uniforms or clothing be worn by said employees;

1.14.14 Any sums that represent discounts so long as the amount of the discount is shown on the face of the receipt issued to the customer; and

1.14.15 Any item, such as the cost of third-party shipping, for which the Concessionaire is reimbursed at actual cost therefor; provided, however, in the event that Concessionaire charges a customer more than the actual cost of such item (specifically including through the inclusion of a "handling" or similar charge by Concessionaire), the entire amount shall be includable with Gross Sales and shall not be subject to exclusion.

1.15 Legal Requirements. "Legal Requirements" shall mean and refer to all laws, statutes and ordinances including building codes and zoning regulations and ordinances and the orders, rules, regulations and requirements of all federal, state, county, city or other local jurisdiction departments, agencies, bureaus, offices and other subdivisions thereof, or any official

thereof, or of any other governmental, public or quasi-public authority, including the Port, which may be applicable to or have jurisdiction over the Premises.

1.16 Lien. “Lien” shall mean and refer to any mortgage, lien, security interest, encumbrance, charge on, pledge of, conditional sale or other encumbrance on the Premises or any Alteration, fixture, improvement or appurtenance thereto.

1.17 Percentage Fee. “Percentage Fee” shall have the meaning set forth in Section 4.1 of this Agreement.

1.18 Port. “Port” shall mean the Port of Seattle, a Washington municipal corporation.

1.19 Port Standards. “Port Standards” shall mean the Sea-Tac Rules and Regulations, the Regulations for Airport Construction, the Tenant Design and Construction Process Manual, Seattle Tacoma International Airport Construction General Requirements, the Safety Manual, the CAD Standards Manual, the Concession Design Guidelines, the Port’s mechanical, electrical, water and waste, and industrial waste and storm drainage standards and any other, similar document establishing requirements and/or standards for design and construction at the Airport. These materials are all generally available at <http://www.portseattle.org/Business/Construction-Projects/Airport-Tenants/Pages/Reference-Documents.aspx>.

1.20 Premises. “Premises” shall have the meaning set forth on the first page of this Agreement under the Key Agreement Terms.

1.21 Removable Fixtures. “Removable Fixtures” shall have the meaning set forth in Section 7.3 of this Agreement.

1.22 Rent. “Rent” shall mean and refer collectively to sums denominated as either Percentage Fee, Additional Rent or any other sums or charges otherwise payable by Concessionaire under the terms of this Agreement. Failure by Concessionaire to pay any sum denominated as Rent shall entitle the Port to pursue any or all remedies specified in this Agreement as well as remedies specified in RCW Chapter 59.12 or otherwise allowed by law.

1.23 Security. “Security” shall have the meaning set forth in Section 5.1 of this Agreement.

1.24 Shared Cooking Facility. “Shared Cooking Facility” shall mean an area provided by the Port where Concessionaire has non-exclusive rights to prepare its menu offerings to support their Use of Premises identified in the Key Lease Terms and Section 6.5.

SECTION 2: LEASED PREMISES

2.1 Premises. Effective on the Commencement Date, the Port hereby leases to Concessionaire and Concessionaire hereby leases from the Port, the Premises.

2.2 Acceptance of the Premises. Concessionaire shall promptly examine the Premises following the Commencement Date. Unless Concessionaire provides the Port with written notice

of any defect or problem within five (5) days of the Commencement Date, Concessionaire shall have accepted them in their present, “as-is” condition.

2.3 Quiet Enjoyment. So long as Concessionaire is not in default under this Agreement and subject to the specific provisions, covenants and agreements contained in this Agreement, the Port covenants and agrees that the quiet and peaceful possession and enjoyment of the Premises by Concessionaire shall not be disturbed or interfered with by the Port or by any other party claiming by or through the Port.

2.4 No Warranty. The Port makes absolutely no warranty, promises or representations as to the economic viability of any concession location, including the Premises. Passenger counts, passenger flows and other customer traffic are for the most part products of airline schedules and gate utilization. Further, Federal Aviation Administration and Transportation Security Administration rules and regulations governing security and emergency situations may restrict access to the Airport or portions thereof. Except as specifically set forth in this Agreement, Concessionaire shall not be entitled to any relief in the event passenger counts, passenger flow, customer traffic, or Gross Sales are other than Concessionaire predicted or projected.

SECTION 3: TERM

3.1 Agreement Term. Unless earlier terminated pursuant to any provision of this Agreement, the term shall commence on the Commencement Date and continue until the Expiration Date. Concessionaire acknowledges that the term of this Agreement is dependent on a Port’s Central Terminal Infrastructure Upgrade Project Phase 1 completion and that the Port will provide 90 days advance written notice on the actual expiration date.

SECTION 4: RENT

4.1 Percentage Fees.

4.1.1 Amount. Commencing on the Commencement Date, Concessionaire shall also pay the Port a percentage fee (the “Percentage Fee”) according to the schedule set forth in the Key Lease Terms.

4.1.2 Reporting and Payment. On or before the date set forth in the Key Lease Terms, Concessionaire shall submit to the Port a detailed statement showing the Gross Sales generated from the concession during the preceding month (the “Monthly Report”) and shall simultaneously pay to the Port the Percentage Fee due for that preceding month. The Monthly Report shall be filed using the technology and procedures designated by the Port and shall show such reasonable detail and breakdown as may be required by the Port. If the Port instructs Concessionaire to file the Monthly Report or any other report by computer, e-mail, or internet website, the Port shall not be obligated to furnish Concessionaire with the equipment or systems necessary to do so. The failure to timely provide the reports required by this Section shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

4.1.3 Annual Reconciliation. The Percentage Fees shall be subject to annual reconciliation by the Port following receipt of the Annual Report. Under/over payments of less

than forty dollars (\$40.00) shall not be subject to adjustment. In the event that Concessionaire has underpaid the Rent by forty dollars or more, Concessionaire shall remit the entire amount of the underpayment together with the Annual Report. In the event Concessionaire has overpaid the Rent by forty dollars or more, the Port will issue Concessionaire a credit that shall be utilized against future Rent payment obligations (or, following the expiration or earlier termination of this Agreement, issue Concessionaire a refund).

4.2 Contract Rent. The Port and Concessionaire agree that the first seven percent (7%) of Concessionaire's Gross Sales paid to the Port shall be the contract rent for the Premises for purposes of the Leasehold Excise Tax Payable pursuant to Chapter 81.29A of the Revised Code of Washington. All amounts in excess of the first seven percent of the Gross Sales shall be consideration for the concession rights granted under this Agreement.

4.3 Additional Rent. During the term of this Agreement, Concessionaire shall also pay to the Port, within thirty (30) days of invoice, any maintenance and repair charges required by SECTION 8, any utility charges required by SECTION 9, and such other amounts as may be owing by Concessionaire to the Port pursuant to the terms of this Agreement.

4.4 Payments. All Rent due under this Agreement shall be paid in lawful money of the United States of America. Concessionaire may not pay any Rent due under this Agreement utilizing a credit card or other, similar instrument for which the Port must pay a commission or discount on the gross funds remitted; all payments shall be made by check, ACH credit transfer, or other form of payment approved by the Port. In the event the Concessionaire delivers a dishonored check or draft to the Port in payment of any obligation arising under this Agreement, Concessionaire shall pay a service charge in the amount established by the Port from time to time, along with interest thereon at eighteen percent (18%) per annum from the original due date of such dishonored check or draft without further demand. In such event, the Port may require that future payments be made by cashier's check or other means acceptable to the Port.

4.5 Late Charges.

4.5.1 Concessionaire hereby acknowledges that late payment by Concessionaire to the Port of Rent, or any portion thereof, or any other sums due hereunder will cause the Port to incur costs not otherwise contemplated by this Agreement. Accordingly, if any installment of Rent, or any portion thereof, or any other sum due from Concessionaire shall not be received by the Port within ten (10) days after such amount shall be due, then, without any requirement for notice by the Port to Concessionaire, Concessionaire shall pay the Port a late charge equal to five percent (5%) of such overdue amount unless such late charge is specifically waived by the Port in writing. The parties agree that such late charge represents a fair and reasonable estimate of the costs the Port will incur by reason of late payment by Concessionaire. Acceptance of such late charge by the Port shall in no event constitute a waiver of Concessionaire's default with respect to such overdue amount, nor prevent the Port from exercising any of the other rights and remedies granted hereunder.

4.5.2 In addition to the late charges provided for in this Section, interest shall accrue on any unpaid Rent and/or other remuneration, or any other sums due hereunder, at the Default Rate from the date due until paid.

4.5.3 Notwithstanding anything to the contrary in this Section, interest and late charges shall be subject to a minimum, monthly charge of five dollars (\$5.00).

4.6 Accounting Procedures.

4.6.1 Records. Concessionaire covenants and agrees that it will establish and maintain an accounting system (specifically including all books of account and records customarily used in the type of operation permitted by this Agreement) in full and complete accordance with generally accepted accounting principles and otherwise reasonably satisfactory to the Port for the determination of any Rent or other computations, which may be necessary or essential in carrying out the terms of this Agreement. Concessionaire shall maintain its records relating to the operation permitted by this Agreement for a period of at least three (3) years after the end of each calendar year (or until the close of any ongoing audit thereof being conducted by, or on behalf of, the Port); provided, however, that the Port may request that any such records be retained for a longer period of time, in which case Concessionaire, at its option, may deliver such records into the custody of the Port.

4.6.2 Daily Sales Reporting. Concessionaire shall participate in a daily sales reporting program. Under the program, Concessionaire shall report, by the end of the following business day, the amount of Gross Sales earned by Concessionaire each calendar day, including such detail as reasonably requested by the Port (including, but not limited to, such things as location and concession category). Concessionaire may, but shall not be obligated, to delegate responsibility for reporting Gross Sales generated in any subleased space to the operator of such subleased space; provided, however, Concessionaire shall nonetheless remain responsible for full compliance with the program in the event it makes such delegation. The failure to timely provide the reports required by this Section shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

4.6.3 Cash Handling. Without limiting any more general requirements of this Section 4.6, Concessionaire shall observe the cash handling and point-of-sale requirements set forth below.

4.6.3.1 Establish Procedures. Concessionaire shall at all times observe cash and record handling policies and procedures and maintain cash and record handling systems in accordance with reasonable written policies and procedures adopted by Concessionaire. Concessionaire may revise those procedures from time to time upon the advent of generally-accepted technological changes and shall provide the Port notification in the event that it does so. All of Concessionaire's cash and record handling policies and procedures shall be subject to review and approval by the Port upon request.

4.6.3.2 Point of Sale Equipment. Concessionaire's point-of-sale equipment or devices shall properly, accurately and reliably record all information pertaining to each and every transaction entered into between Concessionaire and its customers. The required information includes but is not limited to, the time and date of the transaction; payment method; the sales amount or amounts for any and all goods or services purchased; the transaction location and operating name; and any and all other information obtained from the customer or other sources as pertaining to each transaction.

4.6.3.3 Sequentially Numbered Transactions. Concessionaire agrees to sequentially number all transactions, and agrees to provide upon request by the Port a list of transactions that were initiated, but which were eventually voided or cancelled, or for which Concessionaire received no sales or other revenue.

4.6.3.4 Changes in Operations. Concessionaire agrees to notify the Port of any changes in business operations that change or alter the accounting processes or procedures or information storage or data retrieval for Concessionaire's business operations covered under this Agreement.

4.6.4 Annual Report.

4.6.4.1 Concessionaire shall provide the Port with a report (the "Annual Report"), due by the deadline set forth in the Key Lease Terms, that reflects the amount of Gross Sales for the preceding year (or partial year). The Annual Report shall be accompanied by a signed certificate of an independent Certified Public Accountant (CPA), Concessionaire's Chief Financial Officer or Chief Executive Officer stating specifically that (a) he/she has examined the Annual Report, (b) his/her examination included such tests of Concessionaire's books and records as he/she considered necessary or appropriate under the circumstances, (c) such report presents fairly the information reflected for the preceding year, (d) the information reflected conforms with and is computed in compliance with the definitions set forth in this Agreement, and (e), if the certificate is submitted by a CPA, the standards observed by the CPA in its audit are such that it planned and performed the audit to obtain reasonable assurances that Concessionaire's report is free from material misstatement.

4.6.4.2 Notwithstanding the foregoing, in the event that the Port conducts an audit of Concessionaire's operations pursuant to Section 4.7 and that audit reveals a discrepancy of more than two percent (2%) of the Percentage Rent reported in accordance with Section 4.1 above for any twelve (12) month period; Concessionaire's Annual Report must thereafter be accompanied by a signed certificate of an independent Certified Public Accountant; Concessionaire's CEO and CFO may not certify the report.

4.6.4.3 The Annual Report shall be provided in writing and/or electronic format as reasonably specified by the Port, and in addition to such other detail as the Port may reasonably require, the Annual Report shall breakdown Gross Sales by month, location, and product category. Any additional or unpaid Rent or fees due for the prior year shall be submitted with the Annual Report. The failure to timely provide the report required by this Section shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

4.6.5 Other Reports. In addition to any reports otherwise required under the terms of this Agreement, Concessionaire shall provide the Port with such other and further reports, on such frequency as the Port may reasonably require from time to time, all without any cost to the Port. All such reports shall be provided in writing and/or electronic format as reasonably specified by the Port from time to time. The failure to timely provide the reports required by this Section shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

4.6.6 Quality Jobs and Small Business Reporting. Concessionaire shall provide the Port, upon reasonable request, one or more reports that document Concessionaire's compliance with, and efforts to further, the Port's quality jobs and small business initiatives. Reports relating to quality jobs will generally encompass information about Concessionaire's employee pool, wage rates, benefits (including time-off and Affordable Care Act compliance), and hiring practices. Reports relating to small business will generally encompass information about Concessionaire's inclusion of small businesses within its day-to-day operations, specifically including as suppliers.

4.7 Audit.

4.7.1 Right to Audit. The Port shall have the right to time to inspect and audit, through its accountants or representatives, Concessionaire's records with reference to the determination of any matters relevant to this Agreement, and Concessionaire shall make or cause to be made the records readily available for such examination. The Port may undertake such inspection and/or audit at any reasonable time and from time to time. In the event that Concessionaire's records are not maintained in the Puget Sound region, they shall be made available for audit locally within twenty (20) business days of a request by the Port, or Concessionaire shall pay in full, any travel and related expenses of Port representative(s) to travel to the location outside the Puget Sound region. In addition, the Port shall have the right to conduct a "surprise" audit not more frequently than twice every twenty-four (24) months, and, in the event that Concessionaire's books and records are not maintained locally, Concessionaire shall further pay in full, any travel and related expenses of the Port representative(s) to travel to the location outside the Puget Sound region for such "surprise" audit(s).

4.7.2 Right to Review Records of Concessionaire's Other Stores. In connection with the audit, the Port or its representative will have the right to inspect the records from any other store operated by Concessionaire, but only if such inspection is reasonably necessary to verify Concessionaire's reportable Gross Sales.

4.7.3 Right to Copy Concessionaire's Records. The Port or its representatives shall have the right to copy any and all records of Concessionaire supporting Gross Sales or any other matter the determination of which is relevant to this Agreement.

4.7.4 Concessionaire Must Reconstruct Insufficient Documentation. If upon examination or audit the Port's accountant or representative determines that sufficient documentation is not maintained, retained, or available to verify Concessionaire's actual Gross Sales or any other matter the determination of which is relevant to this Agreement, Concessionaire shall pay for the cost of such visit, and in addition, should the Port deem it necessary, Concessionaire shall reconstruct, at its sole cost and expense, all records for the determination of Gross Sales or any other matter the determination of which is relevant to this Agreement for any period being audited. If, in the Port's determination, Concessionaire fails to reasonably reconstruct all records in accordance with this Section, then in addition to any remedies under this Agreement or at law, the Port shall be entitled to collect as Additional Rent an amount equal to five percent (5%) of the Percentage Fees actually paid for the period in question.

4.7.5 If Gross Sales Are Under-Reported. If any such audit discloses that the actual Gross Sales exceed those reported:

4.7.5.1 Concessionaire shall forthwith pay the Percentage Fee due along with interest at the Default Rate; and

4.7.5.2 If the audit reveals a discrepancy of more than two percent (2%) of the Percentage Rent reported in accordance with Section 4.1 above for any twelve (12) month period, Concessionaire shall forthwith pay the cost of such audit along with interest at the Default Rate; and

4.7.5.3 The Port shall have, in addition to the foregoing rights to costs and any other rights and remedies available to the Port under this Agreement or at law, the right to terminate this Agreement, if such audit discloses that said Gross Sales exceeded those reported by more than ten percent (10%).

4.7.6 If Gross Sales Are Over-Reported. If Concessionaire over-reports its Gross Sales and is due a refund, Concessionaire will be granted a credit toward future rents after first deducting the cost of the audit. In the event the cost of the audit exceeds the refund due, Concessionaire shall not be responsible for the balance of the cost of the audit but shall not be entitled to any refund/credit associated with the over-report of Gross Sales.

4.7.7 Subtenant's Records. If Concessionaire subleases, licenses, or in any manner allows the Premises to be used by another party, Concessionaire is responsible for ensuring that all of such party(ies) records conform to the requirements of this Agreement. The failure of any such party to maintain its records as required under this Agreement, or correctly report gross sales, will be deemed a failure on the part of Concessionaire to conform to the requirements of this Agreement.

SECTION 5: SECURITY

5.1 Security. Concessionaire shall, upon execution of this Agreement, obtain and deliver to the Port a good and sufficient corporate surety company bond, irrevocable stand-by letter of credit, or other security in a form approved by the Port in the amount set forth in the Key Lease Terms (hereinafter referred to as "Security"), to secure Concessionaire's full performance of this Agreement, including the payment of all fees and other amounts now or hereafter payable to the Port hereunder. In the event that a late charge is payable under Section 4.5 (whether or not collected) for three (3) installments of Rent in any twelve (12) month period, the amount of the Security shall, at the Port's election, be doubled. The amount, form, provisions and nature of the Security, and the identity of the surety or other obligor thereunder, shall at all times be subject to the Port's approval. The Security shall remain in place at all times throughout the full term of this Agreement and throughout any holdover period. If the Security is in a form that periodically requires renewal, Concessionaire must renew the Security not less than 45 days before the Security is scheduled to expire. No interest shall be paid on the Security and the Port shall not be required to keep the Security separate from its other accounts. No trust relationship is created with respect to the Security.

5.2 Return of Security. The Security is a part of the consideration for execution of this Agreement. If Concessionaire shall have fully performed all terms and conditions of this Agreement, any cash deposit security shall be paid to Concessionaire within sixty (60) days following the termination (or expiration) date without interest; otherwise the Port shall, in addition to any and all other rights and remedies available under this Agreement or at law or equity, retain title thereto.

5.3 Application of Security. The Port may apply all or part of the Security to unpaid Rent or any other unpaid sum due hereunder, or to cure other defaults of Concessionaire. If the Port uses any part of the Security during the term of the Agreement, Concessionaire shall restore the Security to its then-currently required amount within fifteen (15) days after application of the Security by the Port. The retention or application of such Security by the Port pursuant to this Section does not constitute a limitation on or waiver of the Port's right to seek further remedy under law or equity.

SECTION 6: USE OF PREMISES

6.1 Use of Premises. Concessionaire shall use the Premises for the use set forth in the Key Lease Terms and shall not use them for any other purpose or in other manner without the written consent of the Port. Concessionaire recognizes that the specific limited use prescribed herein is a material consideration to the Port in order that the Airport will, in the Port's sole discretion, maintain an appropriate tenant mix so as to efficiently serve the traveling public and to produce the maximum Gross Sales possible for all tenants.

6.2 Rights Are Non-Exclusive. Concessionaire's rights and privileges in this Agreement are non-exclusive, and nothing herein shall preclude the Port from entering into an agreement with any other parties during the term of this Agreement for the sale in any part of the Airport of the same or similar food, beverages, merchandise or service which Concessionaire is permitted to sell or offer hereunder, whether such agreements are awarded competitively or through negotiations and regardless of whether the terms of such agreements are more or less favorable than the terms of this Agreement.

6.3 First Class Operations. In addition to, and not in lieu of, any other more specific standards that may be set forth in this Agreement, Concessionaire shall maintain a first class standard of service equivalent to the highest standards within the food and retail service industry ("First Class Manner"). For the purposes of this Agreement, First Class Manner shall mean the standard of products, cleanliness, and customer service that would be reasonably expected in upscale shopping malls and other similar high-quality airport and non-airport retail and food service facilities. The Port desires to provide the air travelers and the public with facilities, service, food, beverages and retail merchandise of first class quality. For food and beverage operations, Concessionaire must ensure that the air travelers and public are provided first class quality foods with adequate portions, comparable to or better than, that offered for sale in similar food service operations in the greater Seattle-Tacoma region offering like products. Unless shown to be unreasonable by "clear, cogent and convincing evidence," the Port shall be the final arbiter of what constitutes a First Class Manner.

6.4 General Operating Standards. Concessionaire shall not use or occupy or permit the Premises or any part thereof to be used or occupied, in whole or in part, in a manner which would in any way: (i) violate any present or future Legal Requirements or Port Standards, (ii) violate any of the covenants, agreements, provisions and conditions of this Agreement, (iii) violate the certificate of occupancy then in force with respect thereto, (iv) as will constitute a public or private nuisance, (v) impair, in the Port's reasonable judgment, with the character, reputation or appearance of the Airport or the Port, or (vi) occasion discomfort, inconvenience or annoyance to either the Port or its adjoining tenants. Without limiting the foregoing, Concessionaire specifically agrees to comply with all applicable rules and regulations of the Port, whether now in existence or hereafter promulgated, pertaining to (a) the Airport and its terminals, which exist for the general safety and convenience of the Port, its various tenants, invitees, licensees and the general public, and (b) the common food and beverage areas located within the Airport.

6.5 Shared Cooking Facility Standards.

6.5.1 Concessionaire shall be responsible for the installation and maintenance of all of its equipment placed within the Shared Cooking Facility.

6.5.2 Concessionaire agrees to work with other Concessionaires within the Shared Cooking Facility in a professional manner.

6.5.3 Concessionaire agrees that it as well as the other users of the Shared Cooking Facility shall be responsible for general cleaning within the space.

6.5.4 Concessionaire agrees to obtain any applicable permits and/or licenses to operate within the Shared Cooking Facility

6.5.5 Concessionaire shall be responsible for securing their own equipment and tools and making sure that the security of the airport is not compromised by its actions or inactions within the Shared Cooking Facility.

6.6 Specific Operating Standards. Concessionaire shall, at all times, comply with the operating standards set forth on Exhibit C. Without limiting any other rights that may exist under this Agreement, Concessionaire acknowledges that it is subject to inspection as set forth on Exhibit C. In addition, the failure to comply with the operating standards shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

6.7 Street Pricing Policy. Concessionaire shall, at all times, comply with the street pricing policy set forth on Exhibit D. Without limiting any other rights that may exist under this Agreement, Concessionaire acknowledges that the failure to adhere to the policy shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

6.8 Security Requirements. Concessionaire acknowledges that the Airport is an environment subject to substantial security regulations and requirements that may materially increase the cost of operating at the Airport. Concessionaire shall comply at all times with all local, state and federal laws, rules, regulations and security plans relating to homeland security (collectively, "Security Laws") applicable to Concessionaire, its operations, and the Premises.

Concessionaire shall be solely responsible for all of its costs of complying with any applicable Security Laws as well as any fines or penalties incurred (whether by Concessionaire or the Port) as result of its failure to comply with such Security Laws.

6.9 Franchise. If the Premises are operated under a franchise, Concessionaire represents and warrants to the Port that Concessionaire has been granted the right to use any trade name that may be used at the Premises for the entire term of this Agreement, pursuant to a franchise or license agreement (the “Franchise Agreement”) with the trade name owner (a “Franchisor”). At the Port’s request, Concessionaire agrees to provide the Port with a copy of the Franchise Agreement and reasonable evidence that such agreement remains in full force and effect. Concessionaire agrees that the termination of Concessionaire’s right to use Concessionaire’s trade name at the Premises or to conduct an operation at the Premises of the type then conducted by or under license from Franchisor under Concessionaire’s trade name, shall constitute a material breach of Concessionaire’s obligations under this Agreement. Concessionaire agrees that if such Franchise Agreement is terminated, the Port shall have the right to terminate this Agreement pursuant to SECTION 16 of this Agreement.

6.10 Franchise Standards. Without limiting or otherwise reducing any of the standards otherwise imposed under this Agreement, Concessionaire shall also meet or exceed all franchise standards that are imposed on Concessionaire by any Franchisor. Copies of those franchise standards and performance audit forms shall be sent to the Port prior to unit opening date. Copies of inspections conducted by the Franchisor or any mystery shopper service hired by the Franchisor shall be sent to the Port within ten (10) days of receipt by Concessionaire or any subtenant.

6.11 Employment Standards. It is the stated expectation of the Port of Seattle Commission that Airport employers, including Concessionaire, provide quality jobs for its employees. To this end, Concessionaire shall comply with all, applicable federal, state, and local laws and ordinances related to wages. The Port also expects Concessionaire to participate in, and otherwise provide documentation relevant for, any employment continuity pool established by the Port. Concessionaire shall, as required by Section 4.6.6, provide such reports as may be requested by the Port to document Concessionaire’s compliance with these requirements.

6.12 Small Business Standards. It is also the policy of the Port of Seattle Commission to encourage Airport businesses, including Concessionaire, to make every reasonable effort to maximize the contracting opportunities for small businesses (including ACDBEs, as addressed below in Section 22.1) in the construction and operation of the concession. Concessionaire shall, as required by Section 4.6.6, provide such reports as may be requested by the Port to document Concessionaire’s compliance with these requirements.

6.13 No Liens. Concessionaire will not directly or indirectly create or permit to be created and/or to remain, a Lien upon the Premises, including any Alterations, fixtures, improvements or appurtenances thereto, except those Liens expressly permitted by in writing by the Port. In the event any such Lien(s) have been created by or permitted by Concessionaire in violation of this provision, Concessionaire shall immediately discharge as of record, by bond or as otherwise allowed by law, any such Lien(s). Concessionaire shall also defend (with counsel approved by the Port), fully indemnify, and hold entirely free and harmless the Port from any

action, suit or proceeding brought on or for the enforcement of such lien(s). As used in this Section, "Lien" shall mean and refer to any mortgage, lien, security interest, encumbrance, charge on, pledge of, conditional sale or other encumbrance on the Premises, any Alteration, fixture, improvement or appurtenance thereto, or any larger building and/or property of which the Premises may be a part.

6.14 Copyright Clearance. Concessionaire and Concessionaire's Subtenants are responsible for obtaining permission to transmit any copyrighted music, including but not limited to, radio broadcasts, recorded music, and television broadcasts, in their Leased Premises at the Airport in compliance with Federal Copyright Law found in Title 17 of the United States Code, or as amended.

SECTION 7: IMPROVEMENTS

7.1 Improvements by the Port. The Port shall have no obligation to make any improvements to the Premises whatsoever. It is, however, understood that the Port may from time to time elect to alter, improve or remodel other portions of the Airport, and Concessionaire agrees that the portion of the Premises, if any, which is visible to the general public may be altered, remodeled or improved at the Port's expense in connection with any such work. Concessionaire agrees that any inconvenience resulting from any such work or modifications by the Port or its contractors and agents shall not be grounds for reduction of rent or fee if the same shall not unreasonably interfere with Concessionaire's use of the Premises.

7.2 Alterations by Concessionaire.

7.2.1 Alterations. Concessionaire may from time to time during the term make such non-structural changes, alterations, additions, substitutions or improvements (collectively referred to as "Alterations") to the Premises, as Concessionaire may reasonably consider necessary and desirable to adapt or equip the Premises for Concessionaire's use and occupancy.

7.2.2 Standards for Alterations. All Alterations shall be done at Concessionaire's sole cost and expense and at such times and in such manner as the Port may from time to time designate. All Alterations shall: (i) be of high quality, (ii) conform to the design criteria approved by the Port, (iii) be of fireproof construction according to the standards of the local rating organization, (iv) be constructed in good and workmanlike manner, (v) be in full and complete accordance with all Legal Requirements and Port Standards, and (vi) be performed in a manner that will not unreasonably interfere with or disturb the Port or other tenants of the Port. Except as otherwise specifically provided in this Agreement, Concessionaire shall obtain all necessary permits for any Alteration.

7.2.3 Reports. Within ninety (90) days of the completion of any Alterations, Concessionaire shall provide the Port with: (a) a certification that the improvements have been constructed in accordance with the approved drawings and specifications and in strict compliance with all Legal Requirements and the Port Standards; (b) a certified proof in writing demonstrating that no liens exist on any or all of the construction; and (c) a reproducible final copy of the plans as-built for all improvements along with computer discs as electronic files in a format compatible with the Port's CAD Standards Manual, to enable the Port to upgrade its

existing files to reflect the as-constructed changes made by Concessionaire. The failure to timely provide the reports, statements and certifications required by this Section shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

7.3 Ownership of Alterations and Improvements. Other than those leasehold improvements which are installed and become such a part of the Premises that they cannot be removed without substantial injury to the Premises, which improvements shall immediately become the property of the Port following installation, Concessionaire shall retain ownership of all furniture, trade fixtures and equipment from time to time installed in the Premises by Concessionaire at its expense (the "Removable Fixtures"). Concessionaire may remove any of the Removable Fixtures at any time during the term and shall remove all thereof prior to the expiration of the term. Any Removable Fixtures or other property of Concessionaire not removed at the expiration of the term shall, at the election of the Port, become the property of the Port without payment to Concessionaire, or be deemed abandoned and removed by the Port, at Concessionaire's expense. Upon any removal of such property, Concessionaire shall promptly repair any and all damage to the Premises caused thereby and reimburse the Port for its costs and expenses in removing any such property not removed by Concessionaire and repairing any such damage not repaired by Concessionaire; this covenant shall survive the termination of this Agreement.

7.4 Signs.

7.4.1 No signs, promotions or other advertising matter, symbols, canopies or awnings (collectively "Signs") shall be attached to or painted on within, or outside the Premises, including the walls, windows and doors thereof, without the prior written approval of the Port. Any permitted Sign shall be professionally prepared. The Port may, without notice and without any liability therefore, enter the Premises and remove any items installed or maintained by Concessionaire in violation of the provisions of this Section 7.4. At the termination or sooner expiration of this Agreement, Concessionaire shall remove all such Signs attached to or painted by Concessionaire at its own expense, and Concessionaire shall repair any damage or injury to the Premises and correct any unsightly condition caused by the maintenance and removal of said Signs.

7.4.2 If Concessionaire fails to comply with the requirements of this Section 7.4, the Port shall have the right to require Concessionaire to restore the Premises to the condition existing immediately prior to the unauthorized installation or modification of the Sign. In the event that Concessionaire fails to restore the Premises within three (3) days following notice by the Port, Concessionaire shall, in addition to (and not in lieu of) any other rights or remedies the Port may have (whether under this Agreement or in law or in equity), pay the Port liquidated damages as provided in Section 16.2.4 and Exhibit E until Concessionaire has restored the Premises. Concessionaire and the Port agree that the Port will incur damages as a result of the failure to restore the Premises, which damages are impractical or impossible to determine, and that this amount is a reasonable forecast of the damages to be suffered by the Port.

7.5 Visual Artists Rights Act. With respect to construction or installation of any improvements at the Premises (whether Alterations or otherwise) that might implicate the requirements of the federal Visual Artists Rights Act of 1990, 17 U.S.C. §§ 106A and 113, as

they may be amended from time to time (“VARA”), Concessionaire agrees that it will not (i) hire any artist or permit any sublessee to hire any artist for the purpose of installing or incorporating any work of art into or at the Premises, or (ii) permit the installation or incorporation of any work of art into or at the Premises, without the prior written approval of the Port. Concessionaire shall provide such reasonable documentation as the Port may request in connection with any such approval, and the approval of the Port may be conditioned upon the execution by the artist of a waiver of the provisions of the VARA, in form and substance acceptable to the Port.

SECTION 8: MAINTENANCE AND REPAIR

8.1 Maintenance and Repair by Port for Shared Cooking Facility

8.1.1 The Port shall keep and maintain the foundations, roof, common areas and common utilities up to the point of Concessionaire’s connection, and structural portions of the exterior walls of the Premises (excepting any walls which are installed by or on behalf of Concessionaire) in good order, condition and repair. The Port shall perform this work at its sole cost and expense, except to the extent that any such repairs may be required as a result of damage caused by negligence of Concessionaire or its agents, employees, invitees or licensees, in which event the work shall be at the cost or expense of Concessionaire. The Port shall perform such repair or maintenance work called to its attention by Concessionaire within a reasonable period of time after receipt of such notice by Concessionaire. There shall be no abatement or reduction of Rent, and the Port shall not be responsible for any loss or damages to Concessionaire’s business, arising by reason of the Port making any repairs, alterations or improvements.

8.1.2 The Port shall, at Concessionaire’s cost as set forth in the then-current Airport tariff, provide pest control services to the Premises as part of the Port’s Unified Pest Management Program.

8.2 Maintenance and Repair by Concessionaire Shared Cooking Facility and Temporary Food Cart.

8.2.1 Subject only to the specific obligations of the Port set forth in Section 8.1, Concessionaire shall, at its sole cost and expense, keep the Premises, and every part thereof and any fixtures, facilities or equipment contained therein, in good order, condition and repair at all times. Concessionaire shall likewise comply with any preventative maintenance practices established by the Port. Concessionaire shall make all repairs and replacements (ordinary as well as extraordinary, foreseen and unforeseen) which may be necessary or required so that at all times the Premises are in good order, condition and repair. Without limiting the generality of the foregoing, Concessionaire shall keep glass and all portions of the kiosk in a good state of repair. Concessionaire shall perform all maintenance, repairs, or replacements using quality materials equal to the original, and, if materially changed from the original, shall be subject to the prior written approval of the Port.

8.2.2 Concessionaire shall also keep the Premises neat, clean and in sanitary condition and follow best practices for hygiene to keep the Premises free from infestation of pests and conditions which might result in harborage for, or infestation of, pests. Concessionaire

shall reimburse the Port for the pest control services provided by the Port pursuant to Section 8.1.2 at the then-current rate set forth in Seattle-Tacoma International Airport Tariff No. 1, as the same may be revised or replaced from time-to-time. In the event that Concessionaire otherwise contracts for the provision of pest control services, any such services shall be supplemental to those provided by the Port under Section 8.1.2, and Concessionaire and its pest control contractor shall specifically coordinate its services with the Port's selected Unified Pest Management Program contractor.

8.2.3 Concessionaire shall perform all maintenance, repairs, or replacements using quality materials equal to the original, and, if materially changed from the original, shall be subject to the prior written approval of the Port. In the event fixtures and/or equipment are installed in, affixed to, or served by, roof vents or other similar air openings serving the Premises, Concessionaire shall keep such vents and openings free from the accumulation of grease, dirt, and other foreign matter, and shall furnish and service any and all filters or similar equipment considered necessary by the Port, monthly or as often as necessary.

8.2.4 The failure to perform the maintenance and repair required by this Section shall be grounds for the imposition of liquidated damages as provided in Section 16.2.4 and Exhibit E.

SECTION 9: UTILITIES

9.1 Utilities. Concessionaire shall be liable for and shall pay throughout the term of this Agreement, all charges for all utility services furnished to the Premises, including, but not limited to, light, heat, electricity, gas, water, cable television, grease interceptor, sewerage, fire protection, recycling, garbage disposal and janitorial services. For any utility services furnished by the Port, Concessionaire shall pay the Port for such services at the then-current rate set forth in Seattle-Tacoma International Airport Tariff No. 1, as the same may be revised or replaced from time-to-time.

9.2 Connections and Meters. The Port will bring those utilities reasonably necessary to operate the concession given the permitted uses identified in the Key Lease Terms to the lease line. Without limiting the generality of the language set forth in Section 9.1, the following additional requirements related to utility services for the Premises shall apply unless otherwise expressly agreed by the Port in writing:

9.2.1 HVAC. The Port shall, without charge, furnish normal and reasonable quantities of central air from the central HVAC system to the Premises and all necessary power and electricity for such central air circulation. Subject to conditions beyond its control, the Port shall maintain under normal conditions a temperature adequate for comfortable occupancy according to the season; provided, that Concessionaire properly maintains the ductwork and other connections within or leading into the Premises and complies with the recommendations of the Port regarding reasonable occupancy and use of the Premises.

9.2.2 Electricity and Lighting. The Port will provide normal and reasonable quantities of electrical power to the Premises considering the nature of the permitted use, and Concessionaire shall pay the cost thereof as provided in Section 9.1. In the event that

Concessionaire installs any special systems or utilizes a disproportionate amount of power considering the permitted use, the Port, in its sole discretion, require Concessionaire – at its cost – to furnish, install and maintain an electric meter for the Premises at a location and of a type specified by the Port. Other than general lighting provided in the Airport terminals, Concessionaire shall – at its cost – furnish, install and maintain all lighting fixtures and wiring for general illumination of the Premises. Levels of illumination and wattage requirements shall be subject to the approval of the Port.

9.2.3 Cabling and Communications. Concessionaire shall use the Port’s cabling and communications system for its operations at the Airport when such cabling and communications system has been installed by the Port, and Concessionaire shall pay a user fee as will be determined by the Port. In the event Concessionaire is allowed to install communication equipment, any such installation shall be subject to the Port regulation.

9.2.4 Garbage and Recycling. Concessionaire shall use the garbage, composting, and recycling system provided by the Port. Concessionaire is required to participate in all garbage and recycling programs. This includes, but is not limited to, composting, mixed cardboard, paper, plastic, metal, and glass recycling, bulk grease recycling and such other programs that may from time to time be adopted by the Port.

9.3 Centralized Receiving and Distribution. The Port reserves the right to develop and manage a Centralized Receiving and Distribution Facility (CRDF) to be used by Concessionaire and other parties receiving deliveries for the Airport terminals, which CRDF may be located at a location off the Airport with regular deliveries to the Airport. The Port may also select a single entity to manage receiving and deliveries and to handle product distribution within the Airport terminals. If the Port chooses to select a delivery and distribution management entity, Concessionaire will be required to use the CRDF and the services of such manager and pay its respective costs of the program, at the then-current rate set forth in Seattle-Tacoma International Airport Tariff No. 1, as the same may be revised or replaced from time-to-time. Upon implementation of a CRDF, no direct deliveries will be allowed to Concessionaire in the Airport terminals.

9.4 Utility Interruptions.

9.4.1 The Port shall have the right to shut down electrical energy to the Premises (or portions thereof) when necessitated by safety, repairs, alterations, connections, upgrades, relocations, reconnections, or for any other reason, with respect to the Airport’s electrical system (singularly or collectively, “Electrical Work”), regardless of whether the need for such Electrical Work arises in respect of the Premises or elsewhere in the Airport. Whenever possible, the Port shall give Concessionaire no less than two (2) days prior notice for such electricity shutdown. The Port shall use all reasonable efforts to not shut down Concessionaire’s electrical energy for such Electrical Work during business hours unless such Electrical Work shall be: (a) required because of an emergency; or (b) required by the electricity company servicing the Airport or by any governmental or quasi-government law, rule, code, directive, or order.

9.4.2 Concessionaire further acknowledges that interruptions in utility services (including, without limitation, electrical service) are not uncommon in facilities such as the Airport, and Concessionaire acknowledges that it will, at its cost and expense, protect any sensitive electronic equipment which may be used in the Premises from utility service interruptions through the use of backup power supplies, surge protectors, and other appropriate safety systems as Concessionaire deems reasonable and necessary. Concessionaire acknowledges that it has taken or will take all precautions it deems necessary to protect its equipment in, on and around the Airport, including the acquisition of insurance.

9.4.3 The Port shall not be liable to Concessionaire for any damages or losses (including, without limitation, indirect or consequential damages or attorneys' fees) sustained to any equipment installed by Concessionaire or otherwise caused by any utility service shut downs, interruptions or failures, nor shall the same constitute an eviction or disturbance of Concessionaire's use or possession of the Premises or a breach of the Port's obligations hereunder. However, if any utility interruption is within the control of the Port, the Port shall use reasonable efforts to restore utility service to Concessionaire promptly.

9.5 Utility Conservation. The Port shall have the right to institute such reasonable policies, programs and measures as may be necessary or desirable, in the Port's discretion, for the conservation and/or preservation of water, energy or energy related services, or as may be required to comply with any applicable codes, rules and regulations, whether mandatory or voluntary.

SECTION 10: TAXES

10.1 Payment of Taxes. Concessionaire shall be liable for, and shall pay throughout the term of this Agreement, all license fees and all taxes payable for, or on account of, the activities conducted on the Premises and all taxes on the property of Concessionaire on the Premises and any taxes on the Premises and/or on the leasehold interest created by this Agreement and/or any taxes levied in lieu of a tax on said leasehold interest and/or any taxes levied on, or measured by, the rentals payable hereunder, whether imposed on Concessionaire or on the Port. With respect to any such taxes payable by the Port which are on or measured by the Rent payments hereunder, Concessionaire shall pay to the Port with each Rent payment an amount equal to the tax on, or measured by, that particular payment. All other tax amounts for which the Port is or will be entitled to reimbursement from Concessionaire shall be payable by Concessionaire to the Port at least fifteen (15) days prior to the due dates of the respective tax amounts involved; provided, that Concessionaire shall be entitled to a minimum of ten (10) days' written notice of the amounts payable by it.

10.2 Personal Property Taxes. Concessionaire shall pay or cause to be paid, prior to delinquency, any and all taxes and assessments levied upon all trade fixtures, inventories and other real or personal property placed or installed in and upon the Premises by Concessionaire. If any such taxes on Concessionaire's personal property or trade fixtures are levied against the Port or the Port's property, and if the Port pays the taxes based upon such increased assessment, Concessionaire shall, upon demand, repay to the Port the taxes so levied.

SECTION 11: MARKETING PROGRAM

11.1 Program. The Port has established a marketing program (“Program”) to promote the concessions at the Airport. Given the short-term, limited nature of Concessionaire’s concession, Concessionaire shall not be required to participate in or contribute to the Program.

SECTION 12: COMMON AREAS

12.1 Control of Common Areas by Port. The Port shall at all times have the exclusive control and management of the roof, walls, parking areas, access roads, driveways, sidewalks, concourses, loading docks, washrooms, elevators, escalators, stairways, hallways and other areas, improvements, facilities and/or special services provided by the Port for the general use, in common, of Airport users and tenants (“common areas and facilities”). Without limiting the Port’s right of control and management, the Port specifically reserves the right to: (i) use the same for any purpose, including the installation of signs for directional, advertising or other purposes, (ii) change the area, level, location and arrangement of the common areas and facilities; (iii) provided Concessionaire is not deprived of reasonable access to its Premises, close all or any portion of the common areas and facilities; and (iv) do and perform such other acts in and to the common areas and facilities as the Port shall determine to be advisable with a view to the improvement of the convenience and use thereof by the Port and tenants of the Airport.

12.2 License. All common areas and facilities that Concessionaire is permitted to use and occupy are used and occupied under a revocable license. If the amount of such areas or facilities is revised or diminished, such revision or diminution shall not be deemed a constructive or actual eviction, and the Port shall not be subject to any liability, nor shall Concessionaire be entitled to any compensation or reduction or abatement of Rent.

12.3 Parking. While the Port may provide parking facilities to the Concessionaire’s employees in common with employees of other tenants and users of the Airport, it retains the right to impose a reasonable charge for the privilege of utilizing these parking facilities. Nothing herein contained shall be deemed to require the Port to provide parking facilities to Concessionaire’s employees.

SECTION 13: INSURANCE AND INDEMNITY

13.1 Indemnity.

13.1.1 The Port, its officers, employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property regardless of how such injury or damage be caused, sustained or alleged to have been sustained by Concessionaire or by others, including but not limited to all persons directly or indirectly employed by Concessionaire, or any agents, contractors, subcontractors, licensees or invitees of Concessionaire, as a result of any condition (including existing or future defects in the Premises) or occurrence (including failure or interruption of utility service) whatsoever related in any way to Concessionaire’s use or occupancy of the Premises and of areas adjacent thereto.

13.1.2 To the maximum extent permitted by law, Concessionaire shall defend (with counsel approved by the Port), fully indemnify, and hold entirely free and harmless the

Port and its Commissioners, officers, agents and employees from any and all claims, loss, damages, expenses, attorneys' fees, consultants' fees, court costs and other costs arising, directly or indirectly, from: (a) the condition of the Premises or out of the occupancy by the Concessionaire or any subtenant, licensee, concessionaire, or contractor of Concessionaire; and (b) any accident, injury, death or damage, however caused, to any person or property on or about the Premises; and (c) any fault or negligence by Concessionaire or any subtenant, licensee, concessionaire or contractor of the Concessionaire or of any officer, agent, or employee of any such person; and (d) any failure on Concessionaire's part to comply with any of the covenants, terms and conditions contained in this Agreement; *provided, however*, nothing herein shall require Concessionaire to indemnify the Port from any accident, injury, death or damage arising out of the sole negligence of the Port or its Commissioners, officers, agents and employees. Concessionaire agrees that the foregoing indemnity specifically covers actions brought by its own employees, and thus Concessionaire expressly waives its immunity under industrial insurance, Title 51, as necessary to effectuate this indemnity. Such waiver shall not, however, prevent Concessionaire from asserting such immunity against any other person or entity.

13.1.3 Notwithstanding anything to the contrary in Section 13.1.2, in the event of the concurrent negligence of Concessionaire, its subtenants, licensees, concessionaires, contractors, or any officer, agent, or employee of any such person on the one hand and the negligence of the Port, its agents, employees or contractors on the other hand, which concurrent negligence results in injury or damage to persons or property of any nature and howsoever caused, and relates to the construction, alteration, repair, addition to, subtraction from, improvement to or maintenance of the Premises such that RCW 4.24.115 is applicable, Concessionaire's obligation to indemnify the Port as set forth in this Section shall be limited to the extent of Concessionaire's negligence and that of Concessionaire's subtenants, licensees, concessionaires, contractors, and any officers, agents, and employees of any such person, including Concessionaire's proportional share of costs, court costs, attorneys' fees, consultants' fees and expenses incurred in connection with any claim, action or proceeding brought with respect to such injury or damage.

13.1.4 CONCESSIONAIRE AND PORT AGREE AND ACKNOWLEDGE THAT THIS PROVISION IS THE PRODUCT OF MUTUAL NEGOTIATION. Concessionaire's obligations under this Section 13.1 shall survive the expiration or earlier termination of this Agreement.

13.2 Insurance.

13.2.1 Required Policies. Concessionaire shall obtain and keep in force, at its sole cost and expense the following types of insurance, in the amounts specified and in the form hereinafter provided for:

13.2.1.1 *General Liability Insurance.* Concessionaire shall obtain and keep in force a commercial general liability policy of insurance, written on ISO Form CG 00 01 10 01 (or equivalent), that protects Concessionaire and the Port, as an additional insured using ISO Form 20 26 (either 11 85 or 07 04 revision) or equivalent, against claims for bodily injury, personal injury and property damage based upon, involving or arising out of the tenancy, use, occupancy or maintenance of the Premises and all areas appurtenant thereto, and specifically

including the action/inaction of any subtenant, licensee or concessionaire. Such insurance shall be on occurrence basis providing single limit coverage in an amount not less than two million dollars (\$2,000,000) per occurrence. The policy shall not contain any intra-insured exclusions as between insured persons or organizations. The policy shall contain a minimum \$100,000 sub-limit that covers damage to premises rented or leased to Concessionaire, including fire damage. This limit shall be identified on the Certificate of Insurance. The Port shall be submitted upon Agreement inception, a copy of the additional insured endorsement, that validates the Port has been added as an additional insured. Additional endorsements shall include one to validate the Concessionaire's insurance is primary and non-contributory and a waiver of the transfer of the rights of recovery.

13.2.1.1.1 Concessionaire shall purchase coverage or add coverage by endorsement to the commercial general liability coverage policy for any operations by Concessionaire in which liquor, beer, or wine, is sold, purchased, distributed, or served on the Premises. Coverage shall be on a per occurrence bases with limits of not less than \$2,000,000 per occurrence and cover liability as it relates to property injury and bodily injury. The Port of Seattle shall be an additional insured on this policy or coverage enhancement.

13.2.1.2 *Automobile Liability Insurance.* Concessionaire shall obtain and keep in force a commercial automobile liability policy of insurance, written on ISO Form CA 00 01 07 97 (or equivalent), that provides coverage for claims for bodily injury and property damage based upon, involving or arising out of motor vehicle operations. Concessionaire shall provide a Waiver of Subrogation on this policy in favor of the Port. Such insurance shall cover any "Auto" (i.e. owned, hired and non-owned) and shall be on an occurrence basis providing single limit coverage in an amount not less than one million dollars (\$1,000,000) per occurrence. The policy shall not contain any intra-insured exclusions as between insured persons or organizations. Driving on the non-movement side of the airfield at STIA will require limits of \$5 Million per occurrence.

13.2.1.3 *Property Insurance.* Concessionaire shall obtain and keep in force property insurance using an ISO CP 10 20 Cause of Loss Broad Form (or an equivalent manuscript form) insuring Concessionaire's personal property and Alterations (specifically including "betterments and improvements") made by or for Concessionaire against physical damage, including loss of use of the Premises. The policy shall include coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of damaged property including any undamaged sections of the Premises required to be demolished or removed by reason of the enforcement of any Legal Requirement as the result of a covered cause of loss. The amount of such insurance shall be procured on a replacement cost basis (or the commercially reasonable and available insurable value thereof if, by reason of the unique nature or age of the improvements involved, such latter amount is less than full replacement cost). The policy shall also contain an agreed valuation provision in lieu of any coinsurance clause. The Port of Seattle shall be included as an Additional Insured and Loss Payee on Concessionaire's property insurance policy with respect to the Port's interest in Alterations.

13.2.1.4 *Other Insurance.* Concessionaire shall further obtain and keep in force such other and further insurance as the Port may from time to time reasonably request for the protection by insurance of its interest in the Premises.

The limits of insurance specified in this Section shall be subject to periodic adjustment to reflect changes in insuring practices for similar properties in the same geographic area and changes in insurance products.

13.2.2 Insurance Policies.

13.2.2.1 *Insurance Companies.* Insurance required hereunder shall be in companies duly licensed to transact business in the State of Washington, and maintaining during the policy term a General Policyholders Rating of 'A-' or better and a financial rating of 'IX' or better, as set forth in the most current issue of "Best's Insurance Guide."

13.2.2.2 *Deductibles.* No insurance required herein shall contain a deductible or self-insured retention in excess of \$200,000 without the prior written consent of the Port.

13.2.2.3 *Cancellation/Non-Renewal.* Insurance is to remain current throughout the term of the Agreement. The Port shall receive documentation annually to include a certificate of insurance and any applicable endorsements to validate the insurance required herein has been purchased and is compliant with the Agreement requirements within ten (10) days of each insurance renewal. Should any insurance required herein be terminated, cancelled, or not renewed, the Concessionaire will have five (5) days to obtain replacement insurance from the date of the termination, cancellation or non-renewal notice Concessionaire receives from their insurer(s). In the event the insurance is not replaced within the five (5) days, the Agreement shall – notwithstanding any other notice period provided for – be in Default under SECTION 16 and the Port shall have the right, under Section 19.5, to procure such insurance as the Port considers reasonable to protect its interests without further notice to Concessionaire.

13.2.2.4 *Evidence of Insurance.* Concessionaire shall deliver, or cause to be delivered, to the Port, certificates of insurance, additional insured endorsements, loss payee endorsements for property insurance, waivers of subrogation and any other documentation or endorsement that provides evidence of the existence and amounts of such insurance, the inclusion of the Port as an insured as required by this Agreement, and the amounts of all deductibles and/or self insured retentions. Upon request by the Port, Concessionaire shall deliver or cause to be delivered to the Port, certified copies of the policies of insurance that Concessionaire has purchased in order for the Port to verify insurance coverage, limits, and endorsements or view any exclusions to the Concessionaire's insurance policies.

13.2.2.5 *Subtenants.* The Port may require all subtenants, at subtenant's sole cost and expense, to maintain additional insurance coverage, during the subtenant's occupancy of the Premises, and Concessionaire shall cause to be delivered to the Port, certificates which shall include but not be limited to the following: Worker's Compensation as required by Washington State law, Comprehensive General Liability Insurance, Property Insurance, Business Automobile Liability Insurance, Product and/or Liquor Liability Insurance.

13.2.2.6 *No Limitation of Liability.* The limits of insurance required by this Agreement or as carried by Concessionaire shall not limit the liability of Concessionaire nor relieve Concessionaire of any obligation hereunder.

13.3 Waiver of Subrogation. Without affecting any other rights or remedies, Concessionaire (for itself and on behalf of anyone claiming through or under it by way of subrogation or otherwise) hereby waives any rights it may have against the Port, its officers, agents and employees (whether in contract or in tort) on account of any loss or damage occasioned to Concessionaire arising out of or incident to the perils required to be insured against under this Agreement. Accordingly, Concessionaire shall cause each insurance policy required by Section 13.2 to further contain a waiver of subrogation clause. The effect of such release and waiver of the right to recover damages shall not be limited by the amount of insurance carried or required, or by any deductibles applicable thereto.

SECTION 14: DAMAGE OR DESTRUCTION

14.1 Duty to Repair. If the Premises or any buildings or structures of which the Premises are a part are damaged by fire, the elements, earthquake, accident or other casualty (collectively, "Casualty"), the Port shall, except to the extent either party has the right to terminate this Agreement under Section 14.2, use reasonable efforts to repair and restore the Premises and/or the buildings or structures of which the Premises are a part to substantially their former condition to the extent permitted by then-applicable Legal Requirements; *provided, however,* the Port's obligation to repair and restore shall not extend to any Alterations or any of Concessionaire's personal property, specifically including the Removable Fixtures.

14.2 Right to Terminate. The Port may elect to terminate this Agreement in the event that the Port, in its sole judgment, concludes that the damage to the Premises or any buildings or structures of which the Premises are a part cannot be repaired within thirty (30) days of the Casualty (with the repair work and the preparations therefor to be done during regular working hours on regular work days). In the event that the Port elects to terminate this Agreement, the Port shall advise Concessionaire of that fact within thirty (30) days of the date of the Casualty and notify Concessionaire of the date, not more than ninety (90) days after the Casualty, on which the Agreement will terminate.

14.3 Abatement of Rent. Percentage Fees shall not abate. The Port shall not be liable to Concessionaire for any loss of the use of the whole or any part of the Premises (including loss of business) and/or any inconvenience or annoyance occasioned by the Casualty, by any damage resulting from the Casualty, or by any repair, reconstruction or restoration.

14.4 Concessionaire's Duty to Repair. Except to the extent the Port elects to terminate this Agreement under Section 14.2, Concessionaire shall, at its sole cost and expense, be responsible for any and all repair or restoration of any Alterations or Removable Fixtures, which repair or restoration may be necessary as a result of any casualty.

14.5 Waiver. Except as specifically set forth in this Agreement, Concessionaire hereby waives any right that Concessionaire may have, under any applicable existing or future law, to

terminate this Agreement in the event of any damage to, or destruction of, the Premises or any buildings or structures of which the Premises are a part.

SECTION 15: ASSIGNMENT AND SUBLEASE

15.1 Prohibition. Concessionaire shall not, in whole or in part, assign, sublet, license or permit occupancy by any party other than Concessionaire of all or any part of the Premises, without the prior written consent of the Port in each instance. Concessionaire shall at the time the Concessionaire requests the consent of the Port, deliver to the Port such information in writing as the Port may reasonably require respecting the proposed assignee, subtenant or licensee including, without limitation, the name, address, nature of business, ownership, financial responsibility and standing of such proposed assignee, subtenant or licensee together with the proposed form of assignment, sublease or license. Within thirty (30) days after receipt of all required information, the Port shall, in its sole discretion, elect one of the following: (i) to consent to such proposed assignment, sublease or license, or (ii) disapprove the assignment, sublease or license, setting forth the grounds for doing so.

15.1.1 As a condition for the Port's consent to any assignment, sublease or license, the Port may require that the assignee, sublessee or licensee remit directly to the Port on a monthly basis, all monies due to Concessionaire by said assignee, sublessee or licensee (except with respect to excess rentals otherwise due Concessionaire pursuant to Section 15.2). In addition, a condition to the Port's consent to any assignment, sublease or license of this Agreement or the Premises shall be the delivery to the Port of a true copy of the fully executed instrument of assignment, sublease or license and an agreement executed by the assignee, sublessee or licensee in form and substance satisfactory to the Port and expressly enforceable by the Port, whereby the assignee, sublessee or licensee assumes and agrees to be bound by the terms and provisions of this Agreement and perform all the obligations of Concessionaire hereunder.

15.1.2 In the event of any assignment, Concessionaire and each respective assignor, waives notice of default by the tenant in possession in the payment and performance of the Rent, covenants and conditions of this Agreement and consents that the Port may in each and every instance deal with the tenant in possession, grant extensions of time, waive performance of any of the terms, covenants and conditions of this Agreement and modify the same, and in general deal with the tenant then in possession without notice to or consent of any assignor, including Concessionaire; and any and all extensions of time, indulgences, dealings, modifications or waivers shall be deemed to be made with the consent of Concessionaire and of each respective assignor.

15.1.3 Concessionaire agrees that any sublease or license will contain a provision in substance that if there be any termination whatsoever of this Agreement, then the subtenant or licensee, at the request of the Port, will attorn to the Port and the sublessee or licensee, if the Port so requests, shall continue in effect with the Port, but the Port shall be bound to the subtenant or licensee in such circumstances only by privity of estate. Nothing herein shall be deemed to require the Port to accept such attornment.

15.1.4 No assignment, subletting or license by Concessionaire shall relieve Concessionaire of any obligation under this Agreement, including Concessionaire's obligation to pay Rent or any other sum hereunder. Any purported assignment, subletting or license contrary to the provisions hereof without consent shall be void. The consent by the Port to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting.

15.1.5 Concessionaire shall reimburse the Port in the sum of Five Hundred Dollars (\$500.00) plus any reasonable professionals' fees and expenses incurred by the Port in connection with any request by Concessionaire for consent to an assignment, subletting or license.

15.2 Excess Rental. If in connection with any assignment, sublease or license, Concessionaire receives rent or other monetary consideration, either initially or over the term of the assignment or sublease, in excess of the Rent called for hereunder, or in case of the sublease of a portion of the Premises, in excess of such Rent fairly allocable to such portion, after appropriate adjustments to account for any improvements or alterations made by Concessionaire and to assure that all other payments called for hereunder and out-of-pocket expenditures, operating costs or concessions incurred by Concessionaire in connection with such assignment, sublease or license, are appropriately taken into account, Concessionaire shall pay to the Port seventy-five percent (75%) of the excess of each such payment of rent or other consideration received by Concessionaire after its receipt.

15.3 Scope. The prohibition against assigning or subletting contained in this SECTION 15 shall be construed to include a prohibition against any assignment or subletting by operation of law. Furthermore, for purposes of this SECTION 15, any sale, transfer or other disposition in the aggregate of fifty percent (50%) or more of the equity ownership in Concessionaire (i.e. stock with respect to tenant corporation, partnership interests with respect to a tenant partnership, etc.) shall be deemed an assignment. If this Agreement be assigned, or if the underlying beneficial interest of Concessionaire is transferred, or if the Premises or any part thereof be sublet or occupied by anybody other than Concessionaire, the Port may collect Rent from the assignee, subtenant or occupant and apply the net amount collected to the Rent herein reserved and apportion any excess Rent so collected in accordance with the terms of Section 15.2, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Concessionaire from the further performance by Concessionaire of covenants on the part of Concessionaire herein contained. No assignment or subletting shall affect the continuing primary liability of Concessionaire (which, following assignment, shall be joint and several with the assignee), and Concessionaire shall not be released from performing any of the terms, covenants and conditions of this Agreement.

SECTION 16: DEFAULT

16.1 Defaults. The occurrence of any one or more of the following events constitutes a default of this Agreement by Concessionaire with or without notice from the Port:

16.1.1 The vacating or abandonment of the Premises by Concessionaire.

16.1.2 The failure by Concessionaire to make any payment of Rent, or any other payment required by this Agreement, when due.

16.1.3 The failure by Concessionaire to observe or perform any covenant, condition, or agreement to be observed or performed by Concessionaire in this Agreement.

16.1.4 The discovery by the Port that any required report, financial statement or background statement provided to the Port by Concessionaire, any successor, grantee, or assignee was materially false.

16.1.5 The filing by Concessionaire of a petition in bankruptcy, Concessionaire being adjudged bankrupt or insolvent by any court, a receiver of the property of Concessionaire being appointed in any proceeding brought by or against Concessionaire, Concessionaire making an assignment for the benefit of creditors, or any proceeding being commenced to foreclose any mortgage or other lien on Concessionaire's interest in the Premises or on any personal property kept or maintained on the Premises by Concessionaire.

16.2 Remedies.

16.2.1 Whenever any default (other than a default under Section 16.1.5 above, upon which termination of this Agreement shall, at the Port's option, be effective immediately without further notice) continues un-remedied, in whole or in part, for: (i) ten (10) days after written notice is provided by the Port to Concessionaire in the case of default for failure to pay any Rent, or other required payment when due, or (ii) thirty (30) days after written notice is provided by the Port to Concessionaire for any non-monetary default, this Agreement and all of Concessionaire's rights under it will automatically terminate if the written notice of default so provides. Upon termination, the Port may reenter the Premises using such force as may be necessary and remove all persons and property from the Premises. The Port will be entitled to recover from Concessionaire all unpaid Rent or other payments and damages incurred because of Concessionaire's default including, but not limited to, the costs of re-letting, including tenant improvements, necessary renovations or repairs, advertising, leasing commissions, and attorney's fees and costs ("Termination Damages"), together with interest on all Termination Damages at the Default Rates from the date such Termination Damages are incurred by the Port until paid.

16.2.2 In addition to Termination Damages, and notwithstanding termination and reentry, Concessionaire's liability for all Rent or other charges which, but for termination of the Agreement, would have become due over the remainder of the Agreement term ("Future Charges") will not be extinguished and Concessionaire agrees that the Port will be entitled, upon termination for default, to collect as additional damages, a Rental Deficiency. "Rental Deficiency" means, at the Port's election, either:

16.2.2.1 An amount equal to Future Charges, less the amount of actual rent and concession fees, if any, which the Port receives during the remainder of the Agreement term from others to whom the Premises may be rented, in which case such Rental Deficiency will be computed and payable at the Port's option either:

16.2.2.1.1 In an accelerated lump-sum payment discounted to present value; or

16.2.2.1.2 In monthly installments, in advance, on the first day of each calendar month following termination of the Agreement and continuing until the date on which the Agreement term would have expired but for such termination, and any suit or action brought to collect any portion of Rental Deficiency attributable to any particular month or months, shall not in any manner prejudice the Port's right to collect any portion of Rental Deficiency by a similar proceeding; or

16.2.2.2 An amount equal to Future Charges less the aggregate fair rental value of the Premises over the remaining Agreement term, reduced to present worth. In this case, the Rental Deficiency must be paid to the Port in one lump sum, on demand, and will bear interest at the Default Rate until paid. For purposes of this subparagraph, "present worth" is computed by applying a discount rate equal to one percentage point above the discount rate then in effect at the Federal Reserve Bank in, or closest to, Seattle, Washington.

16.2.3 If this Agreement is terminated for default as provided in this Agreement, the Port shall use reasonable efforts to re-let the Premises in whole or in part, alone or together with other premises, for such term or terms (which may be greater or less than the period which otherwise would have constituted the balance of the Agreement term), for such use or uses and, otherwise on such terms and conditions as the Port, in its sole discretion, may determine, but the Port will not be liable for, nor will Concessionaire's obligations under this Agreement be diminished by reason for any failure by the Port to re-let the Premises or any failures by the Port to collect any rent due upon such re-letting.

16.2.4 In addition to the rights granted by Section 7.3, if upon any reentry permitted under this Agreement, there remains any personal property upon the Premises, the Port, in its sole discretion, may remove and store the personal property for the account and at the expense of Concessionaire. In the event the Port chooses to remove and store such property, it shall take reasonable steps to notify Concessionaire of the Port's action. All risks associated with removal and storage shall be on Concessionaire. Concessionaire shall reimburse the Port for all expenses incurred in connection with removal and storage as a condition to regaining possession of the personal property. The Port has the right to sell any property that has been stored for a period of thirty (30) days or more, unless Concessionaire has tendered reimbursement to the Port for all expenses incurred in removal and storage. The proceeds of sale will be applied first to the costs of sale (including reasonable attorneys' fees), second to the payment of storage charges, and third to the payment of any other amounts which may then be due and owing from Concessionaire to the Port. The balance of sale proceeds, if any, will then be paid to Concessionaire.

16.3 Liquidated Damages. This Agreement provides for the imposition of liquidated damages in a variety of circumstances, specifically include the schedule of liquated damages set forth on Exhibit E. The following provisions shall apply to any such amounts.

16.3.1 Reasonable Forecast of Harm to Port. Concessionaire's failure to adhere to the Agreement (specifically including any requirement imposed by any Exhibit) is reasonably

anticipated to result in inconvenience to the public, adverse effects on the overall business of the Airport, a reduction in the amount of Rent to be paid to the Port, and a significant expenditure of Port resources to address the failure. The parties agree that the damages sustained by the Port for violations of the provisions of the Agreement and these Operating Standards will be difficult to determine and track. Therefore, the parties hereto agree that the amounts set forth in the Agreement and its exhibits are reasonable estimates of the damages anticipated to be suffered or incurred by the Port.

16.3.2 Notice and Opportunity to Cure. The Port may assess liquidated damages immediately, and without opportunity to cure, for the Delay Damages and for violations pertaining to (i) minimum hours of operation, (ii) failure to remove a product deemed objectionable by the Port within the time provided for removal, (iii) fire safety, (iv) health and human safety, and (v) for any other violation if the Port has previously provided Concessionaire notice of such violation two or more times in the past twelve months (whether or not liquidated damages were actually imposed). For any other violation, the Port will not assess liquidated damages unless the violation continues for more than three (3) days following written notice thereof. If the violation is such that it cannot reasonably be corrected within three days, the Port will refrain from imposing liquidated damages so long as Concessionaire shall, within the three days, commence the correction, identify the timeframe reasonably necessary to complete the correction and, thereafter, diligently proceed to complete the correction within the stated timeframe.

16.3.3 Failure to Cure. The failure to promptly address or cure any violation for which liquidated damages are payable may, itself, also be cause for continued assessment of liquidated damages.

16.3.4 Payment. Concessionaire shall pay all liquidated damages within thirty (30) days of the imposition thereof. The failure to pay liquidated damages shall represent a separate default under this Agreement.

16.3.5 No Waiver; No Obligation. The Port's failure to impose sanctions for any violation shall not waive any right, or prohibit the Port from doing so for subsequent violations. The Port shall have no obligation, whether to Concessionaire or any third party, to impose fines on or otherwise take action against any party at the Airport for violation of the Agreement or any Operating Standards.

16.3.6 Other Fines. Other fines and liquidated damages amounts may be set forth in the Port Standards, and nothing in this Agreement is intended to limit the ability of the Port to impose those fines and amounts as specifically provided by the Port Standards.

16.4 Remedies Cumulative. All rights, options and remedies of the Port contained in this Agreement shall be construed and held to be distinct, separate and cumulative, and no one of them shall be exclusive of the other, and the Port shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law or in equity, whether or not stated in this Agreement. Furthermore, payment of any liquidated damages amount shall not relieve Concessionaire of its responsibility for physical damage, personal injury, or any other harm caused by Concessionaire, its employees, agents, contractors, tenants and licensees.

Nothing herein shall preclude Concessionaire from assessing a subtenant or other licensee for any fines imposed with respect to that subtenant's or licensee's unit.

SECTION 17: RELOCATION OR TERMINATION OTHER THAN FOR DEFAULT

17.1 Airport Operational Needs. If at any time the Port determines that the Premises (or any portion thereof) are necessary for the operation, safety, security or convenience of the Airport, the Port may require Concessionaire to close, reduce or relocate (to a location designated by the Port) the Premises, or any discrete portion thereof. In such event, the Port shall provide Concessionaire at least sixty (60) days advance written notice. Concessionaire shall have the right to accept or reject any proposed reduction or relocation of the Premises. If accepted, the Port and Concessionaire shall negotiate, in good faith, for the payment of any costs associated with such change. If Concessionaire rejects the reduction/relocation, or if the parties are unable to reach agreement regarding the payment of costs associated with such change, the Port may, at the Port's election, terminate this Agreement as to the particular portion(s). If Concessionaire is not in default under any of the provisions of this Agreement on the effective date of termination, the Port shall refund any Rent prepaid by Concessionaire, to the extent allocable to the terminated portion and any period subsequent to the effective date of the termination. Concessionaire shall not be entitled to any compensation at termination for the bargain value of the leasehold or any relocation expenses.

17.2 Condemnation. In the event that any federal, state or local government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the Premises or any part thereof, the Port may, at its option, terminate this Agreement as of the date of such taking, and if Concessionaire is not in default under any of the provisions of this Agreement on the effective date of termination, the Port shall refund any Rent prepaid by Concessionaire, to the extent allocable to any period subsequent to the effective date of the termination. Concessionaire shall not be entitled to any compensation at termination for the bargain value of the leasehold, any compensation paid in the event of a taking, or any relocation expenses, except to the extent such relocation expenses may specifically be awarded to Concessionaire as part of any condemnation proceeding.

17.3 Court Decree. In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Agreement, then either party hereto may terminate this Agreement by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Concessionaire is not in default under any of the provisions of this Agreement on the effective date of termination, the Port shall refund any Rent prepaid by Concessionaire, to the extent allocable to any period subsequent to the effective date of the termination. Concessionaire shall not be entitled to any compensation at termination for the bargain value of the leasehold or any relocation expenses.

SECTION 18: ACCESS; EASEMENTS

18.1 Access to Premises. The Port may, at any time, enter upon the Premises or any part thereof to ascertain the condition of the Premises or whether Concessionaire is observing

and performing the obligations assumed by it under this Agreement, all without hindrance or molestation from the Concessionaire. The Port shall also have the right to enter upon the Premises for the purpose of making or performing any necessary maintenance and repair work, for providing pest control services, for performing any work that may be necessary by reason of Concessionaire's failure to make any such repairs or perform any such work, or for any other reasonable purpose. The above-mentioned rights of entry shall be exercisable upon request made on reasonable advance notice to Concessionaire (except that no notice shall be required in the event of an emergency) or an authorized employee of Concessionaire at the Premises, which notice may be given orally.

18.2 Easements. The Port hereby reserves such continuous access and utilities easements within or upon the Premises, as may in the opinion of the Port from time to time be desirable for the purpose of enabling it to exercise any right or reservation or to perform any obligation contained in this Agreement or in connection with the Port's ownership or operation of the Airport. If the Port exercises this reservation of easement in any manner which substantially and negatively impacts Concessionaire, the Port agrees to negotiate an equitable adjustment in the Rent, or to bear reasonable costs of any permanent modifications to the Premises necessary to permit Concessionaire to continue to operate its business. In no event, however, shall the Port be responsible for any reduced efficiency or loss of business occasioned thereby.

SECTION 19: NONWAIVER; RIGHT TO PERFORM

19.1 Receipt of Monies Following Termination. No receipt of monies by the Port from Concessionaire after the termination or cancellation of this Agreement in any lawful manner shall (i) reinstate, continue or extend the term of this Agreement; (ii) affect any notice theretofore given to Concessionaire; (iii) operate as a waiver of the rights of the Port to enforce the payment of any Rent and fees then due or thereafter falling due; or (iv) operate as a waiver of the right of the Port to recover possession of the Premises by proper suit, action, proceeding or remedy; it being agreed that after the service of notice to terminate or cancel this Agreement, or after the commencement of suit, action or summary proceedings, or any other remedy, or after a final order or judgment for the possession of the Premises, the Port may demand, receive and collect any monies due, or thereafter falling due, without in any manner affecting such notice, proceeding, suit, action or judgment; and any and all such monies collected shall be deemed to be payments on account of the use and occupation and/or Concessionaire's liability hereunder.

19.2 No Waiver of Breach. The failure of the Port to insist in any one or more instances, upon a strict performance of any of the covenants of this Agreement, or to exercise any option herein contained, shall not be construed as a waiver of or relinquishment for the future of the performance of such covenant, or the right to exercise such option, but the same shall continue and remain in full force and effect. The receipt by the Port of the Rent or fees, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Port of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Port. The consent or approval of the Port to or of any act by Concessionaire requiring the Port's consent or approval shall not be deemed to waive or render unnecessary the Port's consent or approval to or of any subsequent similar acts by Concessionaire.

19.3 No Waiver of Rent. The receipt by the Port of any installment of Rent or of any amount shall not be a waiver of any Rent or other amount then due.

19.4 Application of Payments. The Port shall have the right to apply any payments made by Concessionaire to the satisfaction of any debt or obligation of Concessionaire to the Port, in the Port's sole discretion and regardless of the instructions of Concessionaire as to application of any such sum, whether such instructions be endorsed upon Concessionaire's check or otherwise, unless otherwise agreed upon by both parties in writing. The acceptance by the Port of a check or checks drawn by others than Concessionaire shall in no way affect Concessionaire's liability hereunder nor shall it be deemed an approval of any assignment of this Agreement or subletting by Concessionaire.

19.5 Port's Right to Perform. Upon Concessionaire's failure to perform any obligation or make any payment required of Concessionaire hereunder, the Port shall have the right (but not the obligation) to perform such obligation of Concessionaire on behalf of Concessionaire and/or to make payment on behalf of Concessionaire to such parties. Concessionaire shall reimburse the Port the reasonable cost of the Port's performing such obligation on Concessionaire's behalf, including reimbursement of any amounts that may be expended by the Port, plus interest at the Default Rate.

SECTION 20: SURRENDER AND HOLDING OVER

20.1 Surrender. At the expiration or sooner termination of this Agreement, Concessionaire shall promptly surrender possession of the Premises to the Port broom-clean, in their improved condition, wear and tear consistent with Section 8.2 excepted, remove all its Removable Fixtures and other property, and shall deliver to the Port all keys that it may have to any and all parts of the Premises. If the Premises are not surrendered as provided in this Section, Concessionaire shall indemnify and hold the Port harmless against loss or liability resulting from the delay by Concessionaire in so surrendering the Premises, including, without limitation, any claims made by any succeeding occupant founded on such delay.

20.2 Holding Over.

20.2.1 If Concessionaire, with the written consent of the Port, holds over after the expiration or sooner termination of this Agreement, the resulting tenancy will, unless otherwise mutually agreed, be for an indefinite period of time on a month-to-month basis. Any holding over by Concessionaire after the expiration or earlier termination of the Agreement with the express, written consent of the Port shall not, in any manner, constitute a renewal or extension of the Agreement or give Concessionaire any rights in or to the Premises.

20.2.2 During such month-to-month tenancy, Concessionaire shall, unless otherwise mutually agreed, pay to the Port the same Rent that was in effect immediately prior to the month-to-month tenancy. Concessionaire will continue to be bound by all of the additional provisions of this Agreement insofar as they may be pertinent.

SECTION 21: ENVIRONMENTAL STANDARDS

21.1 Definitions. “Law or Regulation” as used herein shall mean any environmentally related local, state or federal law, regulation, ordinance or order (including without limitation any final order of any court of competent jurisdiction), now or hereafter in effect. “Hazardous Substances” as used herein shall mean any substance or material defined or designated as a hazardous waste, toxic substance, or other pollutant or contaminant, by any Law or Regulation.

21.2 Hazardous Substances. Concessionaire shall not allow the presence in or about the Premises of any Hazardous Substance in any manner that could be a detriment to the Premises or in violation of any Law or Regulation. Prior to vacation of the Premises, in addition to all other requirements under this Agreement, Concessionaire shall remove any Hazardous Substances placed on the Premises during the term of this Agreement or Concessionaire’s possession of the Premises, and shall demonstrate such removal to the Port’s satisfaction. This removal and demonstration shall be a condition precedent to the Port’s payment of any Security to Concessionaire upon termination or expiration of this Agreement.

21.3 Environmental Indemnity. In addition to all other indemnities provided in this Agreement, Concessionaire agrees to defend, indemnify and hold the Port free and harmless from any and all claims, causes of action, regulatory demands, liabilities, fines, penalties, losses, and expenses, including without limitation cleanup or other remedial costs (and including attorneys’ fees, costs and all other reasonable litigation expenses when incurred and whether incurred in defense of actual litigation or in reasonable anticipation of litigation), arising from the existence or discovery of any Hazardous Substance on the Premises, or the migration of any Hazardous Substance from the Premises to other properties or into the surrounding environment, whether (1) made, commenced or incurred during the term of this Agreement, or (2) made, commenced or incurred after the expiration or termination of this Agreement if arising out of events occurring during the term of this Agreement.

SECTION 22: ACDBE REQUIREMENTS; NON-DISCRIMINATION

22.1 Airport Concessions Disadvantaged Business Enterprises.

22.1.1 It is the policy of the Port to support participation of ACDBEs, as defined in 49 CFR, Part 23, in concession activities at the Airport. To the extent Concessionaire is required to operate the Premise, or a portion thereof, as or through an ACDBE, Concessionaire agrees to submit to the Port, upon execution of this Agreement, certification from the State of Washington that Concessionaire is a certified ACDBE. Likewise, at all times during the term of this Agreement, Concessionaire shall be and remain certified as an ACDBE in accordance with all applicable federal, state and local laws, rules and regulations and shall timely file any and all applications, together with all supporting documentation, necessary to maintain such certification. In the event that Concessionaire is certified as an ACDBE and that certification is necessary to satisfy the requirements of this Section, prior to any change in ownership, control or organization of Concessionaire, Concessionaire shall (in addition to any requirements that may be imposed by Section 15.1) similarly obtain ACDBE certification for Concessionaire as so changed and provide the Port with proof of the same. If Concessionaire shall at any time cease to be so certified, the Port may, at its sole option, terminate this lease on not less than ninety (90)

days advance written notice to Concessionaire. In the event the Concessionaire satisfies the requirements of this Section through a subtenant, joint venture partner, or contractor, the same requirements shall apply with respect to such subtenant, joint venture partner, or contractor, specifically including the potential consequences as to the loss of certification.

22.1.2 It is the policy of the Port to ensure that Airport Concessions Disadvantaged Business Enterprises (ACDBEs) as defined in the Department of Transportation (DOT), 49 CFR Part 23, and other small businesses have an equal opportunity to receive and participate in DOT-assisted contracts. The Port encourages Concessionaire to make every reasonable effort to maximize the contracting opportunities for ACDBEs and other small businesses in the architectural, engineering and construction of the Premises, and in the procurement of goods and services necessary for the operation of the concession at this Airport.

22.1.3 Concessionaire shall submit quarterly ACDBE participation reports to the Port starting on the first day of the second month after the commencement of this Agreement. Concessionaire shall submit such reports as may be required by the Port, for the purpose of demonstrating compliance with 49 CFR Part 23.

22.2 Nondiscrimination. This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 and the U.S. Department of Transportation's regulations, 49 CFR Part 21 and Part 23. Concessionaire agrees that it will not discriminate against any business owner because of the owner's race, creed, color, national origin, sex, age, or disability in connection with the award or performance of any concession agreement, management contract, subcontract, purchase or lease agreement or other agreement covered by 49 CFR Part 21 or Part 23. Furthermore, during the performance of this Agreement, Concessionaire, for itself, its assignees, and successors in interest (for purposes of this Section and its referenced exhibits only, "contractor") agrees to both (i) comply with the covenants set forth on Exhibit E and (ii) comply with the non-discrimination statutes and authorities set forth on Exhibit F.

SECTION 23: MISCELLANEOUS

23.1 Notice. All notices hereunder shall be in writing and shall be delivered personally, by certified or registered mail, or by recognized overnight courier. For any notice directed to the Port, the address shall be as follows:

Street Address:

Port of Seattle
Seattle-Tacoma International Airport
17801 International Blvd.
Seattle, WA 98158
Attn: Gen. Manager, Business Development

Mailing Address:

Port of Seattle
Seattle-Tacoma International Airport
P. O. Box 68727
Seattle, WA 98168
Attn: Gen. Manager, Business Development

For payments only, the mailing address set forth in the Key Lease Terms should be used.

For any notice directed to Concessionaire, the address shall be as set forth in the Key Lease Terms. Either party may, however, designate a different address from time to time by providing

written notice thereof. Notices shall be deemed delivered (i) when personally delivered; (ii) on the third day after mailing when sent by certified or registered mail and the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing; or (iii) on the first business day after deposit with a recognized overnight courier if deposited in time to permit overnight delivery by such courier as determined by its posted cutoff times for receipt of items for overnight delivery to the recipient. Payments may be made in the manner provided for notice or may be delivered by regular mail (postage prepaid); provided, payments made by regular mail (postage prepaid) shall be deemed delivered when actually received by the Port.

23.2 Brokers. The Port and Concessionaire each warrant to the other that it has had no discussions, negotiations and/or other dealings with any real estate broker or agent and that it knows of no other real estate broker or agent who is or may be entitled to any commission or finder's fee in connection with this Agreement. The Port and Concessionaire each agree to indemnify and hold the other harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation, attorneys' fees and costs) with respect to any leasing commission or equivalent compensation alleged to be owing on account of such party's discussions, negotiations and/or dealings with any real estate broker. No commission(s) or finder's fee(s) shall be paid to Concessionaire, employee(s) of Concessionaire or any unlicensed representative of Concessionaire.

23.3 Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, inability to procure labor or materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, fire or other casualty or other reason of a similar or dissimilar nature beyond the reasonable control of the party, delayed in performing work, or doing acts required under the terms of this Agreement, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of a party; and the provisions of this Section shall not operate to excuse Concessionaire from the prompt payment of Rent as required by this Agreement and shall not extend the term of this Agreement.

23.4 Labor Disputes. Concessionaire agrees to use its best efforts to avoid disruption to the Port, its tenants or members of the public, arising from labor disputes involving Concessionaire, and in the event of a strike, picketing, demonstration or other labor difficulty involving Concessionaire, to use its good offices, including the utilization of available legal remedies, to minimize and/or eliminate any disruption to the Port, its tenants or members of the public, arising from such strike, picketing, demonstration or other labor difficulty.

23.5 Consent. Whenever the Port's prior consent or approval is required by this Agreement, the same shall not be unreasonably delayed but may, unless otherwise specifically provided by this Agreement, be granted or denied in the Port's sole and absolute discretion.

23.6 Wireless Devices. Concessionaire shall not install any wireless devices and/or transmitters on or about the Premises without the prior written consent of the Port and subject to any and all conditions in such consent. Concessionaire specifically grants to the Port the power to regulate and control the use of unlicensed frequency bands (including, but not limited to, FCC

Part 15 Subpart C, FCC Part 15 Subpart D (both asynchronous and Isochronous), IEEE 802.11 and BlueTooth (ISM), and FCC UNII 1 and UNII 2 (IEEE 802.11a)) on or about the Premises.

23.7 Mandatory Programs. Concessionaire understands that, from time to time, the Port may institute certain programs that the Port believes, in its sole judgment, will be in the best interests of the Airport and its tenants. Such programs shall include, but not be limited to, trash recycling, composting, concession use of durable table ware or compostable/recyclable to-go service ware, commuter trip reduction, and Aircraft Operations Area (AOA) Clean Surface Program for FOD (Foreign Object Debris). Concessionaire agrees to promptly comply with and carry out any and all obligations issued by the Port under such programs, as the same may exist from time to time.

23.8 Relationship to the Port and Concessionaire. Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partnership, or joint venture partners, and no provision contained in this Agreement nor any acts of Concessionaire and the Port shall be deemed to create any relationship other than that of landlord and tenant.

23.9 Time. Time is of the essence of each and every one of Concessionaire's obligations, responsibilities and covenants under this Agreement.

23.10 Recording. Concessionaire shall not record this Agreement or any memorandum thereof without the Port's prior written consent.

23.11 Joint and Several Liability. Each and every party who signs this Agreement, other than in a representative capacity, as Concessionaire, shall be jointly and severally liable hereunder. It is understood and agreed that for convenience the word "Concessionaire" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this Agreement, regardless of the number, gender or fact of incorporation of the party who is, or of the parties who are, the actual lessee or lessees under this agreement.

23.12 Captions. The captions in this Agreement are for convenience only and do not in any way limit or amplify the provisions of this Agreement.

23.13 Governing Law; Venue. This Agreement shall be construed under the laws of Washington. Exclusive jurisdiction and venue for any action relating hereto shall be in the state or federal courts located in King County, Washington.

23.14 Attorneys' Fees. In the event that either party shall be required to bring any action to enforce any of the provisions of this Agreement, or shall be required to defend any action brought by the other party with respect to this Agreement, and in the further event that one party shall substantially prevail in such action, the losing party shall, in addition to all other payments required therein, pay all of the prevailing party's actual costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorneys' fees in the trial court and in any appellate courts. For purposes of calculating attorneys' fees, legal services rendered on behalf of the Port by public attorneys shall be computed at hourly rates charged by attorneys of comparable experience in private practice in Seattle, Washington.

23.15 Invalidity of Particular Provisions. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or enforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

23.16 Survival of Indemnities. All indemnities provided in this Agreement shall survive the expiration or any earlier termination of this Agreement. In any litigation or proceeding within the scope of any indemnity provided in this Agreement, Concessionaire shall, at the Port's option, defend the Port at Concessionaire's expense by counsel satisfactory to the Port.

23.17 Entire Agreement; Amendments. This Agreement, together with any and all exhibits attached hereto, shall constitute the whole agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modification or amendment of this agreement shall be valid or effective unless evidenced by an agreement in writing signed by both parties.

23.18 Exhibits. The exhibits identified in the Key Lease Terms are attached to this Agreement after the signatures and by this reference incorporated herein.

SECTION 24: SIGNATURES

IN WITNESS WHEREOF the parties hereto have signed this Agreement as of the day and year first above written.

PORT OF SEATTLE _____

By: _____

Its: _____

By: _____

Its: _____

SECTION 25: ACKNOWLEDGMENTS

ACKNOWLEDGMENT FOR CONCESSIONAIRE

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____ 20____, before me, personally appeared
_____ to me known to be the
_____ of _____, a
_____ corporation, the corporation that executed the foregoing
instrument, and acknowledged said instrument to be the free and voluntary act and deed of said
corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was duly
authorized to execute the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first
above written.

Notary Public in and for the State of _____
Residing at: _____
My commission expires: _____

ACKNOWLEDGMENT FOR THE PORT

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____ 20____, before me, personally appeared
_____ to me known to be the
_____ of the PORT OF SEATTLE, a Washington municipal
corporation, the corporation that executed the foregoing instrument, and acknowledged said instrument to
be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned,
and on oath stated that he/she was duly authorized to execute the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first
above written.

Notary Public in and for the State of _____
Residing at: _____
My commission expires: _____

EXHIBIT A

– Legal Description –

Main Terminal

THE WEST 2125 FEET OF THE EAST 3300 FEET OF THE NORTH 1850 FEET ALONG WITH THE NORTH 700 FEET OF THE WEST 600 FEET OF THE EAST 1775 FEET OF SECTION 33 AND THE WEST 2125 FEET OF THE EAST 3300 FEET OF THE SOUTH 675 FEET OF SECTION 28, ALL IN TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., KING COUNTY, WASHINGTON.

North Satellite

THE NORTH 900 FEET OF THE SOUTH 1500 FEET OF THE EAST 400 FEET OF THE SOUTHWEST QUARTER AND THE NORTH 1550 FEET OF THE WEST 600 FEET OF THE SOUTHEAST QUARTER, ALL IN SECTION 28, TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., KING COUNTY, WASHINGTON.

South Satellite

THE NORTH 200 FEET OF THE WEST 900 FEET OF THE SOUTHEAST QUARTER; THE NORTH 200 FEET OF THE EAST 250 FEET OF THE SOUTHWEST QUARTER; THE SOUTH 800 FEET OF THE WEST 900 FEET OF THE EAST 250 FEET OF THE NORTHWEST QUARTER, ALL IN TOWNSHIP 23 NORTH, RANGE 4 EAST W.M., KING COUNTY, WASHINGTON.

EXHIBIT B

– Premises –

EXHIBIT C

– Operating Standards –

EXHIBIT C

– Operating Standards –

Operating Standards for Concessionaires
at
Seattle-Tacoma International Airport

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1. DEFINITIONS & ACRONYMS

- “ACC” is short for the Airport Communications Center
- “ADA” is short for the Americans with Disabilities Act
- “ADM” is short for an Airport Duty Manager
- “ADR” is short for Airport Dining and Retail
- Agreement means and refers to the Lease and Concession Agreement.
- “Airport” means the Seattle-Tacoma International Airport, which is owned and operated by the Port of Seattle (the Port).
- “COOP” is short for Continuity of Operations Plan
- “Music Program” means the live performances and overhead music heard throughout the Airport.
- “Concessionaire” means the Concessionaire identified in the Agreement.
- “Port Representative” means any Port employee with the authority to act regarding these standards or the Lease and Concession Agreement (to which these standards are attached). These Port Representatives will generally be identified in writing, but if Concessionaire has any question regarding whether a particular person has authority to act, Concessionaire should contact their Airport Dining and Retail Business Manager for clarification.
- “PMP” is short for Preventative Maintenance Program
- “Premises” means the Premises, either individually or collectively, as identified in the Agreement.

2. GENERAL OVERVIEW

The Airport Dining and Retail Program at Seattle-Tacoma International Airport with its thousands of daily interactions with the traveling public has a significant importance for creating an exceptional passenger experience, which is one of the key strategic goals of the Airport.

This manual identifies requirements for the ADR Program that match the expectations and needs of our passengers. It outlines customer service standards for all ADR employees, facility and maintenance standards for ADR locations, as well as general operations and security standards. We expect every Concessionaire to refer to the standards outlined in this manual to ensure compliance. Provided the revisions do not materially increase the cost of Concessionaire’s operations at the Airport, these standards are subject to modification from time-to-time to address the ever-changing Airport environment. Failure to comply with these standards may subject Concessionaire to liquidated damages and/or default under the terms of Concessionaire’s Agreement.

3. FIRST CLASS STANDARDS

The Port desires to provide air travelers, Airport employees, and the public with facilities, service, food, beverages and retail merchandise in First Class Manner. As defined in the Agreement, a First Class Manner refers to a standard of products, cleanliness, and customer service that would be reasonably expected in upscale shopping malls and other similar high-quality airport and non-airport retail and food service facilities.

3.1 On-Site Manager

To ensure that this standard is met, all of Concessionaire's locations must be under the supervision and direction of an active, qualified, competent, and experienced on-site Manager, who will at all times be authorized to represent and act for Concessionaire on all management, maintenance, and operations issues. The on-site Manager should have a designated duty station or office inside one (or more) of the Concessionaire's units where he or she will be available during business hours. If or when that manager is absent for whatever reason, he or she or Concessionaire should assign one or more qualified assistant managers to assume and be directly responsible for carrying out of the on-site Manager's supervisory duties. Concessionaire will provide (and update) contact information for Concessionaire's Managers so a Port Representative can contact them in emergencies or during non-business hours.

3.2 Cleanliness

The Port is responsible for providing maintenance and janitorial services in common-use areas only. Janitorial and maintenance deficiencies observed in common areas of the Airport should be reported by calling the Airport Communications Center (ACC) at (206) 787-5406. Concessionaires are responsible for providing janitorial services within their Premises as well as the storefront and any attached signage. The following general requirements detail specific guidelines for Concessionaire's locations:

- Units must always appear clean, uncluttered, organized, well maintained, and free of unpleasant odors.
- Excess stock, merchandise, and products must be stored out of the view of the customer.
- Aisles and hallways (both inside and outside the unit) must be free of carts, crates, boxes, trash, equipment, etc. per the fire code.
- All seating must be clean and well maintained.
- Employee personal belongings must not be stored in the public view.
- Windowsills must be clean and free of dirt, debris and dust.
- Windows and other glass must be clean, free of smudges/food/dirt, noticeable streaks and dust inside and out.
- Trash receptacles and wastebaskets must be cleaned inside and out, odor free, and emptied regularly to avoid overflow.
- Walls/columns must present a freshly painted or clad appearance and be free of dirt, marks, and graffiti.
- Carpet, rugs and/or mats must be:
 - Free of all loose or embedded gum.
 - Thoroughly vacuumed in all areas.
 - Free of all spots, stains, rips, or cracks.
 - Free of dust build-up at or around carpet edges, corners, chair bases, stanchions or other objects that are placed on the carpet.

- Carpet maintenance must include the removal of surface and embedded sand, soil, stains, spots and bacteria on a regular and frequent schedule in order to ensure an acceptable appearance and to remove soil that would shorten the useful life of the carpet.
- Hard surface floors must be:
 - Free of all dirt, debris and loose or embedded gum.
 - Free of all deep surface scratches and abrasions that haze the floor's appearance.
 - Free of spots and finish discoloration due to previous cleaning or lack of addressing spills in a timely manner.
 - Free of dust or grime build-up at, or around, floor surface edges, corners, chair bases, stanchions, or other objects that are placed on the floor.
 - When liquid is spilled, appropriate signs must be provided until clean up occurs. Janitorial services must be notified.
 - Floor grout must be in good repair, free of water, dirt and grime buildup.
- Ceilings, grids and tiles must be dust and cobweb free and unsoiled. Ceiling tiles must be positioned in place to provide a clean appearance.
- Fans, grills, vents, light fixtures, & assemblies must be clean and dust free.
- Railings, gates and fencing must be tightened, clean and free of dust and grime.
- All structures must be free of dirt and graffiti.

3.3 Condition

- Seating must be clean and free of rips, tears, and broken parts. Seating that is ripped, torn or broken must be replaced immediately or removed from the area.
- Point of sale and cashier areas must appear neat, organized and clean.
- All equipment must be operational and be clean and free of dust and dirt.
- Fans, light fixtures, assemblies, and bulbs must be operational, clean and free of dust.
- Carpets must not be worn or frayed; tile and stone flooring must be free of large cracks or gouges and broken pieces.
- Tile, terrazzo, and all flooring must be free of cracks, gouges and broken pieces.
- Physical facilities, such as counters, booths, and kiosks must be in good repair and like new condition.
- All locations must have a pleasant atmosphere and present an inviting appearance, free of clutter.
- Apparel and accessories must be neatly folded or hung in the appropriate area.
- Trash, packaging, shipping materials, debris and delivery carts/totes must be stored out of the public view or removed promptly from the public areas.
- Furniture, display cases, fixtures, and shelving must be in a like-new condition with no deep cuts, scratched, graffiti, or broken pieces. Concessionaires must immediately remove any damaged furnishing that will pose a safety hazard to the customer. Furnishing placement must comply with all applicable codes to ensure appropriate width for persons with disabilities and permit free movement by customers with carry-on-baggage.

- Roll gates and other types of entry security equipment must be in working condition. Concessionaire must take immediate measures to ensure repairs are completed and notify the Port when repairs are finalized.
- Fire extinguishers/fire protection/life safety systems must be operational and properly mounted per fire code.
- Concessionaire's areas must be free of any signs of insects or rodents.

3.4 Functionality

- Customer comment cards must be readily available.
- All doors/gates must be maintained, in good working order and must comply with applicable codes. Doors/gates must be free of noticeable smudges, dirt, grime and obstacles that would impede the public's path or employees' ingress/egress.
- Music audible to customers within individual units must be provided by the Concessionaire's audio system and approved in writing by the Port.
- Music systems must be clear/audible and in good working condition with appropriate volume levels that do not to interfere with the Airport address system, cause annoyance to Airport patrons, or conflict with the Music Program.
- Seating must not be removed from designated areas. All tables, fixtures, chairs, kick rails, and table bases must be free of debris, dirt build-up, and scuff marks.
- Refrigerators and coolers must be in working condition and free of odor and spills.
- Trash receptacles and wastebaskets must be in good working condition, sufficient in number and not obstruct the path of the public.
- Counters and cash wrap areas must be neat and clean in appearance.
- Lighting must be adequate in all areas and in compliance with applicable codes and design standards.
- Contractors' or vendors' supplies and equipment must be stored out of customers view when not in use. A complete concession cleaning kit containing supplies for dust, glass, and wood cleaning products must be maintained in all units and stored out of public view.
- Television monitors must be maintained in good working condition.
- Americans with Disabilities Act (ADA) access locations must be unobstructed and code compliant.
- Fire extinguishers/fire protection/life safety systems must be operational and checked/inspected annually as appropriate per code.
- Mop, mop bucket, strainer, and mop sink must be maintained and clean at all times.
- All merchandise and areas that hold store merchandise must be free of dust and spilled product. All cabinetry, shelves, display units, and wall bays must be free of marks, dust, and spilled product.
- All menu boards, cash wraps, nesting tables, fixtures, and condiment bars must be free of dust, stains, residue, spills, trash and clutter.
- All windows, lighting, non-glass doors, glass areas, brass, and chrome surfaces must be free of dust, spills, handprints, scuffmarks, and splashed product.

- The Point-of-Sale (POS) systems and surrounding area, as well as other equipment must be organized, clean, free of marks, and dust.
- No freestanding or, mobile signs, display carts, merchandise display units, or racks of any kind are allowed outside of the lease line.
- Storefronts must be open, inviting and clutter-free.
- Auction, fire, bankruptcy, close out, distress, liquidation, going-out-of-business sales or operating as an outlet/surplus store are not allowed in the Premises; however, periodic seasonal, promotional or clearance sales are not precluded.
- Any national or locally-branded operation must accept company-branded “cash cards” or “gift cards” for purchase at all of Concessionaire’s Airport locations, unless Concessionaire can demonstrate to the satisfaction of the Port Representative that in order to enable such acceptance, additional equipment or systems would be required to be installed.
- Concessionaire must accept traveler’s checks and at least three (3) nationally recognized credit or debit cards (e.g., American Express, Master Card, VISA or as designated by the Port Representative) for any purchase amount.
- Concessionaire is not permitted to add a “tip,” “gratuity,” “service charge,” “concession recovery charge” or other similar charge to customer invoices. The only exception to this is locations with table service. In such cases, for parties of eight (8) customers or more, the Concessionaire may add a gratuity of no greater than eighteen percent (18%), so long as it is noted on the menu that such charge will be added, the server informs the party that such charge will be added to the bill for the table, and the Concessionaire pays the entire amount collected to the server and/or appropriate staff.
- Placement of a tip jar or container in public view (i.e. on counters in counter service locations, etc.) is only allowed in coffee concept units.
- “Take-a-penny/leave-a-penny”, fundraiser and charitable donation cups are prohibited.
- Sound system, radio or television or other similar devices may not be installed without obtaining prior written approval by the Port Representative.

3.5 Products

- The Port Representative reserves the right to approve or disapprove all products, prices, and product displays.
- The Port Representative has the right to require Concessionaire to discontinue the sale of any product he/she, deems unsatisfactory, distasteful, or inappropriate for any reason and to require Concessionaire to modify product displays for any reason. Concessionaire will comply with any such direction within twenty-four (24) hours following notice.
- At the Port Representative’s written request, the Concessionaire will provide for the sale of any merchandise or the furnishing of any reasonable services that may be determined necessary for increased sales and passenger satisfaction.
- Concessionaire will keep in stock and have ready for sale at all times of operation, a sufficient supply of current-season merchandise, articles, and goods, as may be appropriate to the operation, to meet the demand of customers at the Airport.
- Concessionaire must ensure that product variety is adequate at each location.

- Concessionaires will use durable (i.e. washable) service ware where feasible at restaurants with sit-down dining.
- A list of approved compostable and recyclable service ware (i.e. plates, bowls, cups, lids, straws, cutlery, clamshells, etc.) by the Airport’s compost and recycling service providers can be found in the Rules and Regulations. Concessionaires may request exemptions in writing to the Port Representative for specific food service ware items (e.g. plastic spoons, foil wraps) for which compostable/recyclable alternatives are not readily available or suitable for use.
- All food and beverage menu items should be made available “to go” for customers if they so request. The carry out or “to go” containers and service ware should be either compostable or recyclable and of high quality and substantial enough for the customer to take on an airplane. Expanded polystyrene foam (“Styrofoam”) service ware is prohibited.
- Concessionaire will develop and implement creative merchandising techniques to entice customers to purchase food, beverages, and retail merchandise, including without limitation, food and beverage displays; retail merchandise displays; display cases; promotional displays; attractive and durable packaging; menu boards or tabletop menus; and pictures of food and beverages or retail merchandise.

4. CUSTOMER SERVICE STANDARDS

The Port expects First Class, customer-focused service by Concessionaire at all times. Without limiting any of the more specific requirements set forth in these Operating Standards, service will be timely, attentive, and friendly. In order to accomplish this, Concessionaire must employ a sufficient number of properly trained personnel to manage and operate the Premises at its maximum capacity and efficiency. A sufficient number is one that consistently provides customers with no unreasonable delay or inconvenience in moving through point of sale or selecting products or service. At a minimum, customers will be promptly attended to in a friendly and courteous manner. Self-service elements will be easily seen and accessible by customers. Processing of payments will be prompt. Receipts will be properly itemized; reflecting precisely the products and services purchased, and will present individual prices, total and taxes. In addition, all customers will be thanked for patronage. Other expectations of all Airport employees include, but are not limited to the following:

- Guarantee a quality product or service that meets or exceeds a customer’s expectations.
- Have an overall understanding of the layout of the Airport and be willing to offer assistance as needed.
- Have responsibility for uncompromising levels of cleanliness.
- Maintain a positive workplace image.
- Provide customers their full attention during the interaction and address concerns immediately.
- Respond to customer questions or complaints within three business days whether verbal or written.
- Provide a friendly and professional, verbal audible greeting within 10 seconds of a customer entering an establishment, and thanking them for their business and invite them to return as they exit.

- Maintain a well-groomed, neat, professional clean appearance at all times.
 - Uniforms will be clean and appropriately fitted at all times.
 - Hair will be neatly groomed and pulled away from the face at all times.
 - Airport ID badges must be appropriately displayed at all times.
 - Employees must maintain eye contact while conversing with customers and fellow employees.
- Employees will refrain from using foul or inappropriate language at any time in the workplace, in the Airport, or while traveling to/from work via employee shuttles or public transportation and while wearing the company's uniform and/or Airport ID badge.
- Employees will refrain from eating, drinking, chewing gum, or talking on the phones in the presence of customers. Personal electronic devices or ear phones/buds are not permitted at any time while employees are on duty.
- Employees will refrain from taking breaks in the public areas, corridors, hallways, and gate lobbies.
- Employees are not allowed to use or move furniture or equipment anywhere or anytime for the purpose of sitting or eating during their breaks.

4.1 Employee Customer Service Standards

The ADR Staff holds every Concessionaire accountable to the Airport Dining and Retail Program and the Airport's customer service standards. Every Concessionaire's customer service program must meet or exceed the Airport's service standards. However, to achieve the status of a first class ADR Program, we must raise the standards of excellence. This means implementing additional service standards above those stated in the Concessionaire's Agreement that will guarantee a positive customer experience. For this reason, each Concessionaire's employees must also comply with the following:

- Greet all customers in a friendly and professional manner with a sincere smile.
- Always be properly identifiable as an Airport concessions employee.
- Display a positive attitude toward all customers and be sensitive to special needs of passengers.
- Speak clearly; enunciate fully to clearly communicate with customers.
- Listen carefully, and show empathy when encountering an upset customer. Resolve problems quickly and effectively in the most equitable way possible.
- Use a courteous tone of voice and proper vocabulary with customers. For example, use words such as "please," "yes," "hello", and "thank you."
- While working indoors, remove sunglasses to facilitate eye contact. This standard does not apply to employees prescribed to wear sunglasses indoors by a doctor.
- Respond appropriately to customers' needs, or refer them to another person who might be better suited to provide assistance.
- Be well informed, capable of providing directions, and know where and how to obtain requested items, services or information for customers even when language barriers arise.
- Ensure the customer's question has been answered before walking away or completing the transaction.
- Obtain the facts; state any applicable policy clearly and politely; and be able to offer a solution or an alternative to a difficult customer.

- Do not leave a customer in your establishment unattended unless it is deemed an official emergency.
- Resolve complaints promptly and maintain records for Port Representative follow-up.
- Employees must provide a receipt and correct change with every transaction.
- Staffing levels must be high enough to greet customers within the 10 seconds standard and prevent wait times longer than 2 minutes at the cash registers. It is highly recommended that there be at least (2) employees staffed in each store at all times.
- Provide all services to its customers on a fair, equal, and nondiscriminatory basis and charge fair, reasonable, and nondiscriminatory prices; except when giving such reasonable and nondiscriminatory discounts or other similar price reductions to its and other Airport employees.

4.2 Customer Service Training

Just as customer service standards establish the foundation for service, dress and appearance standards project the image of your company and the Airport. Customer service training is essential in establishing consistent guidelines for everyone and addressing the passengers' demands. In the event that the Port initiates one or more customer service programs for employees of any Airport tenant, Concessionaire and its employees must fully participate and pay its share of any costs associated with such program(s).

4.3 Lost and Found

All items found in the Airport must be turned into the Airport's Lost and Found Office within 24 hours. If occurrence happens after the Lost and Found Office's normal business hours, then the return attempt must be made by the following business day.

5. QUALITY ASSURANCE PROGRAM

5.1 Reports and Rating System

The Quality Assurance Program and Reports is managed by the Port Representative to record periodic audits and inspections of all ADR locations. The primary focus of the audits and inspections is to: (1) evaluate the level of customer service and make recommendations to correct concerns, (2) improve customer service by identifying critical areas of focus; and, (3) create a historical record of the Concessionaire's performance for future reference.

Audit and inspections include a detailed observation and evaluation of the following areas:

- Facility Appearance
- Customer Service
- Merchandise Quality and Food Safety.

Each evaluation is scored from 1 to 7 (with 1 being the lowest and 7 as the highest), which translates to one of four ratings – Unacceptable, Needs Improvement, Acceptable, Excellent.

The following is the rating system equivalent based on a 100%:

<u>Rating</u>	<u>Scoring Equivalent</u>	
Excellent	100 - 95%	(Score of 7)
Acceptable	94 – 85%	(Score of 6)
Needs Improvement	84 – 79%	(Score of 4 – 5)
Unacceptable	78% and Below	(Score of 1 – 3)

To ensure all Concessionaires’ locations meet and exceed the customer service standards outlined, Concessionaires must score at least an acceptable rating of 6. Outlined below is the standard for the rating system.

Unacceptable Rating 1-3

Any Concessionaire who receives an Unacceptable rating of 1 through 3 did not meet a majority of the acceptable customer service standards or they failed to meet a significant level of performance. Additionally, any ratings of 1 through 3 are unacceptable and the Concessionaire must take corrective actions within 48 hours of notification and provide a written response to the Port Representative within 3 business days with an action plan addressing deficient areas to prevent reoccurrence.

Needs Improvement Rating 4 – 5

Any Concessionaire who receives a Needs Improvement rating of 4 or 5 did not meet the minimum acceptable customer service standards. Any rating of 4 or 5 requires corrective action within 5-7 days and Concessionaire must provide a written response to the Port Representative within 3 business days addressing the infractions with solutions to prevent further reoccurrences.

Acceptable 6

A Concessionaire who receives an Acceptable rating of 6 has satisfactorily met the minimum acceptable customer service standards. An acceptable rating of 6 does not require a written response; however, the Concessionaire should address all noted problem areas.

Excellent 7

A Concessionaire who receives an Excellent rating of 7 has exceeded the minimum acceptable customer service standards. This rating requires no action on the part of the Concessionaire.

5.2 Comments and Complaints

Passengers may record comments of their Airport experience by utilizing any one of the following methods: comment cards that are accessible throughout the Airport, the Port’s/Airport’s website, and/or letters, emails or phone calls sent to the Port or Aviation Division’s main office. These comments (or complaints) are tracked and compiled through the Airport’s Customer Service Group in Airport Operations. The Customer Service group forwards all complaints relating to Concessionaires to the Port Representative. The Port Representative will in turn forward the customer complaint to the respective Concessionaire within 3 business days of receipt. The Concessionaire must respond to all customer

complaints within 3 business days and forward a copy of all correspondence to the Port Representative.

6. HOURS OF OPERATION

The Premises must be open to the public seven (7) days per week, three hundred sixty-five (365) days per year to adequately serve the traveling public. Except as otherwise stated below, the Port determines the minimum hours of service based on traveling public demand and the Airport's flight schedules.

6.1 Hours of Operations

- Unless otherwise approved, all Concessionaires must adhere to the minimum hours of operations as stipulated by the Port. Concessionaire may request a deviation of hours by providing an analysis of the optimum arrangement, but the final determination of minimum hours of operation will be made by the Port.
- Store hours will be extended to accommodate passengers due to flight delays.
- Stores must be staffed to accommodate the operations from opening to closing. Deviation may be approved by the Port Representative for inventory or other circumstances; however, all requests must be submitted at least 48 hours before the event to allow for processing and approval.
- No concession locations will be blocked off or closed at any time during the designated minimum hours of operation.

6.2 Holiday Reduced Hours

- Requests for reduced hours for holidays must be submitted within 30 days of the Thanksgiving or Christmas holiday. Concessionaires must be aware that these hours may change due to operational issues or situations that mandate adjusting the approved schedule.

7. DELIVERIES AND DISTRIBUTION

Concessionaires are responsible for their operational delivery and distribution system whether it is on-site or off-site.

The Airport recognizes the following activities as a delivery:

- Deliveries from off Airport sites to the Concessionaire's unit.
- Deliveries from off Airport sites to the Concessionaire's storage space.
- Concessionaire moving items from a storage location to the unit.

7.1 Delivery Schedule

- Deliveries to the Airport's main terminal load dock must occur between:

DAY	HOURS
Monday	7:00 AM – 3:00 PM

Tuesday through Friday	7:00 AM – 4:00 PM
Saturday	5:30 AM – 2:00 PM

All deliveries should observe assigned delivery times to better utilize parking spaces and freight elevators. The load dock hours are subject to change at any time without advance notice.

- Deliveries to the units must be made between 2:00 p.m. and 6:00 a.m. all days of the week.

7.2 Delivery Standards

- Concessionaires or their vendors/contractors will be responsible for reporting any problems with the freight elevators, and will work with the Airport to maintain safe and efficient elevators. Costs to repair elevators damaged by Concessionaires (or their vendors, contractors) will be billed to the Concessionaire found responsible for the damage. To report elevator problems call ACC.
- Cart wheels and hand trucks shall be non-marring/pneumatic tires and silent.
- Carts must be in like-new condition. No maintenance of carts, dollies, hand trucks, etc. is allowed in the terminal on the concourse level at any time. All damaged or non-operable carts, etc. must be removed from the area immediately.
- Weight loads must not exceed the maximum limits specified by the transporting equipment’s manufacturer.
- Merchandise and products must be delivered to Concessionaire’s locations without interfering with public traffic in the Terminal.
- Daytime deliveries are not authorized without prior approval of the Port.
- Deliveries must not be transported on the passenger elevators, moving sidewalks, or the train system.
- The number of vehicles on the Airport ramp is limited during normal hours of operation by delivering the majority of products and merchandise during the night and early morning hours. Airport safety is our primary concern and every Concessionaire will cooperate with all Airport Rules & Regulations (which can be found at <http://www.portseattle.org/Business/Airport-Tenants/Pages/default.aspx>).
- Concessionaires will ensure the restocking of the unit occurs during non-peak hours (not between 6:00 a.m. and 2:00 p.m.).
- The load dock supervisors will monitor all daytime activity. Parking is at a premium during the day, and coordination for extended use of parking spaces is vital. Delivery drivers should inform the loading dock supervisor of the estimated duration of time for the escort or delivery.
- Concessionaires may request authorization from the Port Representative to receive and restock newspapers and magazines during daytime hours; however, the product totes or containers are not allowed to remain in the unit unless they are actively being restocked.

- Concessionaires and their vendors are not allowed to deliver, store or stage boxes, cartons, barrels, or other similar items, in an unsightly or unsafe manner, on or about the Premises or in the common areas.
- Pallet jacks are not allowed on the granite flooring.

8. STORAGE

Unless otherwise provided for in the Agreement, no persons may use any area of the Airport for storage of equipment, product, or other property without first obtaining written permission from a Port Representative.

9. SIGNAGE

All signs must comply with ADR Design Guidelines and all applicable codes and standards. Signs not included in the original build-out must be submitted to the Port Representative for approval. ADR Design Guidelines can be found at <http://www.portseattle.org/Business/Construction-Projects/Airport-Tenants/Pages/Reference-Documents.aspx>.

9.1 Unit Signage

- All signs internal and external, signage stand holders, menu boards, and blade signs must be clean, free of dust, and in good condition.
- Pictures, displays, and frames (whether art or advertising) must be clean, and free of tears, scratches and dust.
- All illuminated signs must be in proper working condition. Tubular or neon lighting is not preferred; and must be approved before installation.
- Unauthorized postings are not permitted.
- Handwritten and/or unprofessional signs are prohibited. No exceptions will be allowed.
- Signs must not obstruct any life safety devices, AED machines, smoke detectors, or fire sprinklers.
- Signs must not impede the functionality of light fixtures or air conditioning grills.
- Exit doors must be operational, illuminated, and clearly signed.
- Enforcement/warning signs must be appropriately posted.
- Dynamic signs must operate properly and display the correct information.
- No Concessionaire will make any alterations of any nature whatsoever to signage on any building, ramp, wall, or other Airport space.
- Signs must be visible and illuminated (if applicable) and in proper working condition.
- During flight delays, hours of operation may be extended to accommodate passengers.
- Store policies regarding credit cards, returns/refunds, etc. must be clearly displayed in the unit.
- Prices must be clearly displayed (either item or category priced).
- Flashing or blinking signs must not be used.
- Evacuation routes must be clearly posted.

9.2 Advertising and Promotional Signage

- No promotional banners or signage may be used without review and written approval from a Port Representative.
- No menus, signs or graphics on counter back walls may be displayed without prior written approval from a Port Representative.
- Flashing, laser, or blinking signs must not be used.
- No persons without written authorization from a Port Representative may post commercial signs, banners, or distribute advertisements, literature, circulars, pictures, sketches, drawings, handbills, or any other form of printed or written commercial matter or material at the Airport.
- Retail advertisements can/must be displayed within the leased premises.
- Handwritten signs are prohibited.

10. PROMOTIONAL EVENTS AND PROHIBITED ACTIVITIES

All promotional activities or events must obtain prior written approval from a Port Representative. All promotional activities in the Terminal, with the exception of the Airport's promotions and advertising contracts, will be of limited duration and will be subject to the discretion of the Port Representative. Such promotional activities may be permitted only where they do not interfere with normal operations of the Terminal. Promotional activities will be limited to the following:

- Approved art and displays that provide public service messages.
- Promotions conducted within the limits of the leased areas unless otherwise approved in writing by a Port Representative.
- Approved advertising conducted under the terms of the Airport's advertising contract.
- Promotional activities requiring tents, cooking facilities, pyrotechnics or events where the number of people will exceed the normal occupancy of the designated area will require approval by the Fire Marshal and Port Representative. The Fire Marshal may require permits or a fire watch as applicable.
- With the exception of concession promotions, the sale/or give away of food and beverages associated with a promotion is prohibited.
- Literature and promotional items cannot be distributed outside of the location lease line unless otherwise approved by the Port Representative.
- Banners to promote new services and/or awards in the Terminal must first be approved in writing by the Port Representative and may be displayed for a period not to exceed two weeks unless otherwise approved.
- Clean up activities associated with any promotion, unless otherwise specified are the responsibility of the entity organizing the promotion.
- Requests to conduct promotional activities in the terminal must be made in writing to the Port Representative for approval.
- Concessionaire is prohibited from offering/selling the following items in their Premises: vending machines, pay telephones, advertisements not pertaining to Concessionaire's operations; coin-operated amusement machines, ATMs; hotel, motel, or ground transportation reservation information; liquor, beer, and bottles of wine for off-premises consumption (unless otherwise approved as part of the concept); Wi-Fi services; or

helium-filled balloons. This is not a comprehensive list and all items are subject to approval by the Port Representative.

11. USE OF STANCHIONS

A Port Representative must approve all written requests for stanchions. All equipment in the public areas of the Terminal, including queuing areas, must conform to the following:

- Stanchion specifications must be approved in writing by the Port Representative. Should a Concessionaire wish to use stanchions, your request must include a proposed layout, size, color and reason for the request.
- All stanchions must be of the retractable belt type.
- Branding is permitted on the retractable belt only.
- Signage attached to stanchions and inclusion of company logo or name must be approved in writing by the Port Representative.
- All stanchions must be kept in like-new condition and properly maintained, clean, and free of dust or stickers.
- Stanchions in disrepair must be removed and replaced.

12. ENVIRONMENTAL AND WASTE REMOVAL

Concessionaires must separate and dispose of their trash, recycling, composting and used cooking oil. Costs for this program are published in the Tariff and will be invoiced directly to the Concessionaire. Concessionaire works with the Port Representative to request trash keys (or other methods) used to track use.

Disposal containers for trash, recycling, and composting and other Concessionaire-generated waste materials are located at compactor rooms and loading docks throughout the Airport. Trash build-up and/or compactor outages are to be reported immediately to ACC. If Concessionaire is responsible for the mess/spill/damage, or the cross-contamination of recyclable or compostable collection containers, it is the Concessionaire's duty to clean it up. Other clean up, repairs or damage to compactors/containers/bins/used cooking oil tanks or surrounding areas will be invoiced to the responsible party.

At no time are Concessionaires permitted to transport or pile bags, boxes, cartons, or other similar waste items, in an unsightly or unsafe manner.

12.1 Trash

- All trash must be contained in appropriate bags and moved through the Airport in covered receptacles. These receptacles must be cleaned daily. Concessionaires are responsible for keeping all service corridors, hallways, storage areas and elevators neat, clean and safe.
- Concessionaires are responsible for placing trash inside the proper trash bags. Concessionaires should not fill the trash bags to capacity. Thin trash bags and bags filled beyond capacity will tear thus creating a mess and unsanitary conditions. When an unsanitary condition exists, the Concessionaire responsible will be required to correct the problem and/or be invoiced for the clean-up services if performed by the Port.

12.2 Recycling

- Recyclables include clean and/or empty cardboard, cartons, paper, cups, plastic containers and lids at least 3” in diameter, bagged plastic bags, cans, bottles and jars (plastic, aluminum, or glass). Cardboard must be flattened prior to depositing in Airport recycling compactors.
- Glass bottles and jars must be rinsed and deposited in designated glass recycling containers. Glass does not need to be in bags. Broken beverage glasses are not recyclable.

12.3 Composting

Composting materials include food, uncoated food-soiled paper, napkins, and cardboard, coffee grounds and filters, tea bags, and approved compostable packaging. Composting materials must be deposited directly in the composting bin or in compostable bags approved by the Airport’s compost service provider.

12.4 Waste Collection and Signage

Concessionaires providing food for consumption on or off premises using recyclable or compostable “to-go” food service ware shall:

- Provide conveniently located and clearly marked recycling, compost, and garbage containers in back-of-house areas for employee use and in front-of-house dining areas where customers may discard compostable or recyclable food service ware and garbage.
- Provide signage visible to patrons when picking up their orders or where self-service customers pickup service ware, and on discard bins in dining areas clearly identifying which service ware is recyclable, which is compostable (including food scraps), and which is garbage. Food and beverage concessionaires are encouraged to use signage best practices and bin labels developed by the Port of Seattle.

12.5 Used Cooking Oil (UCO)

The Concessionaire must purchase and utilize Port-designated containers to collect and transport UCO to designated collection tanks located in the compactor rooms and loading docks. Concessionaires must promptly clean any spills or leaks that occur during transport including areas near UCO collection tanks.

12.6 Hazardous Materials/Waste

Concessionaires are responsible for properly managing the disposal, off Airport property, of any hazardous materials or waste generated through their operations, maintenance and construction activities. This includes, but is not limited to all types of batteries, florescent light tubes, refrigerants, paints, stains, and other hazardous chemicals.

12.7 Training

Concessionaires are expected to participate in current and future recycling or other environmental programs. Participation in these programs is coordinated through the Airport's Environmental Dept. They will provide the initial training, education/outreach materials, and recycle bins for back-of-house areas in Concessionaire's units.

Concessionaires are then responsible for training their employees of the proper use, sorting and disposal of all waste removal items at least annually or as part of new employee orientation (depending on job function).

12.8 Environmental Programs

The Port facilitates a Food Donation Program in partnership with the Airport's local food bank and encourages Concessionaires to donate unsold food through this program.

Concessionaires desiring to find out more about participating in this program can contact the Port's Environmental Dept.

13. REPAIRS AND MAINTENANCE

The Concessionaire has the sole responsibility for maintenance and facility upkeep within the unit. Without in any manner limiting the specific requirements of your Lease and Concession Agreement, this includes HVAC system, floors, walls, equipment (i.e. cooler, registers), and other non-Airport maintained devices. Concessionaire must keep the premises and all improvements in good repair and in a clean, neat, safe and sanitary condition at all times. If damage is determined to come from the building roof or exterior, contact ACC to address the source of the problem. Also, if it becomes reasonably necessary during the term of the Agreement other than the mid-term, as determined by the Port Representative, Concessionaire will repair, replace and/or repaint fixtures, furnishings and/or equipment that is in damaged, worn or in disrepair. It is mandatory that all maintenance issues and repairs be identified and repaired immediately to keep the operation compliant with First Class standards. Specific systems cleaning and maintenance procedures can be found in the PMP Manual.

14. PEST CONTROL

The standard for cleanliness at the Airport has been set at an optimal level, this includes pest control activities, facility and equipment maintenance, housekeeping and best practices. Concessionaire must implement and maintain aggressive internal controls that will ensure total compliance with sanitation standards and the Pest Management Program implemented by the Airport.

Therefore, all Concessionaires must adhere to the following:

- Each Concessionaire is required to participate in the Pest Management Program as designated by the Port.
- Recommendations provided by the Pest Management Program on monthly reports must be addressed immediately.

- Supplemental Pest Control programs, paid for by Concessionaire, must be approved in advance by the Port Representative. Supplemental service treatments must comply with the Port's mandated application methods.
- Self-treatment or treatment by unlicensed personnel is prohibited.
- Concessionaires must comply with all rules, regulations and directives provided by the Port, the Pest Management Program, or Health Dept. authorities.

15. SAFETY AND SECURITY

Safety and security is everyone's business. All Airport tenants are required to follow the Airport Rules and Regulations, Safety and Emergency requirements and procedures. This information can be found at <http://www.portseattle.org/Business/Airport-Tenants/Pages/default.aspx>. The following sections are in addition to and not in lieu of the safety and security requirements:

15.1 Secured Units

Concessionaires are responsible for locking gates and doors when a unit is closed for business or construction. If the gates or doors are found open by any Airport personnel, the Concessionaire is subject to the fines (as outlined in Section 18, Table of Liquidated Damages).

15.2 Prohibited Items Log

Concessionaires are responsible for adhering to the guidelines set forth from the Airport's Security department for the tracking and reporting, and addition or disposal of prohibited items (knives, box cutters, large scissors, etc.).

15.3 Construction/Repairs

The Port has established standards for separating construction sites from other portions of facilities that must continue in operation while construction is underway, as well as for controlling potential negative effects of construction operations on normal business. These standards are found in several locations including, but not necessarily limited to, the Tenant Concept/Project Submittal, Design Submittal and Construction Process, and the ADR Design Guidelines. Their applicable requirements must be incorporated into all project construction documents and must be strictly adhered to by all Concessionaires, their contractors, subs, and personnel.

- All necessary and required life and health safety measures must be in place and maintained to protect customers and employees as well as construction personnel.
- All necessary and required security measures must be in place and maintained to protect essential operations.
- All necessary and required measures must be in place to minimize the negative impacts of construction, of all types, on adjacent, ongoing operations and those customers and employees involved in them.
- All necessary permanent and temporary signage must be in place and maintained to inform customers and employees about the construction that is occurring and how it may impact their activities.

- All proposals for construction or modifications to facilities or leased areas must be submitted to the Port Representative for written approval.
- All construction and modifications being requested must have proper permits obtained.
- All construction work within the Airport's property shall be ADA compliant.
- Strict adherence to all applicable Airport procedures is mandatory on the part of all parties, whether they are Airport staff, tenants, customers, passengers, design professionals, contractors, vendors, etc.
- Wet paint signs must be affixed while painting and removed prior to re-opening the store for business. No hand written signs are permitted in public view.
- All construction waste including, excess chemicals or other hazardous materials damaged equipment, fixtures and furnishings, must be removed from the site as part of the project.

15.3.1 Construction/Repairs Safety

No construction-related operations, inside or outside of the project's vicinity, must expose either customers or employees to hazardous conditions that could cause them to slip, fall or be hit by protruding or falling debris or construction materials.

- Temporary walls/barricades at the storefront will be installed by the Port. Concessionaire and its contractors must keep them in good physical condition with no holes, dents, marks, graffiti, unauthorized postings, tears or other aspects, which are unsightly, compromise the intended purpose, or could be hazardous to human contact. Any damage will be at a cost to the Concessionaire.
- New, temporary evacuation plans must be provided by the contractor and posted in appropriate locations to replace existing plans at any time that existing paths of egress are changed temporarily by construction.
- Life safety systems that are affected by demolition and construction must be maintained in operation at all times. Otherwise, appropriate fire watches or other approved procedures/measures must be maintained until such systems are tested, found to be acceptable by the Fire Department and returned to full service.
- Floors within and adjacent to construction sites must be maintained dry and free of liquid spills and water to prevent slipping and falling, throughout the course of construction.
- No shutdowns of any systems shall be permitted unless an approved Shutdown Request Form has been obtained from Facilities & Infrastructure, Maintenance and/or the Engineering Department.

15.3.2 Construction/Repairs Security

- Door installations in temporary walls/barricades will be limited to the minimum possible number, be as inconspicuous as possible, and will have appropriate locks approved by the Airport in order to maintain safe, secure conditions and prevent unauthorized access to construction sites and construction traffic into non-construction areas.
- No existing security measures shall be modified or otherwise compromised without the prior establishment of alternate security measures approved by all the affected parties.

- Construction workers must be required to possess and display the appropriate SIDA badges at all times.

16. INFORMATION SYSTEMS AND TELECOMMUNICATIONS

The Port owns and operates the Airport's free Wi-Fi system and fiber network consisting of voice and data. Concessionaire is responsible for installing their own telecommunications (data and communication) systems inside the unit from the Port demarcation box.

17. EMPLOYEE SERVICES

17.1 ID Badges

All employees are required to go through the ID Badge process. More information can be found on the Port's website at: <http://www.portseattle.org/employee-services/id-badges/Pages/default.aspx>

17.2 Parking

Employee parking is available for purchase either by Concessionaire or by individual employee. Price and information can be found on the Port's website at: <http://www.portseattle.org/employee-services/employee-parking/Pages/default.aspx>

EXHIBIT D

– Pricing Policy –

EXHIBIT D

– Pricing Policy –

Pricing Policy for Concessionaires
at
Seattle-Tacoma International Airport

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It is the policy of The Port of Seattle (the “Port”) to require “street pricing” by all Concessionaires at Seattle-Tacoma International Airport (“Sea-Tac”). The purpose of this policy is to ensure that prices charged to Sea-Tac travelers for food, beverages, products and services are comparable to those charged at similar non-airport locations and establishments.

1. STREET PRICING

1.1 Definition Generally

The “street price” of an item is the price charged for an equivalent item at comparable business locations in the Seattle-Tacoma area. In determining the “street price” for an item sold at Sea-Tac, the Port will be guided by the following considerations:

- For any menu items, products and/or services offered by a Concessionaire with a trade name commonly recognized by the public (e.g., Burger King, TCBY and Subway Sandwich), the price charged at the Sea-Tac location shall be within the range of prices charged for such items at up to three comparable business locations operating under the same trade name in the Seattle-Tacoma area.
- For any menu items, products and/or services offered by a Concessionaire that does *not* operate under a trade name commonly recognized by the public, the price charged at Sea-Tac shall be within the range of prices charged for equivalent items at up to three comparable business locations in the Seattle-Tacoma area.
- For any menu item, product or service offered by a Concessionaire that is not readily available from or sold by any comparable business locations in the Seattle-Tacoma area, the price charged shall be within the range of prices charged for either similar items sold from up to three comparable business locations in the Seattle-Tacoma area or equivalent items sold from up to three comparable business locations outside the Seattle-Tacoma area.

In all cases, the equivalent items and comparable business locations shall be subject to the mutual agreement of the Port and the Concessionaire; however, if the parties are unable to reach an agreement for the comparable locations or prices provided, the Port shall have the right to identify the equivalent items, select the comparable locations, and/or establish the price.

1.2 Equivalent Items

For the purposes of establishing the street price of an item, comparisons will be made with products or services of the exact same size and quality. Differences in size or quality of a product or service will, all other things being equal, be considered a price differential.

1.3 Comparable Business Locations

Comparable business locations are establishments selling similar products or services in active and robust retail locations like shopping centers or commercial districts. Businesses and locations that are partially or fully protected from competition (such as hotel lobby shops or sports arenas) or that operate using an off-price or discount pricing structure are *not* comparable locations.

2. POLICY ADMINISTRATION

Enforcement of this policy falls to the Aviation Business Development Department. In administering this policy, the Department is responsible for:

- Disseminating information about the policy to both current and interested Concessionaires
- Monitoring compliance with the policy
- Enforcing compliance with the policy

3. ESTABLISHMENT OF STREET PRICES

3.1 Baseline Pricing

No later than sixty (60) days prior to the expected Rent Commencement Date, each Concessionaire must submit to the Port for its approval a list of at least three (3) comparable business locations in the Seattle-Tacoma area from which comparable pricing information will be obtained. Concessionaire should ensure that there is a comparable product or service among the comparable business locations for each product or service provided at Sea-Tac. Once approved, these locations will be used as a basis for price comparisons for equivalent items.

Concessionaire shall also submit to the Port by the same deadline a list of: (i) all menu items, products and/or services to be offered from Concessionaire's premises, (ii) the price that Concessionaire proposes to charge for each item, product or service, and (iii) the equivalent item, product, or service and its price from the comparable business location(s) on which Concessionaire relied to establish the street price.

This list shall specifically be subject to the Port's review and approval. However, the Port is not required to review every line item in the list, and the failure to object to the price proposed for a particular item at the time the list is originally submitted shall not prevent the Port from later objecting to a price that it reasonably determines is not a street price.

3.2 Pricing Adjustments

If the Concessionaire proposes to change any of its items or prices, Concessionaire must submit to the Port, for its prior review and approval, the proposed changes. Concessionaire may also propose to change its comparable business locations if, for example, the establishment is no longer comparable or closes. Concessionaire must submit a justification for any proposed change. The justification for the street price should generally follow the list format required for Concessionaire's initial price approval. Concessionaire may not change its prices without prior written approval from the Port.

3.3 Annual Reporting

Each Concessionaire must submit an annual Pricing Report that provides evidence of its ongoing compliance with this Pricing Policy. The annual pricing report must include a price comparison for each concession unit operated by the Concessionaire. However, prices do not need to be

submitted for all menu items, products and/or services. Instead, the annual Pricing Report only needs to contain price information for the following items:

Type of Concession	Items for Annual Price Comparison
Specialty Retail	Top 25 products sold
Convenience Retail/Newsstand	Top 10 newspapers/magazines/books sold Top 10 gifts/souvenirs/toys sold Top 10 packaged snacks/candy sold Top 5 health & beauty aids sold Top 5 travel/business accessories sold
Duty Free/Duty Paid Shop	Top 5 liquor products sold Top 5 accessories sold Top 5 souvenir/gift/confectionary sold Top 10 perfume/cosmetics sold
Financial Services and Foreign Currency Exchange	Top 5 products sold
Food Service	Top 25 food items sold Top 5 non-alcoholic beverages sold Top 10 alcoholic beverages sold (if applicable)

The Port will generally establish a due date for the annual Pricing Report relative to the date on which the initial pricing is approved; however, in the absence of an agreement on such date, Concessionaire shall submit the annual Pricing Report by December 31 of each calendar year. The Port will generally perform price checks within 30 days of the report due date.

3.4 Pricing Review

The Port may perform periodic price reviews at its discretion at any time by either Port employees or third parties (e.g., “secret shoppers”). In addition, the Port may require Concessionaire to submit a comprehensive pricing report at any time on fifteen (15) days’ notice, and Concessionaire agrees to submit such report to the Port.

4. ADDITIONAL PRICING GUIDELINES

The Port has separate pricing guidelines for certain branded goods and pre-priced books and periodicals.

4.1 Branded Goods.

If Concessionaire operates a branded concept where prices are set by the brand, Concessionaire must use the prices set by the brand. Concessionaire must provide evidence of the brand pricing. If a brand changes prices, Concessionaire must provide the new prices to the Port prior to changing prices in the Airport location.

4.2 Pre-Priced Books and Periodicals.

The prices for newspapers, books, and periodicals that have a publisher's suggested retail price in U.S. dollars printed on the outside of the item do not need to be verified through the comparable pricing process. Concessionaire should charge the publisher's suggested retail price as marked at Sea-Tac.

4.3 Auctions, bankruptcy, close out, distress, liquidation, or going-out-of-business sales.

There shall be no auction, fire bankruptcy, close out, distress, liquidation or going-out-of-business sales conducted in the Premises; provided, however, that the Port may not preclude periodic seasonal, promotional or clearance sales, nor shall the Premises operate as an outlet/surplus store. In no event shall Concessionaire conduct any insolvency sales from the Premises.

5. PRICING PROMOTIONS

If the Concessionaire operates under a national or local brand, and this national or local brand is promoting a "special" product or price promotion that is advertised through audio, video, or print media in the Seattle-Tacoma MSA, then the Concessionaire shall offer that promotional product or price at the Premises during the same promotional period. If the Concessionaire operates under a national or local brand and offers a "value menu" (or other such similar program that promotes a number of items at a reduced price), the Concessionaire shall offer a similar promotion at Sea-Tac. Notwithstanding the foregoing, the Concessionaire may request the written approval of the Port to "opt-out" of a national or local promotion if it believes in good faith that participation in the promotion is not economically feasible due to certain required equipment or facilities not being available without a further investment by the Concessionaire, which is not required by this Agreement. The Port will determine, in its sole discretion, whether to allow the Concessionaire to opt-out, and Concessionaire agrees to be bound by the decision made by the Port.

6. POSTING PRICES

Prices and charges for all items sold or offered from the Premises shall be conspicuously displayed in a manner approved by the Port. In no event shall the price charged exceed an advertised price or the price marked on the item being sold.

7. POLICY COMPLIANCE

The Port will monitor Concessionaire's operations for compliance with the Pricing Policy. If the Port determines that a Concessionaire is not complying with the policy, the Port will provide written notice of the non-compliance. Concessionaire will have 72 hours from receipt of the notice to correct the prices and bring them into compliance. If Concessionaire does not correct the prices within the time provided, Concessionaire will be subject to liquidated damages as provided in the Lease and Concession Agreement.

If, in the opinion of the Port the prices or product quality does not meet the requirements of this Pricing Policy, the prices, serving portions or product quality shall be adjusted accordingly.

Addendum to Pricing Policy for Concessionaires

Temporary Street Pricing Plus

Notwithstanding anything to the contrary in the Pricing Policy to which this addendum is attached, the Port Commission approved a temporary, conditional increase to Concessionaire's pricing on November 24, 2015. This short-term amendment to the Port's street pricing policy allows Airport Dining and Retail (ADR) tenants to increase their prices over the otherwise applicable street price as follows from December 1, 2015 through December 31, 2019:

12/01/2015 – 12/31/2016: up to 10% over street prices
01/01/2017 – 12/31/2017: up to 7.5% over street prices
01/01/2018 – 12/31/2018: up to 5% over street prices
01/01/2019 – 12/31/2019: up to 2.5% over street prices
01/01/2020: return to strict street pricing

Concessionaires will only be allowed to increase prices if they meet certain criteria. The criteria Concessionaires must satisfy are set forth in the attached Frequently Asked Questions document published by the Port in December 2015.

If a Concessionaire seeks to implement "street pricing plus" as allowed by this addendum, the Concessionaire shall, in connection with any required submissions under the Port's Pricing Policy, specifically identify the street price for the particular menu item(s), product(s) and/or service(s) and separately identify the amount the Concessionaire proposes to charge based on this short-term, conditional increase over street prices.

EXHIBIT E

– Schedule of Liquidated Damages –

Schedule 1 Liquidated Damages		Schedule 2 Liquidated Damages	
First Occurrence	\$100.00	First Occurrence	\$250.00
Second Occurrence	\$250.00	Second Occurrence	\$500.00
Third and Subsequent Occurrence	\$500.00	Third and Subsequent Occurrence	\$1,000.00

The specified liquidated damages amounts are in addition to, and not in lieu of, any other charge or amount that may be due for the conduct giving rise to the violation. Without limiting the generality of the foregoing, this includes late fees and interest as well as fines set forth in the Sea-Tac Rules and Regulations or other Port Standards.

Schedule 1 Violations	Schedule 2 Violations
Reporting Standards, including:	Food Handling Standards ¹
• Daily Sales Reporting	Maintenance & Repair Standards ²
• Monthly Reports	Pest Control Standards ²
• Annual Report	Safety & Security Standards ¹
• Post Construction Reports	
“First Class” Standards ²	
Customer Service Standards ²	
Hours of Operation Standards ¹	
Delivery & Distribution Standards ²	
Storage Standards ²	
Signage Standards ²	
Other Operating Standards ²	
Environmental & Waste Removal Standards ²	
Pricing Standards ²	

¹ Subject to assessment per day for each day of the same occurrence (i.e. for a continuing violation, the first day and each additional day thereafter that the violation is not remedied).

² Subject to assessment per day for continuing violation that is not remedied within three (3) days of the date on which liquidated damages are first assessed (i.e. for a continuing violation, the first day and each additional day on or after the fourth day that the violation is not remedied).

EXHIBIT F

– Additional Non-Discrimination Covenants –

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Federal Aviation Administration, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the Federal Aviation Administration to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Nondiscrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as

the Recipient or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

EXHIBIT G

– Pertinent Non-Discrimination Authorities –

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).